

STOCK REDEMPTION AGREEMENT

THIS AGREEMENT made this 22nd day of September, 2021, by and between Gregory F. Buser, 2276 Mulberry Road, Hiawatha, Kansas 66434 (the "Seller"), and KNZA, Inc., a Kansas corporation, having its principal office at 1828 Highway 73, Hiawatha, KS 66434 (the "Corporation").

WITNESSETH:

WHEREAS, Seller owns a total of fifty-one thousand (51,000) shares of the common stock of the Corporation (the "Shares"); and

WHEREAS, Seller desires to have all of the Shares redeemed by the Corporation; and

WHEREAS, the Corporation is willing to make such redemption upon the terms set forth herein.

NOW, THEREFORE, in consideration of the promises and of the respective covenants and agreements hereinafter contained, it is hereby agreed between and among the parties hereto as follows:

1. **Purchase Price.** The Seller hereby agrees to sell and deliver to the Corporation, and the Corporation hereby agrees to purchase from the Seller all of the Shares for the sum of \$1,122,000.00.

2. **Manner of Payment.** The Corporation shall pay the Seller for the Shares by delivering to the Seller on or before December 1, 2021 (the "Closing Date") \$187,000.00 in cash or certified check and a Promissory Note substantially in the form of Exhibit "A" attached hereto (the "Note"), for the remaining portion of the purchase price, equal to \$935,000.00, for a term of five (5) years and bearing interest at 0.86% per annum. Purchaser's obligations under the Note shall be secured by an interest in the Corporation's assets pursuant to a Security Agreement

and Mortgage substantially in the form of the documents set forth in the attached Exhibit "B"

As part of the consideration for the total purchase price set forth above, Seller also agrees to execute a Non-Competition Agreement substantially in the form of the attached Exhibit "C."

3. **Surrender of Shares.** On the Closing Date, the Seller shall deliver to the Corporation the certificate(s) representing all of the Shares, duly endorsed to transfer the Shares to the Corporation in return for payment in full of the purchase price hereunder.

4. **Resignation.** At the closing, Seller shall resign as a director and officer of the Corporation and the parties shall take by and through the execution of a Resignation substantially in the form of the attached Exhibit "D," or cause to be taken, such action as Purchaser may request with respect to the change in the Corporation's directors and officers.

5. **Allocation of Income and Loss.** The Corporation shall elect under Internal Revenue Code Section 1377(a)(2) to have the Corporation's income, loss, deduction, and credit for the 2021 taxable year allocated as if the Corporation had two (2) taxable years, the first of which ends on the Closing Date and the other of which ends on December 31, 2021. The Seller agrees to sign a statement to be attached to the Corporation's 2021 federal income tax return consenting to the making of this election.

6. **Representations of Seller.** The Seller represents and warrants that Seller is the owner, free and clear of any and all encumbrances, of all the Shares to sold and delivered by Seller hereunder.

7. **Covenants of Seller.** Seller shall maintain ownership, free and clear of any and all encumbrances, of all the Shares until the Closing Date.

8. **Representations of Corporation.** The Corporation represents and warrants

that the execution and delivery of this Agreement by it has been duly authorized by proper corporate action, and that this Agreement constitutes a valid, binding and enforceable obligation of the Corporation in accordance with its respective terms, and that the Corporation presently has sufficient surplus with which to acquire the Shares sold and delivered hereunder by the Seller.

9. **Reduction of Capital.** The Corporation further represents and warrants that, as required by K.S.A. 17-6604, although the Corporation is reducing its capital by the redemption of the Shares, the assets of the Corporation remaining after such redemption are sufficient to pay any debts of the Corporation for which payment has not otherwise been provided.

10. **Survival of Representations and Warranties.** All representations and warranties made hereunder shall survive the delivery of the Shares sold hereunder.

11. **Stockholder Agreement.** The parties acknowledge that the Shares are subject to an Agreement executed between Seller and the Corporation dated June 1, 1992 (the "Stockholder Agreement"). Seller further acknowledges that all terms of the Stockholder Agreement have been fully complied with and that Seller has no claims whatsoever under or by virtue of the Stockholder's Agreement.

