

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (the “Agreement”) is made this 4th day of January, 2021, by and between HTM 26, LLC, a North Carolina limited liability company (“Buyer”) and Tutt Media Group, Inc., a North Carolina corporation (“Seller”).

WITNESSETH:

WHEREAS, Seller is the holder of a license issued by the Federal Communications Commission (the “FCC”) for low power television (“LPTV”) station WTMH-LD, Kinston, North Carolina (Facility ID 184344, the “Station”), to operate on digital Channel 21 (FCC CDBS File No. BLDTL-20130529AHN, the “License”), and a construction permit to change to digital Channel 26 (FCC LMS File No. 0000053939, the “Permit”); and

WHEREAS, in accordance with applicable FCC requirements, Seller wishes to sell and assign to Buyer, and Buyer wishes to purchase and assume from Seller, the Station and all assets related to the Station;

NOW THEREFORE, in consideration of the foregoing and of the mutual agreements and covenants contained herein, the parties, intending to be legally bound, agree as follows:

1. **Purchase and Sale of Assets.** Subject to the terms and conditions set forth below, Seller agrees to assign, sell and transfer to Buyer, and Buyer agrees to purchase from Seller, all assets, properties and business (except for Excluded Assets, as defined) of every kind and description, wherever located, real, personal, tangible or intangible, used or to be used or otherwise relating to the Station, the License, and the Permit, in their current condition unless expressly represented otherwise herein (collectively, the “Assets”). Seller agrees that the Assets are now, and on the Closing Date (as defined) shall be, free and clear of any and all liens, claims, petitions, charges and encumbrances of any nature whatsoever (“Liens”). The Assets include, but are not limited to:

- (a) the FCC License and Permit for the Station, and any and all other FCC authorizations, applications, filings, or other FCC related materials relating to the Station;
- (b) Seller’s equipment and all other tangible personal property used or useful in the operation of the Station that Buyer notifies Seller in writing prior to the Closing Date that Buyer elects to acquire;
- (c) Seller’s intellectual property and all other intangible personal property used or useful in the operation of the Station, including but not limited to rights in the Station’s call letters “WTMH-LD”;
- (d) all of the Seller’s right, title and interests under existing agreements, contracts, commitments, or leases relating to the operation of the Station that Buyer notifies Seller in writing prior to the Closing Date that Buyer elects to assume.

As noted all such assets shall be referred to as the “Assets.” In connection with the purchase of the Assets, Buyer shall assume only those liabilities arising from the Assets as may be expressly stated in this Agreement.

1.1 **Excluded Assets.** Notwithstanding the foregoing, the Assets shall not include any other assets or property of Seller not related to the Station, nor any cash or cash on hand or accounts receivable of Seller, nor any equipment, tangible personal property, agreements, contracts, commitments, or leases that Buyer does not expressly elect to assume by written notice to Seller prior to the Closing Date.

2. **Purchase Price and Payment.**

(a) The purchase price for the Assets shall be Thirty Thousand Dollars (\$30,000.00, the “Purchase Price”) to be paid at Closing as set forth herein, and subject to the prorations or adjustments and any credits as set forth herein. At closing, Buyer shall pay the Purchase Price, subject to any prorations or adjustments as of that date, to Seller in cash by wire transfer of available funds.

(b) Seller and Buyer each represent and warrant to the other that neither Buyer nor Seller has engaged any broker, finder or agent in connection with the transactions contemplated by this Agreement.

3. **Representation and Warranties of Seller.** Seller hereby represents and warrants to Buyer as follows:

3.1 **Organization, Standing and Qualification.** Seller is a corporation, duly formed, validly existing, and in good standing in the State of North Carolina, and has all requisite power and authority to enter into this Agreement and the other documents and instruments to be executed and delivered by Seller and to carry out the transactions contemplated hereby and thereby.

3.2 **Authorization and Binding Obligation.** The execution, delivery and performance of this Agreement and the other Transaction Documents (as defined in Section 7) by Seller have been and will be duly and validly authorized by all necessary action on the part of Seller. This Agreement has been duly signed and delivered by Seller and constitutes the legal, valid and binding obligation of Seller, enforceable in accordance with its terms, except as the enforceability may be affected by bankruptcy, insolvency or other similar laws affecting creditors’ rights generally, and by judicial discretion in the enforcement of equitable remedies.

3.3 **Good Title: No Liens.** Seller holds the FCC License for the Station and the Permit. Seller also holds good and valid title to the Assets free and clear of all Liens and is the sole and exclusive owner of such assets. Upon the payment of the Purchase Price, Buyer will acquire good and valid title to the Assets, free and clear of all liens, claims, petitions, charges and encumbrances of whatsoever nature.

