

## ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this “**Agreement**”) is dated as of April 16, 2021, by and among Lowcounty 34 Media, LLC, a South Carolina limited liability company (“**Seller**”), Gray Media Group, Inc. (“**Buyer**”), and, for purposes of Section 1.4 only, Gray Television Licensee, LLC (“**License Sub**”).

### RECITALS

WHEREAS, Seller has entered into an Asset Purchase Agreement with Landover 2 LLC (“**Landover**”) dated as of March 18, 2021 (the “**Landover APA**”) to acquire certain unbuilt construction permit authorizations, including an unbuilt construction permit (the “**Permit**”) for low power television station W18EL-D, Laurel, Mississippi (FCC Facility ID No. 186336) (the “**Station**”);

WHEREAS, on March 23, 2021, Seller and Landover filed an application with the United States Federal Communications Commission (the “**FCC**”) seeking consent to assign the construction permit authorizations subject to the Landover APA to Seller (FCC Lead File No. 0000140769) (the “**Landover FCC Application**”);

WHEREAS, as of the execution date of this Agreement, the Landover FCC Application is pending with the FCC; and

WHEREAS, subject to the FCC approval of the Landover FCC Application and the closing of the Landover APA, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, the Permit for the price and on the terms and conditions set forth in this Agreement. Buyer desires the Permit to be conveyed from Seller to License Sub.

### AGREEMENTS

In consideration of the above recitals, the following covenants and agreements, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Buyer and Seller, intending to be legally bound, agree as follows:

#### **SECTION 1. PURCHASE AND SALE; PRICE AND ASSUMPTION**

1.1 Agreement to Sell and Buy. Subject to the terms and conditions set forth in this Agreement, upon the consummation of the purchase and sale (the “**Closing**”), Seller shall sell, transfer, assign, and deliver to Buyer on the date of the Closing (the “**Closing Date**”), free and clear of all debts, liens, and encumbrances of any nature, including all of Seller’s right, title, and interest in and to the Permit and any books and records that relate solely to the Permit.

1.2 Purchase Price. The purchase price for the Permit shall be Eighty-Five Thousand Dollars (\$85,000.00) (the “**Purchase Price**”). At the Closing, Buyer shall pay to Seller the Purchase Price in cash by federal wire transfer of immediately available funds, pursuant to wire instructions that Seller shall deliver to Buyer at least two (2) business days prior to the Closing Date.

1.3 Assumption. As of the Closing Date, Buyer shall assume and undertake to pay, discharge, and perform the obligations and liabilities of Seller under the Permit insofar as they relate

to the time on and after the Closing Date. Buyer shall not assume any other obligations or liabilities of Seller or the Stations, and Seller shall remain liable for and pay and discharge such other obligations or liabilities.

1.4 Permit to be Conveyed to License Sub. Notwithstanding any provision herein to the contrary, at the Closing Seller shall convey the Permit to License Sub, and License Sub shall perform all obligations under this Agreement with respect to the purchase of the Permit.

## **SECTION 2. REPRESENTATIONS AND WARRANTIES OF SELLER**

Seller represents and warrants to Buyer as follows:

2.1 Authorization and Binding Obligation. The execution, delivery, and performance of this Agreement by Seller have been duly authorized by all necessary actions on the part of Seller. This Agreement constitutes the legal, valid, and binding obligation of Seller, enforceable against Seller in accordance with its terms, except as the enforceability of this Agreement may be affected by bankruptcy, insolvency, or similar laws affecting creditors' rights generally and by judicial discretion in the enforcement of equitable remedies.

2.2 No Conflicts. Subject to obtaining the Landover FCC Consent and the Gray FCC Consent and subject to the closing of the Landover APA, the execution, delivery, and performance by Seller of this Agreement will not conflict with (i) any law, judgment, order, or ruling of any court or governmental authority applicable to Seller or (ii) the terms of any agreement, instrument, license, or permit to which Seller is a party or by which Seller may be bound. There is no claim, legal action, or other legal, administrative, or tax proceeding, nor any order, decree, or judgment, in progress or pending, or to Seller's knowledge, threatened, against or relating to Seller or the Station.

