

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (the “Agreement”) is entered into as of this 4th day of September, 2023 (the “Effective Date”), by and between **SKYLINE MEDIA OF VIRGINIA, LLC**, a limited liability company organized under the laws of the Commonwealth of Virginia (“Buyer”), and **WXGM, INC.**, a corporation organized under the laws of the Commonwealth of Virginia (“Seller”), (each a “Party” and, collectively, the “Parties”).

RECITALS

WHEREAS, Seller is the licensee of Stations WXGM (AM), Gloucester, Virginia, Facility No. 74208, FM Translator Station W272EJ (FX), Gloucester, Virginia, Facility No. 201144 and WXGM-FM, Gloucester, Virginia, Facility No. 74209 (collectively, the “Stations”), which are authorized to operate pursuant to authorizations (the “Station Licenses”) issued by the Federal Communications Commission (“FCC”); and

WHEREAS, on the terms and conditions described herein, Seller desires to sell and Buyer desires to purchase substantially all of the assets owned or leased by Seller and used in connection with the operation of the Stations;

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 to the following terms and conditions:

ARTICLE 1: SALE AND PURCHASE

1.1 **Station Assets**. Subject to the terms and conditions contained herein, Seller shall grant, convey, sell, assign, transfer and deliver to Buyer on the Closing Date (defined below) the following assets, properties, interests and rights of Seller used exclusively in connection with the operation of the Stations (collectively, the “Station Assets”):

(a) **Licenses and Authorizations**. All licenses, authorizations, permits and approvals issued to Seller with respect to the Stations by the FCC and listed on Schedule 1.1(a), including, any pending applications, construction permits, renewals, or modifications thereof (collectively, the “FCC Licenses”).

(b) **Tangible Personal Property**. All equipment and other tangible personal property owned by Seller and used exclusively in connection with the business and operation of the Stations and located at the Leased Real Property (as defined in Schedule 1.1(d)), including the buildings and tangible personal property listed in Schedule 1.1(b) (the “Tangible Personal Property”), but expressly excepting all Seller’s broadcast towers (including, but not limited to, the towers associated with FCC Antenna Structure Registration Number 1016653, File No. A0019990) (“Seller’s Towers”), which shall in no event be part of this Agreement.

(c) **Contracts**. All contracts and agreements to which Seller is a party and used exclusively in connection with the business and operation of the Station, including those

listed in Schedule 1.1(c) (collectively, the “Assumed Contracts”), but expressly excepting those relating to Seller’s Towers.

(d) **Leased Real Property.** Execution of new leases with Buyer as Tenant to be negotiated prior to Closing contemplated herein for the real properties upon which the Stations’ transmission facilities and towers (the “Transmitter Site Lease”), as well as studio facilities (the “Studio Site Lease”), are located and listed in Schedule 1.1(d), together with all easements, improvements, buildings, fixtures and appurtenances located thereon (collectively, the “Leased Real Property”). Seller shall be landlord for the Transmitter Site Lease, and Marva A. Robinson, in her individual capacity, shall be landlord for the Studio Site Lease. The new leases shall contain usual and customary provisions for commercial property leases and shall include as rental terms (i) a minimum ten (10) year term for the Transmitter Site Lease for \$100.00 per year rent for the initial term, with two (2) ten (10) year extension terms with a 4% increase in rent upon exercise of each renewal; and (ii) a Studio Site Lease for an initial five (5) year term \$2,500 per month rent and three (3) five (5) year extension renewal terms each with 2% increase in rent upon exercise of each renewal, with a fixed option to purchase at a price defined by Marva A. Robinson, in her individual capacity, contained in the Studio Site Lease and the right to terminate the Studio Site Lease by Buyer/Tenant at each anniversary of commencement upon 90 days advance written notice to Marva A. Robinson, in her individual capacity.

(e) **Intangible Property.** The slogans, trade names, logos, trademarks, domain names, websites and related content, and other intellectual and intangible property owned or licensed by Seller and used exclusively in connection with the Stations including, without limitation, those identified in Schedule 1.1(e) (collectively, the “Intangible Property”).

(f) **Public File.** All records pertaining to the Stations and required by the FCC to be maintained in each Station’s FCC online public inspection file; provided that Seller may retain copies thereof.

(g) **Claims.** Any and all claims and rights against third parties if and to the extent that they relate to Station Assets, including, without limitation, all rights under manufacturers’ and vendors’ warranties, but excepting cash and accounts receivable as set forth more specifically in Section 1.8 below.

(h) **Prepaid Items.** All deposits, reserves and prepaid expenses relating to the Station Assets and prepaid taxes relating to the Station Assets for which a proration has been made in Seller’s favor in accordance with Section 1.6.

1.2 **Excluded Assets.** All assets, properties, interests and rights not expressly set forth above in Section 1.1 or expressly excluded above in Section 1.1 shall be excluded from the Station Assets and retained by Seller (collectively, the “Excluded Assets”). For the avoidance of doubt, the Excluded Assets shall include Seller’s Towers; all contracts related to Seller’s Towers; cash and accounts receivable as set forth more specifically in Section 1.8 below; all books and records that pertain solely to the organization, existence, and capitalization of Seller; Seller’s cash and cash equivalents on hand or in banks, certificates of deposit, money market funds, securities, and similar type investments; Seller’s insurance policies in effect on the date of this

Agreement or the Closing Date and premium refunds therefore; and all assets, properties, interests and rights used in connection with any Seller station or business other than the Stations.