3.4 **Absence of Violation, Conflicting Agreements.** The execution, delivery and performance of this Agreement by Seller (with or without the giving of notice, lapse of time,

or both): (i) does not require the consent of any third party other than the FCC; (ii) will not violate any applicable law, judgment, order, injunction, decree, rule, regulation, ordinance or ruling of any court or governmental authority; (iii) will not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or cause the acceleration of any performance required by the terms of any agreement, instrument, or contract to which Seller is a party or by which Seller may be bound; and (iv) will not create any claim, liability, lien, condition, charge or encumbrance of any nature whatsoever upon any of the Assets.

3.5 **Real Property.** Except for the tower site lease, a copy of which has been provided to Buyer, no real property is used in, held for use in connection with, or necessary for the conduct of the business or operation of the Station as it is now operated. The tower site lease is legal, valid, binding, enforceable and in full force and effect (subject to expiration or termination in accordance with its terms). Neither Seller, nor to Seller's knowledge any other party, is in default, violation or breach in any material respect under the tower site lease.

3.6 **FCC and Governmental Matters.**

(a) Seller is the sole holder of the FCC License for the Station and the Permit, and at Transfer (as defined) the Station will be in full force and effect and have not been revoked, suspended, canceled, rescinded, terminated or modified and have not expired. Seller has no other authorizations issued by the FCC pertaining to the Station. There are no applications pending before the FCC for modification of the Station. There is not pending, or to Seller's knowledge threatened, any action before the FCC to revoke, suspend, cancel, rescind or modify the Station (other than proceedings to amend FCC rules of general applicability).

(b) All regulatory and application filing fees required to be paid, and all ownership and other reports and other filings required to be filed with, the FCC by Seller have been timely paid or filed. All such reports and filings are accurate and complete in all material respects.

3.7 **Absence of Litigation.** There is no suit, action, proceeding or investigation now pending or, to the best knowledge of Seller, threatened, before any federal, state or local court, grand jury, administrative or regulatory body, arbitration or mediation panel or similar body, against Seller or in any way involving or relating to the Assets, or which may result in any judgment, order, decree, liability, award or other determination which will, or could, have any material adverse effect upon any of the Assets, nor to the best knowledge of Seller are there any grounds therefore. There is no order, judgment or decree of any court or governmental agency, and to the best knowledge of Seller there are no circumstances that could be reasonably expected to result in any such order, judgment or decree, enjoining Seller from selling and transferring the Station or any of the Assets to Buyer pursuant to this Agreement.

4. **Representations and Warranties of Buyer.** Buyer represents and warrants to Seller as follows:

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

Buyer has all requisite power and authority to enter into this Agreement and the other documents and instruments to be executed and delivered by Buyer and to carry out the transactions contemplated hereby and thereby.

4.2 **Authorization and Binding Obligation.** The execution, delivery and performance of this Agreement and the other Transaction Documents by Buyer have been and will be duly and validly authorized by all necessary action on the part of Buyer. This Agreement has been duly signed and delivered by Buyer and constitutes the legal, valid and binding obligations of Buyer, enforceable against it in accordance with its terms, except as the enforceability may be affected by bankruptcy, insolvency or other similar laws affecting creditors' rights generally, and by judicial discretion in the enforcement of equitable remedies.

4.3 **Absence of Violation, Conflicting Agreements.** Buyer's execution, delivery and performance of this Agreement (with or without the giving of notice, lapse of time, or both): (i) do not require the consent of any third party other than the FCC; (ii) will not violate any provision of its Articles of Organization or any operating agreement or other governing documents; (iii) will not violate any applicable law, judgment, order, injunction, decree, rule, regulation, ordinance or ruling of any court or governmental authority; (iv) will not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of any agreement, instrument, or permit to which Buyer is a party or by which Buyer may be bound, such that Buyer could not acquire the Assets.

4.4 **Absence of Litigation.** There is no suit, action, proceeding or investigation pending or, to Buyer's knowledge, threatened before any federal, state or local court, grand jury, administrative or regulatory body, arbitration, or mediation panel or similar body, to which Buyer is a party, which seeks to enjoin or prohibit or otherwise to question the validity of any action taken or to be taken by Buyer pursuant to or in connection with this Agreement.

