

Agreements Statement

A copy of the Asset Purchase Agreement (“APA”) associated with the proposed assignment of licenses is being submitted in this application. Certain Schedules to the APA, however, have not been included. The excluded Schedules are as follows:

Schedule 2.2(a) - Tangible Personal Property

Schedule 2.2(b) – Licenses and Permits

Schedule 2.2(c) – Real Property

Schedule 2.2(d) – Assumed Contracts

The Schedules identified above contain proprietary information, contain information already of Commission record, 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). Copies of the excluded documents will be provided to the Commission upon request.

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT is dated as of **December**_____, **2022** (hereinafter referred to as this “Agreement”) and is entered into by and among **RAUL and CONSUELO PALAZUELOS**, licensees of **KTAS** (defined below), located at 330 W Carmen Lane, Santa Maria, CA 93458 (hereinafter collectively referred to as the “Seller”) and **International Communications Network, Inc.**, a California stock corporation, located at 160 Thorn Street, Suite 200, San Diego, CA 92103 (hereinafter referred to as the “Buyer”).

RECITALS

WHEREAS, Raul & Consuelo Palazuelos are the licensees of broadcast television station KTAS, channel 34, San Luis Obispo, California, Facility ID No. 12930 (“KTAS”) pursuant to authorization (the “FCC Authorizations”) issued by the Federal Communications Commission (the “FCC”).

WHEREAS, International Communications Network, Inc., is an active stock corporation, Secretary of State File No.C1901815, duly registered in the State of California.

WHEREAS, 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 Acquired Assets (defined below).

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I DEFINITIONS

For the purpose of this Agreement, capitalized terms used herein but not otherwise defined herein have the meanings as set forth on Schedule 1 attached hereto and incorporated herein by reference.

ARTICLE II THE ACQUISITION

Section 2.1 The Acquisition. At the Closing (as defined in Section 3.1), and upon and subject to the terms and conditions of this Agreement, the parties mutually covenant and agree as follows:

(a) Seller will sell, convey and assign to Buyer all right, title, and interest in and to the Acquired Assets (as defined in Section 2.2) free and clear of all liens, pledges, security interests, charges, restrictions, or encumbrances of any nature whatsoever except for Permitted Liens; and

(b) Buyer will purchase the Acquired Assets from Seller in exchange for the consideration described in Section 2.6 hereof.

Section 2.2 The Acquired Assets. In this Agreement, the phrase “*Acquired Assets*” means the following assets of Seller used or held for use in the operation of KTAS, other than the Excluded Assets (as defined in Section 2.3):

(a) Seller’s equipment, machinery, furniture, furnishings, fixtures, office materials, and other tangible personal property used or held for use primarily in the operation of KTAS (the “*Tangible Personal Property*”), including those items set forth on Schedule 2.2(a) attached hereto, together with such improvements and additions thereto and replacements thereof between the date hereof and the Closing Date, except for any retirements or dispositions thereof made between the date hereof and Closing in the ordinary course of business;

(b) All of the assignable licenses, permits, applications, and other authorizations, including the FCC Authorizations issued by, or granted by, or filed with the FCC, or any other federal, state or local Governmental Authorities, to Seller in connection with the operation of KTAS, with the current FCC Authorizations being set forth on Schedule 2.2(b) attached hereto;

(c) The Seller’s fee simple interest in the real property listed on Schedule 2.2(c) attached hereto, including easements, licenses, rights of access, rights of way and improvements which are held by Seller for use in the operation of KTAS (the “*Real Property*”);

(d) All agreements for the sale of advertising time on KTAS entered into in the ordinary course of business, and all other contracts, agreements and leases entered into in the ordinary course of KTAS’ business, including without limitation those listed and described on Schedule 2.2(d) hereto, together with all contracts, agreements and leases made with respect to KTAS between the date hereof and Closing (collectively, the “*Assumed Contracts*”);

(e) All of Seller’s logs, books, files, data, equipment manuals and assignable warranties, and other records relating to the full on-air broadcast operations of KTAS, including without limitation all records required by the FCC to be kept by KTAS; and

(f) All of Seller’s right, title and interest in and to the KTAS call letters and all copyrights, licenses, patents, trademarks, service marks, logos and trade names used primarily in connection with the operation of KTAS and all goodwill associated therewith, including registrations and assignable applications for registration of any of the foregoing, and other similar intangible rights and interests.

Section 2.3 Excluded Assets. Notwithstanding anything to the contrary contained herein, the following assets and obligations relating to KTAS shall be retained by Seller and shall not be sold, assigned or transferred to or assumed by Buyer (the “*Excluded Assets*”):

(a) Cash on hand and in banks (or their equivalents), and accounts receivable arising out of the Seller's operation of KTAS for all periods prior to the Closing Date;

(b) 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;

(c) All pension, profit-sharing, retirement, stock purchase or savings plans or trusts and any assets thereof and all other employee benefit plans;

(d) All deposits and all prepaid expenses and Taxes;

(e) The Tax Returns, books of account or other records having to do with Seller individually and not KTAS, duplicate copies of the records of KTAS, and all records not relating to the operation of KTAS;

(f) All rights and claims of Seller, whether mature, contingent or otherwise, against third parties with respect to KTAS or the Acquired Assets, to the extent arising during or attributable to any period prior to Closing;

(g) Affiliation Agreement with Telemundo Network Group; and

(h) Any interests held by Seller and not used or held for use in the operation of KTAS or not specifically included in the Acquired Assets, including without limitation personal pictures and tools.

