

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made as of the date set forth below by and between **Commercial Assets, Inc.**, ("Seller") and **Condado Holdings LLC** ("Buyer")

Recitals

A. Seller owns the following Low Power Television Stations (together known as the "Station") pursuant to certain authorizations issued by the Federal Communications Commission (the "FCC");

WXTM-LD, Erie, PA (Fac# 187763)
WEPA-LD, Erie, PA (Fac# 187757)

B. Pursuant to the terms and subject to the conditions set forth in this Agreement, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, the Station Assets (defined below).

Agreement

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

ARTICLE 1: PURCHASE OF ASSETS

1.1 Station Assets. On the terms and subject to the conditions hereof, at Closing (defined below), except as set forth in Sections 1.2, Seller shall sell, assign, transfer, convey and deliver to Buyer, and Buyer shall purchase and acquire from Seller, all right, title and interest of Seller in and to certain assets (the "Station Assets"), including without limitation the following:

(a) all licenses, permits and other authorizations issued to Seller by the FCC with respect to the Station (the "FCC Licenses"), a list of which is described on *Schedule 1.1(a)*;

(b) all of Seller's equipment (*if any*) listed on *Schedule 1.1(b)* (the "Tangible Personal Property");

(c) all of Seller's real property used (*if any*) in the operation of the Station, including those listed on *Schedule 1.1(c)* ("Real Property");

(d) certain contracts, agreements and leases (*if any*) listed on *Schedule 1.1(d)*, accordance with Article 4 (the "Station Contracts");

(e) all of Seller's rights in and to the Station's call letters that are listed on *Schedule 1.1(e)* (the "Intangible Property"); and

(f) Seller's rights in and to the Station's local public files, but excluding records relating to Excluded Assets (defined below).

The Station Assets shall be transferred to Buyer free and clear of liens, claims and encumbrances ("Liens").

1.2 Excluded Assets. Notwithstanding anything to the contrary contained herein, the

Station Assets shall not include the following assets or any rights, title and interest therein (the "Excluded Assets"):

(a) all tangible and intangible personal property not listed on Schedule 1.1(b) and 1.1 (e);

(b) all Station Contracts that are terminated or expire prior to Closing in accordance with Article 4;

(c) Seller's corporate and trade names unrelated to the operation of the Station, charter documents, and books and records relating to the organization, existence or ownership of Seller, duplicate copies of the records of the Station, and all records not relating to the operation of the Station;

(d) all contracts of insurance, all coverages and proceeds thereunder and all rights in connection therewith, including without limitation rights arising from any refunds due with respect to insurance premium payments to the extent related to such insurance policies; and

(e) the assets listed on *Schedule 1.2 (if any)*.

1.3 Intentionally Left Blank.

1.4 Purchase Price. In consideration for the sale of the Station Assets to Buyer, at Closing Buyer shall pay Seller, by wire transfer of immediately available funds, the sum of **One Hundred and Five Thousand Dollars Thousand Dollars (\$105,000.00)**, subject to adjustment pursuant to Section 1.6 (the "Purchase Price").

1.5 Method of Payment. The Purchase Price shall be paid as follows:

(a) Deposit. Buyer has made a cash deposit in the amount of **Ten Thousand Five Hundred Dollars (\$10,500.00)** (the "Deposit") with John C. Trent, Esquire (the "Escrow Agent") to be held in his *non-interest-bearing* attorney trust account. 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. If this Agreement is terminated by Seller pursuant to Article 10, the Deposit shall be disbursed to Seller. If this Agreement is terminated for any other reason, the Deposit shall be disbursed to Buyer. The parties shall each instruct the Escrow Agent to disburse the Deposit to the party entitled thereto and shall not, by any act or omission, delay or prevent any such disbursement. This obligation to instruct the Escrow Agent shall survive Closing. Any failure by Buyer to make the Deposit on the date hereof constitutes a material default as to which the Cure Period under Article 10 does not apply entitling Seller to immediately terminate this Agreement.

