

## **ASSET PURCHASE AGREEMENT**

This Agreement (hereinafter "Agreement") is entered into this 5th day of April, 2021, by and between **Post Rock Communications, LLC**, a California Corporation (hereinafter "Seller"); and **Delilah Rene, d.b.a. Big Shoes Productions, Inc.**, (hereinafter "Buyer").

### **RECITALS**

WHEREAS, Seller is the licensee and operator AM Radio Station KDUN Facility No. 33779, Reedsport, Oregon (hereinafter, "Station"), holding a valid authorization for the operation thereof from the Federal Communications Commission (hereinafter the "FCC"); and

WHEREAS, Buyer desires to acquire, and Seller desires to sell, the Station licenses and certain assets of the Station, including interests in personal property used and useful in connection with the operation of the Station;

NOW, THEREFORE, in consideration of the premises and of the mutual representations, warranties, covenants, and agreements contained herein, the parties hereto hereby agree as follows:

1. **Assets Sold and Purchased:** On the Closing Date, as hereinafter defined, Seller will sell or cause to be sold, transferred, assigned, and/or conveyed to Buyer or Buyer's assigns, by assignments, bill of sale, and/or other appropriate instruments, and Buyer will purchase, subject to the terms and conditions hereinafter set forth, the following assets (hereinafter collectively the "Assets"):

(a) FCC licenses, permits, and authorizations for the operation of the Station, listed in Exhibit 1 attached hereto, and all licenses, permits, and/or other FCC authorizations, and any other authorizations from any other governmental agency, local, state, or federal, now or hereafter obtained in connection with the operation of the Station;

(b) the fixed, tangible, and intangible assets used, useful, or usable in the operation of the Station, including the physical assets listed in Exhibit 2 attached hereto, together with replacements thereof, or additions thereto, made in the ordinary course of business, between the date hereof and the Closing Date, free and clear of all liens, claims, security instruments, and encumbrances of any kind whatsoever;

(c) contracts, if any, for the sale of broadcast time on the Stations, which are in effect as of the Closing Date hereunder;

(d) such right, title, and interest in and to the use of any call letters of the Station as Seller currently possesses; and

(e) any and all franchises, materials, supplies, easements, rights of way, customer lists, and other rights and privileges relating to the operation and/or use of the Station, in effect as of the date hereof, and any of the foregoing which may be modified or acquired in the normal course of business with respect to the operation of the Station between the date hereof and the Closing Date hereunder, including contracts and agreements entered into in the normal course of business.

This Agreement is limited to the assets herein described and Buyer is not purchasing Seller's cash, accounts receivable or notes receivable, books and records pertaining to the other businesses of Seller (including other broadcast stations), employee pension and other benefit plans or collective bargaining agreements, which shall be and remain the exclusive property of Seller, free and clear of any claim from Buyer. Buyer is not assuming any liabilities of Seller except as specifically stated in this Agreement. **No rights whatsoever, by lease or otherwise, are being transferred to the real property from which the Station is currently being operated.**

2. **Purchase Price:**

- (a) Purchase Price. The purchase price to be paid for the Station Assets will be Sixty Thousand Dollars (\$60,000.00) (the "Purchase Price").
- (b) Method of Payment. Upon Closing, the Purchase Price shall be paid by Buyer to Seller by an assignment and/or transfer of the assets specified in Exhibit 3 and all documents required to accomplish said assignment and/or transfer of assets will be executed by Buyer.
- (c) Broker Fees. All brokerage fees will be the responsibility of the Seller.

3. **Time and Place of Closing:**

(a) Closing Date. The date of the Closing for the sale and assignment by Seller to Buyer of the Assets shall be within ten (10) days after grant of FCC consent to the assignment of the license of the Station to Buyer. However, if any petition to deny or informal objection is filed by any third party prior to such grant, then at Buyer's option the Closing may be postponed until the grant of FCC consent to the assignment of the license to Buyer has become a "Final Action." "Final Action", as used in this section means an action of the FCC approving the assignment of the Station's license from Seller to Buyer, which action, due to the passage of time or otherwise, is no longer subject to FCC reconsideration and/or court review under the provisions of the Communications Act of 1934, as amended, and/or the Rules and Regulations of the FCC. This Agreement shall terminate if the Closing has not occurred within twelve months of the date of this Agreement for any reason except a material breach on the part of either party.