5. **Covenants of Seller.** Between the date hereof and the Transfer Date, except as contemplated by this Agreement or with the prior written consent of Buyer, Seller hereby covenants and agrees:

(a) to perform all acts necessary to carry out the transactions contemplated by this Agreement and not to: (i) sell, transfer or encumber any of the Assets; or (ii) perform any acts within its control that are inconsistent with its representations, warranties, covenants and agreements set forth herein;

(b) to notify Buyer promptly of the commencement or threat of any claim, suit, action, arbitration, legal, administrative or other proceeding, governmental investigation or tax audit against (i) Seller or (ii) any other party that relates in any way to, or that could reasonably be expected to affect the Station or any of the Assets;

(c) to cooperate fully with Buyer in taking any and all actions necessary or desirable for the consummation of the transactions contemplated by this Agreement;

(d) to continue broadcast operations of the Station, and to diligently prosecute the renewal application that has been filed and is pending for the Station (FCC LMS File No. 0000127355, the “Renewal Application”), and Seller covenants and agrees to reimburse to Buyer the documented out-of-pocket costs that have been or may be advanced by or on behalf of Buyer in assisting Seller with the filing and prosecuting or otherwise relating to the Renewal Application (including but not limited to the FCC application filing fees and reasonable attorney fees, for the Station and the two other LPTV stations owned and licensed to Buyer that are included in the Renewal Application, and for filing off-air notifications and requests for special temporary authority for the other two LPTV stations to be silent), either prior to or on the Transfer Date (as a credit toward the Purchase Price), or upon any termination of this Agreement; and

(e) to file, or at Buyer’s option permit Buyer to file in its own name and pursuant to a written consent that Buyer agrees to sign and as allowed by Section 73.3517 of the FCC’s rules, application(s) with the FCC for a modification of the Station’s License or Permit (a “Modification Application”), and to cooperate with any requests by Buyer to modify the Station as may be authorized by the grant of a Modification Application even prior to closing, provided all of the foregoing is undertaken at Buyer’s sole cost and expense.

6. Joint Covenants.

6.1 Cooperation. Buyer and Seller shall cooperate fully with each other and their respective counsel in connection with any actions required to be taken as part of their obligations under this Agreement, including (i) the filing of an assignment application (the “FCC Application”) with the FCC, (ii) the defense against any petition to deny or informal objection filed against the FCC Application, and (iii) the Buyer’s assumption of any contracts, leases or other agreements relating to the Station that Buyer expressly elects in writing to assume. The parties will use their best efforts to consummate the transactions contemplated hereby and to fulfill their obligations hereunder. No party shall take any action that is inconsistent with its obligations hereunder, that would render any of its representations or warranties herein untrue or incomplete or that could hinder or delay the foregoing. Each party shall prepare its portion of the FCC Application, which as noted shall be filed with the FCC within five (5) business days after execution of this Agreement. Each party shall share equally in the payment of FCC filing fees associated with the FCC Application. Each party shall pay its own attorney fees incurred in filing and prosecuting the FCC Application.

7. Seller’s Deliveries at Transfer. At Transfer, Seller shall deliver or cause to be delivered to Buyer the following:

(a) a Certificate, dated as of the Transfer Date and signed by an executive officer of Seller to the effect that (i) all representations and warranties of Seller contained in this Agreement, the Transaction Documents, or in any exhibit, schedule, certificate or other document delivered pursuant hereto, shall be true and correct in all material respects on and as of the Transfer Date with the same force and effect as if made on and as of that date, and (ii) all of the terms, covenants and conditions to be complied with and performed by the Seller on or prior to the Transfer Date shall have been complied with or performed in all material respects;

(b) resolutions of the board of director(s) or shareholder(s) of Seller, authorizing the execution, delivery, and performance by Seller under this Agreement, certified by an executive officer of Seller as true and complete and still in effect as of the Transfer Date;

(c) a copy of the FCC License for the Station and the Permit, together with a copy of the FCC's consent to assignment (granting the FCC Application, the "FCC Consent") of the Station to Buyer or its assignee, and all other files, records and correspondence pertaining to the Station in Seller's possession; and

(d) a Bill of Sale, an Assignment of FCC License, an Assignment and Assumption of Contracts (for any contracts or agreements that Buyer expressly elects in writing to assume), and such other documents or instruments as Buyer may reasonably request to affect the transfer of title to the Station and the other Assets and to otherwise carry out the transaction contemplated by this Agreement.

For purposes of this Agreement, all such documents are defined as the "Transaction Documents".

