

Agreement for Sale of Station

Asset Purchase Agreement

A copy of the Asset Purchase Agreement (“APA”) associated with the proposed assignment of license is attached hereto. The following schedules to the APA, however, have not been included:

Schedule 1(a) – FCC Licenses

Schedule 1(b) – List of Tangible Personal Property

Schedule 1(c) – List of Intangible Property

Schedule 1(d) – List of Real Property Leases

Also not included is a copy of the Escrow Agreement associated with the proposed assignment of license.

The Escrow Agreement and the APA schedules identified above contain proprietary information and/or are not germane to the Commission’s consideration of this application. *See LUJ, Inc. and Long Nine, Inc.*, Memorandum Opinion and Order, 17 FCC Rcd. 16980 (2002).

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this “Agreement”) is made as of July 19, 2021, between VCY America, Inc., a Wisconsin non-profit corporation (“Buyer”), and Truth Broadcasting Corporation, a North Carolina corporation (“Seller”).

WHEREAS, Seller holds the authorizations for radio broadcast station KTIA-FM, Huxley, Iowa (Facility ID Number 6417) (the “Station”), issued by the Federal Communications Commission (the “FCC”); and

WHEREAS, subject to the terms and conditions set forth herein, Seller desires to assign to Buyer the Station’s FCC authorizations and sell to Buyer certain assets used or held for use by Seller in connection with Seller’s operation of the Station, and Buyer desires to purchase and accept such authorizations and assets from Seller.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the parties, intending to be legally bound, hereby agree as follows:

1. Station Assets. Seller agrees to assign, transfer, convey, and deliver to Buyer, and Buyer shall acquire from Seller, all of the right, title, and interest of Seller in and to certain assets, properties, interests, and rights of Seller, tangible and intangible, which are used or held for use in the operation of the Station (collectively, the “Station Assets”), including the following:

(a) all licenses, permits, and other authorizations issued to Seller by the FCC with respect to the Station, including those described on Schedule 1(a), including any renewals or modifications thereof between the date hereof and Closing (defined below) (the “FCC Licenses”);

(b) all of Seller’s equipment, transmitters, antennas, cables, vehicles, transmission lines, spare parts, and other tangible personal property every kind and description that are used or held for use in the operation of the Station (the “Tangible Personal Property”), including, without limitation, those items listed on Schedule 1(b);

(c) all intangible property of the Station (“Intangible Property”) listed in Schedule 1(c);

(d) the leases listed on Schedule 1(d) (the “Real Property Leases”);

(e) Seller’s rights in and to all the files, documents, records, and books of account (or copies thereof) relating to the operation of the Station; and

(f) all claims (including warranty claims), deposits, prepaid expenses, and Seller’s goodwill in, and the going concern value of, the Station.

2. Purchase Price; Deposit.

(a) The purchase price to be paid for the Station Assets will be Eight Hundred Twenty-Five Thousand Dollars (\$825,000.00), as adjusted pursuant to Section 4(a) hereof (the "Purchase Price"). Buyer shall pay to Seller in cash or other immediately available funds the Purchase Price pursuant to the written instructions of Seller to be delivered by Seller to Buyer at least three (3) business days prior to Closing.

(b) Within one (1) business day after the date of this Agreement, Buyer shall deposit the sum of Fifty Thousand Dollars (\$50,000) (the "Deposit") with Truist Bank (the "Escrow Agent") pursuant to an Escrow Agreement (the "Escrow Agreement") of even date herewith among Buyer, Seller and the Escrow Agent. At Closing, the Deposit shall be disbursed to Seller and applied to the Purchase Price (and any interest accrued thereon shall be disbursed to Buyer).

3. Assumption of Obligations. On the Closing Date, Buyer shall assume all obligations of Seller arising after the Closing Date under the Real Property Leases (the "Assumed Obligations"). Except for the Assumed Obligations, Buyer does not assume and will not be deemed by execution and delivery of this Agreement or any agreement, instrument, or document delivered pursuant to or in connection with this Agreement or otherwise by reason of the consummation of the transactions contemplated hereby, to have assumed, any liabilities, obligations, or commitments of Seller of any kind, whether or not disclosed to Buyer, including, without limitation, any liability, obligation, or commitment of Seller under any contracts not included in the Real Property Leases (the "Retained Liabilities").

