

THE SCHEDULES AND EXHIBITS TO THE ASSET PURCHASE AGREEMENT LISTED BELOW HAVE BEEN OMITTED BECAUSE THEY DO NOT REFLECT ON THE LEGAL OR OTHER QUALIFICATIONS OF THE PARTIES, NOR DO THEY CONTAIN INFORMATION RELEVANT TO WHETHER THE STRUCTURE OF THE TRANSACTION COMPLIES WITH THE COMMISSION'S RULES. THE SCHEDULES CONTAIN PUBLIC INFORMATION ALREADY AVAILABLE OR PROPRIETARY INFORMATION RELATING TO THE LICENSEE AND THE STATIONS. THEREFORE, THE SCHEDULES NEED NOT BE SUBMITTED TO THE COMMISSION BUT WILL BE PROVIDED UPON THE COMMISSION'S REQUEST. SEE THE COMMISSION'S MEMORANDUM OPINION AND ORDER IN LUJ, INC. AND LONG NINE, INC., 17 FCC RCD 16980 (2002) (FILE NO. BALH-200110111ABJ) AND PUBLIC NOTICE DA 02-2049, 17 FCC RCD 16166 (2002).

SUMMARY OF APA SCHEDULES/EXHIBIT INCLUDE:

SCHEDULE 1.1 (a): WBMD FCC LICENSES

SCHEDULE 1.1 (b): WBMD TANGIBLE PERSONAL PROPERTY

SCHEDULE 1.2 (a): WAMT FCC LICENSES

SCHEDULE 1.2 (b): WAMT TANGIBLE PERSONAL PROPERTY

EXHIBIT A: WBMD TOWER SITE LEASE

EXHIBIT B: WAMT TOWER SITE LEASE

## **ASSET EXCHANGE AGREEMENT**

This Asset Exchange Agreement (“Agreement”) is entered into as of October 13, 2021, by and among Relevant Radio, Inc., a Wisconsin not-for-profit corporation (“Relevant”), and Family Stations, Inc., a California nonprofit religious corporation (“Family”).

**WHEREAS**, Family is the licensee of WBMD (AM), 750 kHz, Baltimore, Maryland (FCC Facility No. 1913) (“WBMD”), and Relevant is the licensee of WAMT(AM), 1190 kHz, Pine Castle Sky Lake, Florida (FCC Facility No. 15877) (“WAMT” and collectively with WBMD, the “Stations”), in each case pursuant to licenses and authorizations issued by the Federal Communications Commission (“FCC”); and

**WHEREAS**, Family desires to sell to Relevant, and Relevant desires to purchase from Family, the WBMD Station Assets (defined below), and Relevant desires to sell to Family, and Family desires to purchase from Relevant, the WAMT Station Assets (defined below), in each case subject to the Communications Act of 1934, as amended, and the rules and published policies of the FCC promulgated thereunder (collectively, “Communications Laws”).

**NOW, THEREFORE**, in consideration of the foregoing and the mutual covenants and agreements hereinafter set forth, the parties hereto agree as follows:

### **ARTICLE 1 – EXCHANGE OF STATION ASSETS**

1.1 Sale of WBMD Station Assets. On the Closing Date (defined below), subject to the conditions contained herein, Family shall sell, assign, transfer and convey to Relevant, and Relevant shall purchase, assume and accept from Family the following “WBMD Station Assets”:

(a) all licenses, permits, pending applications and other authorizations relating to WBMD, including those set forth on Schedule 1.1(a) (“WBMD FCC Licenses”);

(b) the equipment associated with WBMD that is set forth on Schedule 1.1(b) (“WBMD Tangible Personal Property”);

(c) WBMD’s public inspection file, filings with the FCC relating to WBMD, and such other technical information, engineering data, books and records that relate to WBMD, the “WBMD” call sign and the WBMD Station Assets being conveyed hereunder; and

(d) any and all claims and rights against third parties if and to the extent relating to WBMD Station Assets, including all rights under manufacturers’ and vendors’ warranties.