(b) Cash at Closing. In addition to the release of the Deposit, the additional sum of **Ninety-Four Thousand Five Hundred Dollars (\$94,500.00)** shall be paid to Seller at Closing. Said cash sum shall be delivered to Seller *via* wire transfer (unless otherwise requested by Seller). Wire instructions will be provided to Buyer by Seller at or before the Closing.

1.6 Prorations and Adjustments. All prepaid and deferred income and expenses relating to the Station Assets and arising from the operation of the Station shall be prorated between Buyer and Seller in accordance with generally accepted accounting principles ("GAAP") as of 12:01 a.m. on the day of Closing (the "Effective Time"). Such prorations shall include without limitation all ad valorem, real estate and other property taxes (except transfer taxes as provided by Section 11.1), music and other license fees, utility expenses, rent and other amounts under Station Contracts and similar prepaid and deferred items. Seller shall receive a credit for all of the Station's deposits and prepaid expenses. Prorations and adjustments shall be made no later

than ninety (90) calendar days after Closing.

1.7 Allocation. Buyer and Seller shall have agreed to an allocation of the Purchase Price for tax purposes in accordance with the requirements of Section 1060 of the Internal Revenue Code of 1986, as amended. A copy of the proposed Allocation is attached hereto on *Schedule 1.7*.

1.8 Closing. Closing will take place within ten (10) business days of FCC initial approval (the "Closing").

1.9 FCC Consent.

(a) Within ten (10) business days of the date of this Agreement, Buyer and Seller shall file an application with the FCC (the "FCC Application") requesting FCC consent to the assignment of the FCC Licenses to Buyer. FCC consent to the FCC Application without any material adverse conditions other than those of general applicability is referred to herein as the "FCC Consent". Buyer and Seller shall diligently prosecute the FCC Application and otherwise use their commercially reasonable efforts to obtain the FCC Consent as soon as possible.

(b) 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.

ARTICLE 2: SELLER REPRESENTATIONS AND WARRANTIES

Seller makes the following representations and warranties to Buyer:

2.1 Organization. Seller is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization. Seller has the requisite power and authority to execute, deliver and perform this Agreement and all of the other agreements and instruments to be made by Seller pursuant hereto (collectively, the "Seller Ancillary Agreements") and to consummate the transactions contemplated hereby.

2.2 Authorization. The execution, delivery and performance of this Agreement and the Seller Ancillary Agreements by Seller have been duly authorized and approved by all necessary action of Seller and do not require any further authorization or consent of Seller. This Agreement is, and each Seller Ancillary Agreement when made by Seller and the other parties thereto will be, a legal, valid and binding agreement of Seller enforceable in accordance with its terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

2.3 No Conflicts. Except as set forth on *Schedule 2.3* and except for the FCC Consent and consents to assign certain of the Station Contracts, the execution, delivery and performance by Seller of this Agreement and the Seller Ancillary Agreements and the consummation by Seller of any of the transactions contemplated hereby does not conflict with any organizational documents of Seller, any contract or agreement to which Seller is a party or by which it is bound, or any law, judgment, order, or decree to which Seller is subject, or require the consent or approval of, or a filing by Seller with, any governmental or regulatory authority or any third party.

2.4 FCC Licenses. Except as set forth on *Schedule 1.1(a)*:

Seller is the holder of the FCC Licenses described on *Schedule 1.1(a)*, which are all of the licenses, permits and authorizations required for the present operation of the Station. The FCC Licenses are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired. The Station is in compliance with the FCC Licenses, the Communications Act of 1934, as amended (the "Communications Act"), and the rules, regulations and policies of the FCC.

2.5 Personal Property. *Schedule 1.1(b)* contains a list of the Tangible Personal Property included in the Station Assets (*if any*).

2.6 Real Property. *Schedule 1.1(c)* contains a description of the Real Property (*if any*).

2.7 Contracts. *Schedule 1.1(d)* contains a list of all contracts that are used in the operation of the Station (*if any*).

2.8 Intangible Property. *Schedule 1.1(e)* contains a description of the Intangible Property included in the Station Assets.