4. Prorations, Adjustments, and Allocation.

(a) Prorations and Adjustments. All prepaid and deferred income and expenses arising from the conduct of the business and operations of the Station (e.g., utility expenses, rent, etc.) shall be prorated as of 11:59 p.m. local time on the date immediately preceding the Closing Date. The prorations and adjustments contemplated by this Section 4(a) shall be made to the extent practicable at the Closing, and to the extent not made at the Closing shall be made within thirty (30) calendar days after the Closing Date.

(b) Allocation. At the Closing, Buyer and Seller shall mutually determine an allocation of the Purchase Price for the Station Assets acquired hereunder in a manner which complies with Section 1060 of the Internal Revenue Code of 1986, as amended to the date hereof, and each party shall file returns with the Internal Revenue Service consistent therewith.

5. Closing. Subject to satisfaction or waiver of the conditions set forth herein, consummation of the sale of the Station Assets under this Agreement (the "Closing") shall occur on a date (the "Closing Date") mutually agreed upon by the parties, which date shall be within ten (10) business days after the grant of FCC Consent (as defined below) having become a Final Order (as defined below), unless the requirement of a Final Order is waived by Buyer, in which case the Closing shall occur after the grant of FCC Consent upon notice by Buyer to Seller of Buyer's waiver of the Final Order requirement.

6. FCC Consent. The Closing is subject to and conditioned upon prior FCC consent (the “FCC Consent”) to the assignment of the FCC Licenses to Buyer, and, unless waived by Buyer, the FCC Consent having become a Final Order. “Final Order” means an action by the FCC as to which: (a) no request for stay by the FCC is pending, no such stay is in effect, and any deadline for filing a request for any such stay has passed; (b) no appeal, petition for rehearing or reconsideration, or application for review is pending before the FCC and the deadline for filing any such appeal, petition, or application has passed; (c) the FCC has not initiated reconsideration or review on its own motion and the time in which such reconsideration or review is permitted has passed; and (d) no appeal to a court, or request for stay by a court, of the FCC’s action is pending or in effect, and the deadline for filing any such appeal or request has passed.

7. FCC Application. Within five (5) business days of the date of this Agreement, Seller and Buyer shall file an application with the FCC (the “FCC Application”) requesting the FCC Consent. Seller and Buyer shall cooperate fully and diligently in prosecuting the FCC Application and otherwise use their best efforts to obtain the FCC Consent as soon as practicable. Each party shall promptly provide the other with a copy of any pleading, order, or other document served on it relating to the FCC Application, and shall furnish all information required by the FCC. Buyer and Seller shall notify each other of all documents filed with or received from any governmental agency with respect to this Agreement or the transactions contemplated hereby. Buyer and Seller shall furnish each other with such information and assistance as the other may reasonably request in connection with their preparation of any governmental filing hereunder.

8. Buyer’s Representations and Warranties. Buyer makes the following representations and warranties to Seller:

(a) Buyer is duly organized, validly existing, and in good standing under the laws of the State of Wisconsin. Buyer has the requisite power and authority to execute and deliver this Agreement and to comply with the terms, conditions, and provisions hereof.

(b) The execution, delivery, and performance of this Agreement by Buyer have been duly authorized and approved by all necessary corporate action of Buyer. This Agreement is a legal, valid, and binding agreement of Buyer enforceable in accordance with its terms, except (i) as may be limited by bankruptcy, moratorium, insolvency, reorganization, or other similar laws affecting or limiting the enforcement of creditors’ rights generally, and (ii) as such enforceability is subject to general principles of equity.

(c) No broker, finder, or other person is entitled to a commission, brokerage fee, or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Buyer.

(d) Buyer is legally, financially, and otherwise qualified to be the licensee of, acquire, own and operate the Station under the Communications Act of 1934, as amended (the “Communications Act”), and the rules, regulations, and policies of the FCC. Buyer knows of no reason why it should not be approved to become a holder of the FCC Licenses.

(e) There are no suits, arbitrations, administrative charges, or other legal proceedings, claims or governmental investigations pending against, or, to Buyer's knowledge, threatened against, Buyer relating to or affecting this Agreement or the transactions contemplated hereby.