1.2 Sale of WAMT Station Assets. On the Closing Date (defined below), subject to the conditions contained herein, Relevant shall sell, assign, transfer and convey to Family, and Family shall purchase, assume and accept from Relevant the following “WAMT Station Assets”:

(a) all licenses, permits, pending applications and other authorizations relating to WAMT, including those set forth on Schedule 1.2(a) (“WAMT FCC Licenses”);

(b) the equipment associated with WAMT that is set forth on Schedule 1.2(b) (“WAMT Tangible Personal Property”);

(c) WAMT’s public inspection file, filings with the FCC relating to WAMT, and such other technical information, engineering data, books and records that relate to WAMT, the “WAMT” call sign, and the WAMT Station Assets being conveyed hereunder; and

(d) any and all claims and rights against third parties if and to the extent relating to WAMT Station Assets, including all rights under manufacturers’ and vendors’ warranties.

1.3 No Liens. The WBMD Station Assets and the WAMT Station Assets shall be exchanged free and clear of all liens, except for liens for taxes not yet due and payable and liens that will be released at or prior to the Closing Date (“Permitted Liens”). Family shall not assume or be liable for, and does not undertake or attempt to assume or discharge, any obligation of Relevant relating to WAMT arising prior to the Closing Date (“Relevant Retained Liabilities”). Relevant shall not assume or be liable for, and does not undertake or attempt to assume or discharge, any obligation of Family relating to WBMD arising prior to the Closing Date (“Family Retained Liabilities”).

1.4 WBMD Excluded Assets. Family shall not sell, assign or transfer to Relevant: (i) any assets, of whatever kind or nature, which are held by Family and used in connection with the operations of any station or stations other than WBMD, or (ii) the following assets relating to WBMD (“Family Excluded Assets”):

(a) Cash on hand and in banks (or their equivalents), prepaid expenses, and accounts receivable arising out of the operation of WBMD prior to the Closing Date;

(b) All rights of Family under all leases, and under all contracts or other agreements, including programming, advertising and business contracts, contracts of insurance and insurance proceeds of settlement and insurance claims made by Family relating to property or equipment repaired, replaced, restored by Family prior to the Closing Date;

(c) Except as provided in Section 1.1(c), Family’s corporate records;

(d) Except as provided in Section 1.1(c), any intellectual property of Family or WBMD;

(e) The employees of WBMD or of Family.

1.5 WAMT Excluded Assets. Relevant shall not sell, assign or transfer to Family: (i) any assets, of whatever kind or nature, which are held by Relevant and used in connection with the operations of any station or stations other than WAMT, or (ii) the following assets relating to WAMT (“Relevant Excluded Assets”):

(a) Cash on hand and in banks (or their equivalents), prepaid expenses, and accounts receivable arising out of the operation of WAMT prior to the Closing Date;

(b) All rights of Relevant under all leases, and under all contracts or other agreements, including programming, advertising and business contracts, contracts of insurance

and insurance proceeds of settlement and insurance claims made by Relevant relating to property or equipment repaired, replaced, restored by Relevant prior to the Closing Date;

- (c) Except as provided in Section 1.2(c), Relevant's corporate records;
- (d) Except as provided in Section 1.2(c), any intellectual property of Relevant or WAMT; and
- (e) The employees of WAMT or of Relevant.

## **ARTICLE 2– CONSIDERATION**

### **2.1     Consideration**

(a) Neither party shall pay any consideration to the other party in addition to the exchange of the WBMD Station Assets for the WAMT Station Assets contemplated hereby, subject to adjustment for the net prorations as set forth in (b) below.

(b) The parties agree to prorate all items of income and expenses arising out of the operation of WBMD and WAMT respectively which are incurred, accrued or payable, as of 11:59 p.m. local time of the day preceding the Closing. The items to be prorated may include, but are not limited to, power and utilities charges, real and personal property taxes upon the basis of the most recent tax bills and information available (if any), security deposits (to the extent any such deposit is assigned to the benefit of the other party hereunder), and similar prepaid and deferred items. The prorations shall, insofar as feasible, be determined and paid on the Closing Date, with any final settlement and payment to be made within forty-five (45) days after the Closing Date.

## **ARTICLE 3– FCC CONSENT**

3.1     FCC Consent. The transactions contemplated hereby are expressly conditioned on, and subject to, the prior consent and approval of the FCC to the assignments of: (a) the WBMD FCC Licenses from Family to Relevant ("WBMD FCC Consent"); and (b) the WAMT FCC Licenses from Relevant to Family ("WAMT FCC Consent" and collectively with the WBMD FCC Consent, the "FCC Consents"), in each case without the imposition of any conditions that would reasonably be expected to have a material adverse effect on Family, Relevant, or either Station. No Closing shall occur prior to the issuance by the FCC of the FCC Consents.