1.3 **Liabilities.** The Station Assets shall be transferred by Seller to Buyer free and clear of all debts, security interests, mortgages, trusts, claims, pledges, conditional sales agreements, equipment leases, and other liens, liabilities and encumbrances of every kind and nature (“Liens”), except Liens for taxes not yet due and payable as of the Closing Date for which a proration has been made between Seller and Buyer, Liens with respect to Buyer’s obligations to perform on and after the Closing Date the obligations arising under the Assumed Contracts, Liens that do not affect in any material manner the use of value of the asset to which they are attached, Liens resulting from the Security Documents (defined in Section 1.5), and other Liens that will be discharged prior to Closing (“Permitted Liens”). Buyer shall assume and undertake to pay, discharge and perform all obligations and liabilities relating to the Assumed Contracts and any other Station Asset, in each case to the extent arising or occurring after the Closing (the “Assumed Liabilities”).

1.4 **Purchase Price.** The purchase price to be paid for the Station Assets is FOUR HUNDRED FIFTY THOUSAND DOLLARS (\$450,000) (the “Purchase Price”).

1.5 **Payment of Purchase Price.** Simultaneously with the execution and delivery of this Agreement, Buyer will deposit TWENTY-TWO THOUSAND FIVE HUNDRED DOLLARS (\$22,500.00) (the “Escrow Amount”) of the Purchase Price into escrow. The Escrow Amount shall be held and disbursed by Schutz & Company, LLC, as the escrow agent (the “Escrow Agent”) pursuant to the terms of a mutually acceptable Escrow Agreement. At the Closing, the Parties shall cause the Escrow Amount to be paid to Seller. At Closing, the Buyer will:

(a) pay to Seller FIFTY THOUSAND DOLLARS (\$50,000.00) (in addition to the Escrow Amount paid to Seller by the Escrow Agent), plus or minus the adjustments made pursuant to Section 1.6, in cash by wire transfer of immediately available funds; and

(b) execute and deliver to Seller a promissory note in the principal amount of THREE HUNDRED SEVENTY-SEVEN THOUSAND FIVE HUNDRED DOLLARS (\$377,500.00), in the form attached hereto as EXHIBIT A (the “Promissory Note”). The Promissory Note shall bear interest at 6% per annum for the term of the Promissory Note, and shall be fully amortized over a 15 year term with a 5 year balloon, with 60 payments of principal and interest in the sum of \$3,185.56 (the “Minimum Note Payment”) commencing 90 days following the Closing contemplated herein, with no prepayment penalty. The Promissory Note shall be secured by a security interest on the tangible Station Assets, and a collateral pledge of the equity interests in Buyer, each in the form attached as EXHIBIT B, or as revised to comply with FCC regulations (the “Security Documents”).

1.6 **Prorations.** The parties agree to prorate all expenses arising out of the operation of the Stations which are incurred, accrued, or payable, as of 11:59 p.m. local time of the day preceding the Closing. The prorated items shall include, but not be limited to, power and utilities charges, FCC regulatory fees (based on the most recent publicly available information about the cost of such regulatory fees for the Stations), property taxes upon the basis of the most recent tax

bills and information available, security deposits, and similar prepaid and deferred items. The prorations shall, insofar as feasible, be determined and paid on the Closing Date, with final settlement and payment to be made within forty-five (45) days after the Closing Date.

1.7 **Allocation of Purchase Price.** Buyer and Seller shall negotiate in good faith an allocation of the Purchase Price to the Station Assets acquired hereunder in a manner which complies with Section 1060 of the Internal Revenue Code of 1986, as amended to the date hereof, prior to Closing, and each party shall file returns with the Internal Revenue Service consistent therewith.

1.8 **Accounts Receivable.** Seller shall retain 100% of all accounts receivable prior to Closing and the right to 85% of all accounts receivable due at Closing for a period of 60 days post-Closing. Buyer shall collect pre-Closing account receivables paid post-Closing and remit in installments to Seller on the 30th and 60th day after Closing 85% of all sums received through each date. Buyer will not reduce, discount, or otherwise adjust the amount due under any receivable and shall accompany each installment remittance to Seller with a statement of the payor(s) forming the basis of the remittance, as well as an accounting of remaining unpaid receivable balance. Following the remittance on the 60th day, all remaining pre-Closing account receivables shall become the property of Buyer.

ARTICLE 2: FCC CONSENT; CLOSING

2.1 **FCC Consent; Assignment Application.** Not later than five (5) business days after the Effective Date, Buyer and Seller shall prepare, execute, and file an application to the FCC (the "Assignment Application") requesting the FCC's consent (the "FCC Consent") to the assignment of the FCC Licenses from Seller to Buyer. Buyer and Seller shall prosecute the Assignment Application and cooperate with each other and with the FCC in order to secure such FCC Consent without delay and to promptly consummate the transaction contemplated hereby. Buyer shall be responsible for the FCC filing fee in connection with the filing of the Assignment Application.

2.2 **Closing Date; Closing Place.** The closing (the "Closing") of the transaction contemplated in this Agreement shall occur on a date (the "Closing Date") that is no more than ten (10) business days after: (x) all conditions to the Closing set forth in Articles 7 and 8 hereof shall have either been waived or satisfied, and (y) the FCC Initial Consent becomes a Final Order (as defined below, unless Buyer agrees to waive the requirement of a Final Order), or on such other day after such consent as Buyer and Seller may mutually agree in writing, with the understanding that the Parties intend to target to have the Closing at the end of the month the FCC Consent is granted. For purposes of this Agreement, the term "Initial Consent" shall mean that action shall have been taken by the FCC staff, pursuant to delegated authority which may still be subject to a timely request for stay, petition for rehearing, appeal or certiorari or sua sponte action of the FCC, with Final Order occurring 40 calendar days after Initial Consent. The conveyance of the FCC licenses shall be by Assignment and Assumption of FCC Authorizations; the conveyance of Intangible Property shall be by Assignment and Assumption of Intangible Property, the conveyance of the Leased Real Property shall be by execution of the new property leases, the conveyance of tangible assets shall be by Bill of Sale, and the conveyance of the contractual agreements shall be by Assignment and Assumption of Contracts.