9. Seller's Representations and Warranties. Seller makes the following representations and warranties to Buyer:

(a) Seller is duly organized, validly existing, and in good standing under the laws of the State of North Carolina. Seller has the requisite power and authority to own and operate the Station, to carry on the Station's business as now conducted by it, to execute and deliver this Agreement and to comply with the terms, conditions, and provisions hereof.

(b) The execution, delivery, and performance of this Agreement by Seller have been duly authorized and approved by all necessary corporate action of Seller. This Agreement is a legal, valid, and binding agreement of Seller enforceable in accordance with its terms, except (i) as may be limited by bankruptcy, moratorium, insolvency, reorganization, or other similar laws affecting or limiting the enforcement of creditors' rights generally, and (ii) as such enforceability is subject to general principles of equity.

(c) The Licenses are held by Seller, and have been issued for the full terms customarily issued to radio stations. The Licenses are in full force and effect and have not been revoked, suspended, canceled, rescinded, or terminated and have not expired. There are no applications, complaints, investigations, or proceedings pending or, to Seller's knowledge, threatened before the FCC relating to the operation of the Station other than those affecting the broadcasting industry generally. Seller is not subject to any outstanding judgment or order of the FCC relating to the Station. Seller has operated and is operating in material compliance with all laws, rules, regulations, and governmental orders applicable to the operation of the Station.

(d) Seller has good and valid title to all Tangible Personal Property, free and clear of all liens, claims, and encumbrances (collectively, "Liens"), except for Liens for taxes not yet due and payable and for which Buyer receives a credit pursuant to Section 4(a) hereof ("Permitted Liens"), and except for the security interests, if any, which will be released on or before Closing. All of the items of Tangible Personal Property are of types, kinds, and/or designs in accordance with standard industry practices and are in good operating condition and repair. Seller maintains sufficient insurance policies with respect to the Station and the Station Assets.

(e) As of the Closing Date, Seller will have paid all taxes and assessments, rent, water, sewer, and other utility charges or assessments relating to the Station Assets, if any.

(f) No insolvency proceedings of any character, including without limitation, bankruptcy, receivership, reorganization, composition, or arrangement with creditors, voluntary or involuntary, affecting Seller or any of the Station Assets, are pending or, to Seller's knowledge, threatened. Seller has not made any assignment for the benefit of creditors or taken any action which would constitute the basis for the institution of such insolvency proceedings.

(g) The execution, delivery, and performance by Seller of this Agreement and the documents to be made pursuant hereto do not conflict with any organizational documents of Seller or any law, judgment, order, or decree to which Seller is subject, and do not require the consent, approval, or authorization, or filing with, any third party or any court or governmental authority, except the FCC Consent, and except for counter-party consent to assign the Real Property Leases.

(h) Seller has filed all foreign, federal, state, county, and local income, excise, property, sales, use, franchise, employment, and other tax returns and reports which are required to have been filed by it under applicable law, in connection with the Station's business, and has paid all taxes which have become due pursuant to such returns or pursuant to any assessments which have become payable.

(i) Seller does not own any real property that is used in the operation of the Station. Schedule 1.1(d) includes a description of any lease or similar agreement under which Seller is lessee or licensee of, or holds, uses, or operates, any real property in the business or operation of the Station. The Real Property Leases provide sufficient access to the Station's facilities without need to obtain any other access rights.

(j) Each of the Real Property Leases is in full force and effect, and is binding upon Seller and, to Seller's knowledge, the other parties thereto (subject to bankruptcy, insolvency, reorganization, or other similar laws relating to or affecting the enforcement of creditors' rights generally). Seller has performed its obligations under each of the Real Property Leases in all material respects, and is not in material default thereunder. To Seller's knowledge, no other party to any of the Real Property Leases is in default thereunder in any material respect. Seller has delivered to Buyer true and complete copies of each Real Property Lease, together with all amendments thereto.