### **3.2     FCC Applications.**

(a) Within five (5) business days after the date of this Agreement, each party shall prepare, execute and submit its respective portions of the assignment applications for the FCC Consents (collectively, "FCC Applications"). Each party further agrees expeditiously to prepare amendments to either FCC Application whenever such amendments are required by the FCC. The parties shall prosecute the FCC Applications with all reasonable diligence and otherwise use commercially reasonable efforts to obtain the grant of the FCC Applications as expeditiously as reasonably practicable (but no party shall have any obligation to satisfy complainants or the FCC by taking any steps that would have a material adverse effect on the results of operations of

such party, unless a failure to take such action would constitute or perpetuate a breach of such party's representations, warranties or covenants herein). In the event any objections or challenges to either FCC Application or any requests for reconsideration or review of either FCC Consent are filed at the FCC, the parties shall cooperate with respect to any responses thereto. Except as otherwise provided herein, each party will be solely responsible for the expenses incurred by it in the preparation, filing and prosecution of its respective portion of the FCC Applications; however, the fees to be paid to the FCC in conjunction with the filing of the FCC Applications, if any, will be shared equally by Family and Relevant.

(b) Neither Family nor Relevant shall take any intentional action that would, or intentionally fail to take such action the failure of which to take would, reasonably be expected to have the effect of materially delaying the issuance of either FCC Consent. Family and Relevant shall notify each other of all documents filed with or received from any governmental agency with respect to this Agreement or the transactions contemplated hereby.

#### **ARTICLE 4 – CLOSING**

4.1 Closing. The consummation of the transactions contemplated herein (the “Closing”) shall take place on the later of: (a) ten (10) business days after the date that the FCC has issued the last of the FCC Consents; and (b) the date on which each of the other conditions to Closing set forth herein have been satisfied or waived (other than those conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of those conditions at such time). The date on which the Closing is to occur is referred to herein as the “Closing Date.”

#### **ARTICLE 5 – REPRESENTATIONS AND WARRANTIES OF FAMILY**

Family hereby represents, warrants and covenants to Relevant as follows:

5.1 Organization and Standing. Family is duly organized, validly existing and in good standing under the laws of the state of California.

5.2 Authority.

(a) Family has all necessary power and authority to enter into this Agreement and all other agreements, documents, certificates and instruments delivered or to be delivered hereunder by Family (collectively, the “Family Documents”), to perform each of its obligations thereunder, and to consummate the transactions contemplated thereby. Each of the Family Documents has been, or at or prior to the Closing will be, as the case may be, duly executed and delivered by Family and constitutes, or will constitute at the Closing, as the case may be, a valid and binding obligation of Family, enforceable against Family in accordance with its respective terms.

(b) The execution and delivery by Family of the Family Documents does not or will not, and the consummation of the transactions contemplated thereby will not: (i) conflict with, or result in a violation of, any provision of Family's organizational documents; (ii) constitute or result in a breach of or default (or an event which with notice or lapse of time, or both, would constitute a default) under, or result in the termination or suspension of, or accelerate the

performance required by, or result in a right of termination, cancellation or acceleration of any contract, or any other material agreement, indenture, covenant, instrument, license or permit by which Family is bound; (iii) create any lien; or (iv) constitute, or result in, a violation of any judgment, ruling, order, writ, injunction, decree, statute, law, rule or regulation applicable to Family.

5.3 No Defaults. Neither the execution, delivery and performance by Family of this Agreement nor the consummation by Family of the transactions contemplated hereby is an event that, of itself or with the giving of notice or the passage of time or both, will: (a) violate any judgment, decree, order, statute, law, rule or regulation of any court, arbitrator or government or regulatory body applicable to Family, the WBMD Station Assets or WBMD; or (b) result in the creation or imposition of any lien, charge or encumbrance against the WBMD Station Assets or WBMD.

5.4 Litigation. There is no action, suit, or proceeding pending or, to Family's knowledge, threatened against Family which questions the legality or propriety of the transactions contemplated by this Agreement or could materially adversely affect the ability of Family to perform its obligations hereunder.

5.5 WBMD FCC Licenses.

(a) Schedule 1.1(a) hereto contains a true and complete list of the WBMD FCC Licenses. Family is the authorized legal holder of the WBMD FCC Licenses. The WBMD FCC Licenses are in full force and effect, unimpaired by any act or omission of Family. The WBMD FCC Licenses are all of the licenses, permits or other authorizations issued by the FCC necessary to operate WBMD in the manner as such operations currently are conducted and there are no conditions upon the WBMD FCC Licenses except those conditions stated thereon or generally applicable to broadcast stations comparable to WBMD. WBMD is operating in material compliance with the WBMD FCC Licenses and the Communications Laws.