ARTICLE 3: REPRESENTATIONS AND WARRANTIES OF SELLER

Seller makes the following representations and warranties to Buyer:

3.1 **Organization and Authorization.** Seller is a corporation duly organized, validly existing, and in good standing under the laws of the Commonwealth of Virginia. Seller has the power and authority to execute and deliver this Agreement and to consummate the transaction contemplated hereby. Seller's execution and delivery of this Agreement and consummation of the transaction contemplated hereby have been duly and validly authorized, and no other actions on the part of Seller are necessary to authorize the execution and delivery of, or the performance of Seller's obligations under this Agreement or to consummate the transaction contemplated hereby. This Agreement 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.

3.2 **No Defaults.** The execution, delivery, and performance of this Agreement by Seller will not (i) constitute a violation of, or conflict with, Seller's articles of organization or operating agreement, (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 obligation relating to the business of the Stations, (iii) violate any law, statute, regulation, order, injunction, or decree of any federal, state, or local governmental authority or agency applicable to Seller or any of the Station Assets, (iv) result in the creation or imposition of any Lien on the Station Assets, other than Permitted Liens, or (v) require the consent or approval of any governmental authority, lending institution, or other third party other than the FCC Consent.

3.3 **Tangible Personal Property.** Schedule 1.1(b) contains a true and complete list as of the date hereof of all major items of Tangible Personal Property of every kind or description owned by the Seller, except office materials and supplies (which office supplies or any replacements thereof shall be part of the Assets). Any Tangible Personal Property that is leased by the Seller as of the date hereof, whether as lessor or lessee, is separately designated on Schedule 1.1(b) and all related lease agreements are described on Schedule 1.1(b). Except as listed and described on Schedule 1.1(b), Seller has good, valid, and marketable title to or the unrestricted right to use all of the Stations' Assets owned, leased or licensed by it, in each case, free and clear of all security interests of every kind or character (other than Permitted Encumbrances). The Seller is the owner, lessee, or licensee of all of the Tangible Personal Property listed on the Schedules to this Agreement. Seller warrants that equipment currently is and at Closing will be in operating condition. In all other respects, the Tangible Personal Property is being assigned "as is, where is" without any other warranty as to condition.

3.4 **FCC Licenses and Other Licenses.** Schedule 1.1(a) hereto contains a true and complete list of the FCC Licenses (including any pending applications) and all other licenses, permits, or other authorizations from governmental or regulatory authorities that are required for the lawful conduct of the business and operations of the Stations in the manner and to the full extent that the Stations are presently operated. The FCC Licenses and other licenses are in full force and effect, unimpaired by any act or omission of Seller. Seller lawfully holds each of the FCC Licenses and the other licenses, permits, and authorizations listed on Schedule 1.1(a), none of which is subject to any restrictions or conditions that would limit in any material respect the

operations of the Stations, other than (i) as may be set forth on the faces of such FCC Licenses and other licenses, or (ii) as may be applicable to the radio broadcasting industry. There is not now pending or, to the knowledge of Seller, threatened any action by or before the FCC to revoke, cancel, rescind, modify, or refuse to renew any of such FCC Licenses, and Seller has not received any 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 apparent liability, notice of forfeiture, or material complaint against the Stations or Seller.

3.5 **Litigation; Compliance with Law.** Seller has operated the Stations in material compliance with all laws, regulations, orders, or decrees. Seller is not subject to any order, writ, injunction, judgment, arbitration, decision, or decree having a binding effect and affecting the business of the Stations or the Station Assets or which restrains or enjoins, or purports to restrain or enjoin, or could reasonably be expected to restrain or enjoin, the transaction contemplated hereby, and to Seller's knowledge no such proceeding is pending. There is no material litigation pending by or against, or, to Seller's knowledge, threatened against, Seller which relates to the Stations or which could materially and adversely affect any of the Station Assets.

3.6 **Taxes.** Seller has duly, timely, and in the required manner filed all federal, state, and local income, franchise, sales, use, property, excise, payroll, and other tax returns and forms required to be filed, and has paid in full or discharged all taxes, assessments, excises, interest, penalties, deficiencies, and losses required to be paid. To Seller's knowledge, no event has occurred which could impose upon Buyer any liability for any taxes, penalties, or interest due or to become due from Seller from any taxing authority.

3.7 **Leased Real Property.** Seller owns the Real Property to be leased to Buyer under the Transmitter Site Lease. Seller's president, Marva A. Robinson, owns the Real Property to be leased to Buyer under the Studio Site Lease as described herein above.

3.8 **Environmental.** To Seller's knowledge, Seller has complied in all material respects and is in material compliance with all environmental, health, or safety laws (collectively, the "Environmental Laws") applicable to the Station Assets. Seller has not received any notice, nor does Seller have any knowledge of any administrative or judicial investigations, proceedings or actions with respect to violations, alleged, or proved, of any Environmental Laws involving the operation of the Stations.

3.9 **Sufficiency of and Title to Assets.** The Station Assets are sufficient for the operations of the Stations as presently operated by Seller. Seller owns, leases or is licensed to use all of the Station Assets free and clear of Liens, except for Permitted Liens.

3.10 **Brokers.** Other than Schutz & Company, LLC, who shall be compensated by Seller pursuant to separate agreement at Closing, there is no broker or finder or other person who would have a valid claim for a commission or a brokerage fee in connection with this Agreement or the transaction contemplated hereby under any agreement, arrangement or understanding made by or on behalf of Seller.

