

## **ASSET PURCHASE AGREEMENT**

This ASSET PURCHASE AGREEMENT (this "Agreement") is dated as of March 11, 2021, by and among Polnet Communications, Ltd., an Illinois corporation, 50 Turner Ave., Elk Grove Village IL 60007 and Roseland Broadcasting, Inc. ("Buyer"), a Delaware corporation with address at 107 W 9<sup>th</sup> St. 2<sup>nd</sup> Floor, Kansas City, MO 64105.

### **RECITALS**

WHEREAS, Seller is the licensee of and holds an unbuilt construction permit (the "FCC Permit" and collectively the "FCC Authorizations") issued by the United States Federal Communications Commission (the "FCC") to Seller for low power television station (the "Station");

WPVS-LP, Milwaukee, Facility ID No. 67976 (expires January 10th, 2022)

WHEREAS, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, the FCC Authorizations and for the price and on the terms and conditions set forth in this Agreement.

### **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"), and Buyer shall purchase and acquire from Seller, free and clear of all liabilities, debts, liens and encumbrances of any nature, all of Seller's right, title, and interest in and to the FCC Authorizations and any associated call letters and any books and records that relate solely to the FCC Authorizations.

1.2 **Purchase Price.** The purchase price for the FCC Authorizations shall be up to One Hundred Thousand Dollars (\$100,000.00) total pursuant to the terms and conditions of this Agreement, including but not limited to Schedule 1.2 (the "Purchase Price"). Upon execution of this Asset Purchase Agreement (the "Agreement") by both parties, Buyer shall pay to Seller, \$20,000 (Twenty Thousand Dollars) to be held by Seller in Escrow. At the Closing, Buyer shall pay to Seller \$80,000 (Eighty Thousand Dollars) by 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 FCC Authorizations 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 Station, and Seller shall remain liable for and pay and discharge such other obligations or liabilities.

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

Seller represents and warrants to Buyer as follows:

2.1 **Authorization and Binding Obligation.** Seller is a corporation validly existing and in good standing in the State of Illinois. 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 or limited by bankruptcy, insolvency, or similar laws affecting or limiting creditors' rights generally and by judicial discretion in the enforcement of equitable remedies.

2.2 **No Conflicts.** Subject to obtaining the FCC Consent, 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 the Station or Seller with respect to the Station.

2.3 FCC Authorizations. Schedule 2.3 contains a list of the FCC Authorizations applications held by Seller for use in the operation of the Station and a list, as of the date hereof, of the material pending FCC applications. FCC Permit set forth on Schedule 2.3 was validly issued as a construction permit and is in full force and effect, and Seller is the authorized legal holder thereof. The expiration date of the FCC Permit is January 10, 2022. The Station is currently operating on Channel 9 under a Special Temporary Authority ("STA") with an expiration date of 1/17/22. With the exception of the foregoing, there is not pending or, to Seller's knowledge, threatened, any actions by or before the FCC to revoke, suspend, cancel, rescind, or materially modify any of the FCC Authorizations. There is not issued, pending, outstanding, or, to Seller's knowledge, threatened, by or before the FCC, any order to show cause, notice of violation, or notice of apparent liability against the Station or Seller with respect to the Station. Seller has not received any written communication from the FCC indicating that Seller, with respect to the Station, or the Station are in violation of any regulation or policy of the FCC. No FCC Authorization is subject to any restriction or condition that would limit Buyer's ability to operate the Station, except for such restrictions or conditions that appear on the face of such FCC Authorization. Buyer acknowledges that the low power television stations are considered a secondary service and have limited interference protection against full power stations, which could require the FCC Authorizations to be modified, surrendered or canceled. All FCC fees have been paid in full.

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 FCC Authorizations to Buyer.

2.5 Pre-Closing Engineering. Seller or its designated representative, until the Closing, will cooperate with Buyer and Buyer's representatives on matters related to signal engineering and signal modification. Notwithstanding the foregoing, Seller shall have no obligation or liability for such signal engineering or signal modification.