12. **Entire Agreement.** This Agreement constitutes the entire agreement between the parties with respect to its subject matter and may not be modified or amended orally.

13. **Notices.** All notices or other documents under this Agreement shall be in writing and delivered personally or mailed by certified mail, return receipt requested, postage prepaid, addressed to the parties at their last known address.

14. **Non-Waiver.** No delay or failure by either party to exercise any right under this

Agreement, and no partial or single exercise of that right, shall constitute a waiver of that or any other right, unless otherwise expressly provided herein.

15. **Governing Law.** This Agreement shall be construed in accordance with and governed by the laws of the State of Kansas. Brown County, Kansas, is designated as the place of trial for any action or proceeding arising from or in connection with this Agreement.

16. **Counterparts.** This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

17. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the respective parties hereto, their legal representatives, successors and assigns.

18. **Contingency.** The parties agree and acknowledge that the transaction contemplated by this Agreement requires the filing of a Federal Communications Commission Form 315 – Application for Consent to Transfer Control of Entity Holding Broadcast Station Construction Permit or License. The closing of this Agreement is contingent upon the Federal Communications Commission’s approval of the sale and redemption contemplated by this Agreement after review of said Form 315. The term “approval,” as used in the preceding sentence, shall refer to the Federal Communications Commission’s issuance of said Commission’s public notice of initial approval and shall not require the forty-day period of reconsideration following such issuance to run in such period’s entirety.

19. **Representation.** Seller acknowledges that in preparing this Agreement, Arthur-Green, LLP has represented the Corporation, and not the Seller. Seller further acknowledges that Seller has been advised and are hereby advised that Seller should seek the advice of independent

counsel to advise Seller of Seller's rights and obligations in connection with this Agreement; and that Seller has had the opportunity to seek such advice from independent counsel.

20. **Attorney's Fees.** The parties agree that should any party prevail against any other party in taking legal action to enforce the party's rights or another party's obligations under this agreement, then the losing party or parties shall reimburse the prevailing party or parties for all associated legal costs, including court costs and reasonable attorneys' fees.

21. **Electronic Signatures.** This Agreement may be executed by facsimile or electronic signature by any party and such signature will be deemed binding for all purposes hereof without delivery of an original signature being thereafter required.

[The remainder of this page is intentionally left blank]

**Stock Redemption Agreement
Gregory F. Buser and KNZA, Inc.**

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year above set forth.



Gregory F. Buser

SELLER

KNZA, INC.,
a Kansas corporation

By: 

Justin Fluke, Authorized Representative

CORPORATION

Exhibit "A"
Promissory Note

ARTHUR-GREEN LLP
ATTORNEYS AT LAW
801 POYNTZ AVENUE
MANHATTAN, KANSAS
66502-6054

785-537-1345
FAX 785-537-7874

PROMISSORY NOTE

\$935,000.00

_____, 2021

For value received, the undersigned, KNZA, Inc., a Kansas corporation having its principal office at 1828 Highway 73, Hiawatha, KS 66434 (“Borrower”), promises to pay to the order of Gregory F. Buser, 2276 Mulberry Road, Hiawatha, Kansas 66434 (“Lender”), the principal sum Nine Hundred Thirty-five Thousand and No/100 Dollars (\$935,000.00) together with interest on said principal sum as described below until paid in full.

Borrower agrees that:

1. **Interest Rate.** The principal sum shall accrue interest at 0.86% per annum (the applicable federal rate for mid-term obligations) from the date of this Note until the principal is paid in full, subject to paragraph 6 below.

2. **Term; Payments of Principal and Interest During Term of the Loan.** This Note shall be for a term of five (5) years. The principal sum of the Note and interest thereon shall be paid as follows: amortized annual payments of principal and interest in the amount of _____ (\$191,852.15) each shall be due on _____ of each year, commencing on _____, 2022, with the final amortized annual payment of principal and interest being due _____, 2026, all in accordance with the Loan Amortization attached hereto as Exhibit “A” and incorporated herein by reference.