Section 2.4 Assumed Liabilities. Subject to the terms and conditions set forth herein, at Closing, Buyer shall assume and agree to pay, perform, and discharge the obligations of Seller arising during, or attributable to, any period of time on or after the Closing Date under the Acquired Assets and any other liabilities of Seller for which Buyer receives a credit therefor under Section 2.8 (collectively, the "Assumed Liabilities"), and no other Liabilities of the Seller.

Section 2.5 Excluded Liabilities. Notwithstanding any other provision in this Agreement to the contrary, except for the Assumed Liabilities, Buyer shall not assume and shall not be responsible to pay, perform or discharge any liabilities of Seller or any of its Affiliates of any kind or nature whatsoever (the "Excluded Liabilities"). Without limiting the generality of the foregoing, the Excluded Liabilities shall include the following:

(a) Any liabilities of Seller arising or incurred in connection with the negotiation, preparation, investigation and performance of this Agreement and the transactions contemplated hereby, including, without limitations, fees and expenses of counsel, accountants, consultants, advisers and others, except as expressly set forth in this Agreement;

(b) Any liabilities for Taxes of Seller, or relating to KTAS, the Acquired Assets or the Assumed Liabilities, for any pre-Closing tax period;

(c) Any liabilities relating to or arising out of the Excluded Assets;

(d) Any liabilities in respect to any pending or threatened action arising

out of or relating to the operation of KTAS or the Acquired Assets prior to the Closing Date;

(e) Any liabilities relating to or arising out of any make-whole demand, any demand for indemnification, contribution or repurchase or any other demand for money, property, fees, charges, interest or assessments made by any third party if such demand was made prior to the Closing Date, is based upon or related to facts, circumstances or conduct occurring prior to the Closing Date or is related to an Excluded Asset;

(f) Any liabilities of Seller arising under or in connection with any benefit plan providing benefits to any present or former employee of Seller;

(g) Any liabilities of Seller to Seller's employees under any existing written or oral agreements with Seller, including any such liability or obligation in respect of wages, salaries, bonuses, accrued vacation or sick pay or any other matter, in each case related to facts, circumstances or conduct occurring prior to the Closing Date;

(h) Any liabilities arising out of any termination by Seller of the employment of any employee of KTAS;

(i) Any debt, loans or credit facilities of Seller to financial institutions;
and

(j) Any liabilities arising out of, in respect of or in connection with the failure by any Seller or any Seller's Affiliates to comply with any law or governmental order.

Section 2.6 Purchase Price. At the Closing, and subject to the terms and adjustments described below in Section 2.8, Buyer shall pay to Seller **Four Million** and NO/100 Dollars (**\$4,000,000**) (the "**Purchase Price**") by wire transfer of immediately available funds.

Section 2.7 Deposit. On the date of this Agreement, Buyer shall deposit, an amount equal to 5% of the Purchase Price (the "**Deposit**") with Hadden & Associates, Inc. (the "Escrow agent") who will hold the deposit until such time the Asset Purchase Agreement ("APA") is on file and in the required public notice at the Federal Communications Commission ("FCC"). Upon the publication of the required public notice by the FCC, the Escrow agent shall then transfer the deposit to Raymond James Securities of Orlando Florida who will make the disposition of the deposit at closing pursuant to the terms of the Escrow agreement. At Closing, the Deposit shall be disbursed to Seller and applied to the Purchase Price. If this Agreement is terminated by Seller in accordance with its terms for Buyer's breach or default hereunder, then the Deposit and any interest accrued thereon shall be retained by Seller as liquidated damages. If this Agreement is terminated for any other reason, the Deposit and any interest accrued thereon shall be disbursed to Buyer.

Section 2.8 Prorations. All items of income and all items of expense arising from the operation of KTAS before the Closing Date shall be for the account of Seller. All items of income and all items of expense arising from the operation of KTAS on or after the Closing Date shall be for the account of the Buyer. Such prorations shall include without limitation all ad valorem, real estate and other property taxes (except transfer taxes), music and other license fees, utility expenses, FCC regulatory fees, rent and other amounts under Assumed Contracts and similar prepaid and deferred items. Seller shall receive a credit for all of KTAS' deposits and

prepaid expenses. Sales commissions related to the sale of advertisements broadcast on KTAS prior to Closing shall be the responsibility of Seller, and sales commissions related to the sale of advertisements broadcast on KTAS after Closing shall be the responsibility of Buyer. There shall be no proration or adjustment for any imbalance in the value of rights and obligations under trade, barter or similar agreements for the sale of time for goods or services. The prorations shall include an adjustment for employee leave (if any) accrued in the calendar year in which Closing occurs. Prorations and adjustments shall be made at Closing to the extent practicable, and in any event no later than ninety (90) calendar days after Closing.

Section 2.9 FCC Consent; Assignment Application. At a date not later than five (5) Business Days after the execution of this Agreement, Buyer and Seller shall execute, file and diligently prosecute an application with the FCC (the “Assignment Application”) requesting FCC consent to the assignment to Buyer of all FCC Authorizations pertaining to KTAS (the “FCC Consent”). Buyer and Seller shall take all reasonable steps to cooperate with each other and with the FCC to secure such FCC Consent without delay, and to promptly consummate this Agreement in full. Each party shall be responsible for all of its own costs with respect thereto, except that any Assignment Application FCC filing fee will be paid by Buyer. 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.