ARTICLE 3: BUYER REPRESENTATIONS AND WARRANTIES

Buyer hereby makes the following representations and warranties to Seller:

3.1 Organization. Buyer is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization is duly organized. Buyer has the requisite power and authority to execute, deliver and perform this Agreement and all of the other agreements and instruments to be executed and delivered by Buyer pursuant hereto (collectively, the "Buyer Ancillary Agreements") and to consummate the transactions contemplated hereby.

3.2 Authorization. The execution, delivery and performance of this Agreement and the Buyer Ancillary Agreements by Buyer have been duly authorized and approved by the Buyer and do not require any further authorization or consent of Buyer.

3.3 Qualification. Buyer is legally, financially and otherwise qualified to be the licensee of, acquire, own and operate the Station under the Communications Act and the rules, regulations and policies of the FCC.

ARTICLE 4: SELLER COVENANTS

4.1 Seller's Covenants. Between the date hereof and Closing, except as permitted by this Agreement or with the prior written consent of Buyer, which shall not be unreasonably withheld, delayed or conditioned, Seller shall:

(a) not materially adversely modify, and in all material respects maintain in full force and effect, the FCC Licenses; and

(b) not enter into Station Contracts that will be binding upon Buyer after Closing.

ARTICLE 5: JOINT COVENANTS

Buyer and Seller hereby covenant and agree as follows:

5.1 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 disclosed to any other person or entity, except the parties' representatives and lenders for the purpose of consummating the transactions contemplated by this Agreement.

5.2 Announcements. Prior to Closing, no party shall, without the prior written consent of the other (such consent not to be unreasonably withheld or delayed), 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, in which case such party shall give advance notice to the other, and except that the parties shall cooperate to make a mutually agreeable announcement, 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.

5.3 Control. Buyer shall not, directly or indirectly, control, supervise or direct the operation of the Station prior to Closing. Consistent with the Communications Act and the FCC rules and regulations, 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.

5.4 Risk of Loss. Seller shall bear the risk of any loss of or damage to any of the Station Assets at all times until the Effective Time, and Buyer shall bear the risk of any such loss or damage thereafter.

5.5 Consents.

(a) The parties shall use commercially reasonable efforts to obtain any third-party consents necessary for the assignment of any Station Contract.

ARTICLE 6: SELLER CLOSING CONDITIONS

The obligation of Seller to consummate the Closing hereunder is subject to satisfaction, at or prior to Closing, of each of the following conditions (unless waived in writing by Seller):

6.1 Representations and Covenants.

(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.

(b) The covenants and agreements to be complied with and performed by Buyer at or prior to Closing shall have been complied with or performed in all material respects.

6.2 FCC Authorization. The FCC Consent shall have been obtained.

6.3 Deliveries. Buyer shall have complied with its obligations set forth in Section 8.2.

ARTICLE 7: BUYER CLOSING CONDITIONS

The obligation of Buyer to consummate the Closing hereunder is subject to satisfaction, at or prior to Closing, of each of the following conditions (unless waived in writing by Buyer):

7.1 Representations and Covenants.

(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.

(b) The covenants and agreements to be complied with and performed by Seller at or prior to Closing shall have been complied with or performed in all material respects.

7.2 FCC Authorization. The FCC Consent shall have been obtained.

7.3 Deliveries. Seller shall have complied with its obligations set forth in Section 8.1.

7.4 Consents. The Required Consents (if any) shall have been obtained.

ARTICLE 8: CLOSING DELIVERIES

8.1 Seller Documents. At Closing, Seller shall deliver or cause to be delivered to Buyer:

(i) a certificate executed by each Seller's President or Member evidencing authorization by the Seller's board of directors/board of members for the execution, delivery and performance of this Agreement, including the consummation of the transactions contemplated hereby;

(ii) the certificate described in Section 7.1(c);

(iii) an assignment of FCC authorizations assigning the FCC Licenses from Seller to Buyer;

(iv) an assignment and assumption of contracts assigning the Station Contracts from Seller to Buyer (*if any*);

(v) an assignment and assumption of leases (*if any*);

(vi) an assignment of intangibles listed on *Schedule 1.1(e)* from Seller to Buyer;

(vii) a bill of sale conveying the other Station Assets from Seller to Buyer; and

(viii) any other instruments of conveyance, assignment and transfer that may be reasonably necessary to convey, transfer and assign the Station Assets from Seller to Buyer, free and clear of Liens.

