

## ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this “*Agreement*”) is made as of this 25 day of January, 2024 by and between **Main Street Broadcasting, Inc** a Minnesota corporation (“*Seller*”), and Blooming Prairie Farm Radio, Inc a Minnesota corporation (“*Buyer*”).

### RECITALS

WHEREAS, Seller owns and operates the following radio stations (the “*Stations*”) pursuant to certain licenses, authorizations and approvals issued by the Federal Communications Commission (“*FCC*”):

KRUE(FM) Waseca, Minnesota; FCC Facility ID Number 70930  
KFOW (AM) Waseca, Minnesota; FCC Facility ID Number 70931  
K292GU (FM Translator) Waseca, Minnesota; FCC Facility ID Number 138084

WHEREAS, Buyer desires to purchase from Seller substantially all of the assets used or held for use in the business and operation of the Stations, subject to the prior approval of the FCC; and

WHEREAS, pursuant to the terms and conditions set forth herein, the parties desire to provide for the sale and purchase of the Assets (defined below) as set forth in this Agreement.

### AGREEMENT

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

#### ARTICLE 1. SALE AND PURCHASE

1.1. Assets. Subject to the terms and conditions herein contained, on the Closing Date (defined below), Seller shall sell, assign, transfer, convey and deliver to Buyer, and Buyer shall purchase and acquire from Seller, all rights, title, and interest of Seller in and to all personal assets and the Real Property (as defined below), tangible and intangible, that are used or held for use in the business and operation of the Station, except the Excluded Assets (defined below) (“*Assets*”), including without limitation the following:

(a) Licenses and Authorizations. All of the licenses, construction permits and other authorizations issued by the FCC with respect to the Station that are described on **Schedule 1.1(a)**, together with all applications therefor and any renewals or extensions thereof (collectively the “*FCC Authorizations*”).

(b) Tangible Property. All equipment, transmitters, antennas, cables,

towers, furniture, and other tangible personal property used or owned by Seller for use in the business and operation of the Stations that are described on **Schedule 1.1(b)** (“*Tangible Personal Property*”).

(c) **Contracts**. All contracts and agreements entered into in the ordinary course of business for the sale of advertising time on the Stations for cash, together with all contracts and agreements used in connection with the business and operation of the Stations, including any real property and/or tower site leases and programming agreements, including, but not limited, to the agreements that are specifically described on **Schedule 1.1(c)** hereto (“*Contracts*”).

(d) **Intangible Property**. All trademarks, trade names, service marks, domain names, copyrights, jingles, slogans, logotypes, and other intangible rights and interests used or held for use exclusively in connection with the business and operation of the Stations (excluding, for the avoidance of doubt, the name of the Seller), including without limitation all rights, title and interests to the Stations’ call letters and that are described in **Schedule 1.1(d)** (“*Intangible Property*”).

(e) **Real Property**. All of Seller’s right, title and interest in and to the real property owned and used and/or useful as the Stations transmitter site authorized by the FCC Authorizations in the operation of the Stations as specifically described on **Schedule 1.1(e)** (“*Real Property*”).

(f) **Accounts Receivable**. All accounts receivable, notes receivable and other monies or barter due to Seller for sales and deliveries of goods, performance of services, sale of advertisements, broadcast time and programming and other business transactions related to the Stations attributable to the period prior to the Adjustment Time (defined below) (“*Receivables*”).

(g) **Files and Records**. All files, documents, and records as required to be maintained by FCC regulations, and all equipment manuals, user guides and engineering data, books of account (or copies thereof) relating to the business and operation of the Stations (but excluding, for the avoidance of doubt, any books and records pertaining to any other radio station or enterprise owned or operated by Seller or a principal thereof), including the Stations’ FCC local public files, programming information and studies, technical information and engineering data, marketing and demographic data, sales correspondence, credit and sales reports, and logs.

(h) **Claims**. All claims against third parties if and to the extent that they relate to the Assets, including, without limitation, all rights under manufacturers’ and vendors’ warranties.

(i) **Goodwill**. All of Seller’s goodwill in, and going concern value of, the Stations, if any.

The Assets shall be transferred to Buyer free and clear of all liens, claims and encumbrances of every kind and nature (“*Liens*”) except for Assumed Obligations (defined below) and liens for taxes not yet due and payable and for which Seller receive a

credit pursuant to Section 2.2 (“Permitted Liens”).

1.2. Excluded Assets. Notwithstanding anything to the contrary contained herein, the Assets shall not include the following (“Excluded Assets”):

(a) Cash. All cash and cash equivalents and securities and other investments owned by Seller as of the Closing Date.