Section 2.10 Allocation. Buyer and Seller shall allocate the Purchase Price in accordance with the respective fair market values of the Acquired Assets and the goodwill being purchased and sold in accordance with the requirements of Section 1060 of the Internal Revenue Code of 1986, as amended (the “Code”). The allocation shall be determined by mutual agreement of the parties. Buyer and Seller each further agrees to file its federal income tax returns and its other tax returns reflecting such allocation as and when required under the Code.

ARTICLE III CLOSING

Section 3.1 Closing Date; Closing Place. The closing (the “Closing”) of the transactions contemplated by this Agreement shall occur at a place mutually agreeable to Buyer and Seller and on a date which is within ten (10) Business Days from the date of the FCC Consent pursuant to the FCC’s initial order or on such other day after such consent as Buyer and Seller may mutually agree, subject to the satisfaction or waiver of the conditions set forth in Articles VI below. The date on which the Closing is to occur is referred to herein as the “Closing Date”.

Section 3.2 Closing Deliverables.

(a) Seller’s Deliverables. At the Closing, Seller shall deliver to Buyer the following:

- (i) A Bill of Sale and other instruments of transfer and conveyance to transfer and assign to Buyer good and marketable title in the Tangible Personal Property;

- (ii) A Special Warranty Deed for each parcel of Real Property, duly executed by Seller;
 - (iii) An assignment of FCC authorizations assigning the FCC Authorizations from Seller to Buyer;
 - (iv) An assignment and assumption of contracts assigning the Assumed Contracts from Seller to Buyer;
 - (v) A certificate of Seller certifying the fulfillment of the conditions set forth in Sections 6.3(a) and (b) hereof; and
 - (vi) Such other documents, instruments and agreements necessary to consummate the transactions contemplated by this Agreement.
- (b) Buyer's Deliverables. At the Closing, Buyer shall deliver to Seller the following:
- (i) The payment of the Purchase Price;
 - (ii) Certified copies of the resolutions of Buyer authorizing and approving the execution and delivery of this Agreement and authorizing the consummation of the transactions contemplated hereby;
 - (iii) A certificate of Buyer certifying the fulfillment of the conditions set forth in Sections 6.2(a) and (b) hereof;
 - (iv) A certificate of good standing for Buyer from the Secretary of State of California;
 - (v) An assignment and assumption of contracts assuming the Assumed Contracts; and
 - (vi) Such other documents, instruments and agreements necessary to consummate the transactions contemplated by this Agreement.

ARTICLE IV REPRESENTATIONS AND WARRANTIES

Section 4.1 Representations and Warranties of Seller. Seller hereby makes the following representations and warranties to Buyer:

(a) Capacity of Seller. Seller has the capacity to execute and deliver this Agreement and consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Seller and constitutes the legal, valid and binding obligation of Seller enforceable in accordance with its terms, except as may be limited by bankruptcy, insolvency or other laws affecting generally the enforcement of creditors' rights or the application of principles of equity.

(b) No Conflicts; Consents. The execution, delivery and performance of this Agreement by Seller will not (i) violate any law, statute, rule, regulation, order, writ, injunction or decree of any federal, state or local Governmental Authority and which is applicable to Seller or any of the Acquired Assets, (ii) result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever on any of the Acquired Assets except Permitted Liens, or (iii) to Seller's knowledge, require the consent or approval of any Governmental Authority or other third party other than the FCC Consent, as referenced in Section 2.9 hereto, and any third parties required to assign Assumed Contracts to Buyer.

(c) Title to Tangible Personal Property. Attached hereto as Schedule 2.2(a) is a list, as of the date hereof, of certain items of Tangible Personal Property owned by Seller for use in connection with KTAS. Seller owns and has, or will have on the Closing Date, good and marketable title to the Tangible Personal Property. Each material item of Tangible Personal Property (i) is in good condition and repair, ordinary wear and tear excepted, and (ii) is operating in material compliance with the FCC Authorizations, and FCC rules and regulations.

(d) FCC Authorizations. Attached hereto as Schedule 2.2(b) is a true and complete list of the FCC Authorizations used or held for use by Seller as of the date hereof in the operation of KTAS. Except as set forth in Schedule 2.2(b), as may be set forth on the face of the FCC Authorizations, or for matters of general applicability, the FCC Authorizations are in full force and effect, unimpaired by any material act or omission of Seller. Seller lawfully holds each of the FCC Authorizations listed on Schedule 2.2(b), none of which is subject to any restrictions or conditions that would limit in any material respect the operations of KTAS, except as may be set forth on the face of the FCC Authorizations or for matters of general applicability. Except as set forth in Schedule 2.2(b), Seller is operating KTAS in all material respects in accordance with the FCC Authorizations, and all rules, regulations and policies of the FCC (the "Communications Laws"). There is not now pending or, to Seller's knowledge, threatened any action by or before the FCC to revoke, cancel, rescind, materially adversely modify or refuse to renew any of such FCC Authorizations, and Seller has not received any written notice of and has no knowledge of any pending, issued or outstanding order by or before the FCC, or of any investigation, order to show cause, notice of violation, notice of forfeiture, or material complaint against KTAS or Seller with respect to KTAS.