2.3 Permit. Schedule 2.3 contains a list of the Permit and a list, as of the date hereof, of the material pending FCC applications for use in the operation of the Station. The Permit has been validly issued and is in full force and effect, and, upon receipt of the Landover FCC Consent and the closing of the Landover APA, Seller will be the authorized legal holder thereof.

2.4 Brokers. Seller has not engaged any agent, broker, or other person acting pursuant to Seller's authority which is or may be entitled to a commission or broker or finder's fee in connection with the transaction contemplated by this Agreement or otherwise with respect to the sale of the Assets to Buyer and License Sub.

## **SECTION 3. REPRESENTATIONS AND WARRANTIES OF BUYER**

Buyer represents and warrants to Seller as follows:

3.1 Authorization and Binding Obligation. The execution, delivery, and performance of this Agreement by Buyer have been duly authorized by all necessary actions on the part of Buyer. This Agreement constitutes the legal, valid, and binding obligation of Buyer, enforceable against Buyer in accordance with its terms, except as the enforceability of this Agreement may be affected by bankruptcy, insolvency, or similar laws affecting creditors' rights generally and by judicial discretion in the enforcement of equitable remedies.

3.2 No Conflicts. Subject to obtaining the Gray FCC Consent, the execution, delivery, and performance by Buyer of this Agreement will not conflict with (i) any law, judgment, order, or

ruling of any court or governmental authority applicable to Buyer or (ii) the terms of any agreement, instrument, license, or permit to which Buyer is a party or by which Buyer may be bound.

3.3 FCC Qualifications. Buyer is, and as of the Closing will be, legally, financially, and otherwise qualified under FCC rules, regulations, and policies to acquire and to hold the Permit.

3.4 Brokers. Buyer has not engaged any agent, broker, or other person acting pursuant to Buyer's authority which is or may be entitled to a commission or broker or finder's fee in connection with the transaction contemplated by this Agreement or otherwise with respect to the sale of the Assets to Buyer and License Sub.

#### **SECTION 4. COVENANTS PRIOR TO CLOSING**

From the date hereof until the Closing:

4.1 Generally. Seller shall not cause or permit, by any act or wrongful failure to act of Seller, the Permit to expire or to be revoked, suspended, or modified in any material manner or take any action that could cause the FCC to institute proceedings for the suspension, revocation, or modification of the Permit. Seller shall not waive any right relating to the Permit or the Station. Seller shall take no action or inaction to negatively impact the Permit.

4.2 Compliance with Laws. For any period while Seller is the permittee of the Permit, Seller shall comply in all material respects with all federal, state, and local laws applicable to the ownership or operation of the Permit or Station.

4.3 Contracts. Seller shall not enter into any contract or commitment relating to the Permit or the Station that will be binding on Buyer after Closing. Seller shall utilize commercially reasonable efforts to obtain any required consents, approvals, or authorizations required to assign the Assets to Buyer, including the Landover FCC Consent.

4.4 Risk of Loss. The risk of any loss, damage, impairment, confiscation, or condemnation of the Permit from any cause shall be borne by Seller at all times prior to the Closing.

4.5 Cooperation. Buyer and Seller shall cooperate fully with each other and their respective counsel and accountants in connection with any actions required to be taken as part of their respective obligations under this Agreement, and Buyer and Seller shall take such further actions and execute such other documents as may be necessary and desirable to effectuate the implementation and consummation of this Agreement. Neither Seller nor Buyer shall take any action that is inconsistent with their respective obligations under this Agreement or that could hinder or delay the consummation of the transactions contemplated by this Agreement.

4.6 Modification Application. Upon Buyer's written request, if Seller is the FCC permittee of the Permit, Seller shall promptly submit, at Buyer's sole cost, one or more application(s) to the FCC for modification of the Permit. If Landover is the FCC permittee of the Permit, Seller shall use commercially reasonable efforts to request the cooperation of Landover to submit, at Buyer's sole cost, one or more application(s) to the FCC for the modification of the Permit.

