

## **ASSET PURCHASE AGREEMENT**

This ASSET PURCHASE AGREEMENT (the “Agreement”) is executed and delivered as of August 29, 2023, by and among Northern Christian Radio, Inc. a Michigan nonprofit corporation of 1511 M-32 East, Gaylord, Michigan 49735 (“Buyer”), and Good News Media, Inc., a Michigan nonprofit corporation, of 1101 Cass Street, Traverse City, MI 49684, and (“Seller”). Reference herein to a “Party” or the “Parties” shall refer, on the one hand, to Buyer, and on the other hand, to Seller, unless expressly stated (or the context requires) otherwise. Unless otherwise defined herein, capitalized terms shall have the meanings ascribed to them in Article 16 of this Agreement.

### **RECITALS**

**WHEREAS**, Seller operates the following radio stations (each a “*Station*,” and collectively, the “*Stations*”):

WLJN FM 89.9, Traverse City, Michigan (FIN 0008997082; Facility ID 24607)  
WLJN FM 107.9, Charlevoix, Michigan (FIN 0008997082; Facility ID 87539)  
FUEL FM 95.9, Fife Lake, Michigan (FIN 0008997082; Facility ID 190434)  
FUEL FM 105.5, Interlochen, Michigan (FIN 0008997082; Facility ID 82684)  
The Source AM 1370, Cadillac, Michigan (FIN 0008997082; Facility ID 73169)  
The Source AM 1400, Traverse City, Michigan (FIN 0008997082; Facility ID 24603)  
The Source FM 100.7, Traverse City, Michigan via Cadillac, Michigan (FIN 0008997082)  
The Source FM 104.1, Traverse City, Michigan (FIN 0008997082 )

**WHEREAS**, Seller is the holder of the licenses and authorizations issued by the Federal Communications Commission (the “*FCC*”) for the operation of the Stations; and

**WHEREAS**, Seller is the owner of the following three parcels of real estate used by the Stations (collectively, the “Real Estate”):

1101 Cass Street, Traverse City, Michigan 49684  
7475 S. 41 Road, Cadillac, Michigan 49601  
13930 Morgan Hill Road, Traverse City, Michigan 49684

**WHEREAS**, subject to the terms and conditions of this Agreement, Seller desires to sell and Buyer desire to purchase all of Seller’s assets, including the FCC Licenses, Real Estate and all other assets used in the operation of the Stations.

### **AGREEMENT**

**NOW, THEREFORE**, in consideration of the mutual covenants contained herein, Seller and Buyer hereby agree as follows:

## ARTICLE 1 ASSETS TO BE CONVEYED

**1.1 *Transfer of Assets of the Stations.*** On the terms and subject to the conditions set forth in this Agreement, on the Closing Date, Seller shall sell, assign, transfer, convey and deliver to Buyer, in each case free and clear of all Liens, other than Permitted Liens, all of the assets, property and rights of Seller used primarily in the operation of the Stations (collectively, the “**Assets**”), but excluding the Excluded Assets. Except for the Excluded Assets, the Assets shall include, but not be limited to, those items set forth in subsections (a) – (k) below, as well as the Real Estate set forth in Section 1.1.1:

(a) all licenses, permits and other authorizations issued to Seller by the FCC relating to the Stations, including those licenses, permits and other authorizations listed on Schedule 1.1(a) attached hereto, together with renewals or modifications thereof between the date hereof and the Closing Date (collectively, the “**FCC Licenses**”);

(b) all equipment, furniture, fixtures, materials and supplies, fixed assets, production equipment, computers, computer servers, telephone systems, cell phones, smart phones, personal data assistants, personal computers and similar devices, tablets, leasehold improvements, inventories, vehicles, towers, transmitters, antennas, receivers, spare parts and other tangible personal property owned by the Seller and used primarily in the operation of the Stations, including the property listed on Schedule 1.1(b), together with replacements thereof and additions thereto made between the date of such Schedule and the Closing Date, but excluding any such property disposed in the Ordinary Course of Business before the date hereof or in accordance with Section 9.1(b)(iv) subsequent to the date hereof (collectively, the “**Personal Property**”);

(c) the real estate leases listed and described on Schedule 1.1(c) (collectively, the “**Real Estate Leases**”);

(d) all Contracts of Seller relating to the Stations, including those listed on Schedule 1.1(d) hereto (together with the Real Estate Leases and Tower Leases, the “**Assumed Contracts**”), which Schedule 1.1(d) lists all Contracts with an annual cost of at least \$5,000.00 per year or \$25,000.00 over the term of the Contract and all Contracts otherwise material to the Stations, in each case unless terminable without penalty by notice of 90 days or less (together with the Real Estate Leases, the Tower Leases and the “**Material Assumed Contracts**”), and including agreements for the sale of advertising time on the Stations existing as of Commencement;

(e) all of Seller’s right, title and interest in and to all Intellectual Property owned or held by Seller, all in whatever form or medium, including all goodwill, if any, associated with the foregoing, primarily used in the operation of the Stations, together with any such items used, but not primarily used, in the operation of the Stations as otherwise may be expressly included in the Assets as provided by this Agreement, including, without limitation, the items listed on Schedule 1.1(e) hereto (such listed items, the “**Station Intellectual Property**”);

(f) a copy or original of each Station’s public inspection file, filings with the FCC relating to the Stations, all records required by the FCC to be kept by the Stations, all records relating to

the Real Estate Leases, the Tower Leases and the Personal Property, and such technical information, engineering data, and, to the extent transferable, rights under manufacturers' warranties as they exist at the Closing and directly related to the Assets being conveyed hereunder;

(g) electronic or paper copies of all books and records related to the Stations, including without limitation proprietary information, financial data and information, technical information and data, operating manuals, data, studies, records, reports, ledgers, files, correspondence, computer files, plans, diagrams, blueprints and schematics for the Stations and including computer readable disk or tape copies of any items stored on computer files;

(h) all Permits of Seller (other than FCC Licenses) used to operate the Stations and conduct the business of the Stations, to the extent transferable; and

(i) all goodwill associated with the Assets and the business of the Stations.

(j) the tower leases listed and described on Schedule 1.1(j) (collectively, the "Tower Leases");

(k) all cash and cash equivalents of Seller, and all accounts receivable and other rights to payment arising from the operation of the Stations prior to Commencement (the "Accounts Receivable");

At the Closing, Seller shall exercise commercially reasonable efforts to cause Seller's employees or agents who are the account holders for social media accounts (including, but not limited to, Facebook, Twitter, and Instagram) that are included in the Assets to convey rights to such accounts to individuals designated by Buyer.

1.1.1. Sale of Real Estate. The Buyer shall buy and the Seller shall sell, assign, warrant, convey, transfer, set over, and deliver free and clear of all liens and encumbrances, the Real Estate, together with all improvements and appurtenances. In connection with the foregoing, Seller shall grant to Buyer the right to make the maximum number of divisions available under the Michigan Land Division Act, MCL 560.101 et seq. The three parcels of Real Estate are legally described on Schedule 1.1.1.

**1.2 Excluded Assets.** The following assets of Seller shall not be transferred to Buyer hereunder (collectively, the "**Excluded Assets**");

(a) any insurance policies, and any cash surrender value in regard thereto, of the Seller;

(b) any pension, profit-sharing or deferral (Section 401(k)) plans and trusts and assets thereof, or any other employee benefit plan or arrangement, and the assets thereof;

(c) the corporate records of the Seller, including, but not limited to, transfer books, and all corporate assets and business units; and

(d) the assets identified on Schedule 1.2(e).

**1.3 Assumption of Only Certain Liabilities and Obligations.** At Closing, Buyer shall assume and agree to pay or perform when due only the liabilities and obligations of Seller set forth below, and excluding in all cases any liability arising directly or indirectly, from (i) any breach or default under any Assumed Contract (including any Real Estate Lease) occurring prior to Closing, (ii) any violation of Laws occurring prior to Closing, (iii) any breach of warranty, tort or infringement occurring prior to Closing, or (iv) any charge, complaint, action, suit, proceeding, hearing, investigation, claim or demand to the extent that it relates to the foregoing clauses (i), (ii) and (iii) or any liability not specifically assumed hereunder (after giving effect to such exclusions, the “*Assumed Liabilities*”):

(a) all liabilities or obligations of Seller under the Assumed Contracts (including Real Estate Leases and Tower Leases) to the extent such liabilities or obligations first accrue or are first required to be satisfied, discharged or performed after Closing (subject to Section 1.3(c)(ii));

(b) all liabilities or obligations of Seller under the FCC Licenses to the extent such liabilities or obligations first accrue or are first required to be satisfied, discharged or performed after Closing (subject to Section 1.3(c)(ii)); and

(c) the liabilities, obligations and commitments with respect to Transferred Employees that relate to the period after hiring by Buyer as provided for in Article 14;

(d) all assumed current liabilities (“Assumed Current Liabilities”), which means the Seller’s ordinary course current liabilities as included in the accounts payable section of the Seller’s balance sheet immediately prior to the Closing.

**1.4 Excluded Liabilities.** Except for the Assumed Liabilities, Buyer shall not and does not assume or agree to become liable for or successor to any liabilities of or relating to the Seller, its predecessors, successors or any of their Affiliates (collectively, the “*Excluded Liabilities*”). All Excluded Liabilities shall be and remain the sole obligation of the Seller, and Buyer shall not be obligated in any respect therefor. Following the Closing, the Excluded Liabilities shall be the sole responsibility of Seller.

## **ARTICLE 2 PURCHASE PRICE**

**2.1 Purchase Price.** In consideration for the sale of the Assets, and a pledge to endeavor to continue operating the Stations in the ordinary course of business for so long as practical, at Closing the Buyer shall pay Seller the sum of One Dollar (\$1.00) (the “*Purchase Price*”).

## **ARTICLE 3 CLOSING**

**3.1 General Closing Procedures.** The consummation of the sale and purchase of the Assets pursuant to this Agreement (the “*Closing*”) shall take place on the date (the “*Closing Date*”) that is the tenth business day after the FCC Consents are granted by initial order, subject to satisfaction or waiver (subject to applicable Law) of the conditions set forth in Sections 10.1 and

10.2, at a mutually agreeable location or by electronic exchange of signatures, with required deliveries and payments.

#### **ARTICLE 4**

#### **REPRESENTATIONS AND WARRANTIES OF SELLER**

The Seller hereby represents and warrants to Buyer with respect to the Seller, Assets, Stations, and business of the Seller, that, subject to the specific terms herein and to the disclosures in the schedules referenced in this Article 4, the following representations and warranties are true and correct as of the date of this Agreement:

**4.1 *Organization and Standing; Capitalization.*** The Seller (i) is a nonprofit corporation duly formed, validly existing and in good standing under the laws of the State of Michigan, (ii) is qualified to do business in all jurisdictions where failure to do so would result in a Material Adverse Effect on the business of the Stations, and (iii) has all necessary corporate power and authority to own, operate and lease its own Assets and carry on the business of the Stations.