(b) No proceedings are pending or to Family's knowledge, threatened (other than proceedings applicable to the radio industry as a whole) nor, to Family's knowledge, do any facts exist which may reasonably result in the revocation or materially adverse modification of any of the WBMD FCC Licenses, the denial of any pending material applications related to the WBMD FCC Licenses, or, in any material respect, the issuance of any cease and desist order related to the WBMD FCC Licenses or the imposition of any administrative actions by the FCC with respect to the WBMD FCC Licenses.

5.6 WBMD Tangible Personal Property. Schedule 1.1(b) hereto contains a true and complete list of the WBMD Tangible Personal Property being sold to Relevant. Family: (a) is the owner of all of the WBMD Tangible Personal Property it purports to own, (b) has a valid leasehold interest in the WBMD Tangible Personal Property it purports to lease, and (c) has a valid license right (whether as a licensor or licensee) in the WBMD Tangible Personal Property it purports to license, in all cases free and clear of any Liens, except for Permitted Liens. The WBMD Tangible Personal Property is in reasonable operating condition, ordinary wear and tear excepted.

5.7 Title. No liens have been filed or recorded against the WBMD Station Assets in the public records of the Secretary of State of Family's state of organization or in any other jurisdiction in which the WBMD Station Assets are located. In the event there is any lien on the WBMD Station Assets, such lien will be fully discharged on or prior to the Closing Date. The instruments to be executed by Family and delivered to Relevant at the Closing, conveying the WBMD Station Assets to Relevant, will transfer good and marketable title to the WBMD Station Assets, free and clear of all liens.

5.8 Insurance. All of the material WBMD Station Assets that are insurable are insured against loss, injury, or damage consistent with Family's past practices.

5.9 Taxes. Family has, in respect of WBMD's business filed all federal, state, and local income, franchise, sales, use, property, excise, payroll, and other tax returns and forms required to be filed under applicable law, and has paid in full or discharged all taxes, assessments, excises, interest, penalties, deficiencies, and losses required to be paid with respect to WBMD that have become due and payable. No event has occurred which would be reasonably likely to impose upon Relevant any liability for any taxes, penalties, or interest due or to become due from Family from any taxing authority.

5.10 Sufficiency of Assets. The WBMD Station Assets are sufficient for the conduct of the business and operation of WBMD as presently operated by Family. The WBMD Station Assets constitute all material assets regularly used or held for use to operate WBMD.

5.11 Absence of Insolvency. No insolvency proceedings of any character including bankruptcy, receivership, reorganization, composition or arrangements with creditors, voluntary or involuntary, affecting Family or any of the WBMD Station Assets, are pending or, to the best knowledge of Family, threatened, and Family has not made any assignment for the benefit of creditors, or taken any action with a view to, or which would constitute the basis for the institution of, any such insolvency proceedings.

5.12 No Other Agreements to Sell WBMD. Family has no legal obligation, absolute or contingent, to any other person or firm to sell, assign, or transfer the WBMD Station Assets (whether through a merger, reorganization or sale of stock or otherwise) or to enter into any agreement with respect thereto.

5.13 No Broker. There is no broker, finder or other person or entity who would have any valid claim through Family against any of the parties to this Agreement for a commission or brokerage fee or payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement of, or action taken by, Family other than Robert H. Branch, whose fee will be paid by Family.

5.14 Qualification. To Family's knowledge: (a) Family is legally, financially, and otherwise qualified to be the licensee of WAMT under the Communications Laws; (b) there are no facts that would, under the Communications Laws, disqualify Family as an assignor of the WBMD FCC Licenses or as an assignee of the WAMT FCC Licenses or that that would reasonably be expected to delay the FCC's processing of any FCC Application because of Family's qualifications;

and (c) no waiver of or exemption from any existing Communication Law on the part of Family is necessary for the FCC Consents to be obtained.

## **ARTICLE 6 – REPRESENTATIONS AND WARRANTIES OF RELEVANT**

Relevant hereby represents, warrants and covenants to Family as follows:

6.1 Organization and Standing. Relevant is duly organized, validly existing and in good standing under the laws of the state of Wisconsin.