3.11 **No Other Representations.** Seller disclaims any and all other representations and warranties (express or implied, oral or written), except as expressly set forth in this Article 3.

Buyer specifically acknowledges that Seller shall not be deemed to have made, and Buyer is in no way relying upon, any representation or warranty not expressly set forth in this Article 3, including with respect to materials, if any, previously delivered or made available to Buyer concerning the Station Assets.

ARTICLE 4: REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer makes the following representations and warranties to Seller:

4.1 **Organization and Standing.** Buyer is a limited liability company duly organized, validly existing, and in good standing under the laws of the Commonwealth of Virginia.

4.2 **Authorization.** Buyer has the power and authority to execute and deliver this Agreement, and to consummate the transaction contemplated hereby. The execution and delivery of this Agreement and the consummation of the transaction contemplated hereby have been duly and validly authorized by Buyer, and no other proceedings on the part of Buyer are necessary to authorize the execution and delivery of, or the performance of Buyer's obligations under this Agreement, or to consummate the transaction contemplated hereby. This Agreement constitutes the legal, valid, and binding agreement of Buyer 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.

4.3 **No Defaults.** 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 incorporation or bylaws 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 Buyer or its business, except for such defaults (or rights of termination, cancellation, or acceleration) or conflicts as to which requisite waivers or consents have been obtained and delivered to Seller, (iii) violate any statute, regulation, order, injunction, or decree of any federal, state, or local governmental authority or agency which is applicable to Buyer, or (iv) require the consent or approval of any governmental authority, lending institution, or other third party other than the FCC Consent.

4.4 **Buyer's Qualification.** Buyer is, or will be as of the Closing Date, legally and financially qualified to acquire, and to become the FCC licensee of, the Stations and to perform its obligations under this Agreement. There is no fact or circumstance relating to Buyer that would reasonably be expected to prevent the FCC from granting the Assignment Application or that would otherwise reasonably be expected to disqualify Buyer as the licensee of the FCC Licenses or as the owner or operator of the Stations. Buyer has no reason to believe that the Assignment Application might not be granted by the FCC in the ordinary course due to any fact or circumstance relating to Buyer. No waiver of or exemption from any FCC rule or policy is required for the grant of the Assignment Application.

4.5 **Financing.** As of the Closing Date, Buyer will have sufficient cash, available lines of credit or other sources of immediately available funds to enable it to make payment of

the Purchase Price and any other amounts to be paid by it in accordance with the terms of this Agreement.

4.6 **Litigation.** Buyer is not subject to any order, writ, injunction, judgment, arbitration, decision, or decree having a binding effect and affecting the business of Buyer or which restrains or enjoins, or purports to restrain or enjoin, or could reasonably be expected to restrain or enjoin, the transaction contemplated hereby, and no such proceeding is pending. There is no material litigation pending by or against, or, to the knowledge of Buyer, threatened against Buyer, that would prevent or materially impede the consummation by Buyer of the transaction contemplated by this Agreement.

4.7 **Brokers.** Other than Schutz & Company, LLC, who shall be compensated by Seller as provided above, there is no broker or finder or other person who would have a valid claim for a commission or a brokerage fee in connection with this Agreement or the transaction contemplated hereby under any agreement, arrangement or understanding made by or on behalf of Buyer.

ARTICLE 5: COVENANTS OF SELLER

The following terms of this Article 5 shall apply from the Effective Date until the completion of the Closing (except as otherwise specified).

5.1 **Station Assets.** The Station Assets shall be maintained by Seller consistent with good engineering practice and in material conformity with all applicable FCC technical regulations.

5.2 **FCC Compliance.** Seller shall continue to operate and maintain the Stations in accordance with the terms of the FCC Licenses and in material compliance with all applicable laws and FCC regulations and published policies. Seller will not file any application with the FCC requesting authority to modify the Stations' facilities without Buyer's prior written consent and Seller shall take all actions necessary to keep the FCC Licenses, including all material permits and applications pending before the FCC, valid and in full force and effect.

5.3 **Operation of Stations in Ordinary Course.** Except as provided herein, Seller shall operate the Stations in the ordinary course of business and in accordance with past practice, and shall pay and perform all of its obligations with respect to the Stations in the ordinary course as such obligations become due.

5.4 **Disposition of Assets.** Prior to the Closing Date, Seller shall not, without the prior written consent of Buyer, sell, lease, or transfer, any of the Station Assets without replacement thereof with an asset of equivalent kind, condition, and value that satisfies industry standards for such assets, nor create any new Lien on the Station Assets other than Permitted Liens and Liens arising pursuant to, and in accordance with the terms of, this Agreement.

5.5 **Access and Information.** From the date hereof until the earlier to occur of the Closing Date or the termination of this Agreement, Seller shall permit Buyer and its representatives to make such investigation of the Station Assets as Buyer deems reasonably

necessary or desirable in connection with the transactions contemplated hereby. Access to the Station Assets shall be made upon reasonable notice and at reasonable places and times. Such access and information shall not in any way affect or diminish any of the representations or warranties hereunder except to the extent the Buyer fails to promptly notify Seller of any inaccuracy or breach of any of the representations or warranties of Seller upon any such discovery by Buyer. Notwithstanding any provision to the contrary herein, however, Buyer shall not, directly or indirectly, control, supervise or direct the operations of the Stations prior to the Closing. Such operations, including complete control and supervision of all programs, employees, finances, and policies, shall be the sole responsibility of Seller until the Closing.

5.6 **Consummation of Agreement.** Seller shall use commercially reasonable efforts to fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement, and to consummate the transaction contemplated hereby.