**4.2 *Authorization and Binding Obligation.*** The Seller has all necessary corporate power and authority to enter into and perform its obligations under this Agreement and the Related Documents and to consummate the transactions contemplated hereby and thereby. This Agreement and the Related Documents have been, and each of the other documents contemplated hereby at or prior to Closing will be, duly executed and delivered by Seller, and have been approved by all necessary corporate action on the part of the Seller, including but not limited to, approval of its Board of Directors. This Agreement constitutes (and each of the other Related Documents, when executed and delivered, will constitute) valid and binding obligations enforceable against Seller in accordance with their terms, except as may be limited by applicable bankruptcy, insolvency or similar laws affecting creditors' rights generally or the availability of equitable remedies.

**4.3 *Absence of Conflicting Agreements; Consents.***

(a) Except for the FCC Consents and consents to assign certain Assumed Contracts (including certain Real Estate Leases and Tower Leases), and any necessary consents to enter into the bifurcated leases, subleases and use arrangements contemplated by this Agreement, the execution, delivery and performance of this Agreement and the Related Documents contemplated hereby by Seller does not and will not: (i) violate any provisions of the Organizational Documents of the Seller; (ii) violate any applicable Law or Order; (iii) constitute a material default under, or accelerate or permit the acceleration of any performance required by the terms of any Material Assumed Contracts (including any Real Estate Leases and Tower Leases), or to Seller's Knowledge any other Assumed Contract, assuming any necessary consents are obtained; or (iv) create any material claim, Lien or encumbrance upon any of the Assets other than Permitted Liens.

(b) Except for the FCC Consents and consents to assign certain Assumed Contracts (including certain Real Estate Leases and Tower Leases), and any necessary consents to enter into the bifurcated leases, subleases and use arrangements contemplated by this Agreement, no approval or consent of any Person is or was required to be obtained by Seller for the authorization of this Agreement or the Related Documents or the execution, delivery, performance and

consummation by Seller of the transactions contemplated by this Agreement and the Related Documents.

**4.4 *Litigation.*** Except as disclosed on Schedule 4.4, there are no material claims, litigation, arbitrations or other legal proceedings pending against the Seller that have been served on the Seller or, to the Knowledge of Seller, which are pending but not served on the Seller or threatened against the Seller with respect to the Assets or operation of any of the Stations.

#### **4.5 *Station Licenses.***

(a) Schedule 1.1(a) contains a true and complete list of the FCC Licenses used or held for use in connection with the operation of the Stations as currently operated and the holder of each such FCC License. Each of the holders of FCC Licenses identified on Schedule 1.1(a) is the authorized legal holder of such FCC License. Except as set forth in Schedule 1.1(a), the Stations and the facilities of the Stations are being and have been operated during Seller's operation of the Stations in compliance in all material respects with the FCC Licenses, the Communications Act and all FCC rules and policies. The FCC Licenses are all of the FCC licenses, permits and authorizations required for the operation of the Stations substantially as currently operated.

(b) Except as set forth in Schedule 1.1(a), and except for proceedings affecting the radio broadcasting industry generally, (i) to the Knowledge of Seller, there are no applications, petitions, complaints, investigations, notices of violations, notice of apparent liabilities, pending license terminations, forfeitures, proceedings or other actions pending or threatened from or before the FCC relating to the Stations or the FCC Licenses and (ii) Seller has not filed with the FCC any applications or petitions relating to the Stations or the FCC Licenses which are pending before the FCC.

(c) The Assets owned by Seller are in material compliance with all rules and regulations of the Federal Aviation Administration applicable to the Stations. Each antenna structure that is required to be registered with the FCC has been registered with the FCC. Schedule 1.1(a) contains a list of the antenna registration numbers for each tower owned or leased by Seller (and included in the Assets) that requires registration under the rules and regulations of the FCC. All material reports and other filings required by the FCC with respect to the Stations have been properly and timely filed.

(d) The operation of the Stations does not expose workers or others to levels of radio frequency radiation in excess of the "Radio Frequency Protection Guides" recommended in "American National Standard Safety Levels with Respect to Human Exposure to Radio Frequency Electromagnetic Fields 3 kHz to 300 GHz" (ANSI/IEEE C95.1 - 1992), issued by the American National Standards Institute, and renewal of the FCC Licenses would not constitute a "major action" within the meaning of Section 1.1301 *et seq.*, of the FCC's rules.

#### **4.6 *Real Property.***

(a) List of Leases. The Real Estate Leases and Tower Leases are the only real property leases or licenses to which the Seller is a party either as lessee or licensee and that are used in the

operation of Stations except for Excluded Assets. Seller has furnished to Buyer true and complete copies of the Real Estate Leases and Tower Leases, along with all modifications and amendments thereto, except as set forth on Schedule 1.1(c) and Schedule 1.1(j). Except as set forth on Schedule 1.1(c) and Schedule 1.1(j), there are no material oral agreements between the Seller and any landlord or lessor under any of the Real Estate Leases or Tower Leases.

(b) Leased Real Property. With respect to the real property and improvements, if any, subject to the Real Estate Leases or Tower Leases: (i) the Seller is the owner and holder of the entire interest in the leasehold estate purported to be granted by the Real Estate Leases and Tower Leases; (ii) the Real Estate Leases and Tower Leases constitute legal, valid and binding obligations of the Seller and, to Seller's Knowledge, enforceable in accordance with their respective terms; and (iii) to Seller's Knowledge, there are no defaults currently existing by Seller under any of the Real Estate Leases and/or Tower Leases, and no written notices of default have been received by the Seller which have not been cured, and no events have occurred that with the lapse of time, notice, or otherwise would constitute a default under any of the Real Estate Leases and/or Tower Leases.

(c) Improvements. Except as set forth on Schedule 1.1(c), Seller has not received any written notice from any Governmental Authority claiming any improvements (including buildings and other structures) on the Leased Real Property are in material violation of applicable Laws, and to Seller's Knowledge no such notice has been received by any landlord with respect to the Leased Real Property. All improvements (including buildings and other structures) owned by Seller, if any, on the Leased Real Property, and to Seller's Knowledge all improvements owned by any landlord on the Leased Real Property and used by Seller in the operation of the Stations, are in good operating condition and repair, normal wear and tear excepted.

(d) Environmental Matters. To Seller's actual knowledge, there are no Hazardous Materials in, on, or under the Real Estate.

(e) Condition of the Real Estate. There are no defects in the Real Estate or the improvements thereof. There have been no notices of any violation of any statute, code or ordinance. No parties, other than those disclosed in title, claim any interest in any of the Real Estate.

(f) Mechanic's Lien. Seller has not been served with any notice of intent to claim a Mechanic's Lien on the Real Estate and states that all Parties who have furnished labor or materials on or at the Premises within the last 90 days whether for repair, improvement, or otherwise have been fully compensated. Further, Seller has neither contracted for nor is liable for obligations related to repairs, services, and other items.

**4.7 Contracts.** The Material Assumed Contracts (including the Real Estate Leases and Tower Leases) constitute as of the date hereof all of the material Contracts to which the Seller is a party and that are used primarily in the operation of the Stations, except for Excluded Assets. Each of the Assumed Contracts (including the Real Estate Leases and Tower Leases) constitutes a legal, valid and binding obligation of the applicable Seller and, to Seller's Knowledge, each other party thereto, and is enforceable by each applicable Seller in accordance with its terms, except as limited

by Laws affecting creditor's rights or equitable principles generally. No Seller nor, to the Knowledge of Seller, any other party thereto, is in any material respect in default under the Assumed Contracts (including the Real Estate Leases and Tower Leases).

**4.8 Compliance with Laws.** Except as set forth in Schedule 4.8, Seller has in all material respects complied with, and is not in material violation of, any Laws or Orders. Seller has not received any notice asserting any material noncompliance with any Law or Order relating to the Assets or in connection with the operation of the Stations. There is no pending or, to Seller's Knowledge, threatened, investigation, audit, review or other examination of the Stations, and the Seller is not subject to any Order, agreement, memorandum of understanding or other regulatory enforcement action or proceeding with or by the FCC or any other Governmental Authority.

**4.9 Governmental Consents.** Except for the FCC Consents, the execution, delivery and performance by Seller of this Agreement and the other documents contemplated herein, and the consummation by Seller of the transactions contemplated hereby and thereby, do not and will not require the authorization, consent, approval, exemption, clearance or other action by or notice or declaration to, or filing with, any court, administrative or other Governmental Authority.

**4.10 Taxes.** All federal, state, local and other material Tax Returns required to be filed by Seller have been timely filed or caused to be filed, and all Taxes shown on such Tax Returns as being due and payable or due and payable pursuant to any assessment received in connection with such Tax Returns have been paid. All such Tax Returns are true, complete and correct in all material respects; no deficiency in payment of any Taxes related to the Assets for any period has been asserted by any taxing authority which remains unsettled as of the date hereof, no written inquiries have been received from any taxing authority with respect to possible claims for taxes or assessments on the Assets.

**4.11 Reports.** All material reports and statements that Seller is required to file with the FCC in respect of the Stations have been timely filed, and all reporting requirements of the FCC have been complied with in all material respects.

**4.12 Broker's Fees.** Neither Seller, nor any Person acting on Seller's behalf, has agreed to pay a commission, finder's fee or similar payment in connection with this Agreement or any matter related hereto to any person or entity, and no person or entity is entitled to any such payment from Seller in connection with the transactions contemplated by this Agreement.

**4.13 Insurance.** Seller maintains insurance policies or other arrangements with respect to the Stations and the Assets consistent with industry practice, including coverage of all buildings, towers, antennas, dishes, transmission lines, transmitters and other Assets used in the operation of the Stations, and will maintain such policies or arrangements until the Closing. Seller has not received notice from any issuer of any material policy of its intention to cancel, terminate or refuse to renew any such policy issued by it with respect to the Stations and the Assets.

**4.14 Property.** Seller owns or hold the Assets free and clear of Liens, other than Permitted Liens. All items of Personal Property are provided as-is, where is.



#### **4.15 Intentionally deleted.**

**4.16 Financial Statements.** Seller shall provide to Buyer copies of their (i) unaudited statements of operations and balance sheets for the Stations for the years ended December 31, 2020, December 31, 2021, and December 31, 2022 (the “**Full Year Financial Statements**”) and (ii) unaudited statements of operations and balance sheets for the Stations dated January 1, 2023 through May 31, 2023 (the “**Interim Financial Statements**” and, together with the Full Year Financial Statements, the “**Financial Statements**”). The information included in the Full Year Financial Statements is included in the overall audited consolidated financial statements of Seller and their affiliates, but the Financial Statements are not separately audited. The Financial Statements have been prepared in accordance with GAAP, and present fairly in all material respects the results of operations of the Stations as operated by Seller for the respective periods covered thereby.

**4.17 Absence of Undisclosed Liabilities.** Except for the Assumed Liabilities, there are no Liabilities of Seller with respect to the Stations that will be binding upon Buyer after Closing.

#### **4.18 Employment Matters.**

(a) Seller has delivered to Buyer an executive summary of each material (i) “employee benefit plan,” as defined in Section 3(3) of ERISA, (ii) each employment agreement or arrangement, (iii) health or medical benefits, (iv) vacation or sick leave benefits, (v) life or disability insurance benefits, or (vi) other material employee benefit plan, program or arrangement, that is maintained, administered or contributed to by Seller and that covers any Transferred Employee or with respect to which Seller has any material Liability relating to the Stations (collectively, the “**Company Plans**”).