(k) To Seller's knowledge, no hazardous or toxic substance or waste (including, without limitation, petroleum products) or other material regulated under any applicable environmental, health, or safety law is located or has been generated, stored, transported, or released on, in, from or to the Station Assets. To Seller's knowledge, Seller has complied and is in compliance in all material respects with all environmental, health, and safety laws applicable to the Station or the Station Assets. Seller has not received in respect of the Station or Station Assets any notice or claim to the effect that it is or may be liable under any environmental, health, or safety law. To Seller's knowledge, neither the Station nor any Station Assets are the subject of any investigation by any governmental authority with respect to a violation of any environmental, health, or safety law. Seller has delivered to Buyer true and complete copies of all environmental reports and assessments in its possession that are applicable to the Station (if any).

(l) Schedule 1.1(c) contains a description of the Intangible Property. To Seller's knowledge, Seller's use of the Intangible Property does not infringe upon any third-party rights, and Seller has received no notice of any claim that any Intangible Property or the use thereof conflicts with, or infringes upon, any rights of any third party (and, to Seller's knowledge, there is no basis for any such claim of conflict). To Seller's knowledge, no Intangible Property is the

subject of any pending or threatened legal proceedings claiming infringement or unauthorized use. The Station has the exclusive right to use the Intangible Property.

(m) There are no employees of the Station that are available for Buyer to hire.

(n) No broker, finder, or other person is entitled to a commission, brokerage fee, or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Seller.

(o) There are no suits, arbitration, actions, administrative charges, or other legal proceedings, claims, or governmental investigations pending, or, to Seller's knowledge, threatened against Seller relating to or affecting this Agreement, the Station Assets, or the transactions contemplated hereby.

(p) To Seller's knowledge, Seller has all permits, licenses and other governmental authorizations necessary to conduct the business and operation of the Station as currently conducted by it.

10. Buyer's General Covenants. Buyer covenants and agrees that between the date hereof and the Closing, Buyer shall:

(a) maintain its qualifications to be the licensee of the Station as set forth in Section 8(d) above;

(b) take necessary steps as required to be able to pay the Deposit and Purchase Price and otherwise consummate this transaction; and

(c) notify the Seller promptly of any event, circumstance, or occurrence which will interfere with the prompt consummation of this transaction at Closing.

11. Seller's General Covenants. Seller covenants and agrees that between the date hereof and the Closing, Seller shall:

(a) operate the Station in the ordinary course of business consistent with past practice;

(b) operate the Station in accordance with the terms of the FCC Licenses and in compliance in all material respects with the Communications Act, FCC rules, regulations, and policies, and all other applicable laws, rules, and regulations, and maintain the FCC Licenses in full force and effect;

(c) maintain the Tangible Personal Property in good operating condition (reasonable wear and tear in ordinary usage excepted), and repair and maintain adequate and usual supplies, spare parts, and other materials as have been customarily maintained in the past, and otherwise preserve intact the Station Assets and maintain in effect its current insurance policies with respect to the Station and the Station Assets;

(d) furnish Buyer with reasonable access to the property covered under the Real Property Leases, equipment, machinery, and the books and records of the Station;

(e) pay accounts payable in the ordinary course of business consistent with past practice; and

(f) not, directly or indirectly, without the prior written consent of Buyer (which shall not be unreasonably withheld):

(i) sell, lease, or otherwise dispose of any Station Assets except for non-material dispositions in the ordinary course of business of items which are replaced by assets of comparable or superior kind, condition, and value;

(ii) create, assume, or permit to exist any Liens on the Station Assets, except for Permitted Liens;

(iii) dissolve, liquidate, merge, or consolidate with any other entity;

(iv) modify any of the FCC Licenses; or

(v) amend or terminate any of the Real Property Leases, or enter into any contract, lease, or agreement with respect to the Station except for agreements entered into in the ordinary course of business that will be paid and performed in full before Closing.

12. Joint Covenants.

(a) Seller and Buyer hereby covenant and agree that between the date hereof and the Closing they shall cooperate fully with each other in taking any commercially reasonable actions (including to obtain the required consent of any governmental instrumentality or, subject to Section 12(g), any third party) necessary to accomplish the transactions contemplated by this Agreement, including, but not limited to, the prompt satisfaction of any condition to the Closing set forth herein.