(b) Insurance. Any insurance policies, intercompany accounts, promissory notes, amounts due from employees, bonds, letters of credit, or other similar items, any cash surrender value in regard thereto of Seller, and any proceeds from insurance claims made by Seller relating to property or equipment included in the Station Assets that has been repaired, replaced or restored by Seller prior to the Closing Date;

(c) Benefit Plans. Any pension, profit-sharing or cash or deferred (Section 401(k)) plans and trusts and assets thereof, or any other employee benefit plan or arrangement, and the assets thereof;

(d) Tax Refunds. Any interest in and to any refunds of federal, state or local franchise, income or other taxes of Seller for taxes incurred and actually paid by Seller prior to the Closing;

(e) Books and Records. Except as provided in Section 1.1(g), all the financial records, account books and general ledgers, and all corporate records (including organizational documents) of Seller, including tax returns and transfer books; and

(f) Contracts. Any contracts or agreements not agreed to be assumed under Section 1.1(c).

1.3. Assumption of Obligations. Subject to the terms and conditions hereof, on the Closing Date (defined below), Buyer shall assume all liabilities, obligations, and commitments of any kind of Seller arising from the business or operation of the Stations after the Closing Date (defined below) or otherwise relating to the Contracts, the Stations or their operation (“Assumed Obligations”). Except for the Assumed Obligations, Buyer does not assume or agree to discharge or perform, and will not be deemed by reason of the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby, to have assumed or to have agreed to discharge or perform, any liability, obligation, or commitment of Seller arising from the business or operation of the Stations before the Closing Date (“Retained Liabilities”).

1.4 Employees. Upon Closing, Buyer may, but shall not be obligated to, hire the Seller’s employees of the Stations.

## **ARTICLE 2. PURCHASE PRICE**

2.1. Purchase Price. Upon the terms and subject to the conditions contained in this Agreement, and in consideration of the sale of the Assets, Buyer shall pay to Seller the sum of Fifty Thousand Dollars (\$50,000), subject to adjustments pursuant to Section

2.2 (“Purchase Price”) as follows:

(a) At the Closing, the Seller shall deliver Buyer a Check for the Purchase Price (2) business days prior to the Closing.

### **ARTICLE 3. CLOSING; FCC APPLICATION**

3.1. Closing. The consummation of the transactions contemplated herein shall take place on a mutually acceptable date within ten (10) business days after the date that the FCC Consent (defined below) to the assignment of licenses is granted (the “Closing”) by “Final Order” of the Commission which is defined as an order no longer subject to timely administrative or judicial review. The date on which the Closing is to occur is referred to herein as the “Closing Date.”

3.2. FCC Application. Buyer and Seller shall jointly file an application with the FCC (“FCC Application”) requesting the FCC’s written consent to the assignment of the FCC Authorizations from Seller to Buyer within five (5) business days from the execution of the Agreement. The parties shall diligently take all steps necessary, proper, or desirable to expedite the prosecution of the FCC Applications to a favorable conclusion. Each party shall promptly provide the other with a copy of any pleading, order, or other document served on it relating to their respective FCC Application. The written consent to an FCC Application by initial order of the FCC is referred to herein as the “FCC Consent.”

### **ARTICLE 4. REPRESENTATIONS AND WARRANTIES OF SELLER**

Seller represent and warrant to Buyer, each with respect to itself, as follows:

4.1. Organization. Seller is a corporation duly organized, validly existing and in good standing under the laws of the state of Minnesota. Seller has the requisite power and authority to own the Assets and operate the Stations, to conduct the business of the Stations as is now conducted, and to execute, deliver and perform the transactions contemplated in this Agreement and the documents to be made pursuant hereto.

4.2. Authority. The execution, delivery and performance of this Agreement and the documents to be made pursuant hereto have been duly authorized and approved by all necessary action of Seller and do not require any further authorization or consent of Seller. This Agreement and the documents to be made pursuant hereto are legal, valid and binding agreements of Seller enforceable in accordance with their respective terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors’ rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

4.3. No Conflicts. The execution, delivery and performance of this Agreement by Seller and the documents to be made pursuant hereto do not conflict with: (a) any

organizational documents of such Seller; (b) any provision of, or result in any default under, any mortgage, lien, lease, contract, instrument, order or other judgment, or decision to which Seller is a party with respect to the Stations or the Assets; or (c) any law, judgment, order, or decree to which such Seller or any of the Assets are subject, and does not require the consent, approval or authorization, or filing with, any third party or any court or governmental authority, except the FCC Consent and counter-party consent to assign certain Contracts.

4.4. Litigation. There are no suits, actions, condemnation actions, claims, administrative, arbitrary or other proceedings or governmental investigations ("Litigation") pending or, to Seller's knowledge, threatened against or affecting the Stations or any of the Assets, nor are Seller subject to any writ, judgment, award, decree or order of any court of governmental authority that would materially adversely affect the Assets, in each case, other than those of general applicability. There is no Litigation pending or, to Seller's knowledge threatened against or affecting Seller that would materially adversely affect or prevent the consummation of the transactions contemplated hereby, nor are Seller subject to any order of any court or governmental entity that would materially adversely affect or prevent consummation of the transactions contemplated hereby, other than those of general applicability.