4.7 Landover APA. Seller shall prosecute the Landover Application with all reasonable diligence and otherwise use its reasonable efforts to obtain the Landover FCC Consent as expeditiously as practicable. Subject to Landover satisfying all of its closing conditions and

obligations in the Landover APA, Seller shall use reasonable efforts to close the Landover APA within five (5) business days after receipt of the Landover FCC Consent.

## **SECTION 5. FCC CONSENT**

5.1 Application. The assignment of the Permit from Seller to License Sub shall be subject to the prior consent of the FCC (the “**Gray FCC Consent**”). Seller and Buyer shall prepare and file an application for the Gray FCC Consent (the “**Assignment Application**”) within three (3) business days following execution of this Agreement by Buyer and Seller. The parties shall prosecute the Assignment Application with all reasonable diligence and otherwise use their reasonable efforts to obtain a grant of the Assignment Application as expeditiously as practicable. Buyer shall pay the filing fee required for the Assignment Application. If the Closing does not occur within the effective period of the FCC Consent, and neither party shall have terminated this Agreement under Section 8, the parties shall jointly request an extension of the effective period of the FCC Consent. No extension of the FCC Consent shall limit the exercise by either party of its rights under Section 8.

5.2 Conditions. Each party agrees to comply at its expense with any condition imposed on it by the FCC Consent, except that no party shall be required to comply with a condition if (i) the condition was imposed on it as the result of a circumstance the existence of which does not constitute a breach by such party of any of its representations, warranties, or covenants under this Agreement, and (ii) compliance with the condition would require such party to spend in excess of fifty thousand dollars (\$50,000.00).

## **SECTION 6. CONDITIONS TO OBLIGATIONS OF BUYER AND SELLER AT CLOSING**

6.1 Conditions to Obligations of Buyer. Unless waived by Buyer in writing, all obligations of Buyer at the Closing are subject to the fulfillment by Seller prior to or on the Closing Date of each of the following conditions:

(a) Representations and Warranties. All representations and warranties of Seller contained in this Agreement shall be true and complete in all material respects at and as of the Closing Date as though made at and as of that time.

(b) Covenants and Conditions. Seller shall have performed and complied with in all material respects all covenants, agreements, and conditions required by this Agreement to be performed or complied with by Seller prior to or on the Closing Date.

(c) Material Consents. The Gray FCC Consent shall have been obtained and shall be in full force and effect without the imposition on Buyer of any conditions that need not be complied with by Buyer under Section 5.2, and Seller shall have complied with any conditions imposed on them by the FCC Consent that need be complied with by Seller under Section 5.2.

(d) Permit. There shall not have been any termination, suspension, expiration, or adverse modification of the Permit. No proceeding shall be pending the effect of which could be to revoke, cancel, fail to renew, suspend, or modify adversely the Permit.

(f) Deliveries. Seller shall stand ready to deliver to Buyer on the Closing Date duly executed assignment agreements pursuant to which Seller shall convey to Buyer the Assets in

accordance with the terms of this Agreement and such other certificates and similar documents requested by Buyer that are reasonably required to evidence and confirm Seller's performance of its obligations under, and the sale of the Assets in accordance with, this Agreement.

(g) No Order. There shall be no order, decree, or judgment of any court, arbitrator, agency, or governmental authority that enjoins the sale of the Permit to Buyer.

6.2 Conditions to Obligations of Seller. Unless waived in writing by Seller, all obligations of Seller at the Closing are subject to the fulfillment by Buyer prior to or on the Closing Date of each of the following conditions:

(a) Representations and Warranties. All representations and warranties of Buyer contained in this Agreement shall be true and complete in all material respects at and as of the Closing Date as though made at and as of that time.

(b) Covenants and Conditions. Buyer shall have performed and complied with in all material respects all covenants, agreements, and conditions required by this Agreement to be performed or complied with by Buyer prior to or on the Closing Date.

(c) FCC Consent. The FCC Consent shall have been granted without the imposition on Seller of any material conditions that need not be complied with by Seller under Section 5.2 hereof, and Buyer shall have complied with any conditions imposed on it by the FCC Consent that need be complied with by Buyer under Section 5.2 hereof.