(b) Subject to the requirements of applicable law, all non-public information regarding the parties and their business and properties that is disclosed in connection with the negotiation, preparation, or performance of this Agreement shall be confidential and shall not be disclosed to any other person or entity, except on a confidential basis to the parties' attorneys, accountants, investment bankers, investors, and lenders, and their respective attorneys for the purpose of consummating the transaction contemplated by this Agreement.

(c) Prior to Closing, no party shall, without the prior written consent of the other, issue any press release or make any other public announcement concerning the transactions contemplated by this Agreement, except to the extent that such party is so obligated by law or FCC rule, regulation, or order, in which case such party shall give advance notice to the other,

and except as necessary to enforce rights under or in connection with this Agreement. Notwithstanding the foregoing, the parties acknowledge that this Agreement and the terms hereof will be filed with the FCC Application and thereby become public.

(d) Consistent with FCC rules, control, supervision, and direction of the operation of the Station prior to Closing shall remain the responsibility of Seller as the holder of the FCC Licenses.

(e) The risk of loss of or damage to any of the Station Assets shall remain with Seller at all times until 12:01 a.m. local time on the day of Closing, and prior to Closing, Seller shall repair and replace any lost or damaged Station Assets, subject to Section 19(f).

(f) If prior to Closing the Station is off the air or operating at a power level that results in a material reduction in coverage (a "Broadcast Interruption"), then Seller shall return the Station to the air and restore prior coverage as promptly as possible. Notwithstanding anything herein to the contrary, if prior to Closing there is a Broadcast Interruption in excess of twenty-four (24) hours, then Buyer may postpone Closing until the date five (5) business days after the Station returns to the air and prior coverage is restored in all material respects, subject to Section 19(f).

(g) Prior to Closing, Seller shall (i) obtain the consents from the landlords under the Real Property Leases, each in a form reasonably acceptable to Buyer, and (ii) be responsible for any fees due to the landlords in connection with obtaining such consents as set forth in the applicable Real Property Leases.

(h) At Closing, Seller and Buyer shall enter into a mutually agreeable letter agreement dated as of the Closing Date (the "Letter Agreement"), whereby Seller and Buyer shall agree that, provided that the Office Lease (defined below) is in effect with respect to Buyer as of March 1, 2024, Seller shall, promptly following such date, pay to Buyer in immediately available funds the sum of Fifty Thousand Dollars (\$50,000). As used in this Section 12(h), "Office Lease" means the Office Lease between Merle Hay Mall and Seller dated April 14, 2015 for the studio site located at 3850 Merle Hay Road, Suite 614, Des Moines, Iowa (also known as Merle Hay Tower).

13. Seller's Conditions to Closing. The obligations of Seller hereunder to consummate Closing are subject to satisfaction at or prior to the Closing of each of the following conditions:

(a) The representations and warranties of Buyer made in this Agreement shall be true and correct in all material respects as of the Closing Date except for changes permitted or contemplated by the terms of this Agreement, and the covenants and agreements to be complied with and performed by Buyer at or prior to the Closing shall have been complied with or performed in all material respects.

(b) The FCC Consent shall have been obtained, without any condition materially adverse to Seller, and shall be in full force and effect, and no court, administrative, or governmental order prohibiting the Closing shall be in effect.

(c) Buyer shall have made each of the deliveries contemplated by Section 15 hereof or otherwise reasonably required by this Agreement.

14. Buyer's Conditions to Closing. The obligations of Buyer hereunder to consummate Closing are subject to satisfaction at or prior to the Closing of each of the following conditions:

(a) The representations and warranties of Seller made in this Agreement shall be true and correct in all material respects as of the Closing Date except for changes permitted or contemplated by the terms of this Agreement, and the covenants and agreements to be complied with and performed by Seller at or prior to the Closing shall have been complied with or performed in all material respects.

(b) The FCC Consent shall have been obtained, without any condition materially adverse to Buyer, and shall be in full force and effect and shall have become a Final Order, and no court or governmental order prohibiting the Closing shall be in effect.

(c) All security interests pertaining to the Station Assets shall be released of record and Seller shall provide to Buyer written evidence of the same reasonably satisfactory to Buyer in form and substance (e.g., payoff letters, UCC termination statements, etc.), and there shall be no Liens in respect of such assets, except Permitted Liens.