3. **Payments and Computations.** All payments on account of the indebtedness evidenced by this Note shall be made within ten (10) days of the day when due, in lawful money of the United States, and shall be applied first to interest on the unpaid principal balance of the Note and the remainder to principal. All computations of interest shall be made by Lender on the actual days outstanding on the basis of a three hundred sixty-five (365) day calendar year. Lender shall keep records sufficient to determine the principal and interest owing pursuant to this Note. The balance due Lender, as set forth in such records, shall be conclusive evidence of the amounts due and owing by the undersigned, absent manifest error.

4. **Prepayment.** Borrower shall be allowed to make prepayment of this Note without penalty.

5. **Collateral Security.** This Note is secured by the assets in KNZA, Inc., a Kansas corporation, as provided in a Security Agreement and Mortgage of an even date to this Note, and the holder hereof is entitled to the benefit of the security described therein.

6. **Event of Default.** The Borrower will be in default if any of the following occur: (a) the Borrower fails to pay any amount due under this Note at the time required; (b) the Borrower fails to fulfill any other obligation under this Note or under the Security Agreement securing this Note; (c) the property securing this obligation is disposed of; or (d) the prospect of repayment under this Note is, in the sole opinion of the Lender, which opinion is held in good faith, substantially impaired. In the event of default, as described above, the Lender may declare the entire balance then owing on this Note immediately due and payable, and the principal sum due hereunder shall thereafter accrue interest at the maximum rate permitted by law.

7. **Nonwaiver and Time.** Failure of the Lender to require strict performance in accordance with its terms on any one occasion shall not serve as a waiver of such failure on any other occasion nor prohibit demand by the Lender for strict performance thereafter. Time is of the essence in the performance of the obligations herein.

8. **Applicable Law.** This Note shall be construed and enforced in accordance with the laws of the State of Kansas. Brown County, Kansas, is designated as the place of trial for any action or proceeding arising from or in connection with this Agreement.

9. **Notice.** Any notice, demand, request or other communication which the Lender or Borrower may be required or may desire to give hereunder shall be in writing and shall be deemed to have been properly given (i) upon receipt if hand delivered or (ii) if mailed effective three days after deposit in the United States mail by United States registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

If to Borrower: KNZA, Inc.
 c/o Justin Fluke
 1828 Highway 73
 Hiawatha, KS 66434

With a copy to: Arthur-Green, LLP
 c/o Shon C. Robben
 801 Poyntz Avenue
 Manhattan, Kansas 66502

If to Lender: Gregory F. Buser
 2276 Mulberry Road
 Hiawatha, Kansas 66434

or at such other address as the party to be served with notice may have furnished in writing to the party seeking or desiring to serve notice as a place for the service of notice. Notices may also be given by overnight delivery effective one day after so sent.

10. **Benefit.** This Note shall be binding upon and shall inure to the benefit of the parties, their legal representatives, and their assigns. If this Note is assigned by the Lender, the assignee shall

have the same rights and obligations as the Lender under this Note.

11. **Attorneys' Fees.** The Borrower agrees that if this Note is not paid promptly in accordance with its terms and is placed in the hands of an attorney for collection, or if suit be instituted to foreclose the Security Agreement given as security heretofore, the Borrower shall pay the Lender in addition to the unpaid principal balance hereof and all accrued and unpaid interest due hereon but then unpaid, all costs of collection including attorneys' fees.

12. **Waiver.** The Borrower waives demand, notice and protest and any defense arising by reason of extension of time, release of collateral or other indulgence granted by the holder of this Note.

IN WITNESS WHEREOF, Borrower has executed and delivered this Note as of the day and year first set forth above.

KNZA, INC.,
a Kansas corporation

By: _____
Justin Fluke, Authorized Representative

BORROWER

ACKNOWLEDGEMENT

STATE OF KANSAS, COUNTY OF _____, SS:

NOW, on this ____ day of _____, 2021, before me, a Notary Public, appeared Justin Fluke, as an authorized representative of KNZA, Inc., a Kansas corporation, to me personally known, who, being by me duly sworn to be the same person who executed the foregoing instrument on behalf of said corporation and who acknowledged the execution of the foregoing instrument in such capacity as his voluntary act and deed on behalf of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the county and state aforesaid the day and year last above written.