(b) Subject to Sections 14.2 and 14.6, the employment by Seller of any Transferred Employee is at-will employment, meaning that such Person may be terminated at any time, without penalty or Liability of any kind (other than accrued vacation pay, COBRA benefits and other benefits required by applicable Law, if any, and except for severance payments and other obligations required under an employment agreement with any such Transferred Employee) except as such termination may be restricted by the current Law of the jurisdiction in which such Person is employed.

(c) With respect to the Transferred Employees, Seller is and has been within the last three years in compliance in all material respects with all applicable employment Laws, and, except as set forth on Schedule 4.18, there are no active, pending or, to Seller’s Knowledge, threatened administrative or judicial Proceedings under Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act, the Fair Labor Standards Act, the Occupational Safety and Health Act, the Family and Medical Leave Act, ERISA, the Americans with Disabilities Act, the Worker Adjustment and Retraining Notification Act, the National Labor Relations Act or any other foreign, federal, state, county or local Law (including common Law), ordinance or regulation relating to Transferred Employees of Seller, nor are there any internal company investigations concerning alleged violations of the same, in each case that would result in a Material Adverse Effect.

(d) Except as set forth on Schedule 4.18, Seller has timely paid in full or accrued, with respect to all of their Transferred Employees, all wages, salaries, commissions, bonuses, fringe benefit payments and all other direct and indirect compensation of any kind for all services performed by them and each of them to the date hereof.

(e) Except as set forth on Schedule 4.18, there is not presently pending or existing and, to the Knowledge of Seller, there is not threatened (i) any labor dispute, strike, slowdown, picketing, or work stoppage, or (ii) any substantial effort to organize any Transferred Employees into a new or modified collective bargaining unit, or (iii) any Transferred Employee grievance under any company policy or employment agreement that would result in a Material Adverse Effect.

(f) There is no material dispute, claim, or Proceeding pending with or, to Seller's Knowledge, threatened by the U.S. Citizenship and Immigration Services with respect to Seller.

(g) Neither Seller nor any ERISA Affiliate nor any predecessor thereof contributes to, or has in the past contributed, with respect to the Stations, to (i) any multiemployer plan, as defined in Section 3(37) of ERISA, (ii) any plan subject to Title IV of ERISA; (iii) an employee stock ownership plan within the meaning of Section 4975(e)(7) of the Code; (iv) a multiple employer plan, within the meaning of Section 413(c) of the Code, or (v) any multiple employer welfare arrangement, within the meaning of Section 3(40) of ERISA. "**ERISA Affiliate**" of any entity means any other entity that, together with such entity, would be treated as a single employer under Section 414 of the Code.

(h) To Seller's Knowledge, each of the Company Plans has been established, operated and administered in material compliance with its terms and applicable Law, including but not limited to ERISA and the Code, and no non-exempt prohibited transaction, within the meaning of Section 4975 of the Code or Section 406 of ERISA, has occurred. To Seller's Knowledge, no event has occurred and no condition exists that would subject any of the Assets being sold to any Tax, fine, Lien, penalty or other Liability (other than Liabilities incurred in the ordinary course of the plan's operations that are reflected in the Financial Statements). Each Company Plan intended to be qualified under Section 401(a) of the Code has received a favorable determination letter from the Internal Revenue Service (the "**IRS**") that it is so qualified or is permitted to rely on the opinion letter of a prototype plan or volume submitter sponsor, and to Seller's Knowledge, nothing has occurred since the date of such letter that is reasonably likely to affect the qualified status of such Company Plan.

(i) With respect to Transferred Employees, Seller has provided Buyer: each such employee's position; the location at which employed; current compensation rate; and whether such employee participates in the Seller's 401(k) Plan and health Plan.

(j) To Seller's Knowledge, there are no Transferred Employees who are not in lawful status pursuant to the immigration laws of the United States.

(k) Except as set forth on Schedule 4.18, Seller does not provide continuation of any benefit to Transferred Employees after termination of employment other than as required under Section 4980B of the Code, or similar provision of applicable state Law.

(l) To Seller's Knowledge, no default, violation, error or omission has occurred on or prior to the Closing Date with respect to any of the Company Plans for which Buyer could be liable as a result of the consummation of the transactions contemplated by this Agreement. No Company Plan has terms requiring assumption by Buyer. No assets of any Seller are subject to any Lien under any provision of ERISA or the Code.

(m) Except as set forth in Schedule 4.18, and except for other obligations that will be satisfied by Seller, neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will (i) result in any material payment (including, without limitation, severance pay or unemployment compensation) becoming due to any director or employee of any Seller; (ii) result in the acceleration of vesting under any Company Plan; or (iii) materially increase any benefits otherwise payable under any Company Plan; and any such payment or increase in benefits is fully deductible under the Code, including but not limited to Sections 162, 280G and 404. Except as set forth in Schedule 4.20, and except for stay bonuses and other obligations that will be satisfied by Seller, neither Seller nor any ERISA Affiliate has announced any plan or commitment to create any additional Company Plan or to amend or modify any Company Plan.

(n) The Seller is not, nor has the Seller been in the past five years, a party to, bound by, or negotiating any collective bargaining agreement or other contract or agreement with a union, or labor organization with respect to any Station Employees (collectively, "**Union**"), and there is not, and has not been for the past five years, any Union representing or purporting to represent any Station Employees, and no Union or group of Seller's employees is seeking or has sought to organize Station Employees for the purpose of collective bargaining. There has never been, nor has there been any threat of, any strike, slowdown, work stoppage, lockout, concerted refusal to work overtime or other similar labor disruption or dispute affecting any Seller with respect to the Stations or any of the Station Employees. The Seller has no duty to bargain with any Union with respect to the Stations.

(o) To Seller's Knowledge, and except as otherwise set forth in one or more Schedules for this Section, no event has occurred, and no condition exists, as of, or prior to the Closing Date, with respect to any Company Plan for or with respect to which Buyer could incur any liability, tax, penalty or assessment, regardless of whether any such event or condition is known or unknown, contingent or otherwise, including without limitation, as a result of any matter that could adversely affect the tax-qualified status of a Company Plan (or the tax-exempt status of a related trust), as a result of any act or omission of any fiduciary, actuary or administrator of any Company Plan, or as a result of any claim by a participant or beneficiary.

**4.19 Permits and Rights.** Seller possesses all material Permits that are necessary to permit Seller to engage in the business of the Stations as presently conducted in and at all locations and places where they are currently operating and conducting the business of the Stations. The FCC Licenses are listed on Schedule 1.1(a).

#### **4.20 Station Intellectual Property.**

(a) Except as set forth on Schedule 1.1(e), to Seller's Knowledge each Seller, as applicable, is the owner or licensee of the material Station Intellectual Property free and clear of Liens other than Permitted Liens.

(b) Schedule 1.1(e) sets forth a list of all registrations and applications for registration of each Seller's material owned Station Intellectual Property, and specifies, where applicable, the jurisdictions in which each such item of Station Intellectual Property has been issued or registered or in which an application for such issuance or registration has been filed, including the respective registration or application numbers and the names of all registered owners, and any filing deadlines for responses, affidavits or renewals applicable to the Station Intellectual Property that occur within three months of the Closing Date. Schedule 1.1(e) sets forth a list of all material licenses, sublicenses and other agreements to which the Seller is a party that relate to the business of the Stations and pursuant to which any Seller or any other Person is authorized to use or license the use of any material Station Intellectual Property of any Seller or other Persons. Except as set forth in Schedule 1.1(e), the execution and delivery of this Agreement by Seller, and the consummation of the transactions contemplated by this Agreement, will not cause the Seller to be in violation or default under any such license, sublicense or agreement, nor entitle any other Person to any such license, sublicense or agreement to terminate or modify such license, sublicense or agreement, except as would not result in a Material Adverse Effect.

(c) Except as set forth on Schedule 1.1(e), except any that would not result in a Material Adverse Effect, no written claims with respect to any item of Station Intellectual Property owned or used by Seller has been received by Seller or, to Seller's Knowledge, have been threatened in writing by any Person (i) to the effect that the business of the Stations infringes on any intellectual property of other Persons, (ii) against the use by Seller of any Station Intellectual Property used in the business of the Stations as currently conducted or under development for use in the business of the Stations or (iii) challenging the ownership by Seller, or the validity or effectiveness, of any Station Intellectual Property used in the business of the Stations as currently conducted or under development for use in the business of the Stations. To Seller's Knowledge, except any that would not result in a Material Adverse Effect, there is not currently ongoing any unauthorized use, infringement or misappropriation of any of Seller's Station Intellectual Property by any Person, including, to Seller's Knowledge, any employee or former employee of Seller.

(d) Seller is in compliance in all material respects with all applicable Laws and contractual obligations of Seller governing the collection, interception, storage, receipt, purchase, sale, transfer and use ("**Collection and Use**") of personal, consumer, or customer information, including name, address, telephone number, electronic mail address, social security number, bank account number or credit card numbers (collectively, "**Customer Information**"). Collection and Use of such Customer Information is in accordance in all material respects with Seller's privacy policies (or applicable terms of use) as published on their respective websites or any other privacy policies (or applicable terms of use) presented to consumers or customers (actual or potential) and to which Seller is bound or otherwise subject and any contractual obligations of Seller to their customers (actual or potential) regarding privacy. Seller takes commercially reasonable steps to

protect the confidentiality, integrity and security of their software, databases, systems, networks and Internet sites and all information stored or contained therein or transmitted thereby from unauthorized or improper Collection and Use including appropriate backup, security, and disaster recovery technology, and to Seller's Knowledge no Person has gained unauthorized access to any of Seller's software, data, systems, or networks with respect to the Stations.

(e) The business of the Seller and the Stations does not infringe or violate any Station Intellectual Property of other Persons. To Seller's Knowledge, the execution or delivery of this Agreement or any other agreement or document contemplated by this Agreement, or the performance of Seller's obligations hereunder or thereunder, will not violate any such applicable Law or any of Seller's privacy policies (or applicable terms of use) or any other contractual obligation of Seller governing the Collection and Use of Customer Information.

4.21 **Schedules.** The parties shall have fourteen (14) days after the Effective Date to mutually agree upon the schedules to be attached to and incorporated into this Agreement.

## **ARTICLE 5 INTENTIONALLY DELETED**

## **ARTICLE 6 REPRESENTATIONS AND WARRANTIES OF BUYER**

The Buyer hereby represents and warrants to Seller that, subject to the specific terms herein, the following representations and warranties are true and correct as of the date of this Agreement:

**6.1 Organizational and Standing.** The Buyer (i) is a nonprofit corporation duly formed, validly existing and in good standing under the laws of the State of Michigan, (ii) is or at the time of Closing will be qualified to do business in all jurisdictions where failure to do so would have a material adverse effect on the ability of Buyer to perform their obligations under this Agreement or the Related Documents, and (iii) has all necessary power and authority to own, operate and lease the Assets and carry on the business of the Stations.

**6.2 Authorization and Binding Obligation.** The Buyer has all necessary power and authority to enter into and perform its obligations under this Agreement and the Related Documents to which it is a party and to consummate the transactions contemplated hereby and thereby. This Agreement and the Related Documents have been, and each of the other documents contemplated hereby at or prior to Closing will be, duly executed and delivered by Buyer, and have been approved by all necessary limited liability company action on the part of Buyer. This Agreement constitutes (and each of the Related Documents, when executed and delivered, will constitute) valid and binding obligations enforceable against Buyer in accordance with their terms, except as may be limited by applicable bankruptcy, insolvency or similar laws affecting creditors' rights generally or the availability of equitable remedies.