5.7 **Intentionally Omitted.**

5.8 **Environmental and Other Assessments of the Real Property.** Buyer may commission, at its sole option and expense, and upon notice to Seller, a Phase I environmental site assessment of the Leased Real Property (a "Phase I Assessment"). If the Phase I Assessment or any other information known to Buyer indicates that a Phase II assessment or other additional testing or analysis of the Leased Real Property as Buyer may deem appropriate (a "Phase II Assessment") is advisable, then Buyer may commission such Phase II Assessment at Buyer's cost and expense. Seller will use its commercially reasonable efforts to comply with any reasonable request for information made by Buyer or its agents in connection with any such investigation. Buyer shall provide Seller with copies of any Phase I or Phase II assessment, or any other surveys, mechanical, foundation, and electrical inspections Buyer commissions, without charge.

ARTICLE 6: COVENANTS OF BUYER

6.1 **Consummation of Agreement.** Buyer shall use commercially reasonable efforts to fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement, and to consummate the transaction contemplated hereby.

ARTICLE 7: CONDITIONS TO THE OBLIGATIONS OF SELLER

The obligations of Seller under this Agreement are subject to the fulfillment of the following conditions prior to or on the Closing Date. Upon the Closing, each such condition shall be deemed to have been satisfied.

7.1 **Representations, Warranties and Covenants.**

(a) Each of the representations and warranties of Buyer contained in this Agreement was true and correct, in all material respects, as of the date when made and is deemed to be made again on and as of the Closing Date and is then true and correct, in all material respects, except to the extent changes are permitted or contemplated pursuant to this Agreement.

(b) Buyer shall have performed and complied, in all material respects, with each and every covenant and agreement required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

7.2 **Proceedings.** Neither Seller nor Buyer is subject to any restraining order or injunction (or similar action) which would restrain or prohibit the consummation of the transaction contemplated hereby.

7.3 **FCC Consent.** The FCC Consent has been issued by FCC staff grant and become Final Order, unless waived by Buyer.

7.4 **Deliveries.** Buyer has complied with each and every one of its obligations set forth in Section 9.2.

ARTICLE 8: CONDITIONS TO THE OBLIGATIONS OF BUYER

The obligations of Buyer under this Agreement are subject to the fulfillment of the following conditions prior to or on the Closing Date. Upon the Closing, each such condition shall be deemed to have been satisfied.

8.1 **Representations, Warranties and Covenants.**

(a) Each of the representations and warranties of Seller contained in this Agreement was true and correct, in all material respects, as of the date when made and is deemed to be made again on and as of the Closing Date and is then true and correct, in all material respects, except to the extent changes are permitted or contemplated pursuant to this Agreement.

(b) Seller shall have performed and complied, in all material respects, with each and every covenant and agreement required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

8.2 **Proceedings.** Neither Seller nor Buyer is subject to any restraining order or injunction (or similar action) which would restrain or prohibit the consummation of the transaction contemplated hereby.

8.3 **FCC Consent.** The FCC Consent has been issued by FCC staff grant and become Final Order, unless waived by Buyer.

8.4 **Deliveries.** Seller has complied with each and every one of the obligations set forth in Section 9.1.

ARTICLE 9: ITEMS TO BE DELIVERED AT CLOSING

9.1 **Deliveries by Seller.** At Closing, Seller shall deliver to Buyer, duly executed by Seller or such other signatory as may be required by the nature of the document:

EXECUTION VERSION

(a) a bill of sale sufficient to sell, convey, transfer and assign the Tangible Personal Property and any other assets included in the Station Assets (other than the FCC Licenses and Assumed Contracts) to Buyer (the “Bill of Sale”);

(b) an assignment and assumption sufficient to sell, convey, transfer and assign the Assumed Contracts to Buyer (the “Assignment and Assumption of Contracts”);

(c) an assignment sufficient to assign the FCC Licenses (including the Stations’ call letters) to Buyer (the “FCC Licenses Assignment”);

(d) The Transmitter Site lease and Studio Site Lease between Seller and Marva A. Robinson (as applicable) and Buyer;

(e) a certificate executed by an authorized officer of Seller certifying the satisfaction of the conditions set forth in Section 7.1; and

(f) such additional documents, instruments, and agreements, including a Closing Statement, as Buyer may reasonably request in connection with the consummation of the transactions contemplated by this Agreement.

9.2 **Deliveries by Buyer.** At the Closing, Buyer shall deliver to Seller, duly executed by Buyer or such other signatory as may be required by the nature of the document:

(a) the payment of the cash portion of the Purchase Price in accordance with Section 1.5(a), including all adjustments thereto as provided in Sections 1.6;

(b) the Promissory Note;

(c) the Security Documents;

(d) the Assignment and Assumption of Contracts, Transmitter Site Lease and Studio Site Lease;

(e) a certificate executed by an authorized officer of Buyer certifying the satisfaction of the conditions set forth in Section 8.1; and

(f) such additional documents, instruments, and agreements, including a Closing Statement, as Seller may reasonably request in connection with the consummation of the transactions contemplated by this Agreement.

ARTICLE 10:INDEMNITY

10.1 **Survival of Representations and Warranties.** The representations and warranties of Buyer and Seller contained in this Agreement shall survive the Closing for twelve (12) months from the Closing Date. Neither Seller nor Buyer shall have any liability whatsoever with respect to any representation or warranty unless a claim is made hereunder or an action at law or in equity is commenced prior to expiration of such survival period for such representation or warranty.

