

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (the “Agreement”) is entered into as of this 24th day of July, 2023 (the “Effective Date”), by and between **STICKS MEDIA, LLC**, a limited liability company organized under the laws of the State of Missouri (“Buyer”) and **CROSS & CROWN BROADCASTING CORPORATION**, a corporation organized under the laws of the State of California (“Seller”) (each a “Party” and, collectively, the “Parties”).

RECITALS

WHEREAS, Seller is the licensee of Stations KTNK (AM), Lompoc, California, Facility No. 51263, and FM Translator Station K279CY (FX), Lompoc, California, Facility No. 202699 (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 Station and located at the Leased Real Property (as defined in Schedule 1.1(d)), including, the towers, buildings and tangible personal property listed in Schedule 1.1(b) (the “Tangible Personal Property”).

(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”).

(d) **Leased Real Property**. Assumption of the leases for the real properties upon which the Stations’ transmission facilities and towers 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”).

(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 the 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.

(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 above 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 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 therefor; the accounts receivable of Seller as of the Closing Date; 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 ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000) (the “Purchase Price”).

1.5 **Payment of Purchase Price.** Simultaneously with the execution and delivery of this Agreement, Buyer will deposit FIVE THOUSAND DOLLARS (\$5,000.00) (the “Escrow”).

Amount") of the Purchase Price into escrow. The Escrow Amount shall be held and disbursed by Craig A. Ruark, 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 THIRTY THOUSAND DOLLARS (\$30,000.00) (less 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 ONE HUNDRED FIFTEEN THOUSAND DOLLARS (\$115,000.00), in the form attached hereto as EXHIBIT A (the "Promissory Note"). The Promissory Note shall bear interest at 4% per annum for the term of the Promissory Note, and shall be fully amortized over a 10 year term with a 3 year balloon, with 120 payments of principal and interest in the sum of \$1,164.32 (the "Minimum Note Payment") commencing 30 days following the Closing contemplated herein, with no prepayment penalty. In the event that a sum equal to 30% of the Stations' gross revenue each month following Closing (the "Revenue Factor") is more than the Minimum Note Payment, Buyer shall pay Seller an additional sum applied to principal reduction each month that is equal to the difference between the Minimum Note Payment and the Revenue Factor. 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.

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.

At the Closing, Buyer shall reimburse Seller for the one-half of the FCC filing fee paid by Seller 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, 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 Assignment and Assumption of Leases, the conveyance of tangible assets shall be by Bill of Sale, the conveyance of the contractual agreements shall be by Assignment and Assumption of Contracts, and if applicable, the conveyance of Real Property Leases shall also include Consents of Lessor to the Assignment and Assumption of Leases, together with estoppel certificates from Lessor regarding the Leases.

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 State of California. 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 is 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.** The Real Property Leases are in full force and effect . Seller shall assign the leasehold interests as Lessee in the Real Property Leases to Buyer at Closing and obtain any consents of lessor(s) necessary to effectuate such assignments of lease, together with an estoppel certificate from such lessor(s) confirming rental amounts, security deposit and lease terms.

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.** The Seller has engaged the brokerage services of Craig A. Ruark, LLC (d/b/a The Broadcast License Store), and the Buyer agrees to pay all negotiated Brokerage Fees (\$10,500.00) at the time of Closing. Any conflict between the Buyer and Broker regarding the fees will be settled in Clark County, Nevada. Other than Craig A. Ruark, LLC d/b/a The Broadcast License Store, who shall be compensated by Buyer 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 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 State of Missouri.

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, or (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, or threatened against Buyer, that would prevent or materially impede the consummation by Buyer of the transaction contemplated by this Agreement.

4.7 **Brokers.** The Seller has engaged the brokerage services of Craig A. Ruark, LLC (d/b/a The Broadcast License Store), and the Buyer agrees to pay all negotiated Brokerage Fees (\$10,500.00) at the time of Closing. Any conflict between the Buyer and Broker regarding the fees will be settled in Clark County, Nevada. Other than Craig A. Ruark, LLC d/b/a The Broadcast License Store, who shall be compensated by Buyer 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 Assessment 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.

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:

(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) an assignment sufficient to assign the Real Property Leases to Buyer (the Real Property Lease Assignment") together with estoppel certificates from lessors under each lease and, if applicable, consent to the assignment of leases from lessors;

(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(b), 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 and Assignment and Assumption of 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 the Purchase Price in the aggregate.