**6.3 Absence of Conflicting Agreements or Required Consents.** Except for the FCC Consents, the execution, delivery and performance of this Agreement by Buyer does not and will not: (i) violate any provision of Buyer's Organizational Documents; (ii) require the consent of any Governmental Authority; (iii) violate any material Law, judgment, order, injunction, decree, rule, regulation or ruling of any Governmental Authority; and (iv) either alone or with the giving of notice or the passage of time or both, conflict with, constitute grounds for termination or acceleration of, or result in a breach of the terms, conditions or provisions of, or constitute a default under, any Contract to which any Buyer is now subject.

**6.4 Absence of Litigation.** There is no claim, litigation, arbitration or proceeding pending or, to the Knowledge of Buyer, threatened, before or by any court, Governmental Authority or arbitrator relating to Buyer that seeks to enjoin or prohibit, or that could hinder or impair, Buyer's performance of their obligations under this Agreement.

**6.5 FCC Qualifications.** Buyer is qualified under the Communications Act of 1934, as amended (the "**Communications Act**") and the rules and regulations of the FCC, including without limitation the multiple ownership rules, as in effect on the date hereof, to be an assignee of the FCC Licenses. Buyer is not aware of any fact relating to Buyer that would, under present Law (including published policies of the FCC), disqualify Buyer from being the assignee of the Stations or that would delay FCC approval of the assignment of the FCC licenses.

**6.6 Broker's Fees.** Neither Buyer nor any Person acting on their behalf have agreed to pay a commission, finder's fee or similar payment in connection with this Agreement or any matter related hereto to any Person, and no other Person is entitled to any such payment from Buyer in connection with the transactions contemplated by this Agreement. Buyer shall indemnify and hold harmless Seller for any payment due to any broker or agent based on any agreement made by Buyer.

## **ARTICLE 7 CONFIDENTIALITY**

7.1. **Confidentiality Agreement.** The Parties executed a Non-Disclosure Agreement effective March 6, 2023 (the "Confidentiality Agreement"), which is incorporated herein by reference.

## **ARTICLE 8 GOVERNMENTAL CONSENTS**

### **8.1 FCC Application.**

(a) The assignments of the FCC Licenses as contemplated by this Agreement are subject to the prior consent and approval of the FCC. Prior to Closing, Buyer shall not directly or indirectly control, supervise, direct, or attempt to control, supervise, or direct, the operation of any Station.

(b) As soon as practicable, and in any event within five (5) business days following the date of the execution of this Agreement, Buyer and Seller shall prepare and jointly file the FCC

Applications and the Parties shall use all commercially reasonable efforts to cause the FCC to accept the FCC Applications for filing as soon as practicable after such filing. Buyer and Seller shall thereafter prosecute the FCC Applications in good faith and with all reasonable diligence and otherwise use all commercially reasonable efforts to obtain the grant of the FCC Consents as expeditiously as practicable. Neither Party will take any action that it knows, or reasonably believes, would prevent or delay grant of the FCC Applications. Seller shall promptly enter into reasonable tolling or other arrangements with the FCC if necessary to resolve any complaints before the FCC relating to the Stations in order to obtain the FCC Consents.

(c) The Buyer shall pay the cost of the FCC filing fees for the FCC Applications. Each Party shall bear its own costs and expenses (including the legal fees and disbursements of its counsel) in connection with the preparation of the portion of the FCC Applications to be prepared by it and in connection with the processing and defense of the application.

## **ARTICLE 9 COVENANTS**

### **9.1 *Certain Covenants.***

**(a) Affirmative Covenants of Seller.** Between the date of this Agreement and the Closing Date:

(i) Seller shall promptly notify Buyer in writing if Seller has Knowledge prior to Closing of: (1) any representations or warranties contained in Articles 4 or 5 that are no longer true and correct in any material respect or of any fact or condition that would constitute a material breach of any such representation or warranty as of Closing, (2) the occurrence of any event that would require any material changes or amendments to the schedules and exhibits attached to this Agreement, (3) the occurrence of any event that may make the satisfaction of the conditions in Article 10 impossible or unlikely, or (4) the occurrence of any other event that violates any material covenants, conditions or agreements to be complied with or satisfied by Seller under this Agreement; *provided, however*, that no such notice shall qualify or otherwise limit in any way Seller's representations, warranties, covenants or agreements herein.

(ii) Seller will use all commercially reasonable efforts to comply in all material respects with all Laws applicable to Seller's use of the Assets and operate and maintain the Stations and all operations in material conformity with the FCC Licenses, the Communications Act, and the rules and regulations of the FCC;

(iii) Seller will maintain the Assets in customary repair, maintenance and condition, except for wear and tear incurred in the Ordinary Course of Business, and Seller will continue to make capital expenditures in the Ordinary Course of Business as contemplated in the current capital expenditure plan of Seller, if any;

(iv) Seller will use all commercially reasonable efforts to maintain in full force and effect the FCC Licenses relating to the Stations and the Assets and, except as set forth

elsewhere in this Agreement, take any action reasonably necessary before the FCC, including the preparation and prosecution of applications for renewal of the FCC Licenses, if necessary, to preserve such licenses in full force and effect in all material respects;

(v) Seller will maintain in full force and effect reasonable property damage and liability insurance on the Assets in at least the amount provided for by the policies currently maintained by Seller;

(vi) Seller shall conduct the business of the Stations in the Ordinary Course of Business of the Stations;

(vii) Seller shall use commercially reasonable efforts to preserve intact the business of the Stations and maintain the relations and goodwill, if any, with suppliers, customers, landlords, creditors, employees, agents and others having business relationships with the business of the Stations;

(viii) Seller shall use commercially reasonable efforts to cause the conditions set forth in Article 10 to be satisfied promptly; and

(ix) Seller shall maintain all books and records relating to the business of the Stations.

**(b) Negative Covenants of Seller.** Between the date of this Agreement and the Closing Date, and except as expressly permitted by this Agreement, or with the prior written consent of Buyer:

(i) Seller will not engage in any hiring, discharge or employee compensation practices that are outside the Ordinary Course of Business;

(ii) Seller will not (A) terminate, modify or amend any Assumed Contract except in the Ordinary Course of Business or as reasonably necessary to transfer such Assumed Contract to Buyer, or (B) knowingly take or fail to take any action that would cause a breach of any Assumed Contract;

(iii) The Seller will not voluntarily create any Lien on any of the Assets, other than Permitted Liens;

(iv) The Seller will not sell, assign, lease or otherwise transfer or dispose of any of the Assets, except for Assets consumed or disposed of in the Ordinary Course of Business;

(v) The Seller will not modify or amend, or seek to modify or amend, any of the FCC Licenses without Buyer's prior written consent except as necessary for Seller to be in compliance with the Communications Act; *provided, that* Buyer shall not unreasonably withhold, condition or delay their consent unless the modification is materially adverse to



the interests of Buyer or the Stations; and *provided, further*, Seller shall have the right to file and pursue any and all FCC License renewals that Seller deem necessary or advisable;

(vi) Seller shall not increase the compensation of any Transferred Employees, except for normal pay increases to Transferred Employees granted in the Ordinary Course of Business or as required pursuant to Contracts or Law, and except for stay bonuses and other obligations that will be satisfied by Seller; and

(vii) The Seller shall not authorize or enter into an agreement to do any of the foregoing.

**(c) Covenants of Buyer.**

(i) Buyer shall promptly notify Seller in writing if Buyer has Knowledge prior to the Closing of: (1) any representations or warranties contained in Articles 6 or 7 that are no longer true and correct in any material respect, (2) the occurrence of any event that would require any changes or amendments to the schedules or exhibits attached to this Agreement, or (3) the occurrence of any other event that may result in a violation of any covenants, conditions or agreements to be complied with or satisfied by Buyer under this Agreement; *provided, however*, that no such notice shall qualify or otherwise limit in any way Buyer's representations, warranties, covenants or agreements herein.

(ii) At Closing, Buyer shall be financially capable of paying the Purchase Price and all costs, fees, Taxes, Transfer Taxes and other expenses for which Buyer is responsible under this Agreement or applicable Law.

**9.2 Access.** Between the date of this Agreement and the Closing Date, Seller will provide Buyer, its counsel, accountants, financial advisors, bankers or other financing parties, environmental consultants, appraisers and other advisers and representatives, (i) such books and records, including copies of all Assumed Contracts, environmental and engineering studies and reports, and other documents and contracts pertaining solely to the Assets or the Stations that are in Seller's possession, custody or control and (ii) access to the Stations' properties, Assets and personnel. Buyer and its consultants and agents shall not contact employees of Seller without Seller's express approval.

**9.3 No Inconsistent Action.** Between the date of this Agreement and Closing hereunder or termination of this Agreement, each Party shall use its commercially reasonable efforts to cause the fulfillment at the earliest practicable date of all of the conditions to the obligations of such Party to consummate the sale and purchase of the Assets, and shall take no action inconsistent with such consummation.

**9.4 Exclusivity.** The Seller, nor any of its respective owners, employees, officers or directors, or any agent or any representative thereof shall, during the period commencing on the date of this Agreement and ending with the earlier to occur of the Closing hereunder or the termination of this Agreement, directly or indirectly solicit, initiate or encourage offers from, negotiate, engage in discussions with or in any manner encourage, accept or actively consider any

proposal of any other Person relating to the acquisition of the business of the Stations or the Assets in any manner that would conflict with this Agreement or that otherwise would prevent the consummation of the transactions contemplated hereby.

**9.5 Confidentiality.** Each Party shall comply with the terms of Section 15.1 hereof.

**9.6 Further Assurances.** Seller and Buyer shall cooperate and take such actions, and execute such other documents, at Closing or thereafter, as may be reasonably requested by the other in order to carry out the provisions and purposes of this Agreement, including, for example, promptly advising each other of all communications relevant to the transactions contemplated by this Agreement received from the FCC or other Governmental Authority after the date of this Agreement and furnishing each other with copies of all such written communications.

**9.7 Local Marketing Agreement.** The parties do not believe that a local marketing agreement is necessary at this time. If a local marketing agreement is deemed necessary in the future, the parties agree to negotiate such an agreement in good faith.

**9.8 Transition Efforts.** The Parties shall use their respective commercially reasonable efforts to accomplish a timely, smooth, uninterrupted and organized transfer and acquisition of the Assets upon Closing.

**9.9 Press Releases.** Seller and Buyer agree that, from the date hereof through the Closing hereunder, or, in the event this Agreement is terminated, for a period of 12 months following termination, no public release or announcement concerning the transactions contemplated hereby shall be issued by any Party without the prior consent of the other Parties, which consent shall not be unreasonably withheld, except as such release or announcement may be required by any Law or securities exchange requirement, in which case the Party required to make the release or announcement shall, allow the other Parties reasonable time to comment on such release or announcement in advance of such issuance.