6.2 Authority.

(a) Relevant has all necessary power and authority to enter into this Agreement and all other agreements, documents, certificates and instruments delivered or to be delivered hereunder by Relevant (collectively, the “Relevant Documents”), to perform each of its obligations thereunder, and to consummate the transactions contemplated thereby. Each of the Relevant Documents has been, or at or prior to the Closing will be, as the case may be, duly executed and delivered by Relevant and constitutes, or will constitute at the Closing, as the case may be, a valid and binding obligation of Relevant, enforceable against Relevant in accordance with its respective terms.

(b) The execution and delivery by Relevant of the Relevant Documents does not or will not, and the consummation of the transactions contemplated thereby will not: (i) conflict with, or result in a violation of, any provision of Relevant’s organizational documents; (ii) constitute or result in a breach of or default (or an event which with notice or lapse of time, or both, would constitute a default) under, or result in the termination or suspension of, or accelerate the performance required by, or result in a right of termination, cancellation or acceleration of any contract, or any other material agreement, indenture, covenant, instrument, license or permit by which Relevant is bound; (iii) create any lien; or (iv) constitute, or result in, a violation of any judgment, ruling, order, writ, injunction, decree, statute, law, rule or regulation applicable to Relevant.

6.3 No Defaults. Neither the execution, delivery and performance by Relevant of this Agreement nor the consummation by Relevant of the transactions contemplated hereby is an event that, of itself or with the giving of notice or the passage of time or both, will: (a) violate any judgment, decree, order, statute, law, rule or regulation of any court, arbitrator or government or regulatory body applicable to Relevant, the WAMT Station Assets or WAMT; or (b) result in the creation or imposition of any lien, charge or encumbrance against the WAMT Station Assets or WAMT.

6.4 Litigation. There is no action, suit, or proceeding pending or, to Relevant’s knowledge, threatened against Relevant which questions the legality or propriety of the transactions contemplated by this Agreement or could materially adversely affect the ability of Relevant to perform its obligations hereunder.

6.5 WAMT FCC Licenses.



(a) Schedule 1.2(a) hereto contains a true and complete list of the WAMT FCC Licenses. Relevant is the authorized legal holder of the WAMT FCC Licenses. The WAMT FCC Licenses are in full force and effect, unimpaired by any act or omission of Relevant. The WAMT FCC Licenses are all of the licenses, permits or other authorizations issued by the FCC necessary to operate WAMT in the manner as such operations currently are conducted and there are no conditions upon the WAMT FCC Licenses except those conditions stated thereon or generally applicable to broadcast stations comparable to WAMT. WAMT is operating in material compliance with the WAMT FCC Licenses and the Communications Laws.

(b) No proceedings are pending or to Relevant's knowledge, threatened (other than proceedings applicable to the television industry as a whole) nor, to Relevant's knowledge, do any facts exist which may reasonably result in the revocation or materially adverse modification of any of the WAMT FCC Licenses, the denial of any pending material applications related to the WAMT FCC Licenses, or, in any material respect, the issuance of any cease and desist order related to the WAMT FCC Licenses or the imposition of any administrative actions by the FCC with respect to the WAMT FCC Licenses.

6.6 WAMT Tangible Personal Property. Schedule 1.2(b) hereto contains a true and complete list of the WAMT Tangible Personal Property being sold to Family. Relevant: (a) is the owner of all of the WAMT Tangible Personal Property it purports to own, (b) has a valid leasehold interest in the WAMT Tangible Personal Property it purports to lease, and (c) has a valid license right (whether as a licensor or licensee) in the WAMT Tangible Personal Property it purports to license, in all cases free and clear of any Liens, except for Permitted Liens. The WAMT Tangible Personal Property is in reasonable operating condition, ordinary wear and tear excepted.

6.7 Title. No liens have been filed or recorded against the WAMT Station Assets in the public records of the Secretary of State of Relevant's state of organization or in any other jurisdiction in which the WAMT Station Assets are located. In the event there is any lien on the WAMT Station Assets, such lien will be fully discharged on or prior to the Closing Date. The instruments to be executed by Relevant and delivered to Family at the Closing, conveying the WAMT Station Assets to Family, will transfer good and marketable title to the WAMT Station Assets, free and clear of all liens.

6.8 Insurance. All of the material WAMT Station Assets that are insurable are insured against loss, injury, or damage consistent with Relevant's past practices.