Notary Public

My Commission Expires:

EXHIBIT “A”
Loan Amortization Schedule

Exhibit "B"
Security Agreement and Mortgage

ARTHUR-GREEN LLP
ATTORNEYS AT LAW
801 POINTZ AVENUE
MANHATTAN, KANSAS
66502-6054

785-537-1345
FAX 785-537-7874

PROMISSORY NOTE

\$935,000.00

_____, 2021

For value received, the undersigned, KNZA, Inc., a Kansas corporation having its principal office at 1828 Highway 73, Hiawatha, KS 66434 (“Borrower”), promises to pay to the order of Gregory F. Buser, 2276 Mulberry Road, Hiawatha, Kansas 66434 (“Lender”), the principal sum Nine Hundred Thirty-five Thousand and No/100 Dollars (\$935,000.00) together with interest on said principal sum as described below until paid in full.

Borrower agrees that:

1. **Interest Rate.** The principal sum shall accrue interest at 0.86% per annum (the applicable federal rate for mid-term obligations) from the date of this Note until the principal is paid in full, subject to paragraph 6 below.

2. **Term; Payments of Principal and Interest During Term of the Loan.** This Note shall be for a term of five (5) years. The principal sum of the Note and interest thereon shall be paid as follows: amortized annual payments of principal and interest in the amount of _____ (\$191,852.15) each shall be due on _____ of each year, commencing on _____, 2022, with the final amortized annual payment of principal and interest being due _____, 2026, all in accordance with the Loan Amortization attached hereto as Exhibit “A” and incorporated herein by reference.

3. **Payments and Computations.** All payments on account of the indebtedness evidenced by this Note shall be made within ten (10) days of the day when due, in lawful money of the United States, and shall be applied first to interest on the unpaid principal balance of the Note and the remainder to principal. All computations of interest shall be made by Lender on the actual days outstanding on the basis of a three hundred sixty-five (365) day calendar year. Lender shall keep records sufficient to determine the principal and interest owing pursuant to this Note. The balance due Lender, as set forth in such records, shall be conclusive evidence of the amounts due and owing by the undersigned, absent manifest error.

4. **Prepayment.** Borrower shall be allowed to make prepayment of this Note without penalty.

5. **Collateral Security.** This Note is secured by the assets in KNZA, Inc., a Kansas corporation, as provided in a Security Agreement and Mortgage of an even date to this Note, and the holder hereof is entitled to the benefit of the security described therein.

6. **Event of Default.** The Borrower will be in default if any of the following occur: (a) the Borrower fails to pay any amount due under this Note at the time required; (b) the Borrower fails to fulfill any other obligation under this Note or under the Security Agreement securing this Note; (c) the property securing this obligation is disposed of; or (d) the prospect of repayment under this Note is, in the sole opinion of the Lender, which opinion is held in good faith, substantially impaired. In the event of default, as described above, the Lender may declare the entire balance then owing on this Note immediately due and payable, and the principal sum due hereunder shall thereafter accrue interest at the maximum rate permitted by law.

7. **Nonwaiver and Time.** Failure of the Lender to require strict performance in accordance with its terms on any one occasion shall not serve as a waiver of such failure on any other occasion nor prohibit demand by the Lender for strict performance thereafter. Time is of the essence in the performance of the obligations herein.

8. **Applicable Law.** This Note shall be construed and enforced in accordance with the laws of the State of Kansas. Brown County, Kansas, is designated as the place of trial for any action or proceeding arising from or in connection with this Agreement.

9. **Notice.** Any notice, demand, request or other communication which the Lender or Borrower may be required or may desire to give hereunder shall be in writing and shall be deemed to have been properly given (i) upon receipt if hand delivered or (ii) if mailed effective three days after deposit in the United States mail by United States registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

If to Borrower: KNZA, Inc.
 c/o Justin Fluke
 1828 Highway 73
 Hiawatha, KS 66434

With a copy to: Arthur-Green, LLP
 c/o Shon C. Robben
 801 Poyntz Avenue
 Manhattan, Kansas 66502

If to Lender: Gregory F. Buser
 2276 Mulberry Road
 Hiawatha, Kansas 66434

or at such other address as the party to be served with notice may have furnished in writing to the party seeking or desiring to serve notice as a place for the service of notice. Notices may also be given by overnight delivery effective one day after so sent.