**9.10 Consents; Benefit of Agreements.** The Parties shall use all commercially reasonable efforts (but shall not be required to make any payment except in connection with the FCC Consents) to obtain all consents and approvals of Persons to the consummation of the transactions contemplated by this Agreement, all in a form acceptable to the parties, acting reasonably. If, with respect to any Assumed Contract other than those Assumed Contracts that are between Seller and the Transferred Employees to be assigned to Buyer, a required consent to the assignment is not obtained, following the Closing, except as otherwise set forth on Schedule 1.1(d), Seller shall use all commercially reasonable efforts to keep such Assumed Contract in effect and give Buyer the benefit of it to the same extent as if it had been assigned, and Buyer shall perform Seller's obligations under the agreement relating to the benefit obtained by Buyer. Nothing in this Agreement shall be construed as an attempt to assign any agreement or other instrument that is by its terms non-assignable without the consent of the other party.

## ARTICLE 10 CONDITIONS PRECEDENT

**10.1 To Buyer's Obligations Regarding Closing.** The obligations of Buyer hereunder to complete the transactions contemplated by this Agreement at Closing are subject to the satisfaction or to the waiver by Buyer in its sole discretion (except for Section 10.1(b) and Section 10.1(c) below, which may not be waived), at or prior to the Closing Date, of each of the following conditions with respect to the Stations that are the subject of Closing (the "**Buyer's Closing Conditions**"):

**(a) Representations, Warranties and Covenants.**

(i) All representations and warranties made by Seller shall be true and correct on the Closing Date as if made on the Closing Date except (i) where the failure of any representations and warranties to be true and correct (without regard to any materiality or Material Adverse Effect qualification therein) would not reasonably be expected to result in, individually or in the aggregate, a Material Adverse Effect, and (ii) representations and warranties that are made as of a specific date shall only be tested as of such date.

(ii) All of the terms, covenants and conditions to be complied with or performed by each Seller under this Agreement on or prior to the Closing Date shall have been complied with or performed by each Seller in all material respects.

**(b) No Injunction.** No Order of any court or Governmental Authority shall be in effect which restrains or prohibits the transactions contemplated by this Agreement in accordance with its terms. No Proceeding by or before any Governmental Authority shall have been instituted or threatened (and not subsequently dismissed, settled or otherwise terminated) which would (i) restrain, prohibit or invalidate the transactions contemplated by this Agreement, or (ii) impose material restrictions, limitations or conditions with respect to Buyer's ownership of the Assets.

**(c) FCC Consents.** The FCC Consents shall have been obtained without the imposition of any condition materially adverse to Buyer or the Stations (which shall not include any fine paid or payable by Seller) except those that are customary in the assignment of FCC licenses generally (and, for the avoidance of doubt, the obtaining of the FCC Consents shall not require that such consents shall have become a Final Order).

**(d) Material Consents.** Buyer shall have received the Material Consent set forth on Schedule 1.1(c) (the "**Material Consent**").

**(e) Deliveries.** Seller shall have made all deliveries required under Section 11.1.

**(f) Release of Liens.** Buyer shall have received reasonably satisfactory evidence that all Liens, other than Permitted Liens, affecting the Assets have been or will at Closing be terminated and released.

**10.2 To Seller's Obligations.** The obligations of each Seller hereunder to complete the transactions contemplated by this Agreement at Closing are subject to the satisfaction or to the waiver by Seller in its sole discretion (except for Section 10.2(b) and Section 10.2(c) below, which may not be waived), at or prior to the Closing Date, of each of the following conditions with respect to the Stations that are the subject of the Closing ("***Seller's Closing Conditions***"):

**(a) Representations, Warranties and Covenants.**

(i) All representations and warranties made by Buyer in this Agreement shall be true and correct in all material respects (without regard to any materiality qualification therein) on and as of the Closing Date as if made on and as of that date, except those that are made as of a specific date, which shall only be tested as of such date.

(ii) All of the terms, covenants and conditions to be complied with or performed by Buyer under this Agreement on or prior to the Closing Date shall have been complied with or performed by Buyer in all material respects.

**(b) No Injunction.** No order of any court or administrative agency shall be in effect which restrains or prohibits the transactions contemplated by this Agreement in accordance with its terms. No Proceeding by or before any Governmental Authority shall have been instituted or threatened (and not subsequently dismissed, settled or otherwise terminated) which would restrain, prohibit or invalidate the transactions contemplated by this Agreement.

**(c) FCC Consents.** The FCC Consents shall have been obtained without the imposition of any condition materially adverse to Seller of the Stations except those that are customary in an assignment of FCC licenses generally (and, for the avoidance of doubt, the obtaining of the FCC Consents shall not require that such consents shall have become a Final Order).

**(d) Deliveries.** Buyer shall have made all the deliveries required under Section 11.2 and shall have paid the Purchase Price as provided in Section 2.1.

## **ARTICLE 11 DOCUMENTS TO BE DELIVERED AT THE CLOSING**

**11.1 Documents to be Delivered by Seller.** At Closing, Seller shall deliver to Buyer the following items (all documents which by their terms are to be executed by Seller shall be duly executed by Seller):

**(a)** A certificate of the Seller, dated as of the Closing Date, certifying that the closing conditions specified in Section 10.1(a) and 10.1(b) have been satisfied;

**(b)** Duly executed instruments of conveyance and transfer effecting the sale, transfer, assignment and conveyance of the Assets to Buyer as contemplated herein and mutually agreed upon by Buyer and Seller, including the following:

(i) assignment of the FCC Licenses, in customary form reasonably satisfactory to Buyer and Seller;

(ii) a bill of sale from Seller for all Assets, in customary form reasonably satisfactory to Buyer and Seller;

(iii) an assignment of Seller's rights and the assumption of Seller's obligations under the Assumed Contracts (other than the Real Estate Leases and Tower Leases) in customary form reasonably satisfactory to Buyer and Seller (the "***Contract Assignment and Assumption***");

(iv) an assignment of Seller's rights and the assumption of Seller's obligations under each of the Real Estate Leases and Tower Leases, in customary form reasonably satisfactory to Buyer and Seller (the "***Lease Assignment and Assumption***")

(v) if provided by the lessors in accordance with their customary procedures, then estoppel certificates that are in each lessor's customary form duly executed by the lessors or licensors under each of the Real Estate Leases and Tower Leases (each, a "***Lease Estoppel***");

(vi) warranty deeds for the Real Estate, with good title, free and clear of all encumbrances; and

(vii) A Non-Foreign Person Affidavit (FIRPTA);

(c) A copy of the Material Consent; and

(d) Such other documents, information, certificates and materials as may be reasonably required by Buyer.

**11.2 Documents to be Delivered by Buyer.** At Closing, Buyer shall deliver to Seller the following items (all documents which by their terms are to be executed by Buyer, shall be duly executed by Buyer):

(a) A certificate of the Buyer, dated as of the Closing Date, certifying that the closing conditions specified in Sections 10.2(a) and 10.2(b) have been satisfied;

(b) The Contract Assignment and Assumption;

(c) Each Lease Assignment and Assumption;

(d) The Purchase Price pursuant to Section 2.1; and

(e) Such other documents, information, certificates and materials as may be required by this Agreement.

## **ARTICLE 12 INDEMNIFICATION**

**12.1 *Seller's Indemnities.*** From and after Closing, Seller shall indemnify, defend, and hold harmless Buyer from and against, and reimburse them for, all claims, damages, liabilities, losses, judgments, fines, penalties, costs and expenses, including interest, penalties, court costs and reasonable attorneys' fees and expenses (each, a "***Loss***" and together, "***Losses***"), resulting from, related to, or in connection with:

- (a) Any breach or misrepresentation by Seller of any of its respective representations or warranties in this Agreement or in any Related Documents;
- (b) Any breach, misrepresentation, or other violation by Seller of any of their respective covenants or agreements in this Agreement or in any Related Documents;
- (c) any third-party claims brought against Buyer to the extent attributable to Seller's operation of the Stations or other business prior to the Closing;
- (d) Any Excluded Liabilities; and
- (e) Without limiting the generality of the foregoing, except to the extent included in the Assumed Liabilities, the failure of Seller to timely withhold, collect, pay or remit any sales or use Tax or payroll or employment Tax imposed by any federal, state or local Taxing authority in connection with Seller's operations of the Stations before Commencement or the failure of Seller to pay any wages or compensation to any Station Employee or before Commencement.

To the extent a claim for indemnification is or may be based on both a breach of a representation and warranty and pursuant to Section 12.1(c), (d) or (e), the indemnification claim shall be made pursuant to Section 12.1(c), (d) or (e), unless Buyer specifically provides otherwise in the notice of claim.

**12.2 *Buyer's Indemnities.*** From and after Closing, Buyer shall indemnify, defend and hold harmless Seller from and against, and reimburse them for, all Losses resulting from:

- (a) Any breach, misrepresentation, or other violation by Buyer of any of their representations or warranties in this Agreement or in any Related Documents;
- (b) Any breach, misrepresentation, or other violation by Buyer of any of their covenants or agreements in this Agreement or in any Related Documents;
- (c) Any third-party claims brought against Seller to the extent attributable to Buyer's operation of the Stations or use of the Assets following the Closing; or
- (d) Any Assumed Liability.

(e) Any liability of the Seller, which is unknown by the Seller and/or any of the members of the Seller's Board of Directors as of the Closing, up to up to One Hundred Thousand Dollars (\$100,000.00).

**12.3 Procedure for Indemnification.** The procedure for indemnification shall be as follows:

(a) The Party seeking indemnification under this Article 12 (the "**Claimant**") shall give notice to the Party from whom indemnification is sought (the "**Indemnitor**") of any claim or liability that might result in an indemnified Loss (an "**Indemnified Claim**"), specifying in reasonable detail (i) the factual basis for and circumstances surrounding the Indemnified Claim; and (ii) the amount of the potential Loss pursuant to the Indemnified Claim if then known. If the Indemnified Claim relates to a Proceeding filed by a third party against Claimant, notice shall be given by Claimant as soon as practical, but in all events within thirty (30) business days after Claimant learns of the Proceeding or written notice of the Proceeding is given to Claimant. In all other circumstances, notice shall be given by Claimant as soon as practical, but in all events within thirty (30) business days after Claimant becomes aware of the facts giving rise to the potential Loss; *provided, however*, that should the Claimant fail to notify the Indemnitor in the time required above, the Indemnitor shall only be relieved of its obligations pursuant to this Article 12 to the extent the Indemnitor is materially prejudiced by such delay or failure to timely give notice of an Indemnified Claim or potential Loss.

(b) The Claimant shall make available to Indemnitor and/or its authorized representatives the information relied upon by the Claimant to substantiate the Indemnified Claim or Loss and shall make available any information or documentation in Claimant's possession, custody or control that is or may be helpful in defending or responding to the Indemnified Claim or Loss.

(c) The Indemnitor shall have thirty (30) days after receipt of the indemnification notice referred to in sub-section (a) to notify the Claimant in writing that it elects to conduct and control the defense of any such Indemnified Claim; *provided, however*, such thirty (30) day period shall be reduced to such shorter period of time set forth in the applicable indemnification notice if the Indemnified Claim or Loss is based upon a third-party claim requiring a response in fewer than thirty (30) days.