6.9 Taxes. Relevant has, in respect of WAMT's business filed all federal, state, and local income, franchise, sales, use, property, excise, payroll, and other tax returns and forms required to be filed under applicable law, and has paid in full or discharged all taxes, assessments, excises, interest, penalties, deficiencies, and losses required to be paid with respect to WAMT that have become due and payable. No event has occurred which would be reasonably likely to impose upon Family any liability for any taxes, penalties, or interest due or to become due from Relevant from any taxing authority.

6.10 Sufficiency of Assets. The WAMT Station Assets are sufficient for the conduct of the business and operation of WAMT as presently operated by Relevant. The WAMT Station Assets constitute all material assets regularly used or held for use to operate WAMT.

6.11 Absence of Insolvency. No insolvency proceedings of any character including bankruptcy, receivership, reorganization, composition or arrangements with creditors, voluntary or involuntary, affecting Relevant or any of the WAMT Station Assets, are pending or, to the best knowledge of Relevant, threatened, and Relevant has not made any assignment for the benefit of creditors, or taken any action with a view to, or which would constitute the basis for the institution of, any such insolvency proceedings.

6.12 No Other Agreements to Sell WAMT. Relevant has no legal obligation, absolute or contingent, to any other person or firm to sell, assign, or transfer the WAMT Station Assets (whether through a merger, reorganization or sale of stock or otherwise) or to enter into any agreement with respect thereto.

6.13 No Broker. Other than Jorgenson Broadcast Brokerage, Inc., the fees of which shall be paid exclusively by Relevant, there is no broker, finder or other person or entity who would have any valid claim through Relevant against any of the parties to this Agreement for a commission or brokerage fee or payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement of, or action taken by, Relevant.

6.14 Qualification. To Relevant's knowledge: (a) Relevant is legally, financially, and otherwise qualified to be the licensee of WBMD under the Communications Laws; (b) there are no facts that would, under the Communications Laws, disqualify Relevant as an assignor or the WAMT FCC Licenses or as an assignee of the WBMD FCC Licenses or that that would reasonably be expected to delay the FCC's processing of any FCC Application because of Relevant's qualifications; and (c) no waiver of or exemption from any existing Communication Law on the part of Relevant is necessary for the FCC Consents to be obtained.

## **ARTICLE 7**

### **COVENANTS PENDING THE CLOSING**

7.1 Negative Covenants. Before the Closing Date, neither party shall, without the prior written consent of the other party:

(a) Make or attempt to make any change in the WBMD FCC Licenses or WAMT FCC Licenses, as applicable, other than to keep such FCC Licenses in full force and effect;

(b) Sell, lease or transfer or agree to sell, lease or transfer, any WBMD Station Asset or WAMT Station Asset, as applicable, except for incidental sales or leases in the ordinary course of business, or such Station Assets which are being replaced by assets of comparable or superior kind, condition and value;

(c) Enter into any contract, lease or commitment relating to either Station, or incur any other obligation with respect to its Station;

(d) Take any action that would make the consummation of this transaction contrary to the Communications Laws or require a waiver of the Communications Laws; or

(e) Authorize or permit any officer, director or employee, or any investment banker, attorney, accountant or other advisor or representative retained to, solicit, initiate, encourage (including by way of furnishing information), endorse or enter into any agreement with respect to, or take any other action to facilitate, any inquiries or the making of any proposal that constitutes, or may reasonably be expected to lead to, any proposal to purchase, directly or indirectly, its Station.

7.2 Positive Covenants. Before the Closing Date, both parties shall:

(a) Maintain and preserve its rights under the WBMD FCC Licenses and WAMT FCC Licenses, as applicable, and operate its Stations in the ordinary course of business, in accordance with past practice and in all material respects in accordance with the Communications Laws and with all other applicable laws, regulations, rules and orders and good engineering practices;

(b) Use commercially reasonable efforts to maintain the WBMD Station Assets and WAMT Station Assets, as applicable, in the ordinary course of business;

(c) Use commercially reasonable efforts to enter into Lease/Diplex Agreements, whereby: (i) Relevant would have access to the WBMD tower site that currently is shared by WFSI(AM), 860 kHz, Baltimore, Maryland, a station licensed to Family (“WBMD Tower Site Lease”), and (ii) Family would have access to the WAMT tower site that currently is shared by WHOO, 1080 kHz, Winter Park, Florida, a station licensed to Relevant (“WAMT Tower Site Lease”). The forms of the WBMD Tower Site Lease and the WAMT Tower Site Lease are attached hereto as Exhibits A and B, respectively; and

(d) Cooperate in the preparation, filing and prosecution of a contingent license modification application with the FCC, to convert WBMD to noncommercial educational status.