(b) The place of Closing hereunder shall be remotely transacted via electronic bank transfers through the office of Craig A. Ruark, LLC, d.b.a The Broadcast License Store (Broker) or such other means as Seller and Buyer may mutually agree to in writing.

4. **Covenants, Representations, and Warranties of Seller:** Seller covenants, represents, and warrants with and to Buyer as follows:

(a) To the best of Seller's knowledge, there are no proceedings or material complaints pending at the FCC as of the date hereof relating to the business and operation of the Station, and such Station's authorizations or extensions or renewals thereof shall, on the Closing Date, be in full force and effect and unimpaired by any acts or omissions of Seller.

(b) Between the date hereof and the Closing Date, the Station shall be operated in the normal and usual manner, and the Station's business shall be conducted only in the ordinary course.

(c) On the Closing Date, Seller will have good and marketable title to the personal property listed and described in Exhibit 2 hereto, or replacements thereof, made in the normal course of business, free and clear of all liens, mortgages, pledges, and encumbrances.

(d) The transmitting equipment used by Seller in the operation of the Station is being sold in AS-IS condition. Between the date of this Agreement and the Closing Date, there will be no more than normal wear and tear and expendability due to Seller's actions or use with respect to the assets listed in Exhibit 2 hereto. Buyer is satisfied with the current physical condition of the Assets and accepts the same as-is.

(e) Between the date hereof and the Closing Date, Seller will not sell or agree to sell or otherwise dispose of the fixed and tangible assets listed in Exhibit 2 hereto (or any replacements thereof in the ordinary course of business) used or useful in the operation of the Station, unless such assets are not material to the operation of the Station, or are replaced with assets of comparable value.

(f) Seller agrees that, prior to the Closing Date, if it receives an administrative or other order relating to any violations of the Rules and Regulations of the FCC, or any other federal, state, or local regulatory or administrative authority, including but not limited to, rules regarding the employment of labor, protection of the environment, and equal employment opportunity, Seller will be responsible to remove or correct all such violations prior to the Closing Date. Seller is not aware of any such violations or pending investigations concerning such violations.

(h) Seller, by the Closing Date, will have paid and discharged all taxes, assessments, excises, and other debts which, if due and not paid as of the Closing Date, would interfere with Buyer's enjoyment of the assets, facilities, licenses or other items conveyed hereunder.

(i) Seller is, and at all times has been, in full compliance with, and has not been and is not in violation of or liable under, any environmental law. Seller has no basis to expect, nor has Seller received, any actual or threatened order, notice, or other communication from any governmental body or private citizen, any actual or potential violation or failure to

comply with any hazardous materials laws, or any actual or threatened obligation to undertake or bear the cost of any environmental, health, and safety liabilities with respect to any of the Assets. There are no pending or, to the knowledge of Seller, threatened claims, or other restrictions of any nature, arising under or pursuant to any hazardous materials laws, with respect to or affecting any of the Assets.

(j) The execution and delivery of this Agreement has been duly authorized by Seller and constitutes a valid and binding agreement and is enforceable in accordance with its terms and the performance of this Agreement will not conflict with any other obligation of Seller.

(k) Seller will cooperate with Buyer in any FCC filings or applications, as necessary, at Buyer's expense. Seller and Buyer shall promptly and diligently take or cooperate in the taking of all steps that are necessary and appropriate to expedite the prosecution and favorable consideration of such filings or applications, including responding to inquiries or requests for additional information from the FCC, or any objections or petitions filed in opposition to the FCC filings or applications.