(e) Real Property. Schedule 2.2(c) attached hereto contains a description of the Real Property in connection with the Seller's operation of KTAS. To Seller's knowledge, there is no pending condemnation or similar proceeding affecting the Real Property or any portion thereof and no such action is presently contemplated or threatened.

(f) Brokers. There is no broker or finder or other Person who would have any valid claim against Seller for a commission or brokerage in connection with this Agreement or the transaction contemplated hereby as a result of any agreement, understanding or action by Seller.

(g) Legal Proceedings; Orders. There is no action, suit or proceeding pending or, to Seller's knowledge, threatened against Seller in respect of KTAS that will subject Buyer to liability or which will affect Seller's ability to perform its obligations under this Agreement. Seller is not operating under or subject to any order relating to KTAS or the Acquired Assets of any Governmental Authority which would have a material adverse effect on KTAS or any of the Acquired Assets or on the ability of Seller to enter into this Agreement or consummate the transactions contemplated hereby, other than those of general applicability. Seller, with respect to KTAS, is in compliance in all material respects with all applicable laws, regulations, orders or decrees.

(h) Compliance with Environmental Laws. To Seller's knowledge, the Real Property is in material compliance with all applicable Laws, statutes, rules, regulations, codes and ordinances of all applicable U.S. federal, state and local Governmental Authorities relating to the discharge of air pollutants, water pollutants or process wastewater, Hazardous Materials (as defined herein), or toxic substances, or otherwise relating to the environment, including without limitation the Federal Solid Waste Disposal Act, the Federal Clean Air Act, the Federal Clean Water Act, the Federal Resource Conservation and Recovery Act of 1976, the Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, regulations of the Environmental Protection Agency, and regulations of any applicable state department of natural resources or state environmental protection agency ("Environmental Laws"). As used herein, the term "Hazardous Materials" means any wastes, substances, or materials (whether solids, liquids or gasses) that are deemed hazardous, toxic, pollutants, or contaminants, including substances defined as "hazardous wastes," "hazardous substances," "toxic substances," "radioactive materials," or other similar designations in, or otherwise subject to regulation under, any Environmental Laws.

Section 4.2 Representations and Warranties of Buyer. Buyer hereby makes the following representations and warranties to Seller:

(a) Organization and Qualification of Buyer. Buyer is a stock corporation duly organized, validly existing and in good standing under the laws of the State of California, and is qualified to do business in the State of California.

(b) Authority and Capacity of Buyer. Buyer has the power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by Buyer and no

other proceedings on the part of Buyer are necessary to authorize this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Buyer and constitutes the legal, valid and binding agreement of Buyer, enforceable in accordance with its terms.

(c) No Conflicts; Consents. The execution, delivery and performance of this Agreement by Buyer will not (i) conflict with or result in any breach of any provision of the articles of organization, bylaws or other similar organizational documents of Buyer, (ii) result in a default (or give rise to any right of termination, cancellation or acceleration) under or conflict with any of the terms, conditions or provisions of any note, bond, mortgage, indenture, agreement, lease or other instrument or obligation, relating to its own business, except for such defaults (or rights of termination, cancellation or acceleration) as to which requisite waivers or consents have been obtained and delivered to Seller, (iii) violate any law, statute, rule, regulation, order, writ, injunction or decree of any federal, state or local Governmental Authority and which is applicable to Buyer, or (iv) require the consent or approval of any Governmental Authority other than the FCC Consent.

(d) FCC Qualification. Buyer is legally, technically and financially qualified under the Communications Laws to acquire and become the FCC licensee of KTAS and to perform its obligations under this Agreement. There are no facts that would, under existing law and the existing rules, regulations, policies and procedures of the FCC, disqualify Buyer as an assignee of the FCC Authorizations or as the owner and operator of KTAS. No waiver of or exemption from any FCC rule or policy is necessary to be obtained by Buyer in order for the FCC Consent to be granted. There are no matters related to Buyer which might reasonably be expected to result in the FCC's denial or delay of approval of the Assignment Application.

(e) Legal Proceeding; Governmental Investigation. There is no litigation, proceeding or governmental investigation pending or to the knowledge of Buyer, threatened, in any court, arbitration board, administrative agency, Governmental Authority or tribunal against or relating to Buyer, including without limitation any voluntary or involuntary petition under federal bankruptcy law or any state receivership or similar proceedings, that would prevent, question the legality or propriety of, or materially impede the consummation by Buyer of the transactions contemplated by this Agreement or could materially adversely affect the ability of Buyer to perform its obligations hereunder, nor does Buyer know of, or have any reasonable ground to know of, in view of its present situation or action it now contemplates taking, any basis for such litigation, proceeding or investigation.

(f) Brokers. Other than Hadden & Associates, whose fee shall be paid by Buyer (in addition to payment of the Purchase Price to Seller), there is no broker or finder or other Person who would have any valid claim against Buyer for a commission or brokerage fee in connection with this Agreement or the transactions contemplated hereby as a result of any agreement, understanding or action by Buyer. To the extent that any commission or brokerage fee shall arise as a result of any agreement, understanding or action by Buyer, including any commissions or brokerage fees owed to Hadden & Associates, Buyer agrees to pay the broker's commission of 5% of the Purchase Price at time of Closing to satisfy all such commissions or brokerage fees.