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, in which case such party shall give advance notice to the other, and except as necessary to enforce rights under or in connection with this Agreement. Notwithstanding the foregoing, the parties acknowledge that this Agreement and the terms hereof will be filed with the FCC Applications and thereby become public.

7.4 Employees. No employees of either Station will transfer in connection with the transactions contemplated by this Agreement. Each conveying party shall be solely responsible for (i) all notices to employees of its Station (whether required under the WARN Act or local law or otherwise), (ii) all severance and other obligations to employees of its Station who are terminated upon Closing, (iii) all obligations under any employment agreements with employees of its Station, (iv) all compensation and benefits, including without limitation commissions and bonuses, to employees of its Station, and (v) all of its other employee obligations.

7.5 Accounts Receivable. Each conveying party shall not collect any accounts receivable arising after Closing from the operation of the Station conveyed by it, and shall

promptly pay over to the applicable acquiring party any such receivables that it receives. Each acquiring party shall not collect any accounts receivable arising from the operation of the acquired Station before such time, and shall promptly pay over to the applicable conveying party any such receivables that it receives.

## **ARTICLE 8– CONDITIONS**

8.1 Conditions Precedent to Family’s Obligations. The obligations of Family to consummate the transactions contemplated by this Agreement are subject to the fulfillment, prior to or at the Closing, of each of the following conditions, except to the extent Family shall have waived in writing satisfaction of such condition (other than either FCC Consent, which cannot be waived):

(a) the representations and warranties made by Relevant in this Agreement shall be true and correct in all material respects as of the date of this Agreement and on the Closing Date as though such representations and warranties were made on such date;

(b) Relevant shall have performed and complied in all material respects with all covenants, agreements and undertakings required by this Agreement to be performed or complied with prior to the Closing;

(c) Family shall have received a certificate dated as of the Closing Date from Relevant to the effect that the conditions set forth in Sections 8.1(a) and 8.1(b) have been satisfied;

(d) Relevant shall have delivered to Family customary instruments of conveyance as shall be effective to transfer title of the WAMT Station Assets to Family, including but not limited to, a bill of sale and an assignment and assumption agreement for the WAMT FCC Licenses, and certified copies of appropriate resolutions, duly adopted, which shall be in full force and effect at the time of the Closing, authorizing the execution, delivery and performance by Relevant of this Agreement, and the consummation of the transaction contemplated hereby;

(e) there shall be no material adverse effect upon any WAMT FCC License;

(f) the WAMT FCC Consent shall be effective;

(g) Relevant shall have entered into the WBMD Tower Site Lease and the WAMT Tower Site Lease; and

(h) all liens on the WAMT Station Assets shall have been released.

8.2 Conditions Precedent to Relevant’s Obligations. The obligations of Relevant to consummate the transactions contemplated by this Agreement are subject to the fulfillment, prior to or at the Closing, of each of the following conditions, except to the extent Relevant shall have waived in writing satisfaction of such condition (other than either FCC Consent, which cannot be waived):

(a) the representations and warranties made by Family in this Agreement shall be true and correct in all material respects as of the date of this Agreement and on the Closing Date as though such representations and warranties were made on such date;

(b) Family shall have performed and complied in all material respects with all covenants, agreements and undertakings required by this Agreement to be performed or complied with prior to the Closing;

(c) Relevant shall have received a certificate dated as of the Closing Date from Family to the effect that the conditions set forth in Sections 8.2(a) and 8.2(b) have been satisfied;

(d) Family shall have delivered to Relevant customary instruments of conveyance as shall be effective to transfer title of the WBMD Station Assets to Relevant, including but not limited to, a bill of sale, an assignment and assumption agreement for the WBMD FCC Licenses and certified copies of appropriate resolutions, duly adopted, which shall be in full force and effect at the time of the Closing, authorizing the execution, delivery and performance by Family of this Agreement, and the consummation of the transaction contemplated hereby;

(e) there shall be no material adverse effect upon any WBMD FCC License;

(f) the WBMD FCC Consent shall be effective;

(g) Family shall have entered into the WBMD Tower Site Lease and the WAMT Tower Site Lease; and

(h) all liens on the WBMD Station Assets shall have been released.