(e) Deliveries. Buyer shall stand ready to deliver to Seller on the Closing Date the Purchase Price and a duly executed assumption agreement pursuant to which Buyer shall assume the obligations described in Section 1.3 and such other certificates and similar documents requested by Seller that are reasonably required to evidence and confirm Buyer's performance of its obligations under this Agreement.

(f) No Order. There shall be no order, decree, or judgment of any court, arbitrator, agency or governmental authority that enjoins the sale of the Permit to Buyer.

## **SECTION 7. CLOSING**

Subject to the satisfaction or waiver of the conditions of Closing set forth in Sections 6.1 and 6.2, the Closing shall take place on a date set by Buyer on no less than two (2) business days' notice to Seller that is (i) not earlier than the third (3<sup>rd</sup>) business day after the satisfaction of all closing conditions, and (ii) not later than the fifth (5<sup>th</sup>) business day after the satisfaction of all closing conditions. The Closing shall be held by the execution and delivery of the documents contemplated hereby by mail, facsimile or electronic transmission in PDF format.

## **SECTION 8. TERMINATION**

8.1 Termination by Seller. This Agreement may be terminated by Seller and the purchase and sale of the Assets abandoned, upon written notice to Buyer, upon the occurrence of any of the following:

(a) Judgments. If there shall be in effect on the date that would otherwise be the Closing Date any judgment, decree, or order, not caused by Seller that would prevent or make unlawful the Closing.

(b) Conditions. If, on the date that would otherwise be the Closing Date, Seller is not in material breach of any of its representations, warranties, or covenants hereunder and any of the conditions precedent to the obligations of Seller set forth in this Agreement have not been satisfied by Buyer or waived in writing by Seller.

(c) Government Action. If there is any governmental entity, department, commission, board, agency, or instrumentality, besides the FCC, intervening or seeking information or documentation from the Buyer, Seller, or License Sub related to the transaction or this Agreement.

(d) Breach. Without limiting Seller's rights under any other clause hereof, if no Seller is in material breach of any of its representations, warranties, or covenants hereunder and Buyer has failed to cure any material breach of any of its representations, warranties, or covenants under this Agreement within ten (10) days after Buyer has received written notice of such breach from Seller.

(e) Upset Date. If the Closing shall not have occurred by the first anniversary of the date hereof (the "**Upset Date**").

8.2 Termination by Buyer. This Agreement may be terminated by Buyer and the purchase and sale of the Assets abandoned, upon written notice to Seller, upon the occurrence of any of the following:

(a) Judgments. If there shall be in effect on the date that would otherwise be the Closing Date any judgment, decree, or order, not caused by Buyer, that would prevent or make unlawful the Closing.

(b) Conditions. If, on the date that would otherwise be the Closing Date, Buyer is not in material breach of any of its representations, warranties, or covenants hereunder and any of the conditions precedent to the obligations of Buyer set forth in this Agreement have not been satisfied by Seller or waived in writing by Buyer.

(c) Government Action. If there is any governmental entity, department, commission, board, agency, or instrumentality, besides the FCC, intervening or seeking information or documentation from the Buyer, Seller, or License Sub related to the transactions contemplated hereby or this Agreement.

(d) Breach. Without limiting Buyer's rights under any other clause hereof, if Buyer is not in material breach of any of its representations, warranties, or covenants hereunder and Seller has failed to cure any material breach of any of its representations, warranties, or covenants under this Agreement within ten (10) days after Seller has received written notice of such breach from Buyer.

(e) Upset Date. If the Closing shall not have occurred by the Upset Date.

8.3 Rights on Termination. If this Agreement is terminated pursuant to Section 8.1 or 8.2 and neither party is in material breach of any provision of this Agreement, the parties hereto shall not

have any further liability to each other with respect to the purchase and sale of the Assets. Notwithstanding anything to the contrary herein, in no event shall either party be permitted to terminate this Agreement after the Closing. In addition, if this Agreement is terminated pursuant to Section 8.1 or 8.2 and a party is in material breach of any provision of this Agreement, then (a) if Buyer is in material breach of any provision of this Agreement, Seller shall have the rights specified in Section 8.5 hereof, and (b) if Seller is in material breach of any provision of this Agreement, Buyer shall have all rights and remedies available at law and equity with respect to the purchase and sale of the Assets.