(d) If the Indemnitor does not advise the Claimant of its intent to conduct and control the defense of the Indemnified Claim or Proceeding within the time period specified above, the Claimant shall have the right to defend, contest, settle, or compromise such Indemnified Claim or Proceeding. If the Indemnitor properly advises the Claimant that it will conduct and control the Indemnification Claim or Proceeding, the Indemnitor shall have the right to undertake, conduct, defend, and control, through counsel of its own choosing and at its sole expense, the conduct, defense, and settlement of the Indemnified Claim or Proceeding, and the Claimant shall cooperate with the Indemnitor in connection therewith; *provided, however*, that: (i) the Indemnitor shall not consent to the imposition of any injunction against the Claimant without the prior written consent of the Claimant, which consent shall not be unreasonably withheld; (ii) the Indemnitor shall permit the Claimant to participate in such conduct or settlement through counsel chosen by the Claimant, but the fees and expenses of such counsel shall be borne by the Claimant; (iii) upon a final

determination of Proceeding, the Indemnitor shall promptly reimburse the Claimant for the full amount of any indemnified Loss or indemnified portion of any Loss resulting from the Indemnified Claim or Proceeding and all reasonable expenses related to such indemnified Loss incurred by the Claimant, except (A) fees and expenses of counsel for the Claimant in the event that Indemnitor has conducted or controlled the Proceeding and (B) any Loss not indemnifiable by Indemnitor; and (iv) no Indemnitor may, without the prior written consent of the Claimant, settle or compromise, or consent to the entry of any judgment in connection with, any Proceeding with respect to the claim described in the indemnification notice unless (A) such settlement or compromise involves only the payment of money; (B) there is no finding or admission of liability, any violation of any Law or any violation of the rights of any Person by the Claimant; and (C) the Indemnitor obtains an unconditional release of each Claimant from all Indemnified Claims or potential Loss arising out of the claim described in the indemnification notice and any Indemnified Claim or Proceeding related thereto.

**12.4 Limitations.** Except in the case of fraud or intentional misrepresentation, the Indemnitor shall only be required to indemnify the Claimant under this Article 12 for breaches of representations or warranties by the Seller or Buyer, as the case may be, pursuant to Section 12.1(a) (with respect to Buyer) or Section 12.2(a) (with respect to the Seller) if the aggregate amount of all Losses relating to claims for breaches of representations or warranties of the Seller or Buyer, as the case may be, pursuant to Section 12.1(a) (with respect to Buyer) or Section 12.2(a) (with respect to the Seller) exceeds Twenty Five Thousand Dollars (\$25,000.00) (the “*Basket*”), after which the Claimant shall be entitled to recover, and the Seller or Buyer, as the case may be, shall be obligated for, all Losses; provided that the foregoing limitation shall not apply to Losses relating to a breach by Seller of Section 9.18 or of their representations or warranties in Section 4.1 (Organization and Standing; Capitalization), Section 4.2 (Authorization and Binding Obligation), Section 4.5(a) (Station Licenses), Section 4.13 (Broker’s Fees), and the first, second and last sentences of Section 4.15 (Personal Property).

**12.5 Certain Limitations.** In calculating the amount of Losses of a Claimant under this Article 12:

- (a) any claim for indemnification under this Agreement shall be reduced and offset dollar-for-dollar by any insurance payment with respect to the matter for which indemnification is sought, in each case as and when actually received by the Party claiming indemnification; and
- (b) for purposes of indemnification for breaches of representations or warranties by a Party, (i) Materiality Qualifiers are to be used solely for the purpose of determining whether a breach of a representation or warranty has occurred, and (ii) once a breach has occurred, the Materiality Qualifiers shall be ignored and the amount of the applicable Losses shall be calculated without regard to any Materiality Qualifiers contained in any such breached representation or warranty.

**12.6 Survival.** Unless otherwise specified herein, each covenant and agreement contained in this Agreement or in any Related Document and required to be performed after Closing shall survive the Closing and be enforceable in accordance with its terms until the one-



year anniversary of the Closing (including extensions thereof) for breach or enforcement of such covenant and agreement under applicable Law. All representations and warranties contained in this Agreement and each covenant or agreement contained in this Agreement that is required to be performed at or prior to Closing shall survive for a period of twelve (12) months after the Closing and thereafter such representations and warranties shall expire, except that (i) any representation or warranty with respect to which an indemnification notice has been delivered for a breach thereof prior to the expiration of such twelve (12) month period shall survive as to such claim until such claim is resolved; (ii) the representations and warranties set forth in Section 4.1 (Organization and Standing; Capitalization), Section 4.2 (Authorization and Binding Obligation), Section 4.5(a) (Station Licenses), Section 4.10 (Taxes), Section 4.13 (Broker's Fees) and the first, second and last sentences of Section 4.15 (Personal Property) shall survive until the one-year anniversary of the Closing plus ten (10) business days. Notwithstanding the foregoing, it is the agreement of the Parties that the rights conferred under Section 9.10 shall continue for the duration of the subject Contract giving rise to an arrangement pursuant to such Sections, exclusive of any renewal terms.

**12.7 *Exclusive Remedies following the Closing.*** Buyer and Seller acknowledge and agree that the foregoing indemnification provisions in this Article 12 shall, except in the case of (i) fraud or intentional misrepresentation, or (ii) the breach of any covenant or condition of this Agreement to be performed after Closing, be the exclusive remedy of Buyer and Seller with respect to Losses after Closing relating to the transactions contemplated by this Agreement; *provided, however,* that notwithstanding the foregoing any Party may pursue injunctive relief following Closing to enforce covenants in the Agreement that survive Closing and are supportable under applicable Law.

**12.8 *Mitigation of Damages.*** The Buyer and Seller agree to use reasonable efforts to mitigate any Losses which form the basis for any claim for indemnification, defense, hold harmless, payment or reimbursement hereunder other than with respect to claims for the indemnification of Assumed Liabilities or Excluded Liabilities. In addition, upon Seller's request, Buyer shall remove from websites, social media accounts or other media used by the Stations any photo or other work that was posted or otherwise displayed by Seller prior to Closing if such work continues to be displayed on such media and is the subject of a bona fide claim of infringement on the rights of third parties and/or non-compliance with copyright management information requirements. Notwithstanding anything contained in this Agreement to the contrary, no Party will be entitled to lost profits, punitive damages or other special or consequential damages regardless of the theory of recovery.

**12.9. *Hold Harmless of Board Members of the Seller.*** Except in the case of fraud or intentional misrepresentation, the Buyer agrees to release and hold harmless all members of the Seller's Board of Directors (the "Board Members") and all officers of the Seller (the "Officers") from and against any and all liabilities of any kind or nature which may be imposed on, incurred by, or asserted against the Board Members and/or Officers by the Buyer in any way relating to or arising out of, or alleged to relate to or arise out of, any action or inaction on the part of the Seller or on the part of a Board Member and/or Officer, acting in a manner believed in good faith to be in the best interests of the Seller, in connection with the formation, operation and/or management of the Seller, the Seller's purchase and operation of the Stations, and/or as a result of the Board Member and/or Officer agreeing to act as a Board Member and/or Officer of the Seller.

## **ARTICLE 13 TERMINATION RIGHTS**

### **13.1 Termination**

- (a) This Agreement may be terminated by either Buyer or Seller upon written notice to the other Party, if:
  - (a) the other Party is in material breach of this Agreement and such breach has been neither cured or agreed to be cured in a manner reasonably acceptable to the non-breaching Party within the cure period allowed under subsection I below nor waived by the Party giving such termination notice and in each such case such breach would give rise to the failure of a condition in Section 10.1(a)(i) or (ii), provided that the Party seeking to terminate is not in material breach of this Agreement;
  - (ii) a court of competent jurisdiction or Governmental Authority shall have issued an Order, decree or ruling or taken any other action permanently restraining, enjoining or otherwise prohibiting the transactions contemplated by this Agreement and such Order, decree, ruling or other action shall have become final and nonappealable; or
  - (iii) Closing has not occurred by July 31, 2023 after the date of this Agreement.
- (b) This Agreement may be terminated by mutual written consent of Buyer and Seller.
- (c) Seller may terminate this Agreement by written notice to Buyer in the event that Buyer fails to close on the transactions contemplated by this Agreement when all Buyer's Closing Conditions have been satisfied in full (or would be satisfied with delivery at Closing and Seller stands ready, willing and able to make such delivery) or waived by Buyer.
- (d) Buyer may terminate this Agreement by written notice to Seller in the event that Seller fails to close on the transactions contemplated by this Agreement when all Seller's Closing Conditions have been satisfied in full (or would be satisfied with delivery at Closing and Buyer stands ready, willing and able to make such delivery) or waived by Seller.
- (e) If either Party believes the other to be in breach or default of this Agreement, the non-defaulting Party shall, prior to exercising its right to terminate under Section 13.1(a)(i), provide the defaulting Party with notice specifying in reasonable detail the nature of such breach or default. Except for a failure to pay the Purchase Price, the defaulting Party shall have fifteen (15) days from receipt of such notice to cure such default or if such default is not capable of being cured in fifteen days of such notice, the defaulting Party shall have agreed to cure such default in a manner reasonably acceptable to the non-breaching Party.

**13.2 Remedies.** In the event that Buyer terminates this Agreement pursuant to Section 13.1(a)(i) or Section 13.1(c), and, in either case immediately prior to any such termination, the Buyer was not in material breach of the terms and conditions of this Agreement, then Buyer shall be entitled

to an injunction restraining such failure or threatened failure and, subject to obtaining any necessary governmental consent, to enforcement of this Agreement by a decree of specific performance requiring compliance with this Agreement.

**13.3 Other Effects of Termination.** If this Agreement is terminated other than pursuant to Section 13.2, this Agreement shall become null and void and of no further force and effect, except for the following provisions: 9.5 (Confidentiality), 9.9 (Press Releases), 13.2 (Liquidated Damages), 13.3 (Other Effects of Termination), and the provisions in Article 15 (Other Provisions) and Article 16 (Definitions) that by their terms would survive termination. Nothing in this Section 13.3 shall be deemed to release any Party from liability for fraud or a willful breach by such Party of any term or provision of this Agreement.

## **ARTICLE 14**

### **TRANSFERRED EMPLOYEES AND EMPLOYEE PLANS**

**14.1 Transfer of Employees.** Seller shall terminate at Closing the employment of the Station Employees listed on Schedule 14.1 who are employed by Seller as of Closing, other than (a) any such listed employees on leave as of such date (unless, with respect to employees on leave, the Parties otherwise agree at Closing) (“Employees on Leave”) and (b) any such listed employees that are Contract Employees (as defined below) (such employees terminated by Seller at Closing, the “Transferred Employees”). In the case of Contract Employees Seller shall terminate the employment, but not the applicable Assigned Employment Agreements, of said Contract Employees and such employment termination shall be deemed effective as of Buyer’s assumption of such Contract Employees’ applicable Assigned Employment Agreements as set forth in Section 1.3(a) herein, which assignment and assumption the Parties intend to occur concurrently with Closing. At the time of such assignment and assumption, such Contract Employees will become Transferred Employees effective as of Commencement. In the case of Employees on Leave, Seller shall retain the employment of the Employees on Leave until the end of each such employee’s leave or until each such employee’s employment would otherwise terminate in accordance with Seller’s leave policies and applicable Law. Buyer shall assume any reinstatement obligations with respect to such Employees on Leave and shall offer such Employees on Leave immediate employment at such time as they are able and qualified to return to work, provided that such Employees on Leave are able and qualified to return to work and apply for reinstatement within six months following Closing, or such later date as may be required by Law. Upon hire by Buyer (the “Subsequent Hire Date”), such Employees on Leave shall also become Transferred Employees under this Agreement. Seller shall remain solely liable and responsible for all pre-Closing (or pre-Subsequent Hire Date, as applicable) obligations and liabilities of Seller with respect to the Transferred Employees, and for all obligations and liabilities with respect to employees of Seller other than Transferred Employees, and of Seller with respect to Transferred Employees who do not accept employment with Buyer pursuant to Section 14.2 below, which liabilities and obligations shall be Excluded Liabilities, other than the accrued vacation of Transferred Employees, if any, for the fiscal year of Seller in which Commencement occurs which shall be assumed by Buyer in accordance with Section 1.3 hereof.