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

Buyer represents and warrants to Seller as follows:

3.1 Authorization and Binding Obligation. Buyer is a corporation validly existing and in good standing in the State of Delaware. 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 FCC Consent, the execution, delivery, and performance by Buyer of this Agreement will not require the consent or approval of any governmental or regulatory authority or third party and 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, hold and be the licensee of the FCC Authorizations.

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 FCC Authorizations to Buyer.

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

From the date hereof until the Closing:

4.1 Generally. Neither party shall have any liability arising from or related to any expiration of the FCC Permit. Subject to the foregoing, prior to the expiration date of the FCC Permit (as such date may be extended by the FCC), Seller shall (i) not cause the FCC Permit to expire or to be revoked, suspended, or materially adversely modified or take any action that could cause the FCC to institute proceedings for the suspension, revocation, or material adverse modification of the FCC Authorizations, (ii) maintain the FCC Authorizations in the ordinary course and not waive any material right relating to the FCC Authorizations, and (iii) take no action to materially adversely modify the FCC Authorizations.

4.2 Compliance with Laws. Seller shall comply in all material respects with all federal, state, and local laws applicable to the ownership or operation of the FCC Authorizations.

4.3 Contracts. Except with the prior written consent of Buyer, Seller shall not enter into any contract or commitment relating to the FCC Authorizations or the Station that will be binding on Buyer after Closing. Both parties shall utilize commercially reasonable efforts to obtain any required consents, approvals, or authorizations required to assign the FCC Authorizations to Buyer.

4.4 Access. Seller shall give Buyer and its authorized representatives access, during normal business hours and with reasonable prior notice, to Seller's books and records and any transmission facilities related to the FCC Authorizations.

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, subject to Seller's consent not to be unreasonably withheld, Seller shall promptly provide Buyer with written consent to or otherwise reasonably cooperate with Buyer's submission, at Buyer's sole cost, of application(s) to the FCC for modification of the FCC Authorizations.

4.7 Confidentiality. 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 used or disclosed except as reasonably necessary for purposes of consummating the transaction contemplated by this Agreement.

4.9 Control. Consistent with the Communications Act of 1934, as amended and the FCC rules and regulations, control, supervision and direction of the Station prior to Closing shall remain the responsibility of Seller as the holder of the FCC Authorizations, and Buyer shall not, directly or indirectly, control, supervise or direct the Stations prior to Closing.

## **SECTION 5. FCC CONSENT**

5.1 Application. The assignment of the FCC Authorizations from Seller to Buyer shall be subject to the prior initial grant of FCC consent (the "FCC Consent"). Seller and Buyer shall prepare and file an application for the 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. Buyer and Seller each shall oppose any petitions to deny or other objections filed against the Assignment Application to the extent such petition or objection relates to such party. 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 compliance with the condition would require such party to spend in excess of two thousand five hundred dollars (\$2,500.00).

## **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) FCC Consent. The FCC Consent shall have been granted and be in full force and effect without the imposition on Buyer of any material conditions that need not be complied with by Buyer under Section 5.2, and Seller shall have complied with any conditions imposed on it by the FCC Consent that need be complied with by Seller under Section 5.2.

(d) FCC Authorizations. There shall not have been any termination, suspension, or adverse modification of the FCC Authorizations. No proceeding shall be pending the effect of which could be to revoke, cancel, fail to renew, suspend, or modify adversely the FCC Authorizations, other than proceedings of general applicability.

(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 FCC Authorizations 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 FCC Authorizations 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 FCC Authorizations 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.

(d) Deliveries. Buyer shall pay \$80,000 Eighty Thousand Dollars to Seller at Closing, and Buyer shall stand ready to deliver to Seller on the Closing Date 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.

(e) No Order. There shall be no order, decree, or judgment of any court, arbitrator, agency or governmental authority that enjoins the sale of the FCC Authorizations 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 mutually agreeable date not later than 5 business days after the FCC Consent is granted. 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 prior to Closing and the purchase and sale of the FCC Authorizations 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) Breach. Without limiting Seller's rights under any other clause hereof, if Seller is not 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.

(d) Upset Date. If the Closing shall not have occurred by January 10, 2022 (the "Upset Date").