(l) As of the Closing Date there is no claim threatened or pending relating to the Assets or any of them or concerning Seller's right or ability to enter into or perform Seller's obligations to be performed under this Agreement other than that which has heretofore been specifically and fully disclosed in writing to Buyer and accepted by Buyer; and there are, or will have been, no bankruptcy, receivership, or other proceedings affecting the assets and involving the Seller; and the Seller shall not have made any assignment for the benefit of creditors.

5. **Covenants, Representations, and Warranties of Buyer:** Buyer covenants, represents, and warrants with and to Seller as follows:

(a) Buyer is authorized to do business in the State of Oregon.

(b) Buyer is, and at Closing will be, financially qualified to meet its obligations set forth in this Agreement.

(c) Buyer, to the best of his knowledge, information and belief, possesses all legal and financial qualifications to obtain FCC approval and consummate the transaction envisioned hereby.

(d) Buyer shall keep confidential and cause to be kept confidential, any studies, reports, financial statements, documents, or other information conveyed to or shown to Buyer, or Buyer's agents, employees, or representatives, in the course of Buyer's due diligence review of the Station and Seller. Buyer agrees, upon the Closing Date, or in the event the parties fail to close this Agreement and the Agreement is terminated, to return or cause to be returned to Seller all copies of such studies, reports, financial statements, documents, or other information. The provisions of this Section 5(d) shall survive the termination of this Agreement.

6. **Interim Operations and Due diligence Review:**

(a) From this date until the Closing Date, Seller shall have control of the Station, its equipment and related operations. Seller agrees that during this period it shall (1) continue the operation of the Station in good faith, (2) not enter into any contracts or agreements concerning the Station outside normal and customary practices, (3) operate the Station in accordance with the terms of their licenses, and (4) comply with the terms and conditions of those contracts, leases, easements, licenses, comprising in whole or in part or concerning or respecting the Assets..

(b) Between the date hereof and the Closing Date, Seller shall not, without Buyer's previous written consent, sell or agree to sell or otherwise dispose or permit the disposition of any of the assets herein to be assigned, other than in the ordinary course of business, unless such assets are replaced with assets having a comparable use and value.

(c) Commencing on the date hereof until the Closing, Seller shall make available to Buyer and its representatives (including its engineers and attorneys) all documents, instruments, books, and records relating to the ownership and physical condition of the Assets, permit physical inspection of the Assets of Seller by all such parties, and cooperate with Buyer to complete its physical and legal review of the Assets.

(d) From this date until the earlier of (i) the Closing, or (ii) the termination of this Agreement, neither Seller, nor any of its agents or other representatives, will initiate, discuss, encourage or entertain, or provide any information with respect to any sale to another person or entity of all or a significant portion of the Assets, whether through direct purchase, merger, consolidation, or other business combination or joint venture, nor shall such parties enter into or consummate any agreement to effectuate any such transactions. In addition, any discussion with any prospective purchaser of the Assets or any of them that were in process prior to the execution of this letter shall be suspended until the Closing or termination of this Agreement.

7. **Conditions Precedent to Obligations of Buyer:** The performance of the obligations of Buyer hereunder is subject, at the election of Buyer, to each of the following conditions precedent:

(a) **Representations and Warranties.** Each of Seller's representations and warranties contained in this Agreement shall be true in all material respects at and as of the Closing Date.

(b) **License.** On the Closing Date, Seller shall be the holder of the license, in good standing, for the operation of the Station.

(c) **Governmental Authorizations.** All required governmental authorizations, consents, and approvals necessary for the consummation of the transaction contemplated hereby shall have been obtained, including the FCC consenting to the action by assignment of licenses

contemplated herein in accordance with the terms and conditions of this Agreement, without any condition materially varying this Agreement.

(d) Absence of Litigation. On the Closing Date, there will be no litigation, action, suit, investigation, or proceedings which may give rise to any materially adverse claim against any of the Assets or upon Seller's ability to perform in accordance with the terms of this Agreement.

8. **Conditions Precedent to Obligations of Seller:** The performance of the obligations of Seller hereunder is subject, at the election of Seller, to each of the following conditions precedent:

(a) Representations and Warranties. Each of Buyer's representations and warranties contained in this Agreement shall be true in all material respects at and as of the Closing Date.