10.2 **Seller's Indemnity Obligation.** Subject to Section 10.1, Seller hereby agrees to indemnify, defend, save, and hold Buyer harmless with respect to any and all claims, losses, obligations, liabilities, costs and expenses, including reasonable counsel fees (collectively, "Losses"), threatened, suffered, incurred, or sustained by Buyer by reason of any misrepresentations by Seller or any breach by Seller of this Agreement or of any of Seller's warranties, covenants, or representations contained in this Agreement, or arising from or by reason of Seller's ownership of the Station Assets or operation of the Stations prior to the Closing Date hereunder. Notwithstanding anything to the contrary herein, in no event will Seller have any indemnification obligations hereunder for any Losses unless and until the aggregate amount of all of such Losses exceeds \$5,000 in the aggregate ("Threshold"), whereupon Seller shall be liable to indemnify the Indemnified Party only for the amount of such Losses in excess of the Threshold; and in no event will Seller have any indemnification obligations hereunder for any Losses in excess of 50% of the Purchase Price in the aggregate; notwithstanding the foregoing, however, in the event such Losses are directly caused by Seller's intentional or willful nondisclosure Seller's indemnification obligations shall extend to 100% of the Purchase Price in the aggregate, but in no event shall surpass 100% of the Purchase Price. Any of Seller's indemnification obligations shall first be satisfied from any unpaid amounts of Purchase Price.

10.3 **Buyer's Indemnity Obligation.** Subject to Section 10.1, Buyer hereby agrees to indemnify, defend, save, and hold Seller harmless with respect to any and all Losses threatened, suffered, incurred, or sustained by Seller by reason of any misrepresentations by Buyer or any breach by Buyer of this Agreement or of any of Buyer's warranties, covenants, or representations contained in this Agreement or arising from or by reason of Buyer's ownership of the Station Assets or operation of the Stations subsequent to the Closing Date hereunder or arising out of any breach by Buyer of any Real Property Lease or Assumed Contracts assigned to the Buyer hereunder because of events occurring after the Closing Date hereunder. Notwithstanding anything to the contrary herein, in no event will Buyer have any indemnification obligations hereunder for any Losses unless and until the aggregate amount of all of such Losses exceeds \$5,000 in the aggregate ("Threshold"), whereupon Buyer shall be liable to indemnify the Indemnified Party only for the amount of such Losses in excess of the Threshold.

10.4 **Indemnification Procedures.**

(a) If any Party (the "Indemnitee") receives notice or otherwise obtains knowledge of any matter with respect to which another Party (the "Indemnifying Party") may be obligated to indemnify the Indemnitee under this Article 10, then the Indemnitee shall promptly deliver to the Indemnifying Party written notice describing such matter in reasonable detail and specifying the estimated amount of the Losses or liability that may be incurred by the Indemnitee in connection therewith; provided that no failure or delay in the giving of such notice shall affect the Indemnitee's rights under this Article 10 except to the extent that such failure or delay has materially prejudiced the Indemnifying Party's ability to defend the matter in question.

(b) If the Indemnifying Party is entitled to and does elect to assume the defense of any matter pursuant to this Article 10 and conducts such defense in a reasonably vigorous manner, then (i) the Indemnitee, at the Indemnifying Party's expense, shall fully cooperate as reasonably requested by the Indemnifying Party in the defense of such matter, (ii) the Indemnifying Party shall keep the Indemnitee informed of all material developments and

events relating to such matter, (iii) the Indemnatee shall have the right to participate, at its own expense, in the defense of such matter, and (iv) except with the prior written consent of the Indemnatee, the Indemnifying Party will not, in the defense of such matter, consent to the entry of any judgment (other than a judgment of dismissal on the merits without cost), or enter into any settlement, that does not include as an unconditional term thereof the giving by the claimant or the plaintiff to the Indemnatee of a release from all Losses in respect of such matter.

10.5 **Exclusive Remedy.** Absent willful or intentional misrepresentation by a Party hereto in connection with this Agreement and the transactions contemplated hereby, the indemnification provided for in this Article 10 shall be the sole and exclusive remedy available to any Party against any Party (or its owners) for any claims under or based upon this Agreement.

ARTICLE 11: TERMINATION

11.1 **Termination.** This Agreement may be terminated at any time prior to Closing:

- (a) by the mutual written consent of Seller and Buyer;
- (b) by written notice of Seller to Buyer if Buyer defaults in any material respect in the performance of any of Buyer's covenants or agreements under this Agreement; and in any of which events such default is not cured within the Cure Period (as defined below), if applicable;
- (c) by written notice of Buyer to Seller if Seller defaults in any material respect in the performance of any of Seller's covenants or agreements under this Agreement; and in any of which events such default is not cured within the Cure Period (as defined below), if applicable;
- (d) by written notice of Seller to Buyer, or Buyer to Seller if the Closing has not been consummated within twelve (12) months of the Effective Date; provided, however, that the right to terminate this Agreement under this clause shall not be available to any Party whose breach of this Agreement has been the cause of, or resulted in, the failure of the Closing to occur on or before such date;
- (e) if there shall be any Law that prohibits consummation of the sale of the Stations or if a Governmental Authority of competent jurisdiction shall have issued a final, nonappealable Government Order enjoining or otherwise prohibiting consummation of the sale of the Stations; or
- (f) if the FCC denies the FCC Application.

11.2 **Cure Period.** The term "Cure Period" as used herein means a period commencing with the date that Buyer or Seller receives from the other Party written notice of breach or default hereunder and continuing until thirty (30) days thereafter; provided, however, that if the breach or default cannot reasonably be cured within such period but can be cured

before the Closing Date, 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.

11.3 **Payment of Escrow Amount.** If the Closing is not consummated as a result of termination by Seller pursuant to Section 11.1(b), the Parties agree that, as Seller's sole and exclusive remedy, Seller shall be entitled to the Escrow Amount to compensate Seller as liquidated damages resulting to Seller from Buyer's breach and not as a penalty (the "Liquidated Damages Payment"). The Parties acknowledge and confirm that the injury to Seller, which would result from such a breach, would be difficult or impossible to accurately estimate but that the Liquidated Damages Payment is a reasonable estimate of the probable loss from such a breach. If this Agreement is terminated for any other reason, the Escrow Amount thereon shall be disbursed to Buyer. The Parties shall each instruct the Escrow Agent to disburse the Escrow Amount thereon to the Party entitled thereto and shall not, by any act or omission, delay or prevent any such disbursement.