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; and in no event will Buyer have any indemnification obligations hereunder for any Losses in excess of the Purchase Price in the aggregate.

10.4 **Exclusive Remedy.** After the Closing, the indemnification rights provided in this Article 10 shall be the sole remedy, exclusive of any other rights or remedies arising under contract, at law, in equity, or otherwise, available to the Parties against one another for any claims in any way arising out of or relating to this Agreement or the transactions contemplated hereby.

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; or
- (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.

- (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 State of California (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 understanding, 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, 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:

If to **Seller**, then to:

Cross & Crown Broadcasting Corporation
1423 Plum Avenue
Lompoc, CA 93436
Attention: Michael Day

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

Borsari & Paxson
5335 Wisconsin Ave, Suite 440
Washington, DC 20015
Attention: Anne Paxson, Esq.
Tel: (202)296-4800
Email: atp@baplaw.com

If to **Buyer**, then to:

Sticks Media, LLC
7611 NW Fawn Ave
Kansas City, MO 64111
Attn: Todd Nixon
todd@sticksmedia.com

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 Michael Day.

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.

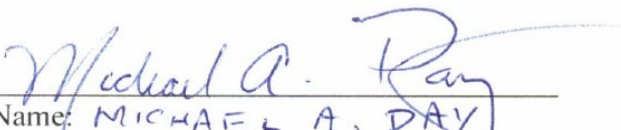
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SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

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

SELLER:

CROSS & CROWN BROADCASTING CORPORATION

By: 
Name: MICHAEL A. DAY
Title: PRESIDENT & GENERAL MGR.

BUYER:

STICKS MEDIA, LLC

By: 
Name: Todd Nixon
Title: Manager/Member

Schedule 1.1(a)
FCC Licenses

<u>Call Sign</u>	<u>Type of Service</u>	<u>FCC File Number</u>	<u>Expiration</u>
KTNK	AM	BL-20040729AVO	12/01/2029
		BZ-20060613ACL	12/01/2029
K279CY	FX	BLFT-20180731AAS	12/01/2029

* * * * *

Schedule 1.1(b)
Tangible Personal Property

KTNK AM 1410 & FM 103.7

Asset List

- AM 1410 primary signal operating at 500W, 24 hours a day
- FM 103.7 simulcasting the primary at 250W 24 hours a day
- Nautel transmitters for both AM & FM, with Optimod signal processors
- Two 186' unlit towers located on the Mendez Ranch on HWY 246; studio building included.
- Studio equipment includes:
 - broadcast console,
 - 4 microphone processors,
 - 3 Electro Voice Re20 broadcast microphones,
 - On Air computer,
 - Production computer,
 - Billing & Traffic computer,
 - Streaming computer,
 - EAS processor (mandatory Emergency Alert System)
- Remote broadcast equipment includes:
 - broadcast console,
 - 3 broadcast headsets,
 - dedicated laptop,
 - Verizon Jet Pack (requires activation).
- BSI Simian software for broadcasting,
 - BSI music scheduling software (Natural Music),
 - BSI Billing and Traffic Software (Natural Log) included.

*New owner would have the option of keeping the current format and receive the music library, or changing the format and the current owner would retain the station music library.

Live365 streaming is in place.

* * * * *

Schedule 1.1(c)
Assumed Contracts

- | | |
|---|--------------|
| 1. Cowboy Corner with Red Steagall | 1 hr. |
| 2. World of Western Swing with Dave Alexander | 1 hr. |
| 3. If That Ain't Country with Western Red | 3 hr. |
| 4. Honkytonks & Heartaches with Tom Wardle | 4 hr. |
| 5. Legend Radio with Jim Loessberg | 4 hr. |
| 6. Chronicle of the Old West with Dakota Livesay | 3 min. daily |
| 7. Dollar Country with Frank the Drifter | 1 hr. |
| 8. The Country Mile with Dave Watkins | 1 hr. |
| 9. A Harvest America Moment and Knowing God
with Greg Laurie | 3 min. ea. |
| 10. The Story Behind the Song with Doug Davis | 3 min. daily |

Schedule 1.1(d)
Leased Real Property

1. May 1, 2014 Tower Site Lease with Larry Mendez, Jr. & Tammy Mendez;
2. September 1, 2018 Communications Site Lease Agreement with Coastal Towers, Inc.
(now ATC)

Schedule 1.1(e)
Intangible Property

Call Signs KNTK, K279CY

* * * * *

EXHIBIT A
Promissory Note

(Attached)

EXHIBIT B
Security Documents

(Attached)