8.2 Buyer Documents. At Closing, Buyer shall deliver or cause to be delivered to Seller:

(i) the Purchase Price in accordance with Section 1.5 hereof;

(ii) the certificate described in Section 6.1(c);

(iii) an assignment and assumption of contracts assuming the Station Contracts from Seller to Buyer (*if any*);

(iv) and assignment and assumption of leases (*if any*);

(v) an assignment of intangibles listed on *Schedule 1.1(e)* from Seller to Buyer and

(vi) such other documents and instruments of assumption that may be necessary to assume the Assumed Obligations.

ARTICLE 9: SURVIVAL; INDEMNIFICATION

9.1 Survival. The representations and warranties in this Agreement shall survive Closing for a period of six (6) months from the Closing Date.

ARTICLE 10: TERMINATION AND REMEDIES

10.1 Termination. Subject to Section 10.3, this Agreement may be terminated prior to Closing as follows:

- (a) by mutual written consent of Buyer and Seller;
- (b) by written notice of Buyer to Seller if Seller breaches its representations or warranties or defaults in the performance of its covenants contained in this Agreement and such breach or default is material in the context of the transactions contemplated hereby and is not cured within the Cure Period (defined below);
- (c) by written notice of Seller to Buyer if Buyer breaches its representations or warranties or defaults in the performance of its covenants contained in this Agreement and such breach or default is material in the context of the transactions contemplated hereby and is not cured within the Cure Period; provided, however, that the Cure Period shall not apply to Buyer's obligations to make the Deposit on the date hereof and to pay the Purchase Price at Closing; or
- (d) by written notice of Seller to Buyer or Buyer to Seller if Closing does not occur by the date one (1) year after the date of this Agreement (unless a new FCC Application is filed with the FCC in accordance with Section 1.10(c) hereof, in which case the aforementioned time period shall be extended to twelve (12) months).

10.2 Cure Period. Each party shall give the other party prompt written notice upon learning of any breach or default by the other party under this Agreement. The term "Cure Period" as used herein means a period of twenty (20) days commencing on the date Buyer or Seller receives from the other written notice of breach or default hereunder.

10.3 Specific Performance. In the event of failure or threatened failure by Seller to comply with the terms of this Agreement, the Buyer shall be entitled to an injunction restraining such failure or threatened failure and, subject to obtaining any necessary FCC consent, to enforcement of this Agreement by a decree of specific performance requiring compliance with this Agreement.

ARTICLE 11: MISCELLANEOUS

11.1 Expenses. All FCC filing fees shall be shared equally. Any other transfer fee, and taxes due (if any) under this Agreement shall be borne by the party whom would normally pay in accordance with standard business practices for the State of Pennsylvania.

11.2 Buyer 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. Buyer shall be solely responsible for all governmental taxes, fees and charges applicable to the transfer of the Station Assets under this Agreement.

11.3 Further Assurances. After 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 of conveyance and assumption and take such other actions as may reasonably be requested in order to more effectively consummate the transactions contemplated hereby.

11.4 Notices. Any notice pursuant to this Agreement shall be in writing and shall be deemed delivered on the date of personal delivery or confirmed facsimile transmission or confirmed delivery by a nationally recognized overnight courier service, and shall be addressed as follows (or to such other address as any party may request by written notice):

if to Seller:

Commercial Assets, Inc.
41 Kathleen Crescent

Coram, NY 11727
Attention: Michael Celenza, President

if to Buyer: Condado Holdings LLC
3514 State Street
Erie, PA 16508
Attention: Kevin Lilly Member/Manager

11.5 Amendments. No amendment or waiver of compliance with any provision 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 such amendment, waiver, or consent is sought.