4.5. FCC Authorizations. Seller is the lawful holder of the FCC Authorizations for the Stations, as set forth on Schedule 1.1(a), which is a true and complete list of the FCC Authorizations and all other licenses, permits or other authorizations required under the Communications Act of 1934, as amended ("Communications Act"), or the rules, regulations and policies of the FCC ("FCC Rules") for, and used in the operation of, the Stations. The FCC Authorizations are in full force and effect, unimpaired by any act or omission of Seller, and have not been revoked, suspended, cancelled, rescinded or terminated and have not expired. The Stations are operated and until the Closing will be operated, in material compliance with all governmental authority including the Communications Act, and all applicable FCC Rules, including that the Stations are transmitting at no less than 90% of their authorized power. To the best of Seller's knowledge, there is not now pending or threatened, any action by or before the FCC or any other body to revoke, cancel, rescind, modify or refuse to renew any of the FCC Authorizations or other permits. Seller has not received any notice of any pending, issued or outstanding order by or before the FCC or any other body, or of any investigation, order to show cause, notice of violation, notice of apparent liability, notice of forfeiture, or material complaint against the Stations or Seller. Seller has no reason to believe that the next renewal application for the Stations will not be granted by the FCC in the ordinary course. Except as set forth in Schedule 1.1(a), all material reports and filings required to be filed with the FCC by Seller with respect to the operation of the Stations have been timely filed, and all such reports and filings are accurate and complete in all material respects. Seller maintains a public inspection filed for the Stations and such file complies in all material respects with the FCC Rules.

4.6. Tower. Except as set forth in Schedule 1.1(a), the existing tower[s] used in the operation of the Stations are obstruction-marked and lighted to the extent required by, and in accordance with, the rules and regulations of the Federal Aviation

Administration (FAA) and FCC. Except as set forth on **Schedule 1.1(a)**, Seller has complied in all material respects with all requirements of the FCC and the FAA with respect to the construction and/or alteration of the Stations' antenna structures, an "no hazard" determinations for each antenna structure have been obtained, where required. Each tower used in the operation of the Stations has an FCC Antenna Structure Registration as shown in **Schedule 1.1(a)** . To Seller's knowledge, the operations of the Stations do not exceed permissible levels of exposure to RF radiation specified in either the FCC rules, regulations and policies concerning RF radiation or any other applicable environmental laws.

4.7. **Tangible Personal Property.** Seller owns all of the owned Tangible Personal Property set forth on **Schedule 1.1(b)** hereto, or has valid leasehold interests in the leased Tangible Personal Property set forth thereon. To the best of Seller's actual knowledge, the Tangible Personal Property (a) is in good operating condition and repair, ordinary wear and tear excepted, (b) is functioning in the manner and purposes for which it was intended, and has been maintained in accordance with industry standards, (c) is operating in substantial compliance with the FCC Authorizations and rules of the FCC and Federal Aviation Administration, and (d) to Seller's knowledge, does not contain any PCBs.

4.8. **Contracts.** **Schedule 1.1(c)** hereto contains a true and complete list of all Contracts related to the operation of the Stations. Each of the Contracts is in effect and is binding upon the parties thereto (subject to bankruptcy, insolvency, reorganization or other similar laws relating to or affecting the enforcement of creditors' rights generally). Seller has performed their respective obligations under each of the Contracts in all material respects, and is not in material default thereunder, and has not received in writing any claim or threat it has breached any of the terms and conditions of any Contract. To Seller's knowledge, no other party to any of the Contracts is in default thereunder in any material respect.

4.9. **Intangible Property.** **Schedule 1.1(d)** contains a description of all material Intangible Property used exclusively in the operation of the Stations. Seller has a right, title and interest in and to the Intangible Property described on **Schedule 1.1(d)** as being held by it. No Intangible Property is the subject of any pending, or, to Seller's knowledge, threatened legal proceedings claiming infringement or unauthorized use by such Seller.

4.10. **Real Property.** **Schedule 1.1(e)** contains a list and legal description of all Real Property owned by Seller, including all material structures located on such Real Property. Seller own good and marketable fee simple title to the Real Property described on **Schedule 1.1(e)** free and clear of Liens other than Permitted Liens. No part of any Real Property is subject to any pending or, to Seller's knowledge, threatened suit for condemnation or other taking by any public authority. All of Seller's buildings and other improvements included in the Real Property are in good operating condition and repair, free from material defect or damage, and comply in all material respects with applicable zoning, health and safety laws and codes. Seller has delivered to Buyer copies of all title insurance policies, title commitments and surveys in their possession that are applicable

to the Real Property.

4.11. Environmental. No hazardous or toxic substance or waste (including without limitation petroleum products) or other material regulated under any applicable environmental, health or safety law has been generated, stored, transported or released on, in, from or to the Real Property included in the Assets by Seller or, to Seller's knowledge, by any other party. Seller has complied and is in compliance in all material respects with all environmental, health and safety laws applicable to the Stations. NSeller has received in respect of the Stations or Assets any notice or claim to the effect that it is or may be liable under any environmental, health or safety law. To Seller's knowledge, neither the Stations nor the Assets are the subject of any investigation by any governmental authority with respect to a violation of any environmental, health or safety law.