**14.2 Offer of Employment.** Not later than two (2) days prior to Closing, Buyer shall (i) offer employment at-will to all Transferred Employees of the Stations other than Contract Employees, contingent and effective upon Closing, and (ii) agree with any applicable Contract Employee to assume the future liabilities and obligations under Assumed Contracts set forth on Schedule 1.1(c) under the heading “Employment Agreements” that are employment agreements for employees listed on Schedule 14.1 (“Assigned Employment Agreements”) in accordance with and subject to Section 1.3(a) of this Agreement. Seller agrees to reasonably cooperate with Buyer with respect to Buyer’s efforts to obtain, to the extent necessary, the written acknowledgments or consents from employees subject to Assigned Employment Agreements (“Contract Employees”) that such Contract Employees shall cease to have the right to participate in Company Plans of the Seller as of Closing and shall thereafter have the right to participate in the employee benefit plans made available by Buyer. Seller and Buyer agree that, prior to Closing, they will cooperate in the preparation of any and all communications with the employees set forth on Schedule 14.1 with respect to the intent of Buyer to offer employment to all Transferred Employees and Contract Employees at Closing consistent with this Section 14.2. Similar communications will be provided to Employees on Leave, individually prepared to reflect each such employee’s specific circumstances and the terms of Section 14.1.

**14.3 No Assumption of Company Plans** Buyer shall not assume any of the Company Plans and Seller shall be responsible for all liabilities and obligations of the Company Plans.

**14.4 COBRA Obligations.** Seller will be solely responsible for any obligations for continuation coverage under Section 4980B of the Internal Revenue Code and part 6 of Subtitle B of Title I of ERISA with respect to all of the Transferred Employees and any other former employees of Seller, including Employees on Leave.

**14.5 Health & Welfare Benefits.** The medical, dental and health plans of Buyer that would be applicable to Transferred Employees hired by Buyer shall be offered to and extended to such Transferred Employees effective as of Closing or the Subsequent Hire Date, as applicable (the “Benefits Effective Date”), under the terms and conditions of such plans then in effect.

**14.6 401(k) Plan.** As soon as practicable following the Benefits Effective Date, Buyer shall designate a tax-qualified defined contribution plan established by Buyer (a “Buyer’s 401(k) Plan”) to accept rollover contributions from the Transferred Employees of any account balances distributed to them by any plan of Seller that is a 401(k) plan; provided, however, that only cash may be transferred and no in-kind assets may be transferred. Notwithstanding the preceding sentence, Buyer shall allow any such employees’ outstanding plan loan to be rolled into Buyer’s 401(k) Plan; provided, however, that with respect to any loan balance transferred, the entire account balance must be transferred and, subject to applicable Law and any required consent of the individuals, any such loans may be reamortized as required to reflect any differences in payroll periods. Buyer shall credit Transferred Employees’ past service with Seller towards satisfaction of service requirements for eligibility, vesting and matching purposes under Buyer’s 401(k) Plan.

**14.7. Brian Harcey.** Notwithstanding anything to the contrary in this Agreement, the Buyer shall assume the Seller’s severance obligations to its former general manager, Brian Harcey, through December 31, 2023. Such obligations are as follows: (a) bi-weekly salary payment of

\$2,528.60; (b) monthly medical benefit reimbursement of \$1,821.11; and (c) participation in the Buyer's standard life insurance, dental and vision program.

## **ARTICLE 15 OTHER PROVISIONS**

**15.1 *Costs.*** Except as provided otherwise in this Agreement, all closing costs, Transfer Taxes, and FCC Application fees relative to this transaction shall be paid by the Buyer. Except as otherwise provided in Article 13 and except as otherwise provided elsewhere in this Agreement, and notwithstanding the previous sentence, each Party shall be solely responsible for and shall pay all other costs and expenses (including attorney and accounting fees) incurred by it in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement.

**15.2 *Benefit and Assignment.*** This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective successors and assigns. Neither the Buyer nor Seller may assign their rights or delegate their obligations under this Agreement without the prior written consent of the other Parties. Except as expressly provided in this Agreement, this Agreement is not intended to, nor shall it, create any rights in any person other than the Parties. In particular, this Agreement is not intended to create third-party beneficiary rights in any employee or former employee of any Seller.

**15.3 *Additional Documents.*** The Parties agree to execute, acknowledge and deliver, before, at or after the Closing Date, such further instruments and documents as may be reasonably required to implement, consummate and effectuate the terms of this Agreement.

**15.4 *Entire Agreement; Schedules; Amendment; Waiver.*** This Agreement and the exhibits and schedules hereto and thereto and the Related Documents embody the entire agreement and understanding of the Parties hereto relating to the matters provided for herein and supersede any and all prior agreements, arrangements and understandings relating to the matters provided for herein. Any matter that is disclosed in a schedule hereto shall be deemed to have been included in other pertinent schedules, notwithstanding the omission of an appropriate cross-reference. No amendment, waiver of compliance with any provision or condition hereof or consent pursuant to this Agreement shall be effective unless evidenced by an instrument in writing signed by the Party against whom enforcement of any waiver, amendment or consent is sought. No failure or delay on the part of Buyer or Seller in exercising any right or power under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power.

**15.5 *Headings.*** The headings set forth in this Agreement are for convenience only and shall not control or affect the meaning or construction of the provisions of this Agreement.

**15.6 *Computation of Time.*** If after making computations of time provided for in this Agreement, a time for action or notice falls on Saturday, Sunday or a federal holiday, then such time shall be extended to the next business day.

**15.7 Governing Law.** The construction and performance of this Agreement shall be governed by the laws of the State of Michigan without regard to any choice or conflicts of law provision or rule (whether of the State of Michigan or any other jurisdiction).

**15.8 Venue.** Each of the Parties hereby irrevocably submits to the exclusive jurisdiction of any state court sitting in Grand Traverse County of the State of Michigan with respect to any action or proceeding arising out of or relating to this Agreement; agrees that all claims with respect to any such action or proceeding may be heard and determined in such respective courts; and waives any objection, including, any objection to the laying of venue or based on the grounds of *forum non conveniens*, which it may now or hereafter have to the bringing of such action or proceeding in such respective jurisdictions. Each of the Parties irrevocably consents to the service of any and all process in any such action or proceeding brought in any state court sitting in Grand Traverse County of the State of Michigan by the delivery of copies of such process to the Party at its address specified for notices to be given hereunder, or by certified mail directed to such address. ***Each Party represents to the other Parties that this waiver is given voluntarily and with full knowledge and understanding of its legal effect after consultation with legal counsel.***

**15.9 Attorneys' Fees.** In the event of any dispute between the Parties to this Agreement, Seller or Buyer, as the case may be, shall reimburse the prevailing Party for its reasonable attorneys' fees and other costs incurred in enforcing its rights or exercising its remedies under this Agreement. Such right of reimbursement shall be in addition to any other right or remedy that the prevailing Party may have under this Agreement.

**15.10 Severability.** If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each such term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

**15.11 Notices.** Any notice, demand or request required or permitted to be given under this Agreement shall be in writing and shall be addressed to the following addresses or to such other address as any Party may request:

If to the Seller:	Good News Media, Inc. 1101 Cass Street Traverse City, MI 49684
with a copy to:	Jarboe & Pfeil 160 E State St, Suite 100 Traverse City, MI 49684 Attention: Paul Jarboe Email: pjarboe@charter.net

and

Thomas A. Pezzetti, Jr.  
Pezzetti, Vermetten & Popovits, P.C.  
600 E. Front Street, Suite 102  
Traverse City, MI 49686  
Email: tpezzetti@mich-legal.com

If to the Buyer: Northern Christian Radio, Inc.  
1511 M-32 East  
Gaylord, Michigan 49735

with a copy to: Alward Fisher Rice Rowe & Graf, PLC  
412 S. Union Street  
Traverse City, MI 49684  
Attention: Edward Price  
Email: eprice@nmichlaw.com

Any such notice, demand or request shall be deemed to have been duly delivered and received (i) on the date of personal delivery, (ii) on the date of transmission if sent by facsimile, (iii) on the date of receipt if mailed by registered or certified mail, postage prepaid and return receipt requested, or (iv) on the date of a signed receipt if sent by an overnight delivery service.

**15.12 No Recourse.** This Agreement may only be enforced against, and any claim or cause of action based upon, arising out of, or related to this Agreement or the transactions contemplated hereby may only be brought against, the entities that are expressly named as parties hereto and then only with respect to the specific obligations set forth herein with respect to such party.

**15.13 Casualty.** Seller shall bear the risk of any casualty loss or damage to any of the Assets prior to the Closing, and Buyer shall bear such risk on and after the Closing. In the event of any casualty loss or damage to the Assets prior to the Closing, Seller shall be responsible for repairing or replacing (as appropriate under the circumstances) any lost or damaged Asset (the “**Damaged Asset**”) unless such Damaged Asset was obsolete and unnecessary for the continued operation of the Stations consistent with the Seller’s past practices and the FCC Licenses. If Seller is unable to repair or replace a material Damaged Asset by the date on which the Closing would otherwise occur under this Agreement, then the Closing Date shall be extended until such repair or replacement is completed.

**15.14 Counterparts.** This Agreement may be executed in one or more counterparts, each of which will be deemed an original and all of which together will constitute one and the same instrument.

**15.15 PDF Signatures.** The Parties agree that transmission to the other Party of this Agreement with its electronic “pdf” signature shall bind the Party transmitting this Agreement thereby in the same manner as if such Party’s original signature had been delivered.

## **ARTICLE 16 DEFINITIONS**

**16.1 Defined Terms.** Unless otherwise stated in this Agreement, the following terms when used herein shall have the meanings assigned to them below (such meanings to be equally applicable to both the singular and plural forms of the terms defined).

**“Accounting Firm”** means (a) an independent certified public accounting firm in the United States of national recognition (other than a firm that then serves as the independent auditor for Seller, Buyer or any of their respective Affiliates) mutually acceptable to Seller and Buyer or (b) if Seller and Buyer are unable to agree upon such a firm, then the independent auditors for Seller and Buyer shall mutually agree upon a third independent certified public accounting firm, in which event, “Accounting Firm” shall mean such third firm.

**“Affiliate”** shall mean, with respect to any specified Person, another Person that directly or indirectly controls, is controlled by, or is under common control with such specified Person.