10. **Benefit.** This Note shall be binding upon and shall inure to the benefit of the parties, their legal representatives, and their assigns. If this Note is assigned by the Lender, the assignee shall

have the same rights and obligations as the Lender under this Note.

11. **Attorneys' Fees.** The Borrower agrees that if this Note is not paid promptly in accordance with its terms and is placed in the hands of an attorney for collection, or if suit be instituted to foreclose the Security Agreement given as security heretofore, the Borrower shall pay the Lender in addition to the unpaid principal balance hereof and all accrued and unpaid interest due hereon but then unpaid, all costs of collection including attorneys' fees.

12. **Waiver.** The Borrower waives demand, notice and protest and any defense arising by reason of extension of time, release of collateral or other indulgence granted by the holder of this Note.

IN WITNESS WHEREOF, Borrower has executed and delivered this Note as of the day and year first set forth above.

KNZA, INC.,
a Kansas corporation

By: _____
Justin Fluke, Authorized Representative

BORROWER

ACKNOWLEDGEMENT

STATE OF KANSAS, COUNTY OF _____, SS:

NOW, on this ____ day of _____, 2021, before me, a Notary Public, appeared Justin Fluke, as an authorized representative of KNZA, Inc., a Kansas corporation, to me personally known, who, being by me duly sworn to be the same person who executed the foregoing instrument on behalf of said corporation and who acknowledged the execution of the foregoing instrument in such capacity as his voluntary act and deed on behalf of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the county and state aforesaid the day and year last above written.

Notary Public

My Commission Expires:

EXHIBIT “A”
Loan Amortization Schedule

Exhibit "C"
Non-competition Agreement

NON-COMPETITION AGREEMENT

This Non-Competition Agreement made effective as of _____, 2021, by and between KNZA, Inc., a Kansas corporation (the “Corporation”) and Gregory F. Buser (“Buser”).

WHEREAS, Buser has entered into a certain Stock Redemption Agreement dated September 22, 2021 (the “Stock Redemption Agreement”), pursuant to which Buser is on this date selling, redeeming, and transferring to the Corporation all of Buser’s interest in the Corporation, which is in the business of operating radio stations located at 1828 Highway 73, Hiawatha, KS 66434 (the “Business”); and

WHEREAS, it is a condition to the transactions contemplated by the Stock Redemption Agreement that Buser executes this Agreement; and

WHEREAS, Buser will derive substantial economic benefit from the sale of the Business pursuant to the Stock Redemption Agreement; and

WHEREAS, Buser acknowledges that the Corporation would not effect the closing of the transactions contemplated by the Stock Redemption Agreement unless Buser agrees to the terms of this Agreement and execute and deliver this Agreement at the closing of the Stock Redemption Agreement.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Definitions.** The following terms, as used in this agreement, shall have the

following meanings:

(a) “Restricted Business” means any business activity relating to operating a radio station.

(b) “Person” means an individual, a partnership, a corporation, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, or a governmental entity (or any department, agency, or political subdivision thereof).

2. **Non-Competition.** Buser acknowledges and agrees with the Corporation that during the course of Buser’s ownership of the Business, Buser has had the opportunity to develop relationships with existing employees, customers, and other business associates of the Business, which relationships constitute goodwill of the Business being acquired by the Corporation, and Buser acknowledges and agrees that the Corporation would be damaged if Buser were to take actions that would damage such goodwill. Buser accordingly covenants and agrees as follows:

(a) Buser acknowledges that the Business is currently conducted in Hiawatha, Kansas. Accordingly, in consideration of the Corporation closing the transactions contemplated by the Stock Redemption Agreement, from the date hereof until the fifth (5th) anniversary of the date hereof (the “Restricted Period”), Buser shall not, directly or indirectly, alone or with others, own, manage, consult for, represent or be employed by any business which engages in any aspect of the Restricted Business within one hundred (100) miles of the city limits of Hiawatha, Kansas. In the event Buser enters into the Restricted Business during the Restricted Period, Buser shall divest all of Buser’s interest in such Restricted Business within thirty (30) days’ notice from Corporation that Buser has entered into the Restricted Business.