4.12. Taxes. Seller has filed all federal, state, local or foreign income, franchise, sales, use, property and other tax returns and forms pertaining to that Seller's respective Assets to be transferred hereunder. There is no pending or threatened investigation or claims against Seller for or relating to any liability in respect of taxes.

4.13. Insurance. Seller maintain insurance policies with respect to the Stations and Assets in commercially reasonable amounts.

4.14. Brokers. There is no broker or finder or other person entitled to a commission or brokerage fee or payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action by Seller.

4.15. Disclosure. No provision of this Agreement relating to Seller contains any untrue statement of a material fact or omits or will omit to state a material fact necessary to make such representation or warranty or any such statement not misleading to Buyer.

## **ARTICLE 5. REPRESENTATIONS AND WARRANTIES OF BUYER**

Buyer represents and warrants to Seller as follows:

5.1. Organization. Buyer is duly organized, validly existing and in good standing under the laws of the state of Minnesota. Buyer has the requisite power and authority to execute, deliver and perform the transactions contemplated in this Agreement and the documents to be made pursuant hereto.

5.2. Authority. The execution, delivery and performance of this Agreement and the documents to be made pursuant hereto have been duly authorized and approved by all necessary action of Buyer and do not require any further authorization or consent of Buyer. The Agreement and the documents to be made pursuant hereto are legal, valid and binding agreements of Buyer enforceable in accordance with their respective terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a

proceeding in equity or at law).

5.3. FCC Qualification. Buyer is legally, financially, and otherwise qualified under the Communications Act and FCC Rules to hold the FCC Authorizations. Acquisition of the FCC Authorizations by Buyer complies with the Communications Act and the rules, regulations and policies of the FCC with respect to multiple ownership as they exist on the date of this Agreement.

5.4. Financial Qualification. Buyer has sufficient cash, available lines of credit or other sources of immediately available funds to enable it to pay the Purchase Price and any other amounts to be paid by it in accordance with the terms of this Agreement. Buyer acknowledges and agrees that its failure to have such funds at Closing shall constitute a breach of this Agreement.

5.5. No Conflicts. The execution, delivery and performance of this Agreement and the documents to be made pursuant hereto do not conflict with any organizational documents of Buyer or any law, judgment, order, or decree to which Buyer is subject, and does not require the consent, approval or authorization, or filing with, any third party or any court or governmental authority, except the FCC Consent. There are no facts known to Buyer that would delay the consummation of the transactions contemplated by this Agreement.

5.6. Litigation. There is no Litigation pending or, to Buyer's knowledge, threatened against or affecting Buyer that would materially adversely affect or prevent the consummation of the transactions contemplated hereby, nor is Buyer subject to any order of any court or governmental entity that would materially adversely affect or prevent consummation of the transactions contemplated hereby, other than those of general applicability.

5.7. Brokers. There is no broker or finder or other person entitled to a commission or brokerage fee or payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action by Buyer.

5.8. Disclosure. No provision of this Agreement relating to Buyer contains any untrue statement of a material fact or omits or will omit to state a material fact necessary to make such representation or warranty or any such statement not misleading to Seller.

## **ARTICLE 6. COVENANTS OF SELLER**

Seller covenant and agree that from the date hereof until the completion of Closing:

### **6.1. Operation of the Business**

(a) Seller shall continue to carry on the business of the Stations in the ordinary course consistent with past practice and keep all books and accounts, records, and files in the usual and ordinary manner;

(b) Seller shall operate the Stations in material compliance with the terms of the FCC Authorizations and shall maintain the FCC Authorizations in full force and effect without adverse modification;

(c) Seller shall keep their respective Tangible Personal Property and Real Property in good operating condition (ordinary wear and tear excepted) and repair and maintain adequate and usual supplies, spare parts and other materials as have been customarily maintained in the past, and otherwise preserve intact their respective Assets and maintain in effect current insurance policies with respect to the Stations and Assets.

(d) Prior to the Closing Date, Seller shall not without Buyer's prior written consent:

(a) Modify any of the FCC Authorizations;

(b) Sell, lease, transfer, or agree to sell, lease or transfer, any of the Assets except for non-material sales or leases in the ordinary course of business of items which are replaced by assets of comparable or superior kind, condition and value;

(c) Modify the Stations' buildings, leasehold improvements or fixtures except in the ordinary course of business;

(d) Consent to the execution, placement, creation or amendment of easements, restrictions, rights-of-way or other matters adversely affecting title to the Real Property;

(e) Renew, amend, or terminate any Contract, or enter into any new contract with respect to any of the Stations in any manner that will be binding upon Buyer or such Stations after Closing; or

(f) Create, assume or permit to exist any Liens on the Assets, except for Permitted Liens.