8.4 Specific Performance. If Seller breaches this Agreement, monetary damages alone would not be adequate to compensate Buyer for its injury. Buyer shall therefore be entitled, in addition to any other remedies that may be available, including money damages, to obtain specific performance of the terms of this Agreement. If any action is brought by Buyer to enforce this Agreement, Seller shall waive the defense that there is an adequate remedy at law.

8.5 Liquidated Damages. Upon a termination of this Agreement by Seller pursuant to 8.1(d), within two days after receive wire transfer instructions from Seller, Buyer shall pay to Seller \$8,500 (the "**Liquidated Damages Amount**"), and Seller's sole and exclusive remedy shall be the payment of the Liquidated Damages Amount. THE DELIVERY OF THE LIQUIDATED DAMAGES AMOUNT TO SELLER SHALL BE CONSIDERED LIQUIDATED DAMAGES AND NOT A PENALTY, AND SHALL BE THE RECIPIENT'S SOLE REMEDY AT LAW OR IN EQUITY FOR A BREACH HEREUNDER IF CLOSING DOES NOT OCCUR. BUYER AND SELLER EACH ACKNOWLEDGE AND AGREE THAT THIS LIQUIDATED DAMAGES AMOUNT IS REASONABLE IN LIGHT OF THE ANTICIPATED HARM WHICH WILL BE CAUSED BY A BREACH OF THIS AGREEMENT BY BUYER, THE DIFFICULTY OF PROOF OF LOSS, THE INCONVENIENCE AND NON-FEASIBILITY OF OTHERWISE OBTAINING AN ADEQUATE REMEDY, AND THE VALUE OF THE TRANSACTION TO BE CONSUMMATED HEREUNDER.

## SECTION 9. MISCELLANEOUS.

9.1 Representations and Warranties. All representations and warranties in this Agreement shall be continuing representations and warranties and shall survive the Closing for a period of one year, and any claim for a breach of a representation or warranty must be brought prior to the expiration of such one-year period. Any investigation by or on behalf of a party hereto shall not constitute a waiver as to enforcement of any representation, warranty, or covenant contained in this Agreement. No notice or information delivered by Seller shall affect Buyer's right to rely on any representation or warranty made by Seller or relieve Seller of any obligations under this Agreement as the result of a breach of any of its representations and warranties. The covenants and agreements in this Agreement to be performed after the Closing shall survive the Closing until fully performed. Any monetary damages payable hereunder shall not exceed the Purchase Price.

9.2 [Intentionally left blank]

9.3 Time is of the Essence. Time is of the essence with respect to each party's performance of its obligations hereunder.

9.4 Attorneys' Fees. In the event of a default by either party which results in a lawsuit or other proceeding for any remedy available under this Agreement, the prevailing party shall be entitled to reimbursement from the other party of its reasonable legal fees and expenses.

9.5 Fees and Expenses. Buyer, on one hand, and Seller, on the other hand, shall each pay one-half of any federal, state, or local sales or transfer tax arising in connection with the conveyance of the Permit by Seller to Buyer pursuant to this Agreement. Except as otherwise provided in this Agreement, each party shall pay its own expenses incurred in connection with the authorization, preparation, execution, and performance of this Agreement, including all fees and expenses of counsel, accountants, agents, and representatives, and each party shall be responsible for all fees or commissions payable to any finder, broker, advisor, or similar person retained by or on behalf of such party.