(d) Seller shall have made each of the deliveries contemplated by Section 15 hereof or otherwise reasonably required by this Agreement.

15. Closing Deliveries.

(a) Deliveries of Seller. At the Closing, Seller shall deliver or cause to be delivered to Buyer: such bills of sale, documents of title, and other instruments of conveyance, assignment, and transfer as may reasonably be requested by Buyer to convey, transfer, and assign the Station Assets to Buyer, free and clear of Liens, except for Permitted Liens. Seller shall also deliver a bringdown certificate with respect to Section 14(a) hereof, the landlord's written consent to Seller's assignment of each Real Property Lease to Buyer, certified resolutions of the board of directors of Seller authorizing and approving the execution, delivery, and performance of this Agreement and the documents to be made pursuant hereto, and the Letter Agreement.

(b) Deliveries of Buyer. At the Closing, Buyer shall deliver or cause to be delivered to Seller such documents and instruments of assumption as may reasonably be requested by Seller for Buyer to assume the Real Property Leases, a bringdown certificate with respect to Section 13(a) hereof, certified resolutions of the board of directors of Buyer authorizing and approving the execution, delivery, and performance of this Agreement and the documents to be

made pursuant hereto, and the Letter Agreement. Buyer shall also deliver the Purchase Price, less the Deposit, as adjusted pursuant to Section 4(a) hereof.

16. Station Control. Prior to Closing, Seller shall have complete control over the Station Assets and operation of the Station. Buyer shall have the right to reasonable access to the Station's logs and other records as to the operation of the Station prior to Closing and to inspect the Assets upon prior reasonable written notice to Seller. Upon Closing and the transfer and assignment of the Assets, as contemplated herein, the Buyer shall have complete control over the Assets and operation of Station.

17. Survival. The representations and warranties in this Agreement shall survive Closing for a period of twelve (12) months from the Closing Date, at which time they shall expire and be of no further force or effect, except: (a) those under Section 9(h) (Taxes) and Section 9(k) (Environmental), which shall survive until the expiration of any applicable statute of limitations; (b) those with respect to title to the Station Assets, which shall survive indefinitely; and (c) that if within such applicable period the indemnified party gives the indemnifying party written notice of a claim for breach thereof describing in reasonable detail the nature and basis of such claim, then such claim shall survive until the resolution of such claim. The covenants and agreements in this Agreement shall survive Closing until performed. No investigation by the parties made heretofore or hereafter shall affect the representations and warranties of the parties contained in or made pursuant hereto.

18. Indemnification.

(a) Seller's Indemnification of Buyer. From and after the Closing, Seller shall defend, indemnify, and hold harmless Buyer and its affiliates and their respective employees, officers, directors, successors, and assigns, from and against losses, costs, damages, liabilities, and expenses, including reasonable attorneys' fees and expenses ("Buyer's Damages") incurred by Buyer arising out of or resulting from: (a) any failure by Seller to perform any covenant or agreement contained in this Agreement (without reference to materiality exceptions), or any breach by Seller of its representations and warranties herein (without reference to materiality exceptions), or other default by Seller under this Agreement; (b) the Retained Liabilities; and (c) without limiting the foregoing, the operation of the Station before the Closing.

(b) Buyer's Indemnification of Seller. From and after the Closing, Buyer shall defend, indemnify, and hold harmless Seller and its affiliates and their respective employees, officers, directors, successors, and assigns, from and against losses, costs, damages, liabilities, and expenses, including reasonable attorneys' fees and expenses ("Seller's Damages") incurred by Seller arising out of or resulting from: (x) any failure by Buyer to perform any covenant or agreement contained in this Agreement (without reference to materiality exceptions), or any breach by Buyer of its representations and warranties herein (without reference to materiality exceptions), or other default by Buyer under this Agreement; (y) the Assumed Obligations; and (z) the operation of the Station after the Closing.