8. **Buyer's Deliveries at Transfer.** At Transfer, Buyer shall deliver or cause to be delivered to Seller the following:

(a) a Certificate, dated as of the Transfer Date and signed by an executive officer of Buyer, to the effect that (i) all representations and warranties of the Buyer contained in this Agreement, or in any exhibit, schedule, certificate or other document delivered pursuant hereto, shall be true and correct in all material respects on and as of the Transfer Date with the same force and effect as if made on and as of that date, and (ii) all of the terms, covenants and conditions to be complied with and performed by Buyer on or prior to the Transfer Date shall have been complied with or performed in all material respects;

(b) resolutions of the board of director(s) or member(s) of Buyer, authorizing the execution, delivery, and performance by Buyer under this Agreement, certified by an executive officer of Buyer as true and complete and still in effect as of the Transfer Date

(c) the Purchase Price (subject to any prorations or adjustments or credits), in accordance with Section 2 hereof, by wire transfer of immediately available funds; and

(d) an Assignment and Assumption of Contracts (for any contracts or agreements that Buyer expressly elects in writing to assume) and such other documents or instruments as Seller may reasonably request to Affect the transfer of title to the Station and the other Assets and to otherwise carry out the transaction contemplated by this Agreement.

9. **Transfer.**

9.1 **Time and Place.** The Transfer of the Station and the Assets by Seller to Buyer (the "Transfer") shall take place at a location the parties may mutually specify and shall be on the fifth (5th) business day after the date on which the FCC Consent becomes a Final Order, or Buyer at its sole option may waive the requirement for a Final Order and the parties shall conduct the Transfer within five (5) business days after written notice of such waiver, or at such

other time and place as the parties may mutually agree (such date, the "Transfer Date"). Notwithstanding the foregoing, the grant of the Modification Application shall be a condition to the obligation of Buyer to complete the Transfer. As used herein a Final Order means a written action or order issued by the FCC setting forth the grant of FCC consent (a) which has not been reversed, stayed, enjoined, annulled or set aside, and (b) with respect to which no requests have been filed for administrative or judicial review, reconsideration, appeal or stay, and the time for filing any such requests and for the FCC to set aside or suspend the action on its own motion has expired. The Purchase Price shall be adjusted such that any costs, expenses, revenues or deposits related to the Station or its operation shall be prorated as of the Transfer Date.

10. Termination.

10.1 Termination by Buyer. Either party may terminate this Agreement, if not then in material default, upon written notice to the other party upon the occurrence of any of the following:

(a) if FCC approval is denied or approval has not been received within twelve (12) months from the date the FCC Application is filed, provided that any delay in grant of FCC Approval is caused by any action or inaction by the party wishing to terminate the Agreement; or

(b) if either party materially defaults in the observance or in the due and timely performance of any of its material covenants or agreements contained herein and such material default has not been cured within ten (10) days after written notice by the other party.

11. Indemnification.

11.1 Seller's Indemnification. Seller shall indemnify, defend and hold Buyer and its officers, directors, employees or agents harmless from and against any and all loss, cost, liability, damage and expense (including legal and other expenses incident thereto) of every kind, nature or description arising out of: (a) the breach of any representation or warranty of Seller set forth in this Agreement or in any schedule or certificate delivered to Buyer pursuant hereto; (b) the breach of any of the covenants or agreements by Seller contained in or arising out of this Agreement or the transactions contemplated hereby; or (c) the holding of the Station prior to the Transfer Date, including, but not limited to, any liability, judgment or damages against Seller, her employees or agents, as a result of litigation involving the Seller prior to the Transfer Date.

11.2 Buyer's Indemnification. Buyer shall indemnify, defend and hold Seller and her employees or agents harmless from and against any and all loss, cost, liability, damage and expense (including legal and other expenses incident thereto) of every kind, nature or description arising out of (a) the breach of any representation or warranty of Buyer set forth in this Agreement or in any certificate delivered to Seller pursuant hereto; or (b) the holding of the Station after the Transfer Date, and the conduct of business related to the Station after the Transfer Date, including, but not limited to, any liability, judgment or damages against Buyer, its officers, directors, employees or agents, as a result of litigation involving the Buyer after the Transfer Date; or (c) the breach of any of the covenants or agreements by Buyer contained in or arising out of this Agreement or the transactions contemplated hereby.

11.3 Indemnification Procedure. In the event of any claim for indemnification, the claiming party will promptly notify the indemnifying party in writing of the basis for the amount of the claim, including the name of any third party involved. The indemnifying party will have the right, to be exercised within thirty (30) days of notice, if liability to a third party is involved, to defend or compromise such matter at the sole cost and expenses of the indemnifying party, and the indemnified party must cooperate fully in such defense. The indemnified party will not settle or compromise any claim by a third party for which it is entitled to indemnification without the prior consent of the indemnifying party, unless suit has been instituted and the indemnifying party has not assumed control of the suit.