(e) FCC Permit Termination. If the FCC Permit expires prior to Closing without a license to cover having been timely filed.

8.2 Termination by Buyer. This Agreement may be terminated by Buyer prior to Closing and the purchase and sale of the FCC Authorizations 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) 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.

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

(e) FCC Permit Termination. If the FCC Permit terminates or expires prior to Closing. For the avoidance of doubt, if the FCC Permit expires prior to Closing through no fault of Seller, Seller shall not be in breach/default and shall be entitled to retain the \$10,000 payment made as provided in Section 1.2.

8.3 Rights on Termination. If this Agreement is terminated pursuant to Section 8.1 or 8.2, except in the event of a termination for material breach, the parties hereto shall not have any further liability to each other with respect to the purchase and sale of the FCC Authorizations. In the event that Buyer defaults or breaches this Agreement and fails or refuses to close, Seller shall have the right to sue to enforce its rights in court. Notwithstanding anything to the contrary herein, in no event shall either party be permitted to terminate this Agreement after the Closing. 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. Notwithstanding anything to the contrary herein, Section 4.8 (Confidentiality) and Section 9.4 (Fees and Expenses) shall survive any termination of this Agreement.

#### 8.4 Specific Performance

If either party breaches this Agreement, monetary damages alone would not be adequate to compensate the other party for its injury. Each party 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 to enforce this Agreement, the parties shall waive the defense that there is an adequate remedy at law.

### 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.

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

9.3 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.

9.4 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 FCC Authorizations 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.

9.5 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:  
Polnet Communications, Ltd.  
Attention: Walter K. Kotaba  
Elk Grove Village IL 6007  
Email: [mediaguy@kentdgustafson.com](mailto:mediaguy@kentdgustafson.com)

With a copy (which will not constitute notice) to:

Fletcher, Heald & Hildreth, PLC  
Attn: Mark N. Lipp  
1300 North 17th Street, 11th Floor  
Arlington, VA 22209  
[lipp@fhhlaw.com](mailto:lipp@fhhlaw.com)

if to the Buyer, to:  
Roseland Broadcasting, Inc.  
Attn: Matthew Davidge  
107 W 9th St, 2nd Floor  
Kansas City, MO 64105  
Email: [mdavidge@box733.com](mailto:mdavidge@box733.com)

With a copy (which will not constitute notice) to:

Shainis & Peltzman, Chartered  
Attn: Aaron Shainis  
1850 M Street NW, Suite 240  
Washington DC 20036  
Email: [aaron@s-plaw.com](mailto:aaron@s-plaw.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.

9.6 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.

9.7 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.

9.8 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 Illinois, 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 Illinois and any appellate court from any such court, for the resolution of any such claim or dispute.

9.9 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, if it does not delay FCC Consent or Closing, Buyer may assign its right to acquire the FCC Authorizations under this Agreement, in whole or in part to any

effect of interest wholly-owned subsidiary of Buyer, and no such assignment shall relieve Buyer of any obligations or liability hereunder.

9.10 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.

9.11 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.

[Signature page follows]

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

**Seller, Polnet Communications, Ltd.**

By: 

Name: Walter K. Kotaba  
Title: President

**Buyer, Roseland Broadcasting, Inc.**

By:  
Name: Julie K. Huang  
Title: President

(01563841-1)

**SCHEDULE 2.3 – FCC Authorizations**

WPVS-LD, Milwaukee, WI, Facility ID No. 67967

License: BLTTL-20080221AAP as most recently renewed in BRTTL-20130731AJI (expires  
(expires December 12<sup>th</sup>, 2021)

License Renewal application (pending) LMS 0000155516

Engineering STA: 0000091848, as most recently extended in LMS 0000151899 (expires  
1/17/2022)

Displacement CP LMS0000054524, as extended to 1/10/2022 in LMS0000115516

(01563841-1)

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

**Seller, Polnet Communications**

By: \_\_\_\_\_  
Name: Walter K. Kotaba  
Title: President

**Buyer, Roseland Broadcasting, Inc.**

By: \_\_\_\_\_  
Name: Julie K. Huang  
Title: President