11.6 Entire Agreement. This Agreement (including the Schedules hereto) constitutes the entire agreement and understanding among the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings with respect to the subject matter hereof, except any confidentiality agreement among the parties with respect to the Station, which shall remain in full force and effect. No party makes any representation or warranty with respect to the transactions contemplated by this Agreement except as expressly set forth in this Agreement.

11.7 Severability. If any court or governmental authority holds any provision in this Agreement invalid, illegal or unenforceable under any applicable law, then, so long as no party is deprived of the benefits of this Agreement in any material respect, 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.

11.8 No Beneficiaries. Nothing in this Agreement expressed or implied is intended or shall be construed to give any rights to any person or entity other than the parties hereto and their successors and permitted assigns.

11.9 Governing Law. The construction and performance of this Agreement shall be governed by the laws of the State of Pennsylvania.

11.10 Counterparts. This Agreement may be executed in separate counterparts, each of which will be deemed an original and all of which together will constitute one and the same agreement.

11.20 Conflict Waiver. The Parties have requested John C. Trent, Esquire to prepare and file all of the necessary documents with the FCC to assign the Station licenses to the Buyer. The Parties recognize that by doing that he will be working for each side. Notwithstanding that fact, the Parties agree that it is in their best interest to have Mr. Trent do this work and as such the Parties do hereby agree and waive any conflict-of-interest claim associated with Mr. Trent's work in this matter.

Dated as of: 6/22, 2022.

[SIGNATURE PAGE FOLLOWS]

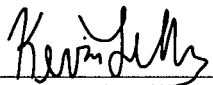
SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

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

SELLER: **Commercial Assets, Inc.**

By: _____
Name: Michael Celenza
Title: President

BUYER: **Condado Holdings LLC**

By:  _____
Name: Kevin Lilly
Title: Member/Manager
Schedule 1.1(a)

FCC Licenses

WXTM-LD, Erie, PA (Fac# 187763)
WEPA-LD, Erie, PA (Fac# 187757)

Schedule 1.1(b)

11.6 Entire Agreement. This Agreement (including the Schedules hereto) constitutes the entire agreement and understanding among the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings with respect to the subject matter hereof, except any confidentiality agreement among the parties with respect to the Station, which shall remain in full force and effect. No party makes any representation or warranty with respect to the transactions contemplated by this Agreement except as expressly set forth in this Agreement.

11.7 Severability. If any court or governmental authority holds any provision in this Agreement invalid, illegal or unenforceable under any applicable law, then, so long as no party is deprived of the benefits of this Agreement in any material respect, 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.

11.8 No Beneficiaries. Nothing in this Agreement expressed or implied is intended or shall be construed to give any rights to any person or entity other than the parties hereto and their successors and permitted assigns.

11.9 Governing Law. The construction and performance of this Agreement shall be governed by the laws of the State of Pennsylvania.

11.10 Counterparts. This Agreement may be executed in separate counterparts, each of which will be deemed an original and all of which together will constitute one and the same agreement.

11.20 Conflict Waiver. The Parties have requested John C. Trent, Esquire to prepare and file all of the necessary documents with the FCC to assign the Station licenses to the Buyer. The Parties recognize that by doing that he will be working for each side. Notwithstanding that fact, the Parties agree that it is in their best interest to have Mr. Trent do this work and as such the Parties do hereby agree and waive any conflict-of-interest claim associated with Mr. Trent's work in this matter.

Dated as of: _____, 2022.

[SIGNATURE PAGE FOLLOWS]

□

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

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

SELLER:

Commercial Assets, Inc.

By: 

Name: Michael Celenza
Title: President

BUYER:

Condado Holdings LLC

By: _____

Name: Kevin Lilly
Title: Member/Manager

Tangible Personal Property

NONE
Schedule 1.1(c)

Real Property

NONE
Schedule 1.1(d)

Station Contracts

NONE
Schedule 1.1(e)

Intangible Property

Call Signs WXTM-LD and WEPA-LD

Schedule 1.2

Excluded Assets

NONE

Schedule 1.7

Allocation

See Attached