(b) Buser understands that the foregoing restrictions may limit Buser’s ability

to earn a livelihood in a business similar to the Restricted Business, but Buser nevertheless believes that Buser has received and will receive sufficient consideration as a result of the closing of the transactions contemplated by the Stock Redemption Agreement to justify such restrictions.

3. **Remedies.** In the event of the violation or threatened violation by Buser of any of the covenants contained in this Agreement, in addition to any other remedy available in law or in equity and the remedy set forth in paragraph 2(a) above, the Corporation shall have the right and remedy of specific enforcement, including injunctive relief, it being acknowledged and agreed that any such violation or threatened violation will cause injury to the Corporation and that monetary damages may not provide an adequate remedy.

4. **Severability.** Should any covenant, term or condition contained in this Agreement become or be declared invalid or unenforceable by a court of competent jurisdiction, the parties agree that the court shall be requested to judicially modify such unenforceable provision consistent with the intent of this Agreement, and to the maximum extent enforceable under Kansas law, including time, geography or other similar restrictions.

5. **Applicable Law.** This Agreement shall be construed, interpreted and enforced according to the statutes, rules of law and court decisions of the state of Kansas without regard to conflict of law provisions.

6. **Amendments; Waivers.** This Agreement may be amended, modified, superseded or cancelled, and the terms or covenants waived, only by a written instrument executed by both of the parties hereto. The failure to require performance of any provision hereof shall in no manner affect the right at a later time to enforce the same. No waiver of any term, whether by conduct or otherwise, shall be deemed to be a further or continuing waiver of any such breach, or a waiver of

the breach of any other term contained in this Agreement.

7. **Notices.** Any notice, demand, request or other communication which Buser or Corporation may be required or may desire to give hereunder shall be in writing and shall be deemed to have been properly given: (i) upon receipt, if hand delivered or (ii) if mailed, effective three (3) days after deposit in the United States mail by United States registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

if to Corporation, to:

KNZA, Inc.
c/o Justin Fluke
1828 Highway 73
Hiawatha, KS 66434

copy to:

Arthur-Green, LLP
c/o Shon C. Robben
801 Poyntz Avenue
Manhattan, KS 66502

if to Buser, to:

Gregory F. Buser
2276 Mulberry Road
Hiawatha, Kansas 66434

or at such other address as the party to be served with notice may have furnished in writing to the party seeking or desiring to serve notice as a place for the service of notice. Notices may also be given by overnight delivery effective one (1) day after so sent.

8. **Construction.** Paragraph headings are for convenience only and shall not be considered a part of the terms and provisions of the Agreement.

9. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Facsimile or other electronic signatures on this Agreement shall be as sufficient as original signatures.

[The remainder of this page is intentionally left blank]

IN WITNESS WHEREOF, the parties have executed this Non-Competition Agreement effective as of the date first written above.

“BUSER”

Gregory F. Buser

“CORPORATION”

KNZA, INC.,
a Kansas corporation

By: _____
Justin Fluke, Authorized Representative

Exhibit "D"
Resignation

ARTHUR-GREEN LLP
ATTORNEYS AT LAW
801 POINTZ AVENUE
MANHATTAN, KANSAS
66502-6054

785-537-1345
FAX 785-537-7874

RESIGNATION OF DIRECTOR AND OFFICER

I, Gregory F. Buser, do hereby resign as a Director and as President of KNZA, Inc., a Kansas corporation, to be effective as of the date hereof. I acknowledge that upon execution of this Resignation of Director and Officer, all authority vested in me by virtue of my positions as a Director and/or President of KNZA, Inc. shall be terminated, effective upon such execution.

_____, 2021

Gregory F. Buser