(b) Absence of Litigation. On the Closing Date, there will be no litigation, action, suit, investigation, or proceedings which may give rise to any materially adverse claim upon Seller's ability to perform in accordance with the terms of this Agreement.

9. **FCC Consent as Condition to Closing:**

(a) Notwithstanding any provision of this Agreement to the contrary, Buyer will not be obligated to, and shall not go to Closing if the FCC fails to give its written consent to the assignment of license to Buyer.

(b) Within fifteen (15) days from the date hereof, Seller and Buyer shall join in an application to be filed with the FCC, requesting its written consent to the assignment of the license of the Station. Seller and Buyer shall promptly and diligently take or cooperate in the taking of all steps that are necessary and appropriate to expedite the prosecution and favorable consideration of such application, including responding to inquiries or requests for additional information from the FCC, or any objections or petitions filed in opposition to the FCC application. Buyer and Seller will each pay half of the FCC filing fee.

(c) Seller and Buyer agree to make any reasonable amendments to this Agreement as requested by the FCC, on the condition that the purchase price for the Assets is unaffected.

10. **Adjustments and Allocations:** Seller and Buyer agree that the following items shall be allocated as between Seller and Buyer as follows:

(a) Liabilities for property, use or other taxes, if any, in respect to any of the Assets shall be prorated as between Seller and Buyer on the basis of the number of days of the taxable year elapsed to the Closing Date.

(b) Other liabilities or prepaid items or other pro-ratable items existing on the Closing Date, such as lease payments, commissions, federal, state or local taxes, water, electric, fuel, telephone and other utility and service charges, FCC regulatory fees and insurance shall be prorated and allocated between Seller and Buyer as of the Closing Date. A final accounting concerning these matters shall be presented, in writing, by Seller to Buyer by the Closing Date. If Buyer agrees, the prorations and allocations shall be made within fifteen (15) days thereafter. If Buyer disputes the final accounting, Buyer shall advise Seller, in writing, within fifteen (15) days after Buyer receives said final accounting, and in that event, Buyer and Seller shall meet in an attempt to resolve any dispute.

(c) Buyer and Seller shall each be responsible for its own attorney and engineering fees.

11. **Closing Deliveries by Seller:** At the Closing, Seller shall deliver or cause to be delivered to Buyer in a form and manner as Buyer may reasonably direct:

(a) A bill of sale and assignment conveying to Buyer all right, title, and interest of Seller in and to the tangible assets listed in Exhibit 2 hereto, free and clear of all liens, claims, security interests, and encumbrances of any kind whatever.

(b) A duly executed assignment (and consents, if necessary) conveying to Buyer all rights, title, and interests, as well as all obligations, in and to the contracts and agreements listed in Exhibit 4 hereto.

(c) An assignment conveying to Buyer all right, title, and interest of Seller in and to the Station's licenses and all other authorizations then in effect.

(d) Such other documents as may be reasonably necessary for the implementation and consummation of this Agreement.

12. **Closing Deliveries by Buyer:** At Closing, Buyer shall deliver or cause to be delivered to Seller, in a form and manner as Seller may reasonably direct:

(a) The full purchase price listed in Exhibit 3 hereto.

(b) Such other documents as may be reasonably necessary for the implementation and consummation of this Agreement

13. **Risk of Loss:** The risk of loss or damage to any of the Assets conveyed by Seller to Buyer shall be upon Seller at all times prior to the Closing; or, the risk of loss or damage to any of the Purchase Price Assets conveyed by Buyer to Seller, as full and complete payment to Seller, shall be upon Buyer at all times prior to the Closing. In the event of such loss or damage, the proceeds of, or any claim for, any loss payable under any insurance policy with respect thereto shall go to Seller; or, to the Buyer with respect to the Purchase Price Assets. Said proceeds shall be used to repair, replace, or restore such loss or damaged assets. In the event

such loss or damage prevents the broadcast transmission by the Station in the normal and usual manner, Seller shall give prompt written notice thereof to Buyer. If Seller cannot restore the facilities so that normal and usual transmission can be resumed before the Closing Date, the Closing Date shall be postponed, the exact date and time of such postponed closing to be designated by Seller upon five (5) days' notice to Buyer. In the event the facilities cannot be restored within the effective period of the FCC's grant of approval, the parties shall join in a request for the FCC to extend the effective period of its grant for a period not to exceed forty-five (45) days. If the facilities have not been restored by the Closing Date or any extension of the effective period of the FCC's consent, Buyer shall have the option to terminate this Agreement without any further obligations of Buyer or Seller.