6.2. Consents. Seller shall use commercially reasonable efforts to obtain any third-party consents necessary to assign the Contracts to Buyer. If any such consent is not obtained prior to the Closing Date, the appropriate Seller shall use commercially reasonable efforts to (i) obtain such consent as soon as possible after the Closing Date, (ii) provide to Buyer the financial and business benefits of any such Contract and (iii) enforce, at the request of Buyer, for the account of Buyer, any rights of such Seller arising from any such Contract. In the event Buyer receives the business benefit of a Contract, then Buyer agrees to assume the obligations under such Contract in accordance with this Agreement.

6.3 Access. Between the date hereof and the Closing Date, Seller will afford Buyer reasonable access to the Stations and the Assets at mutually agreeable date(s) and time(s) during normal business hours. Buyer, at their sole expense, shall be entitled to make such engineering and other inspections of the Assets as Buyer may desire, so long as such inspection would not unreasonably interfere with the operation of the Stations.

## ARTICLE 7. JOINT COVENANTS

7.1. Confidentiality. Subject to requirements of applicable law, Seller and Buyer shall each keep confidential all information obtained by it with respect to the other parties hereto in connection with this Agreement and the negotiations preceding this Agreement (“Confidential Information”); provided that, either party hereto may furnish such Confidential Information to their employees, agents, and representatives who need to know such Confidential Information (including its, tax, financial, and legal advisers, its banks and other lenders) (“Representatives”); provided however, the disclosing party shall be responsible for all actions or omissions of such Representatives with regard to Representatives’ breach of this Section. Each party hereto shall, and shall cause each of such party’s Representatives to, use the Confidential Information solely in connection with the transactions contemplated by this Agreement, and not for any competitive purpose or advantage detrimental to the other party hereto or any of its affiliates.

7.2. Control. Consistent with FCC rules, control, supervision and direction of the operation of the Stations prior to Closing shall remain the responsibility of Seller as the holder of the FCC Authorizations.

7.3. Announcements. Prior to Closing, no party shall, without the prior written consent of the other, issue any press release or make any other public announcement concerning the transactions contemplated by this Agreement, except to the extent that such party is so obligated by law.

7.4. Modification Application – At Buyer’s request, in the event that prior to Closing the FCC announces an application filing window for a new FM translator, Seller shall work together with Buyer, at Buyer’s sole cost and expense, to file such application(s) with the FCC at such times as the FCC may identify seeking a new FM translator station to serve as a fill-in facility for station KSUM(AM). Seller warrants that it has not in 2016 or 2017 applied to the FCC for an FM translator station to serve as a fill-in facility for station KSUM(AM). The grant of such application shall not be a condition precedent to Closing this transaction. However, Seller’s failure to comply with the requirements of this Section 7.4, may be deemed to constitute an incurable and immediate material breach of this Agreement enforceable by Buyer.

## ARTICLE 8. CONDITIONS TO THE OBLIGATIONS OF BUYER

The obligations of Buyer under this Agreement are, at its option, subject to the fulfillment of the following conditions prior to or on the Closing Date:

8.1. Representations, Warranties, and Covenants. The representations and warranties of Seller made in this Agreement shall be true and correct in all material respects as of the Closing except for changes permitted by the terms of this Agreement. The obligations to be performed by Seller at or prior to Closing shall have been performed in all material respects. Seller shall have furnished Buyer with a certificate, dated as of the Closing Date and duly executed by an officer authorized on behalf of

Seller to give such a certificate, to the effect that such conditions have been satisfied.

8.2. No Material Adverse Change. There shall have been no material adverse effect upon any of the Assets or the business of the Stations.

8.3. Liens. All Liens, other than Permitted Liens, shall have been released, as evidenced by payoff letters from any party holding a Lien to be released at the Closing, and releases or UCC-3 termination statements sufficient to terminate Liens on the Assets acquired at Closing.

8.4. Consents. Third party consents to the assignment of any of the Contracts, if required, shall have been obtained.

8.5. Proceedings. NSeller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated herein.

8.6. FCC Consent. The FCC Consent shall have been granted.

8.7. Deliveries. Seller shall have complied with their obligations set forth in Section 10.1

## **ARTICLE 9. CONDITIONS TO THE OBLIGATIONS OF SELLER**

The obligations of Seller under this Agreement are, at their option, subject to the fulfillment of the following conditions prior to or on the Closing Date:

9.1. Representations, Warranties, and Covenants. The representations and warranties of Buyer made in this Agreement shall be true and correct in all material respects as of the Closing except for changes permitted by the terms of this Agreement. The obligations to be performed by Buyer at or prior to Closing shall have been performed in all material respects. Buyer shall have furnished Seller with a certificate, dated as of the Closing Date and duly executed by a person authorized on behalf of Buyer to give such a certificate, to the effect that such conditions have been satisfied.