(g) Sufficiency of Funds. Buyer has sufficient cash on hand or other

sources of immediately available funds to enable it to make payment of the Purchase Price and consummate the transaction contemplated by this Agreement. Within five (5) Business Days of the date hereof and prior to filing the Assignment Application, Buyer shall provide evidence of such sufficient funds to consummate the transaction contemplated herein. Failure of Buyer to provide such evidence upon the reasonable request by Seller within such time period shall permit Seller to terminate this Agreement in accordance with the terms of Section 8.1 herein. Closing is not contingent on Buyer obtaining financing.

ARTICLE V COVENANT S

Section 5.1 Conduct of Business Prior to the Closing. Prior to Closing, Seller shall continue to operate and maintain the business and operation of KTAS in accordance in all material respects with the terms of the FCC Authorizations and in material compliance with all applicable laws and FCC rules and regulations. Seller will deliver to Buyer, promptly after filing, copies of any reports and applications filed with the FCC related to KTAS which are filed between the date of this Agreement and the Closing Date. Seller shall take all commercially reasonable actions necessary to keep the FCC Authorizations, including all material permits and applications pending before the FCC, valid and in full force and effect until the Closing Date.

Section 5.2 Access to Information. From the date hereof until the Closing, Seller shall (a) during normal business, afford Buyer and its Representatives reasonable access to, upon reasonable prior notice, and the right to inspect all of the Real Property, Acquired Assets, books and records, Assumed Contracts and other documents and data related to KTAS; (b) furnish Buyer and its Representatives with such financial, operating and other data and information related to the Business as Buyer or any of Representatives may reasonably request; and (c) instruct the Representatives of Seller to reasonably cooperate with Buyer in its investigation of KTAS. Notwithstanding the foregoing, such access and other rights shall not be exercised in a manner that interferes with the operation of KTAS or other stations owned by Seller or its Affiliates, and no environmental assessment of the Real Property may be conducted without Seller's prior written consent.

Section 5.3 Insurance. Seller shall maintain in full force and effect through the Closing Date adequate property damage, liability and other insurance with respect to the Acquired Assets.

Section 5.4 Announcements. 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, 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 Assignment Application and thereby become public.

Section 5.5 Control. Buyer shall not, directly or indirectly, control, supervise or direct the operation of KTAS prior to Closing. Consistent with the Communications Laws, control, supervision and direction of the operation of KTAS prior to Closing shall remain the responsibility of Seller as the holder of the FCC Authorizations.

Section 5.6 Assumed Contracts. To the extent that any Assumed Contract may not be assigned without the consent of any third party, and such consent is not obtained prior to Closing, this Agreement and any assignment executed pursuant to this Agreement shall not constitute an assignment of such Assumed Contract; provided, however, with respect to each such Assumed Contract, Seller and Buyer shall cooperate to the extent feasible in effecting a lawful and commercially reasonable arrangement under which Buyer shall receive the benefits under the Assumed Contract from and after Closing, and to the extent of the benefits received, Buyer shall pay and perform Seller's obligations arising under the Assumed Contract from and after Closing in accordance with its terms.

Section 5.7 Employees.

(a) Seller has provided or will provide Buyer with a list showing employee positions and certain compensation information for employees of KTAS who are available to Buyer for hire. Except for any employees having employment agreements included in the Assumed Contracts (which Buyer shall assume at Closing), Buyer may, but is not obligated to, offer post-Closing employment to such employees. With respect to each such employee, within thirty (30) calendar days after the date of this Agreement, Buyer shall notify Seller in writing whether or not it will offer employment to each such employee upon Closing.

(b) With respect to employees of the Stations hired by Buyer ("Transferred Employees"), Seller shall be responsible for all compensation and benefits arising prior to Closing (in accordance with Seller's employment terms), and Buyer shall be responsible for all compensation and benefits arising after Closing (in accordance with Buyer's employment terms).

Section 5.8 Receivables. Seller retains all rights, titles, and interest in and to KTAS' accounts receivable and any other rights to payment of cash consideration for goods sold or services provided prior to Closing. Buyer shall not collect any of such receivables and shall promptly remit to Seller any of such pre-Closing receivables received by Buyer, without offset.

Section 5.9 Noncompete. Subject to the limitations set forth in this Section, for a period of two (2) years from the Closing Date, Raul Palazuelos shall not own or operate a television station that is licensed to a community in the San Luis Obispo, CA/Santa Barbara, CA/Santa Maria, CA Designated Market Area (the "Market"). Nothing set forth herein restricts him from owning or operating any station in any other market or from any other activity within the Market or elsewhere. This Agreement does not restrict ownership of any interest that does not constitute an attributable interest under FCC rules. Each restriction or covenant contained in this Section is severable. If the time period, geographical area specified, or any of the substantive provisions thereof should be adjudicated as unreasonable in any legal proceeding, the time period shall be reduced by such number of months or years, the geographical area shall be reduced by the elimination of such portion thereof, or the substance shall be reduced in scope, or a combination of the foregoing, so that each such restriction or covenant may be enforced for such time period, in such geographical area and to the maximum extent as is adjudicated to be reasonable.

ARTICLE VI CONDITIONS TO CLOSING

Section 6.1 Conditions to Obligations of All Parties. The obligations of each party to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment, at or prior to the Closing, of each of the following conditions:

(a) No Governmental Authority shall have enacted, issued, promulgated, enforced or entered any governmental order which is in effect and has the effect of making the transactions contemplated by this Agreement illegal, otherwise restraining or prohibiting consummation of such transactions or causing any of the transaction contemplated hereunder to be rescinded following completion thereof; and

(b) The FCC Consent shall have been issued and be in effect.