14. **Indemnity of Buyer against Certain Losses by Seller:** Seller hereby agrees to indemnify and hold harmless Buyer and its successors and assigns from and against any losses, damages and expenses (hereinafter collectively "Loss and Expense") which may be sustained, suffered or incurred by Buyer or its successors and assigns, up to and including the aggregate amount of \$1,000 except as a result of any third-party action for which there will be no limitation, arising out of (i) the ownership or operation of the Assets by Seller prior to Closing, and (ii) any breach of any representation or warranty made by Seller, not cured by Seller, in or pursuant to this Agreement. Buyer or its successors and assigns, as the case may be, shall give Seller prompt notice of any claims, demands, suits, proceeding or action to which this indemnity applies. At the cost and expense of Seller, and with counsel chosen by Seller, Seller will defend any and all claims against such indemnified persons and will pay any judgments and decrees entered into against them or any of them relating to the operation of the Assets, prior to Closing, and will indemnify and hold each of them harmless there from. This indemnification shall remain in effect for three (3) months following the Closing Date.

15. **Indemnity of Seller against Certain Losses by Buyer.** Buyer and its assigns hereby agree to indemnify and hold harmless Seller, its successors and assigns, from and against any losses, damages and expenses which may be sustained, suffered or incurred by Seller or its successors and assigns, up to and including the aggregate amount of \$1,000 except as a result of any third-party action for which there will be no limitation, arising from or by reason of operation of the Assets subsequent to the Closing. Seller or its successors and assigns, as the case may be, shall give Buyer prompt notice of any claims, demands, suits, proceedings or actions which this indemnity applies. At the cost and expense of Buyer and with counsel chosen by Buyer, Buyer will defend any and all claims against such indemnified persons and will pay any judgments and decrees entered into against them or any of them relating to the operation of the Assets subsequent to the Closing and will indemnify and hold each of them harmless there from. This indemnification shall remain in effect for three (3) months following the Closing Date.

16. **Specific Performance; Notice of Termination and Cure Period:**

(a) **Specific Performance.** Seller agrees that the Assets cannot be readily obtained on the open market and that Buyer will be irreparably injured if this Agreement is not specifically enforced, due to Seller's default, and if Buyer institutes any action specifically to enforce Seller's performance under this Agreement, Seller agrees to waive the defense that Buyer



has an adequate remedy at law and to interpose no opposition, legal or otherwise, as to the propriety of specific performance as a remedy.

(b) **Notice of Termination; Cure Period.** If either Seller or Buyer determines that the other has defaulted under any provision(s) of this Agreement, and proposes to terminate this Agreement, based upon such default(s), it shall notify the other, in writing, of its decision to terminate, and identify, specifically, the nature of the default(s) it relies upon. The defaulting party shall be given ten (10) days (or such longer period as Seller and Buyer mutually agree upon), from the receipt of that notification, to cure the default(s), and, if cured, to the satisfaction of Buyer and Seller, termination shall not occur.

17. **Benefit:** This Agreement shall be binding upon and shall inure to the parties hereto, their successors and assigns.

18. **Survival of Warranties and Indemnifications:** The covenants, warranties, agreements, obligations, and undertakings of Seller and Buyer contained in this Agreement shall, unless otherwise specifically provided, be continuing and shall survive the Closing by a period of three months.