ARTICLE 12: MISCELLANEOUS

12.1 **Governing Law.** This Agreement shall be construed and governed by the laws of the Commonwealth of Virginia (exclusive of those relating to conflicts of laws that would direct the application of the laws of another state) and United States federal law.

12.2 **Expenses.** Except as otherwise specifically provided herein, each Party hereto shall bear all of its expenses incurred in connection with the transaction contemplated by this Agreement, including without limitation, accounting, engineering and legal fees incurred in connection herewith.

12.3 **Entire Agreement; Amendment; No Waiver.** This Agreement, including the schedules and exhibits hereto, contain the entire agreement and understanding by and between the Parties, and no other representations, promises, agreements, or understandings, written or oral, not contained herein shall be of any force or effect. No oral agreement shall have any effect. No modification, amendment or waiver of any provision of, or consent required by, this Agreement, or any consent to any departure herefrom, shall be effective unless it is in writing and signed by the Parties hereto. Such modification, amendment, waiver or consent shall be effective only in the specific instance and for the purpose for which given. No failure or delay in exercising any right hereunder shall be deemed or construed to be a waiver of such right, either prospectively or in the particular instance.

12.4 **Risk of Loss/Interruption of Operations.** The risk of loss to any of the Station Assets on or prior to the Closing Date shall be upon Seller. If any material portion of the Station Assets (other than items that are obsolete and not necessary for the continued operations of the Stations) shall suffer damage or destruction prior to the Closing Date, ordinary wear and tear excepted, Seller shall promptly notify Buyer in writing of such damage or destruction, shall promptly take all commercially reasonable steps to restore, repair or replace such Station Assets at Seller's expense, and shall advise Buyer in writing of the estimated cost to complete such restoration, repair or replacement and all amounts actually paid as of the date of the estimate. In the event of damage to any material portion of the Station Assets that cannot be restored, repaired or replaced prior to the Closing, Buyer at its sole option: (a) may elect to postpone

Closing until such time as such Assets have been completely repaired, replaced or restored to the reasonable satisfaction of Buyer if the repair, replacement or restoration can be accomplished within one (1) month following the date of the loss or damage or the Closing Date, whichever is the earlier; (b) may elect to consummate the Closing and accept the Station Assets in their then existing condition, in which event Seller shall pay to Buyer all unused proceeds of insurance and assign to Buyer the right to any unpaid proceeds; or (c) terminate this Agreement without liability to either Party.

12.5 **Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the Parties hereto, and their respective representatives, successors and assigns. Neither Buyer nor Seller may assign this Agreement or any part hereof without the prior written consent of the other Party.

12.6 **Notices.** All notices, requests, demands and other communications required or permitted under this Agreement shall be in writing (which shall include notice by facsimile transmission) and shall be deemed to have been duly made and received when personally served, or when delivered by Federal Express or a similar overnight courier service, expenses prepaid, addressed as set forth below; provided, however, that either Party may by writing sent to the other Party pursuant to this Section 12.6 designate a new address for notices, requests, demands and other communications required or permitted under this Agreement:

If to **Seller**, then to:

WXGM, INC.
6538 Wysteria Lane
Gloucester, VA 23061
Attention: Marva A. Robinson & Sara Fitzgerald
Email: marvapaige@cox.net

Sara Fitzgerald
502 West Broad Street #512
Falls Church, VA 22046 Email: sarafitz@aol.com

With a copy, which shall not constitute notice, to:

Brooks, Pierce, et al.
150 Fayetteville Street, Suite 1700
Raleigh, NC 27601
Attention: Patrick Cross
Email: pcross@brookspierce.com

If to **Buyer**, then to:

Skyline Media of Virginia, LLC
1121 Park West Blvd #B-175
Mount Pleasant, SC 29466
Attn: Todd Fowler

With a copy, which shall not constitute notice, to:

Radiotvlaw Associates, LLC
4101 Albemarle St NW #324
Washington, DC 20016-2151
Attention: Anthony T. Lepore, Esq.
anthony@radiotvlaw.net

12.7 **Knowledge.** Whenever used herein with respect to a Party, the term “Seller’s knowledge” or “knowledge of Seller” shall mean the actual knowledge of Marva A. Robinson.

12.8 **Further Assurances.** Each Party hereto will execute all such instruments and take all such actions as any other party shall reasonably request, without payment of further consideration, in connection with carrying out and effectuating the intent and purpose of this Agreement and the transactions contemplated hereby.

12.9 **Counterparts.** This Agreement may be executed by facsimile or email transmission and in counterparts, each of which shall constitute an original but together will constitute a single document.

12.10 **Announcements.** No Party shall, without the prior written consent of the other and without prior consultation with Marva A. Robinson and Sara Fitzgerald each in their individual capacity, 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.

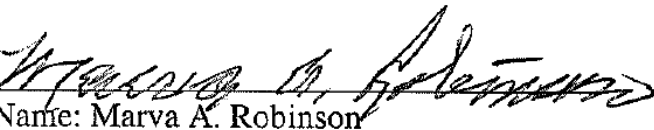
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SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the date first above written.

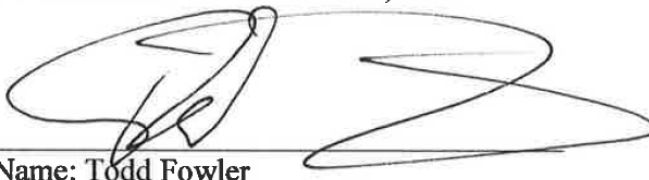
SELLER:

WXGM, INC.