9.2. Proceedings. Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated herein.

9.3. FCC Consent. The FCC Consent shall have been granted.

9.4. Deliveries. Buyer shall have complied with its obligations set forth in Section 10.2.

## **ARTICLE 10. CLOSING DELIVERIES**

10.1. Deliveries by Seller. At the Closing, Seller shall deliver to Buyer the following:

(a) An Assignment and Assumption of FCC Authorizations assigning the FCC Authorizations from Seller to Buyer;

(b) Certificates of Seller referred to in Section 8.1;

(c) A certificate executed by Seller certifying the due authorization of this Agreement and the transactions related hereto, together with copies of such Seller's authorizing resolutions;

(d) Any other documents and instruments of conveyance, assignment and transfer that may be reasonably necessary to sell, assign, transfer, or convey the Assets to Buyer free and clear of Liens, except for Permitted Liens.

10.2. Deliveries by Buyer. At the Closing, Buyer shall deliver to Seller the following:

(a) Assignment and Assumption of FCC Authorizations assuming the FCC Authorizations from Seller;

(b) The Certificate of Buyer referred to in Section 9.1;

(c) A certificate executed by Buyer certifying the due authorization of this Agreement and the transactions related hereto, together with a copy of Buyer's authorizing resolutions;

(d) The cash portion of the Purchase Price in immediately available wire transferred funds as provided in Section 2.1(a);

(e) Any other documents and instruments of assumption that may be reasonably necessary to purchase and acquire the Assets and to assume the Assumed Obligations.

## **ARTICLE 11. SURVIVAL**

The representations and warranties in this Agreement shall expire one (1) year after the Closing ("*Survival Period*"), except as otherwise expressly stated herein. The covenants and agreements in this Agreement, and indemnification obligations with respect to such provisions, shall survive Closing until performed. No claim may be brought under this Agreement unless written notice describing in reasonable detail the nature and basis of such claim is given on or prior to the earlier of the last day of the Survival Period or expiration of the applicable statute of limitations. In the event such notice is given, the right to indemnification with respect thereto shall survive the Survival Period until such claim is finally resolved and any obligations thereto are fully satisfied. Any investigation by or on behalf of any party hereto shall not constitute a waiver as to enforcement of any representation, warranty, covenant or agreement contained herein.

## **ARTICLE 12. TERMINATION AND REMEDIES**

12.1. Termination. This Agreement may be terminated prior to Closing as follows:

(a) By mutual written consent of Seller, on the one hand, and Buyer, on the other;

(b) By written notice of Buyer to Seller if Seller:

(a) does not perform the obligations to be performed by it under this Agreement on the Closing Date and such breach or default is not cured within thirty (30) calendar days ("Cure Period") after such Seller receives notice of a breach or default from Buyer; or

(b) otherwise breaches in any material respect any of its representations or warranties or defaults in any material respect in the performance of any of its covenants or agreements contained in this Agreement and such breach or default is not cured within the Cure Period after such Seller receives written notice of a breach or default from Buyer.

(c) By written notice of Seller to Buyer if Buyer:

(a) does not perform the obligations to be performed by it under this Agreement on the Closing Date and such breach or default is not cured within the Cure Period after Buyer receives notice of such breach or default from Seller; or

(b) otherwise breaches in any material respect any of its representations or warranties or defaults in any material respect in the performance of any of its covenants or agreements contained in this Agreement and such breach or default is not cured within the Cure Period after Buyer receives written notice of such breach or default from Seller.

(d) By written notice of Seller, on the one hand, or Buyer, on the other, if the FCC denies either of the FCC Applications; or

(e) By written notice of Seller, on the one hand, or Buyer, on the other, if Closing does not occur within nine (9) consecutive months after the date of this Agreement.

Termination of this Agreement shall not relieve any party of any liability it would otherwise have for a breach or default under this Agreement.

12.2. Payment of Escrow Deposit; Specific Performance.

(a) **Buyer's Default.** Upon a termination of this Agreement by Seller pursuant to Section 12.1(c), the the Escrow Deposit shall be paid to Seller. Buyer acknowledges and agrees that the foregoing payments shall constitute payment of liquidated damages and not a penalty and that such liquidated damages amount is reasonable in light of the substantial but indeterminate harm anticipated to be caused by Buyer's material breach or default under this Agreement, the difficulty of proof of loss and damages, the inconvenience and nonfeasibility of

otherwise obtaining an adequate remedy, and the value of the transactions to be consummated hereunder.

(b) **Seller's Default.** Seller acknowledges that the Station Assets are unique assets not readily obtainable on the open market and that, in the event that Seller fails to perform its obligation to consummate the transaction contemplated hereby, money damages alone will not be adequate to compensate Buyer for its injury. Therefore, Seller agrees and acknowledges that in the event of Seller's failure to perform its obligation to consummate the transaction contemplated hereby, Buyer shall be entitled to specific performance of the terms of this Agreement and of Seller's obligation to consummate the transaction contemplated hereby. If any action is brought by Buyer to enforce this Agreement, Seller shall waive the defense that there is an adequate remedy at law, and the prevailing party in litigation shall be entitled to receive from the non-prevailing party all court costs, attorney's fees and other out-of-pocket expenses incurred by the prevailing party in enforcing or defending its rights under this provision. At Buyer's option, instead of the equitable relief of specific performance, upon a termination of this Agreement by Buyer pursuant to Section 12.1(b), the Escrow Deposit shall be paid to Buyer.