Section 6.2 Conditions to Obligations of Seller. In addition to the conditions set forth in Section 6.1, the obligations of Seller to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or Seller's waiver, at or prior to Closing, of each of the following:

(a) Buyer shall have performed and complied in all material respects with all of the agreements, obligations, and covenants required by this Agreement to be performed or complied with by Buyer prior to or as of the Closing Date;

(b) The representations and warranties of Buyer set forth in this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same effect as if made on and as of the Closing Date;

(c) Buyer shall have delivered to Seller, on the Closing Date, the documents required to be delivered pursuant to Section 3.2(b); and

(d) Buyer shall not be subject to any voluntary or involuntary petition under federal bankruptcy law or any state receivership or similar proceeding.

Seller may not rely on the failure of any condition set forth in this Article VI to be satisfied if such failure was primarily due to the failure of Seller to materially perform any of its material obligations under this Agreement.

Section 6.3 Conditions to Obligations of Buyer. In addition to the conditions set forth in Section 6.1, the obligations of Buyer to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or Buyer's waiver, at or prior to Closing, of each of the following:

(a) Seller shall have performed and complied in all material respects with all the agreements, obligations and covenants required by this Agreement to be performed or complied with by Seller prior to or as of the Closing Date;

(b) The representations and warranties of Seller set forth in this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same effect as if made on and as of the Closing Date;

(c) There shall not be any Liens on the Acquired Assets other than Permitted Lines (except any financing statements of record to be satisfied by Seller on or before the Closing Date); and

(d) Seller shall have delivered to Buyer, on the Closing Date, the documents required to be delivered pursuant to Section 3.2(a).

Buyer may not rely on the failure of any condition set forth in this Article VI to be satisfied if such failure was primarily due to the failure of Buyer to materially perform any of its material obligations under this Agreement.

ARTICLE VII INDEMNIFICATION

Section 7.1 Indemnification by Seller. Following the Closing, Seller shall indemnify, defend and hold harmless Buyer with respect to any and all demands, claims, actions, suits, proceedings, assessments, judgments, costs, losses, damages, liabilities and expenses (including, without limitation, interest, penalties, court costs and reasonable attorneys' fees) (collectively, "Damages") asserted against, resulting from, imposed upon or incurred by Buyer directly or indirectly relating to or arising out of: (i) the breach by Seller of any of its representations or warranties set forth in this Agreement; (ii) the failure by Seller to perform any of its covenants, conditions or agreements set forth in this Agreement; or (iii) any and all claims, liabilities and obligations of any nature, absolute or contingent, relating to the ownership and operation of KTAS prior to the Closing, including the Excluded Liabilities and with respect to the Excluded Assets.

Notwithstanding the foregoing or anything else herein to the contrary, after Closing, (i) Seller shall have no liability to Buyer under Section 7.1(i) until Buyer's aggregate Damages exceed \$140,000, after which such threshold amount shall be included in, not excluded from, any calculation of Damages, and (ii) the maximum aggregate liability of Seller under Section 7.1(i) shall be \$1,400,000.

Section 7.2 Indemnification by Buyer. Following the Closing, Buyer shall indemnify, defend and hold Seller harmless with respect to any and all Damages asserted against, resulting from, imposed upon or incurred by Seller directly or indirectly relating to or arising out of: (i) the breach by Buyer of any of its representations or warranties set forth in this Agreement; (ii) the failure by Buyer to perform any of its covenants, conditions or agreements set forth in this Agreement; or (iii) any and all claims, liabilities and obligations of any nature, absolute or contingent, relating to the ownership and operation of KTAS from and after the Closing, including the Assumed Liabilities.

Section 7.3 Indemnification Procedures.

(a) If either party hereto (the "Indemnitee") receives notice or otherwise obtains knowledge of any matter with respect to which the party hereto (the "Indemnifying")

Party”) may be obligated to indemnify the Indemnitee under this Article VII then the Indemnitee shall promptly deliver to the Indemnifying Party written notice (a “Claim”) describing such matter in reasonable detail and specifying the estimated amount of the Damages or liability that may be incurred by the Indemnitee in connection therewith, but a failure to give such notice or delaying such notice shall not affect the Indemnitee’s rights or the Indemnifying Party’s obligations except to the extent the Indemnifying Party’s ability to remedy, contest, defend or settle such Claim is thereby prejudiced and provided that such notice is given within the applicable time period described in Section 7.4.

(b) The Indemnifying Party shall have the right, at its option, to assume the complete defense of such matter at its own expense and with its own counsel, provided such counsel is reasonably satisfactory to the Indemnitee. If the Indemnifying Party elects to assume the defense of such matter, then (i) notwithstanding anything to the contrary herein contained, the Indemnifying Party shall not be required to pay or otherwise indemnify the Indemnitee against any such matter following the Indemnifying Party’s election to assume the defense of such matter, (ii) the Indemnitee shall cooperate as reasonably requested by the Indemnifying Party in the defense or settlement of such matter, (iii) the Indemnifying Party shall keep the Indemnitee informed of all material developments and events relating to such matter, and (iv) the Indemnitee shall have the right to participate, at its own expense, in the defense of such matter. In no event shall the Indemnifying Party be liable for any settlement or admission of liability with respect to such matter without its prior written consent.