By: 
Name: Marva A. Robinson
Title: President

BUYER:

SKYLINE MEDIA OF VIRGINIA, LLC

By: 
Name: Todd Fowler
Title: Manager/Member

Schedule 1.1(a)
FCC Licenses

<u>Call Sign</u>	<u>Type of Service</u>	<u>FCC File Number(s)</u>	<u>Expiration</u>
WXGM(AM)	Full Power AM	CDBS File No. BL-19920401AA; LMS File No. 0000072418	10/01/2027
WXGM-FM	Full Power FM	CDBS File No. BLH-19910805KE; LMS File No. 0000072421	10/01/2027
W272EJ	FM Translator	CDBS File No. BLFT-20181016AAX; LMS File No. 0000072419	10/01/2027
WME954	Aural STL (BAS)	ULS File No. 0005146801	10/01/2027
WPYL584	Aural STL (BAS)	ULS File No. 0001399397	10/01/2027
E200005	Receive-Only Earth Station	ICFS File No. SES-REG-20181010- 05298	10/10/2033

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Schedule 1.1(b)
Tangible Personal Property

Furniture & Fixtures (Office)

Telephone system
6 PC computers & monitors
6 Desks/chairs
2 Network printers
1 FAX machine
2 Desktop printers

Furniture & Fixtures (Studios)

11 PC computers & monitors (2 unused – 2 XPs)
Studio furniture x 3 (FM, AM, production studios)

Studio Equipment FM

1 Broadcast board (Arrakis 20 channel)
1 Sage Endec (EAS)
3 CD decks
3 Microphones
3 Mic processors
1 Codec decoder
1 Digital hybrid
1 Headphone distribution amp
3 Crosspoint switchers
2 APC UPSs
1 Speaker amp
2 Speakers (JBL 4408A)
1 32” TV

Studio Equipment AM

1 Broadcast board (12 channel Arrakis)
2 Studio speakers
1 Speaker amp
1 APC UPS
1 Fidelipac cart machine
1 Otari reel to reel
1 Headphone distribution amp
2 Microphones
2 Mic processors
2 CD players
1 Switcher
2 PC computers (not in use)

Studio Equipment News

- 1 Broadcast board (LPB 8 channel)
- 1 Printer
- 2 Microphones
- 2 Mic processors
- 1 Distribution amp
- 1 IBM typewriter

Studio Equipment Production

- 1 Broadcast board (Arrakis 16 channel)
- 1 Duel cassette deck
- 1 APC UPS
- 2 Studio speakers (JBL 4406)
- 2 Stereo amps
- 3 Microphones
- 2 Microphone processors
- 1 Digital hybrid
- 2 CD decks

Automation

WideOrbit Automation for Radio Version 3.7 R2 circa 2013

(Includes 3 workstation computers and 1 server. Soon to be replaced with WideOrbit Automation for Radio Version 4.x – includes 1 central server, 2 radio servers, 3 studio workstations, 2 Wheatstone network blades and 1 Wheatstone I/O blade.)

Engineering

- 1 AM transmitter
- 1 FM transmitter
- 1 FM translator
- 1 Remote control system (Burke ARC Solo with autopilot)
- 1 STL
- 2 Modulation monitors
- 2 FM Prism IIs
- 4 DAs
- 2 RDS encoders
- 1 RDS decoder
- 3 FM receivers
- 1 Optimod –FM
- 1 Tie-Line codec
- 1 Wireless mic system (2 mics)

* * * * *

Schedule 1.1(c)
Assumed Contracts

- August 2, 2017, Standard Contract between Christopher Newport University and WXGM Inc.
- June 2, 2023, Agreement between Cleaning Cents, LLC and WXGM Inc.
- January 31, 2019, Affiliation Agreement between LinkedUpRadio and WXGM Inc.
- February 1, 2022, Visual Traffic Agreement between Marketron and WXGM Inc.
- February 1, 2012, Software License and Service Agreement between Marketron Broadcast Solutions, LLC and WXGM.
- December 13, 2017, Broadcast License Agreement between Mediatracks Communications, Inc., and WXGM Inc.
- November 1, 2000, Software License Agreement between Micropower Corporation and WXGM-FM, Inc.
- August 25, 2015, Website License Agreement between WXGM Inc. and ABC Radio
- February 13, 2013, Arbitron PPM Encoding Agreement between WXGM and Arbitron, Inc.
- November 16, 2020, Programming Agreement between United Stations Radio Networks, Inc. and WXGM Inc.
- July 25, 2023, Radio Broadcast Rights Agreement between Pro-Football LLC and WXGM Inc.
- May 3, 2021, Services Affiliation Agreement for Weatherology between Westwood One, LLC and WXGM Inc.
- Envisionwise agreement regarding website services
- Envisionwise agreement regarding text line)
- Securenet streaming agreement
- Pitney Bowes stamp machine agreement
- Xerox copier support agreement

Schedule 1.1(d)
Leased Real Property

- Forthcoming Studio Lease between Skyline Media of Virginia, LLC and Marva A. Robinson for property located at 6267 Professional Drive, Gloucester, VA 23061
- Forthcoming Transmitter Site Lease between Skyline Media of Virginia, LLC, and WXGM, Inc. for property located at 7177 Woody Road, Gloucester, VA 23061

Schedule 1.1(e)
Intangible Property

Call Signs WXGM (AM/FM) W272EJ
xtra99.com website

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EXHIBIT A
Promissory Note

(Attached)

EXHIBIT B
Security Documents

(Attached)