(c) **Other Termination.** Upon a termination of this Agreement for any reason other than as a result of a breach by either party of its material obligations under this Agreement, Buyer shall be entitled to the release of the Escrow Deposit, and thereafter neither party shall have any further obligation to the other under this Agreement.

### 12.3. Indemnification.

(a) Following the Closing, Seller shall indemnify, defend and hold harmless Buyer with respect to any and all demands, claims, actions, suits, proceedings, assessments, judgments, costs, losses, damages, liabilities and expenses (including interest, penalties, court costs and reasonable attorneys' fees) ("Damages") asserted against, resulting from, imposed upon or incurred by Buyer directly or indirectly relating to or arising out of: (i) the breach by Seller of any of its representations, warranties or certifications made in or pursuant to, or failure by Seller to perform any of its covenants, conditions or agreements set forth in, this Agreement or any other transaction documents; or (ii) the Retained Liabilities.

(b) Following the Closing, Buyer shall indemnify, defend and hold Seller harmless with respect to any and all Damages asserted against, resulting from, imposed upon or incurred by Seller directly or indirectly relating to or arising out of: (i) the breach by Buyer of any of its representations, warranties or certifications made in or pursuant to, or failure by Buyer to perform any of its covenants, conditions or agreements set forth in, this Agreement or any other transaction document; or (ii) any and all claims, liabilities and obligations of any nature, absolute or contingent, relating to the ownership and operation of the Stations subsequent to the Closing and the Assumed Obligations.

(c) If any party (the "Indemnitee") receives notice or otherwise obtains knowledge of any matter with respect to which another Party (the "Indemnifying Party") may be obligated to indemnify the Indemnitee under this Section 12.4, then the

Indemnitee shall promptly deliver to the Indemnifying Party written notice describing such matter in reasonable detail and specifying the estimated amount of the Damages or liability that may be incurred by the Indemnitee in connection therewith; provided that no failure or delay in the giving of such notice shall affect the Indemnitee's rights under this Section 12.4 except to the extent that such failure or delay has materially prejudiced the Indemnifying Party's ability to defend the matter in question.

(d) Notwithstanding the foregoing or anything else herein to the contrary, after Closing, (i) neither party shall have any liability to the other under this Section 12, as applicable, until such party's aggregate Damages exceeds Ten Thousand Dollars (\$10,000.00) (the "*Threshold Amount*"), and (ii) the maximum aggregate liability of a party to the other, under Section 12.4(a) or (b), as applicable, shall be an amount equal to Fifty Thousand Dollars (\$50,000.00) (the "*Cap Amount*").

(e) If the Indemnifying Party is entitled to and does elect to assume the defense of any matter pursuant to Section 12.4(c) and conducts such defense in a reasonably vigorous manner, then (i) the Indemnitee, at the Indemnifying Party's expense, shall fully cooperate as reasonably requested by the Indemnifying Party in the defense of such matter, (ii) the Indemnifying Party shall keep the Indemnitee informed of all material developments and events relating to such matter, (iii) the Indemnitee shall have the right to participate, at its own expense, in the defense of such matter, and (iv) except with the prior written consent of the Indemnitee, the Indemnifying Party will not, in the defense of such matter, consent to the entry of any judgment (other than a judgment of dismissal on the merits without cost), or enter into any settlement, that does not include as an unconditional term thereof the giving by the claimant or the plaintiff to the Indemnitee of a release from all Damages in respect of such matter. In no event shall the Indemnifying Party be liable for any settlement or admission of liability with respect to such matter without its prior written consent.

(f) Any representation, warranty or certification that is specifically identified in a written claim for indemnification delivered within the period herein provided shall survive until the claim in question is either settled or finally adjudicated.

(g) The parties agree that any indemnity payments made pursuant to this Section 12.4 will be treated by the parties on all applicable tax returns as an adjustment to the Purchase Price.

### **ARTICLE 13. GENERAL PROVISIONS**

13.1. Risk of Loss. The risk of loss to any of the Assets on or prior to the Closing Date shall be upon Seller. Seller shall use all commercially reasonable efforts to repair or replace any damaged or lost Assets, provided, however, that in the event that the Assets with a value of greater than Fifty Thousand Dollars (\$50,000) are damaged or lost on the date otherwise scheduled for Closing, Buyer may, at its option, either (i) postpone Closing for a period of up to sixty (60) days while Seller repair or replace such Assets, or (ii) elect to close with the Assets in their current condition, in which case Seller shall assign all proceeds from insurance on such lost or damaged Assets to Buyer, and Buyer

shall have the responsibility to repair or replace the Assets. Seller shall have no responsibility to repair or replace damaged or destroyed Assets not covered by insurance if the cost of such repair exceeds Fifty Thousand Dollars (\$50,000), provided, however, that should Seller advise Buyer within five (5) days after being requested to do so that Seller will not repair or replace such Assets, Buyer may terminate this Agreement without penalty upon written notice to Seller. Should the Stations (i) not operate for a period in excess of seventy-two (72) consecutive hours, or (ii) not operate with full licensed facilities for a period of thirty (30) consecutive days, or (iii) be operating with less than 90% of its full authorized power as of the scheduled Closing Date, Buyer may either elect to terminate this Agreement without penalty upon written notice to Seller or postpone the Closing for a period of up to sixty (60) days while Seller attempt to cure the condition described in the preceding sentence of this Section 13.1.