(c) Claims of Indemnification. The indemnified party shall give prompt written notice to the indemnifying party of any demand, suit, claim, or assertion of liability by third

parties or other circumstances that could give rise to an indemnification obligation hereunder on the part of the indemnifying party (a “Claim”), but a failure to give such notice or a delay in giving such notice shall not affect the indemnified party’s right to indemnification and the indemnifying party’s obligation to indemnify as set forth in this Agreement, except to the extent the indemnifying party’s ability to remedy, contest, defend, or settle with respect to such Claim is thereby prejudiced. The indemnifying party shall have the right to undertake the defense or opposition to such Claim with counsel reasonably satisfactory to the parties. In the event that the indemnifying party does not undertake such defense or opposition in a timely manner, the indemnified party may undertake the defense, opposition, compromise, or settlement of such Claim with counsel selected by it at the indemnifying party’s cost. Notwithstanding anything herein to the contrary: (i) the indemnified party shall have the right, at its own cost and expense, to participate in the defense, opposition, compromise, or settlement of any Claim, and shall have the right to consult with the indemnifying party and its counsel concerning any Claim, and the indemnifying party and the indemnified party shall cooperate in good faith with respect to any Claim; and (ii) the indemnifying party shall not, without the indemnified party’s written consent, settle or compromise any Claim or consent to entry of any judgment which does not include a release of the indemnified party from all liability in respect of such Claim.

19. Termination. This Agreement may be terminated at any time prior to the Closing as follows:

- (a) by mutual written consent of Seller and Buyer;
- (b) by written notice of Seller to Buyer if Buyer (i) does not perform the obligations required to be performed by it under this Agreement on the Closing Date; or (ii) otherwise breaches in any material respect any of its representations or warranties or other terms of this Agreement, or defaults in any material respect in the performance of any of its covenants or agreements herein contained, and such breach or default is not cured within the Cure Period (as defined below);
- (c) by written notice of Buyer to Seller if Seller (i) does not perform the obligations required to be performed by it under this Agreement on the Closing Date; or (ii) otherwise breaches in any material respect any of its representations or warranties or other terms of this Agreement, or defaults in any material respect in the performance of any of its covenants or agreements herein contained, and such breach or default is not cured within the Cure Period;
- (d) by written notice of Seller to Buyer, or Buyer to Seller, if the Closing shall not have been consummated on or before the date which is nine (9) months after the execution of this Agreement, and if the party giving notice is not then in default hereunder; or
- (e) by written notice of Buyer to Seller, or of Seller to Buyer, if the FCC denies the FCC Application; or
- (f) by written notice of Buyer to Seller, if due to a weather related cause, force majeure, or other cause beyond the control of Seller, a material portion of the Station Assets are damaged or destroyed, and the cost to repair or replace such Station Assets is greater than Fifty

Thousand Dollars (\$50,000), and Seller elects not to repair or replace such damaged or destroyed Station Assets prior to the Closing Date.

The term “Cure Period” as used herein means a period commencing on the date that a party receives from the other party written notice of breach or default hereunder and continuing for twenty (20) days thereafter.

20. Damages upon Termination. The termination of this Agreement shall not relieve any party of any liability for breach or default under this Agreement prior to the date of termination.

(a) Termination by Seller. If this Agreement is terminated by Seller under Section 19(b), due to default of the Buyer, this Agreement shall be deemed null and void, and the Deposit shall be disbursed to Seller as liquidated damages in addition to all other rights and remedies it may have against Buyer to recover damages resulting from Buyer’s default.

(b) Termination for any other Reason. If this Agreement is terminated for any other reason, this Agreement shall be deemed null and void and the Deposit and all interest accrued thereon and all interest accrued thereon shall be disbursed to Buyer. The parties shall each instruct the Escrow Agent to disburse the Deposit and all interest accrued thereon to the party or parties entitled thereto and shall not, by any act or omission, delay or prevent any such disbursement. Notwithstanding anything contained herein to the contrary, Sections 2(b) (Deposit), 12(b) (Confidentiality), 12(c) (Announcements) and 21 (Expenses) shall survive any termination of this Agreement.

(c) Specific Performance. In the event of an uncured breach by Seller of any representation, warranty, covenant, obligation or agreement under this Agreement, at Buyer’s election, in addition to any other remedy available to it, Buyer shall be entitled to an injunction restraining any such breach and to enforcement of this Agreement by a decree of specific performance requiring Seller to fulfill its obligations under this Agreement, in each case without the necessity of showing economic loss or other actual damage and without any bond or other security being required.