19. **Post-Closing Obligations of Seller.** At any time and from time to time after the Closing Date, upon the request of Buyer, and without the payment of any further consideration, Seller shall duly execute, acknowledge and deliver any and all further assignments, conveyances and other instruments of transfer and other assurances and documents, and will take such other action as reasonably may be required by Buyer for the purpose of better assigning, transferring and conveying to Buyer or reducing to possession any or all of the Assets pursuant to this Agreement.

20. **Construction.** This Agreement shall be construed and enforced in accordance with the laws of the State of Oregon. Seller and Buyer agree that this Agreement shall be construed without regard to and without considering which party may have drafted its various provisions, both parties acknowledging that they have had an ample opportunity to review and revise its provisions and each party having legal counsel.

21. **Notices.** All necessary notices, demands, and requests required or permitted to be given hereunder shall be deemed duly given when mailed by registered mail, return receipt requested, postage prepaid, and addresses as follows:

(a) **If to Buyer:** Delilah Rene  
2698 Mountain View Rd. E.  
Port Orchard, WA 98366-8319

(b) **If to Seller:** Charles A. Contreras  
4430 Jasmine Avenue  
Culver City, CA 90232

With a copy (which shall not be construed to be notice) to Broker:

Craig A. Ruark, LLC  
d.b.a. The Broadcast License Store  
1950 Towering Pines Street  
Las Vegas, NV 89135

24. **Captions and Headings.** The captions and headings herein are inserted only as a matter of convenience and reference and in no way define, limit or describe the scope of this Agreement or the intent of any provisions hereof.

25. **No Implied Waiver.** No failure or delay on the part of the parties hereto to exercise any right, power or privilege hereunder or under any instrument executed pursuant hereto shall operate as a waiver; nor shall any single or partial exercise of any right, power or privilege preclude any other right, power or privilege.

26. **Public Announcements.** No party hereto will issue any press release or make any other public announcement relating to the transaction contemplated by this Agreement without the prior consent of each other party hereto, except that any party may make any disclosure required to be made by it under applicable law (including the federal communications and/or securities laws) if it determines in good faith that it is appropriate to do so and gives prior notice to the other party hereto.


27. **Entire Agreement.** This Agreement contains all of the terms and understandings agreed upon by the parties with respect to the subject matter hereof.

28. **Counterparts.** This Agreement may be signed in counterparts with the same effect as if the signature to each counterpart were upon the same instrument.

IN WITNESS WHEREOF, each of the parties hereto has signed this Agreement on the date and year first above written.

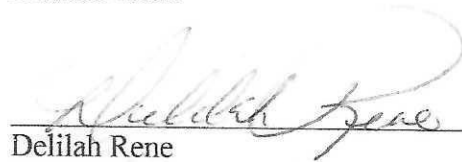
**Seller:**

**Charles A Contreras**

  
Charles A Contreras 4/19/2021

**Buyer:**

**Delilah Rene**

  
Delilah Rene 4/5/2021

**AUTHORIZATIONS**

AM Radio Station KDUN Facility No. 33779, licensed to Reedsport, Oregon

**INVENTORY OF ASSETS**

**Equipment List**

- 1 Nautel XL-60 (60kW transmitter)
- 1 Nautel Ampex 1K
- 1 Continental 10K
- 1 Orban AM optimod
- 1 Burk remote control system
- 1 ATU was built by Kintronics
- 1 Guyed Tower and ground system

**Note:** A new EBS module will be needed to bring the station to code  
The station is programmed remotely using a Barix Box system.

**ASSETS TO BE CONVEYED BY BUYER TO SELLER  
AS FULL AND COMPLETE PAYMENT**

1. The total purchase price of the station shall be Sixty Thousand Dollars (\$60,000.00) cash payment.
  - a. The Buyer has placed in the Broker's escrow the amount of Five Thousand Dollars (\$5,000.00) which upon the successful authorization by the FCC shall be applied to the final purchase amount at closing.
  - b. At closing, an additional cash payment of Fifty-Five Thousand Dollars (\$55,000.00) shall be paid through Craig A. Ruark, LLC, d.b.a. The Broadcast License Store (Broker).