13.2. Expenses. Seller, on the one hand, and Buyer, on the other, shall be solely responsible for all costs and expenses incurred by it in connection with the negotiation, preparation, and performance of and compliance with the terms of this Agreement, except that Buyer shall bear the real estate Warranty Deed preparation costs, transfer fees and all recordation costs incurred with the sale of the Real Property to Buyer. All fees related to the FCC Applications under Section 3.2 of this Agreement shall be shared equally between Buyer and Seller.

13.3. Further Assurances. Each party shall execute all such instruments and take all such actions as any other party may reasonably request, without payment of further consideration, to effectuate the transactions contemplated by this Agreement, including without limitation the execution and delivery of confirmatory and other transfer documents in addition to those to be delivered at Closing.

13.4. Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their heirs, legal representatives, successors and permitted assigns. This Agreement and any rights or obligations hereunder may be assigned by Buyer or Seller only with the prior written consent of the other party, which shall not be unreasonably withheld.

13.5. Notices. Any notice, request, demand or other communication required or permitted under this Agreement shall be in writing and shall be deemed delivered on the date of personal delivery, confirmed facsimile transmission, confirmed delivery by a nationally recognized overnight courier service, or on the third (3<sup>rd</sup>) day after prepaid mailing by certified U.S. mail, return receipt requested, and shall be address as follows (or to such other address as any party may request by written notice):

If to Buyer, then to:

Matt Ketelsen  
255 Cedardale Drive  
Ottumwa, MN 55060  
Attn: Matt Ketelsen

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

Miller and Neely, P.C.

3750 University Boulevard, West  
Suite 203  
Kensington, MD 20895  
Attn: John Neely, Esq.  
Tel: 301-933-6304

If to Seller, then to:

Matt Ketelsen  
255 Cedardale Drive  
Ottumwa, MN 55060  
Attn: Matt Ketelsen

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

13.6. Amendments and Waivers. No amendment or waiver of compliance with any provision hereof or consent pursuant to this Agreement shall be effective unless in a writing signed by the party against whom enforcement of such amendment, waiver, or consent is sought.

13.7. Entire Agreement. This Agreement constitutes the entire agreement and understanding of the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings with respect to the subject matter hereof.

13.8. Severability. If any court or governmental authority holds any provision in this Agreement invalid, illegal, or unenforceable under any applicable law, then, so long as no party is deprived of the benefits of this Agreement in any material respect, this Agreement shall be construed with the invalid, illegal, or unenforceable provision deleted and the validity, legality, and enforceability of the remaining provisions contained herein shall not be affected or impaired thereby.

13.9. Governing Law; Venue. The construction and performance of this Agreement shall be governed by the laws of the state of Minnesota without giving effect to the choice of law provisions thereof.

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

13.11 Partial Invalidity. Wherever possible, each provision hereof shall be interpreted in such manner as to be effective and valid under applicable law, but in case

any provision contained herein, or its application to any particular circumstance shall, for any reason, be held to be invalid or unenforceable by the FCC or a court of competent jurisdiction, such provision or such application shall be ineffective to the extent of such invalidity or unenforceability in such jurisdiction, without invalidating the remainder of such provision or any other provisions hereof, or its application in any other circumstance, unless such a construction would be unreasonable, and without invalidating such provision or its application in any other jurisdiction.

[SIGNATURE PAGE FOLLOWS]

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

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

**SELLER:**

**Main Street Broadcasting, Inc.**

By:  \_\_\_\_\_  
John David Linder, President

**BUYER:**

**Blooming Prairie Farm Radio, Inc.**

By:  \_\_\_\_\_  
John David Linder, President

**Schedule 1.1(a)**  
**FCC Authorizations**

KRUE(FM) Waseca, Minnesota; FCC Facility ID Number 70930

KFOW (AM) Waseca, Minnesota; FCC Facility ID Number 70931

K292GU (FM Translator) Waseca, Minnesota; FCC Facility ID Number 138084

**Schedule 1.1(b)**  
**Tangible Personal Property**

NA

**Schedule 1.1(c)  
Contracts**

**NA**

**Schedule 1.1(d)  
Intangible Property**

NA

**Schedule 1.1(e)  
Real Property**

NA

**Schedule 2.2  
Permitted Liens**

**NONE.**

**Schedule 2.3  
Allocations**

FCC Authorizations - \$ 50,000.00