**“Agreement”** shall have the meaning set forth in the preamble to this Agreement.

**“Assets”** shall have the meaning set forth in Section 1.1.

**“Assigned Employment Agreements”** shall have the meaning set forth in Section 14.2.

**“Assumed Contracts”** shall have the meaning set forth in Section 1.1(d).

**“Assumed Liabilities”** shall have the meaning set forth in Section 1.3.

**“Basket”** shall have the meaning set forth in Section 12.4.

**“Buyer”** shall have the meaning set forth in the preamble to this Agreement.

**“Buyer’s 401(k) Plan”** shall have the meaning set forth in Section 14.8.

**“Claimant”** shall have the meaning set forth in Section 12.3(a).

**“Closing”** and **“Closing Date”** shall have the meaning set forth in Section 3.1.

**“Code”** shall mean the Internal Revenue Code of 1986, as amended, and the regulations thereunder, or any subsequent legislative enactment thereof, as in effect from time to time.

**“Commencement”** means the Closing, or the applicable of such times, as the context requires.



***“Communications Act”*** shall have the meaning set forth in Section 6.5.

***“Company Plans”*** shall have the meaning set forth in Section 4.18.

***“Contracts”*** shall mean all contracts, agreements, leases, non-governmental licenses, employment agreements, commitments, understandings, options, rights and interests, written or oral, including any amendments, extensions, supplements and other modifications thereto.

***“Contract Assignment and Assumption”*** shall have the meaning set forth in Section 11.1(b)(iii).

***“Damaged Asset”*** shall have the meaning set forth in Section 15.13.

***“ERISA Affiliate”*** shall have the meaning set forth in Section 4.18.

***“Excluded Assets”*** shall have the meaning set forth in Section 1.2.

***“Excluded Liabilities”*** shall have the meaning set forth in Section 1.4.

***“FCC”*** shall have the meaning set forth in the recitals to this Agreement.

***“FCC Applications”*** shall mean the application or applications that Seller and Buyer must file with the FCC requesting its consent to the assignment of the FCC Licenses from Seller to Buyer.

***“FCC Consents”*** shall mean the action or actions by the FCC granting or approving the FCC Applications.

***“FCC Licenses”*** shall have the meaning set forth in Section 1.1(a).

***“Final Order”*** shall mean a final, non-appealable Order of the FCC or its staff that is no longer subject to administrative or judicial action, review, rehearing or appeal.

***“Financial Statements”*** shall have the meaning set forth in Section 4.16.

***“GAAP”*** shall mean prevailing generally accepted accounting principles of the United States of America, in effect from time to time, consistently applied.

***“Governmental Authority”*** shall mean any: (a) nation, state, county, city, town, village, district, or other recognized jurisdiction of any nature; (b) federal, state, local, municipal, foreign, or other government; (c) governmental or quasi-governmental authority of any nature (including any governmental agency, branch, department, official, or entity and any court or other tribunal); (d) multi-national organization or body; or (e) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory, or taxing authority or power of any nature.

***“Indemnified Claim”*** shall have the meaning set forth in Section 12.3(a).

***“Indemnitor”*** shall have the meaning set forth in Section 12.3(a).

***“Intellectual Property”*** shall mean any or all of the following and all rights in, arising out of, or associated therewith (including all applications or rights to apply for any of the following, and all registrations, renewals, extensions, future equivalents, and restorations thereof, now or hereafter in force and effect) solely with respect to the Stations and the market in which the Stations are located: (1) all trade secrets and other rights in know-how and confidential or proprietary information, including without limitation, vendor and supplier lists, advertiser lists, sales lists, sponsor lists, business plans and strategies, marketing materials and plans; (2) all mask works, copyrights, formats, programming materials and concepts, on air copy, on air talent concepts and jingles, and all other rights corresponding thereto (including moral rights), throughout the world; (3) all rights in telephone numbers and World Wide Web addresses and domain names (including, without limitation, e-mail addresses) and applications and registrations therefor, and access and use rights with respect to any social media accounts, and contract rights therein; (4) all trade names, call letters, logos, slogans, symbols, trademarks and service marks, trade dress and all goodwill, if any, associated therewith; (5) rights of publicity and personality; and (6) any similar, corresponding, or equivalent rights to any of the foregoing in items (1) through (5) above.

***“Knowledge”*** shall mean (i) in the case of Seller, the actual knowledge of Roby Isaac and (ii) in the case of Buyer, the actual knowledge of Pat Scott.

***“Law”*** shall mean any national, federal, state, local or other law, statute, rule, regulation, ordinance, code, policy, Order, decree, judgment, consent, settlement agreement or other governmental requirement enacted, promulgated, entered into, agreed to or imposed by any Governmental Authority.

***“Lease Assignment and Assumption”*** shall have the meaning set forth in Section 11.1(b)(iv).

***“Leased Real Property”*** shall have the meaning set forth in Section 1.1(c).

***“Lease Estoppel”*** shall have the meaning set forth in Section 11.1(c).

***“Liabilities”*** shall mean any liability or obligation of any kind, character or description, whether known or unknown, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise and whether or not the same is required to be accrued on the financial statements of any Person or is disclosed on any Schedule to this Agreement.

***“Liens”*** shall mean mortgages, deeds of trust, liens, security interests, pledges, collateral assignments, condition sales agreements, leases (other than Assumed Contracts), encumbrances,

claims or other defects of title, but shall not include liens for current taxes not yet due and payable and other Permitted Encumbrances.

**“Loss” or “Losses”** shall have the meaning set forth in Section 12.1.

**“Material Adverse Effect”** shall mean any event, transaction, condition, change or effect that (individually or in the aggregate with all other such events, transactions, conditions, changes or effects) has had, or would reasonably be expected to have, a material adverse effect on the Assets, or on the business, assets, liabilities, financial condition or results of operations of the business of the Stations, taken as a whole; *provided, however*, that for purposes of determining whether any Material Adverse Effect shall have occurred, there shall be excluded and disregarded any event, transaction, condition, change or effect resulting from or relating to (i) general business or economic conditions, or conditions generally affecting the industry in which the business of the Stations operates which do not disproportionately impact the business of the Stations, (ii) any change in accounting requirements or principles or in any applicable Laws, (iii) the compliance with the terms of, or the taking of any action expressly required by, this Agreement, (iv) acts of terrorism or military action or the threat thereof, (v) actions taken by any Person that are attributable to the announcement of this Agreement and the transactions contemplated hereby or the identity of Buyer (vi) any existing event, occurrence or circumstance expressly described on a Schedule hereto, solely to the extent such event, occurrence or circumstance is described therein.

**“Material Assumed Contracts”** shall have the meaning set forth in Section 1.1(d).

**“Notice of Disagreement”** shall have the meaning set forth in Section 2.1(e).

**“Order”** shall mean any award, decision, injunction, judgment, order, ruling, subpoena, or verdict entered, issued, made, or rendered by any court, administrative agency, or other Governmental Authority or by any arbitrator.

**“Ordinary Course of Business”** shall mean an action taken by a Person will be deemed to have been taken in the “Ordinary Course of Business” only if such action is consistent with the past practices of such Person and is taken in the ordinary course of the normal day-to-day operations of such Person.

**“Organizational Documents”** means the articles of incorporation, articles of organization, certificate of organization, or similar organizational documents, including any certificate of designation for any capital stock, as amended to date, and the bylaws, operating agreement, and other similar organizational documents, as amended to date, of an entity.

**“Party” or “Parties”** shall have the meaning set forth in the preamble.

**“Permit”** shall mean any permit, franchise, certificate, consent, clearance, waiver, notification, authorization, approval, registration or license granted by or obtained from any Governmental Authority in accordance with applicable Law, other than the FCC Licenses.

***“Permitted Liens”*** shall mean Liens released at or before Closing, Permitted Encumbrances, Assumed Liabilities and:

- (i) Purchase money security interest that may arise by operation of law for inventory and supplies purchased in the Ordinary Course of Business and on account, provided the amounts owed on such accounts are not past due;
- (ii) Encumbrances for taxes, assessments, levies, fees or governmental charges on the Personal Property if the same shall not at the time be delinquent or are contested by appropriate proceedings;
- (iii) Encumbrances which arise by operation of law, such as materialmen and mechanics’ liens and other similar liens arising in the Ordinary Course of Business which secure payment of obligations not more than thirty (30) days past due; and
- (iv) Zoning, building codes, and other land use laws regulating the use or occupancy of Leased Real Property or the activities conducted thereon that are imposed by a Governmental Authority having jurisdiction over Leased Real Property.

***“Permitted Encumbrances”*** shall mean easements, rights of way, building and use restrictions, exceptions, reservations and limitations that do not in any material respect detract from the value of the property subject thereto or impair the use thereof in the ordinary course of the business of the Stations.

***“Person”*** shall mean an individual, a partnership, a corporation, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, or a governmental entity (or any department, agency, or political subdivision thereof).

***“Personal Property”*** shall have the meaning set forth in Section 1.1(b).

***“Proceeding”*** shall mean any action, arbitration, audit, hearing, investigation, litigation, or suit (whether civil, criminal, administrative, investigative, or informal) commenced, brought, conducted, or heard by or before, or otherwise involving, any Governmental Authority or arbitrator.

***“Purchase Price”*** shall have the meaning set forth in Section 2.1.

***“Real Estate Leases”*** shall have the meaning set forth in Section 1.1(c).

***“Related Documents”*** shall mean the Bill of Sale, the Assumption Agreement, and any other written agreement executed by Seller or Buyer in connection with the Closing hereunder.

***“Seller”*** shall have the meaning set forth in the preamble to this Agreement.

***“Station”*** and ***“Stations”*** shall have the meaning set forth in the recitals to this Agreement.

***“Station Employees”*** shall mean the employees of Seller.

***“Station Intellectual Property”*** shall have the meaning set forth in Section 1.1(e).

***“Tax”*** shall mean all federal, state, local and foreign taxes including, without limitation, income, gains, transfer, unemployment, withholding, payroll, social security, real property, personal property, excise, sales, use and franchise taxes, levies, assessments, imposts, duties, licenses and registration fees and charges of any nature whatsoever, including interest, penalties and additions with respect thereto and any interest in respect of such additions or penalties.

***“Tax Return”*** shall mean any return, filing, report, declaration, questionnaire or other document required to be filed for any period with any taxing authority (whether domestic or foreign) in connection with any Taxes (whether or not payment is required to be made with respect to such document).

***“Transferred Employees”*** shall have the meaning set forth in Section 14.1.

***“Transfer Taxes”*** shall mean all United States federal, state, local or foreign sales, use, transfer, real property transfer, mortgage recording, stamp duty, value-added or similar taxes, costs, or fees that may be imposed in connection with the transfer of the Assets, together with any interest, additions or penalties with respect thereto and any interest in respect of such additions or penalties.

***“Union”*** shall have the meaning set forth in Section 4.18.

**16.2 *Miscellaneous Terms.*** The term “or” is disjunctive; the term “and” is conjunctive. The term “shall” is mandatory; the term “may” is permissive. Masculine terms apply to females as well as males; feminine terms apply to males as well as females. The term “includes” or “including” is by way of example and not limitation.

*<Signatures on following page>*

IN WITNESS WHEREOF, the Parties hereto have caused this Asset Purchase Agreement to be duly executed as of the date first written above.

SELLER:

Good News Media, Inc.

By: *Roby Isaac*  
Name: Roby Isaac  
Title: Chairman of the Board

BUYER:

Northern Christian Radio, Inc.

By: *Leanne Ackert*  
Name: Leanne Ackert  
Title: Chairman