21. Expenses. Each party shall be solely responsible for all costs and expenses incurred by it in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement, except that filing fees with respect to the FCC Application shall be paid equally by Seller and Buyer, and Seller shall be solely responsible for all governmental taxes, fees, and charges applicable to the transfer of the Station Assets under this Agreement.

22. Assignment. Neither party may assign any of its rights or obligations under this Agreement, without the express prior written consent of the non-assigning party. This document shall be binding on the heirs, successors, and permitted assigns of the Parties hereto.

23. Amendments. No amendment to, or waiver of compliance with, any provision or condition hereof or consent pursuant to this Agreement shall be effective unless evidenced by an

instrument in writing signed by the party against whom enforcement of any waiver or amendment is sought.

24. Headings. The headings set forth in this Agreement are for convenience only and will not control or affect the meaning or construction of the provisions of this Agreement.

25. Governing Law. The construction and performance of this Agreement shall be governed by the laws of the State of Iowa applicable to contracts made and to be fully performed within such State, without giving effect to the choice of law provisions thereof that may require the application of the laws of any other state.

26. Notices. Any notice, demand, or request required or permitted to be given under the provisions of this Agreement shall be in writing, and shall be deemed to have been received on the date of personal delivery or electronic mail transmission, on the third day after deposit in the U.S. mail if mailed by registered or certified mail, postage prepaid and return receipt requested, on the day after delivery to a nationally recognized overnight courier service if sent by an overnight delivery service for next morning delivery (or to such other address as any party may request by written notice):

If to Seller:

Truth Broadcasting Corp.
4405 Providence Lane Suite D
Winston Salem, NC 27106
Attention: Michael Carbone
Email: mcarbone@truthnetwork.com

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

Baker & Hostetler LLP
1050 Connecticut Avenue, NW, Suite 1100
Washington, DC 20036
Attention: Davina Sashkin and Keenan Adamchak
Email: dsashkin@bakerlaw.com and
kadamchak@bakerlaw.com

If to Buyer:

VCY America, Inc.
3434 W. Kilbourn Avenue
Milwaukee, WI 53208
Attention: Jim Schneider
Email: jims@vcyamerica.org

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

Wiley Rein LLP
1776 K Street, NW
Washington, DC 20006
Attention: Wayne Johnsen and Kathryne Dickerson
Email: Wjohnsen@wiley.law and
KDickerson@wiley.law

27. Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed an original and all of which together will constitute one and the same instrument.

28. No Third Party Beneficiaries. Nothing herein expressed or implied is intended or shall be construed to confer upon or give to any person or entity other than the parties hereto and their successors or permitted assigns, any rights or remedies under or by reason of this Agreement.

29. Severability. The parties agree that if one or more provisions contained in this Agreement shall be deemed or held to be invalid, illegal, or unenforceable in any respect under any applicable law, this Agreement shall be construed with the invalid, illegal, or unenforceable provision deleted, and the validity, legality, and enforceability of the remaining provisions contained herein shall not be affected or impaired thereby, unless such construction would alter the fundamental purposes of this Agreement.

30. Entire Agreement. This Agreement embodies the entire agreement and understanding of the parties hereto and supersedes any and all prior agreements, arrangements, and understandings relating to the matters provided for herein.

31. Attorneys' Fees. In the event of a dispute relating to this Agreement involving the interpretation or enforcement of the terms of this Agreement, resulting in litigation brought by either party, the prevailing party in such litigation shall be entitled, in addition to other relief ordered by the Court, to reasonable attorneys' fees and costs.

32. Further Assurances. After the Closing, each party shall from time to time, at the request of and without further cost or expense to the other, execute and deliver such other instruments and take such other actions as may reasonably be requested in order to more effectively consummate the transactions contemplated hereby.

4845-5345-9691.3

[THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.]

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

SELLER: TRUTH BROADCASTING CORPORATION

By: Michael Carbone C.O.O.
Name: ~~Stuart W. Epperson, Jr.~~ MICHAEL CARBONE
Title: ~~President~~ C.O.O.

BUYER: VCY AMERICA, INC.

By: James R. Schneider
Name: James R. Schneider
Title: Executive Director