12. Assignability. Each party agrees that the entirety of the other party's unperformed rights, duties, benefits and obligations under this Agreement are assignable to a commonly owned affiliate, provided that party agrees to accept such assignment and assume all such obligations hereunder, but that otherwise this Agreement may not be assigned.

13. Taxes. Seller shall be solely responsible for any sales, use or transfer tax due as a result of this transaction.

14. Other Provisions.

14.1 Attorney Fees. Should any party default in the performance of any of the terms or conditions of this Agreement, which default results in the filing of a lawsuit for damages, specific performance, or other permitted remedy, the prevailing party in such lawsuit shall be entitled to its reasonable legal fees and expenses, including such fees and expenses at the appellate level.

14.2 Benefit and Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, heirs and permitted assigns.

14.3 Governing Law. This Agreement shall be governed, construed and enforced in accordance with the laws of the State of North Carolina, without regard to the choice of law provisions thereof. Any litigation arising from the Agreement shall be subject to the exclusive jurisdiction of either a North Carolina state court or a federal court located in North Carolina.

14.4 Construction. The parties acknowledge and agree that this Agreement has been fully negotiated between them and shall not be interpreted or construed against the drafting party.

14.5 Notices. All notices, demands, requests or other communication required or Stationed hereunder shall be in writing and sent by certified, express or registered mail, return receipt requested and postage prepaid, or by overnight air courier service, or by personal delivery, to the address specified below (or to such other address which a party shall specify to the other party in accordance herewith):

If to Buyer: HTM 26, LLC
Attention: Harley Medlin, President
3211 Bottle Run Road
Williamsport, Pennsylvania 17701

If to Seller: Tutt Media Group, Inc.
Attention: Otis Tutt, Manager
136 North Queen Street
Kinston, North Carolina 28501

Notice shall be deemed to have been given on the date of personal delivery, the day after delivery to an overnight air courier service, or three days after mailing.

14.6 **Multiple Counterparts and Facsimile Signatures** This Agreement may be signed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement. Counterpart signatures to the Agreement delivered and received by facsimile shall be acceptable and binding to both parties.

14.7 **Entire Agreement.** This Agreement, any schedules or exhibits hereto, and all documents to be delivered by the parties pursuant hereto, collectively represent the entire understanding and agreement between Buyer and Seller with respect to the subject matter hereof. This Agreement supersedes all prior memoranda and agreements between the parties hereto, and may not be modified, supplemented or amended, except by a written instrument signed by each of the parties hereto designating specifically the terms and provisions so modified, supplemented or amended.

14.8 **Captions.** The section captions and headings in this Agreement are for convenience and reference purposes only and should not affect in any way the meaning or interpretation of this Agreement.

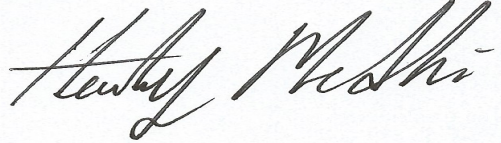
14.9 **No Waiver.** Unless otherwise specifically agreed in writing to the contrary: (i) the failure of any party at any time to require performance by the other of any provision of this Agreement shall not affect such party's right thereafter to enforce the same; (ii) no waiver by any party of any default by another shall be taken or held to be a waiver by such party of any other preceding or subsequent default; and (iii) no extension of time granted by any party for the performance of any obligation or act by any other party shall be deemed to be an extension of time for the performance of any other obligation or act hereunder.

14.10 **Further Assurances.** Upon the signing of this Agreement, Seller shall use its best efforts, and Buyer shall reasonably cooperate with Seller, to secure FCC authorization for the transfer of the Station and the other Assets and any related authorizations or fulfillment of any conditions hereto. The parties acknowledge that FCC Consent is required prior to transfer of the Station, and agree not to affect such transfer before such consent has been obtained. At and after the Transfer, Buyer and Seller shall, without further consideration, execute and deliver such further instruments and documents and do such other acts and things that the other party may reasonably request in order to effect or confirm the transactions contemplated by this Agreement.

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

BUYER:

HTM 26, LLC

A handwritten signature in black ink, appearing to read "Harley Medlin", is written over a light gray rectangular background.

By: _____

Name: Harley Medlin

Title: President and Manager

SELLER:

Tutt Media Group, Inc.

By: _____

Name: Otis Tutt

Title: Manager

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

BUYER: **HTM26, LLC**

By: _____

Name: Harley Medlin

Title: President and Manager

SELLER: **Tutt Media Group, Inc.**

By: Otis Tutt

Name: Otis Tutt

Title: Manager