(c) Notwithstanding anything in this Agreement to the contrary, neither party shall have any liability to the other under any circumstances for special, indirect, consequential, punitive or exemplary damages or lost profits or similar damages of any kind, whether or not foreseeable.

Section 7.4 Survival. The several representations and warranties of Seller and Buyer contained in or made pursuant to this Agreement shall expire on the date that is one (1) year after the Closing Date. If within such period the Indemnitee 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 post-Closing covenants and agreements in this Agreement shall survive Closing until performed.

ARTICLE VIII TERMINATION

Section 8.1 Termination. Either Buyer or Seller may terminate this Agreement by written notice to the other, if the party seeking to terminate is not in default or breach in any material respect of any of its obligations under this Agreement, upon the occurrence of any of the following: (a) if the other party 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); provided, however, that the Cure Period shall not apply to Buyer’s obligation to make the Deposit when due or to pay the Purchase Price at Closing; (b) if the Assignment Application is denied or designated for hearing; (c) if there shall be in effect any judgment, final decree or order that would prevent or make unlawful the Closing of this Agreement; or (d) if Closing does not occur on or before July 31, 2023. The term “Cure Period” as used herein means a period commencing on the date Buyer or Seller receives from the other written notice of

breach or default hereunder and continuing until the earlier of (i) twenty (20) calendar days thereafter or (ii) the Closing Date determined under Section 3.1; provided, however, that if the breach or default is non-monetary and cannot reasonably be cured within such period but can be cured before the Closing Date determined under Section 3.1, and if diligent efforts to cure promptly commence, then the Cure Period shall continue as long as such diligent efforts to cure continue, but not beyond the Closing Date determined under Section 3.1.

Section 8.2 Equitable Remedies; Specific Performance. Each party to this Agreement acknowledges and agrees that (a) a breach or threatened breach by such party of any of its obligations under this Agreement would give rise to irreparable harm to the other party for which monetary damages would not be an adequate remedy and (b) if a breach or a threatened breach by such party of any such obligations occurs, the other party hereto will, in addition to any and all other rights and remedies that may be available to such party at law, at equity or otherwise in respect of such breach, be entitled to equitable relief, including but not limited to specific performance, and any other relief that may be available from a court of competent jurisdiction, without any requirement to (i) post a bond or other security, or (ii) prove actual damages or that monetary damages will not afford an adequate remedy. Each party to this Agreement agrees that such party shall not oppose or otherwise challenge the appropriateness of equitable relief or the entry by a court of competent jurisdiction of an order granting equitable relief, in either case, consistent with the terms of this Section 8.2.

Section 8.3 Survival. Except as provided by Section 8.4, 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 contained herein to the contrary, Sections 2.7 (Deposit) (and Section 8.4 with respect to the Deposit), 9.1 (Confidentiality) and 9.6 (Expenses) shall survive any termination of this Agreement.

Section 8.4 Liquidated Damages. If Seller terminates this Agreement pursuant to Section 8.1(a) for Buyer's breach or default, then Seller shall retain the Deposit. The parties acknowledge and agree that such payment shall constitute liquidated damages and the sole remedy of Seller for a breach by Buyer of this Agreement, payment of such amount is not a penalty and the liquidated damages amount is reasonable in light of the substantial but indeterminate harm anticipated to be caused by material breach or default under this Agreement, the difficulty of proof of loss and damages, the inconvenience and non-feasibility of otherwise obtaining an adequate remedy and the value of the transactions to be consummated hereunder.

ARTICLE IX MISCELLANEOUS

Section 9.1 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 (including without limitation all financial information provided by Seller to Buyer) shall be confidential and shall not be disclosed to any other Person, except the parties' Representatives and lenders for the purpose of consummating the transaction contemplated by this Agreement. Each party shall treat as confidential any information of another party obtained through this transaction, unless such information is or becomes generally available to the public other than as a result of disclosure by

the party which alleges the information is confidential, or unless such information is legally compelled to be disclosed.

Section 9.2 Notices. All notices, elections and other communications permitted or required under this Agreement shall be in writing and shall be deemed effectively given or delivered upon personal delivery (or refusal thereof) or electronic mail transmission, or twenty-four (24) hours after delivery to a courier service which guarantees overnight delivery, or five (5) days after deposit with the U.S. Post Office, by registered or certified mail, postage prepaid, and, in the case of courier or mail delivery, addressed as follows (or at such other address for a party as shall be specified by like notice):

If to Seller, to:

Raul & Consuelo Palazuelos
KTAS TV
330 West Carmen Lane
Santa Maria, CA
93458 Email: _____

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

Wiley Rein LLP
2050 M Street, NW
Washington, DC 20036
Attention: Joan Stewart
Email: Jstewart@wiley.law

If to Buyer, to:

Maxwell C. Agha
International Communications Network, Inc.
160 Thorn Street, Ste. 200 San Diego, CA 92103
Email: _____

Section 9.3 Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of California, without giving effect to the choice of law principles thereof. The prevailing party in a lawsuit brought to enforce the performance or compliance of any provision of this Agreement may recover reasonable attorneys' fees and costs from the non-prevailing party.

Section 9.4 Partial Invalidity. Wherever possible, each provision hereof shall be interpreted in such manner as to be effective and valid under applicable law, but in case any provision contained herein shall, for any reason, be held to be invalid or unenforceable, such provision shall be ineffective to the extent of such invalidity or unenforceability without invalidating the remainder of such provision or any other provisions hereof.