9.6 Notices. All notices, demands, and requests required or permitted to be given under the provisions of this Agreement shall be (a) in writing, (b) delivered by personal delivery, or sent by commercial overnight delivery service or registered or certified mail, return receipt requested, (c) deemed to have been given on the date of personal delivery or the date set forth in the records of the overnight delivery service or on the return receipt, and (d) addressed as follows:

if to Seller, to:

Lowcountry 34 Media, LLC  
1 Tuxedo Drive  
Beaufort, SC 29907  
Attention: Jeffrey Winemiller

if to the Buyer, to:

Gray Media Group, Inc.  
4370 Peachtree Rd NE  
Atlanta, GA, 30319  
Attn: General Counsel  
Telephone: (404) 504-9828  
Facsimile: (202) 747-7791  
Email: legalnotices@gray.tv

with a copy (which shall not constitute notice) to:

BakerHostetler LLP  
1050 Connecticut Avenue, NW  
Washington, DC 20036  
Attention: Davina Sashkin, Esq.  
Email: dsashkin@bakerlaw.com

or to any other or additional persons and addresses as the parties may from time to time designate in a writing delivered in accordance with this Section 9.6.

9.7 Entire Agreement; Amendment. This Agreement, the schedules hereto, and all documents and certificates to be delivered pursuant hereto collectively represent the entire understanding and agreement between Buyer and Seller with respect to the subject matter hereof. This Agreement may be modified only by an agreement in writing executed by the parties. No waiver of compliance with any provision of this Agreement shall be effective unless evidenced by an instrument evidenced in writing and signed by the party consenting to such waiver.

9.8 Counterparts. This Agreement may be executed and delivered (including by facsimile transmission or electronic transmission in PDF format) in one or more counterparts, each of

which shall be deemed an original, but all of which together shall constitute one and the same instrument, and shall become effective when each party hereto shall have delivered to it this Agreement duly executed by the other party hereto.

9.9 Governing Law; Venue. This Agreement shall be construed in a manner consistent with federal law and otherwise under and in accordance with the laws of the State of Delaware, without giving effect to the principles of conflicts of law. The parties unconditionally and irrevocably agree to submit to the exclusive jurisdiction of the U.S. federal and state courts of competent jurisdiction located within the State of Delaware and any appellate court from any such court, for the resolution of any such claim or dispute.

9.10 Benefit and Binding Effect; Assignability. This Agreement shall inure to the benefit of and be binding upon Seller, Buyer and their respective heirs, successors, and permitted assigns. Neither Buyer nor Seller may assign this Agreement without the prior written consent of the other; provided, however, that, without the consent of Seller, Buyer may assign its rights under this Agreement, in whole or in part to any direct or indirect wholly-owned subsidiary of Buyer.

9.11 Press Releases. Neither party shall publish any press release or make any other public announcement concerning this Agreement or the transactions contemplated hereby without the written consent of the other party, which consent shall not be unreasonably withheld, conditioned, or delayed.

9.12 Neutral Construction. This Agreement was negotiated fairly between the parties at arms' length and the terms hereof are the product of the parties' negotiations. Each party has retained legal counsel of its own choosing with regard to the contents of this Agreement and the rights and obligations affected hereby. This Agreement shall be deemed to have been jointly and equally drafted by the parties, and the provisions of this Agreement shall not be construed against a party on the grounds that such party drafted or was more responsible for drafting such provisions.

IN WITNESS WHEREOF, the parties have duly executed this Asset Purchase Agreement as of the day and year first above written.

**Lowcountry 34 Media, LLC**

**Gray Media Group Inc.**

By: \_\_\_\_\_  
Name: Jeffrey Winemiller  
Title: Manager

By: \_\_\_\_\_  
Name: Robert J. Folliard, III  
Title: Senior Vice President

LICENSE SUB (solely with respect to Section 1.4):

**Gray Television Licensee, LLC**

By: \_\_\_\_\_  
Name: Robert J. Folliard, III  
Title: Assistant Secretary

**Schedule 2.3**

**Permit**

W18EL-D, Laurel, Mississippi (Facility ID 186336)

| File No.                 | Description  | Expiration Date/Status |
|--------------------------|--|------------------------|
| BNPDTL-20100510AFO       | Application for Construction Permit for a new low power television station | Expires 7/13/2021      |
| 0000136737               | Application for Extension of Construction Permit                           | Pending                |
| Lead File No. 0000140769 | Pending Application to Assign Permit to Seller                             | Pending                |