Section 9.5 Counterparts. This Agreement may be executed in several counterparts, each of which will be deemed to be an original but all of which together will constitute one and

the same instrument. This Agreement may be executed and exchanged by electronic mail or facsimile transmission, with the same legal effect as if the signatures had appeared in original handwriting on the same physical document.

Section 9.6 Expenses. Except as otherwise set forth herein, Buyer and Seller shall be solely responsible for all costs and expenses incurred by them in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement. The filing fee applicable to Assignment Application shall be paid by Buyer. Recording fees, transfer or sales or use taxes, fees and charges applicable to the transfer of the Acquired Assets under this Agreement shall be paid by Buyer.

Section 9.7 Assignment. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. No party may voluntarily or involuntarily assign its interest or delegate its duties under this Agreement without the prior written consent of the other party.

Section 9.8 Third-Party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 9.9 Entire Agreement. This Agreement, and the Schedules attached 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 between the parties with respect to the subject matter hereof. No party makes any representation or warranty with respect to the transactions contemplated by this Agreement except as expressly set forth in this Agreement.

Section 9.10 Amendment and Modification; Waiver. This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each party hereto. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

Section 9.11 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.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

[SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT]

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

Seller:

By :

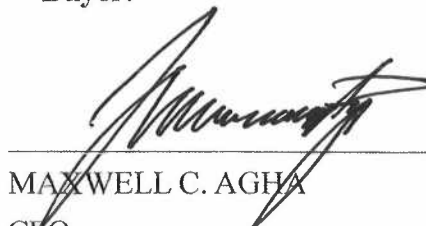


RAUL PALAZUELOS

Consuelo Palazuelos 12-15-2022
CONSUELO PALAZUELOS

Buyer:

By :

 12/16/2022 [SEAL]
MAXWELL C. AGHA
CEO
INTERNATIONAL COMMUNICATIONS NETWORK, INC

LIST OF SCHEDULES

Schedule 1:	Definitions
Schedule 2.2(a):	Tangible Personal Property
Schedule 2.2(b):	FCC Authorizations
Schedule 2.2(c):	Real Property
Schedule 2.2(d):	Assumed Contracts

SCHEDULE 1

Definitions

For the purposes of this Agreement, the following terms shall be defined as below, except as otherwise defined in this Agreement:

“Agreement” means this Asset Purchase Agreement as it may periodically be amended, restated, or supplemented in accordance with its terms.

“Affiliate” means, with respect to a specified Person, a Person that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with, the specified Person. For purposes of this definition, the term “control” (including the terms “controlling,” “controlled by” and “under common control with”) means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

“Business Day” means any day other than Saturday, Sunday, or any day on which banking institutions in San Luis Obispo, California are closed either under applicable law or action of any Governmental Authority.

“Governmental Authority” means any (a) nation, region, state, county, city, town, village, district or other governmental jurisdiction, (b) federal, state, local, municipal, foreign or other government, (c) department, agency or instrumentality of a foreign or other government, including any state-owned or state-controlled instrumentality of a foreign or other government, (d) governmental or quasi-governmental authority of any nature (including any governmental agency, branch or department and any court or other governmental tribunal), or (e) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power of any nature.

“Permitted Liens” means Assumed Liabilities, liens for taxes not yet due and payable, liens that will be released at or prior to Closing, liens which arise by operation of law and in the ordinary course of business which secure payment of obligations not more than thirty (30) days past due, purchase money security interests that arise by operation of law for inventory and supplies purchased in the ordinary course of business and on account so long as the amounts owed on such accounts are not past due, and, with respect to the Real Property, (i) zoning, building codes and other land use laws imposed by a governmental authority and (ii) such other easements, rights of way, building and use restrictions and other exceptions that do not in any material respect detract from the value of the property subject thereto or impair the use thereof in the ordinary course of the business of KTAS.

“Person” means an individual or an entity, including a corporation, limited liability company, partnership, trust, unincorporated organization, association or other business or investment entity, or any Governmental Authority.

“Representative” means with respect to a specified Person, any directors, officers, employees, consultants, financial advisors, counsel, accountants, and other agents of that specified Person.

“Tax” means (a) any federal, state, local, foreign or other tax, charge, fee, duty (including customs duty), levy or assessment, including any income, gross receipts, net proceeds, alternative or add-on minimum, corporation, ad valorem, turnover, real property, personal property (tangible or intangible), sales, use, franchise, excise, value added, real estate transfer, stamp, leasing, lease, user, transfer, fuel, excess profits, profits, occupational, premium, interest equalization, windfall profits, severance, license, registration, payroll, environmental (including taxes under Section 59A of the Code), capital stock, capital duty, disability, estimated, gains, wealth, welfare, employee’s income withholding, other withholding, unemployment or social security or other tax of whatever kind (including any fee, assessment or other charges in the nature of or in lieu of any tax) that is imposed by any Governmental Authority, and (b) any interest, fines, penalties or additions resulting from, attributable to, or incurred in connection with any items described in this paragraph or any related contest or dispute.

“Tax Return” means any report, return, filing, declaration, claim for refund, or information return or statement related to Taxes required to be filed with a Governmental Authority, including any schedule or attachment thereto, and including any amendment of any of them.