## **ARTICLE 9 FEES AND EXPENSES; INDEMNIFICATION**

9.1 Expenses. Except as set forth below, each party hereto shall be solely responsible for all costs and expenses incurred by it in connection with the negotiation and preparation of this Agreement, and the transactions contemplated thereby.

### 9.2 Indemnification.

(a) Following the Closing, Family shall indemnify, defend and hold harmless Relevant with respect to any and all demands, claims, actions, suits, proceedings, assessments, judgments, costs, losses, damages, liabilities and expenses (including, without limitation, interest, penalties, court costs and reasonable attorneys' fees) (collectively, "Claims") asserted against, resulting from, imposed upon or incurred by Relevant directly or indirectly relating to or arising out of: (i) the breach by Family of any of its representations or warranties, or failure by Family to perform any of its covenants, conditions or agreements set forth in this Agreement; (ii) any and all claims, liabilities and obligations of any nature, absolute or contingent, relating to the WBMD Station Assets or Family's ownership of WBMD prior to the Closing; and (iii) the Family Retained Liabilities and Family Excluded Assets.

(b) Following the Closing, Relevant shall indemnify, defend and hold harmless Family with respect to any and all Claims asserted against, resulting from, imposed upon or incurred by Family directly or indirectly relating to or arising out of: (i) the breach by Relevant of any of its representations or warranties, or failure by Relevant to perform any of its covenants, conditions or agreements set forth in this Agreement; (ii) any and all claims, liabilities and obligations of any nature, absolute or contingent, relating to the WAMT Station Assets or Relevant's ownership of WAMT prior to the Closing; and (iii) the Relevant Retained Liabilities and Relevant Excluded Assets.

(c) The indemnities of Family and Relevant in (a)(i) and (b)(i), respectively above, shall be limited such that no claim may be made by an indemnified party until the total of Claims shall equal or exceed Five Thousand Dollars (\$5,000), and then a claim may be made for the amount of Claims including the Five Thousand Dollars (\$5,000). In the aggregate, neither Family nor Relevant shall be liable for Claims in respect of the indemnities of Family and Relevant in (a)(i) and (b)(i), respectively, in excess of Thirty Thousand Dollars (\$30,000).

(d) The right to indemnification under this Section 9.2 shall be the exclusive remedy of any party in connection with any breach or default by another party under this Agreement occurring after the Closing Date or with respect to any ancillary document executed and/or delivered in connection with Closing under this Agreement. No party shall have any liability to another party under any circumstances for special, consequential, punitive or exemplary damages, unless such special, consequential, punitive or exemplary damages are included in any governmental order entered against the indemnified party arising out of a claim by a third party against the indemnified party for which the indemnified party is entitled to seek indemnification pursuant to this Section 9.2.

## **ARTICLE 10 TERMINATION RIGHTS**

10.1 Termination. This Agreement may be terminated, by written notice given by any party (provided such party is not in breach of any of its obligations, representations, warranties or duties hereunder) to the other party hereto, at any time prior to the Closing Date as follows:

(a) by mutual written consent of the parties hereto;

(b) by either Family or Relevant, if a court of competent jurisdiction or governmental, regulatory or administrative agency or commission shall have issued an order, decree or ruling or taken any other action, in each case permanently restraining, enjoining or otherwise prohibiting the transactions contemplated by this Agreement and such order, decree, ruling or other action shall have become a "Final Order", meaning an action by the FCC: (x) that has not been vacated, reversed, stayed, enjoined, set aside, annulled or suspended; (y) with respect to which no request for stay, motion or petition for rehearing, reconsideration or review, or application or request for review or notice of appeal or *sua sponte* review by the FCC is pending; and (z) as to which the statutory or regulatory time for filing any such request, motion, petition, application, appeal or notice, and for any reconsideration, stay or setting aside by the FCC on its own motion or initiative, has expired.

(c) by Family (provided it is not in default hereunder), if Relevant fails to perform or breach any of its obligations, representations, warranties, covenants or duties under this Agreement and Relevant has not cured such failure to perform or breach within thirty (30) days after receipt by Relevant of written notice from Family;

(d) by Relevant (provided it is not in default hereunder), if Family fails to perform or breaches any of its obligations, representations, warranties, covenants or duties under this Agreement, and Family has not cured such failure to perform or breach within thirty (30) days after receipt by Family of written notice from Relevant;

(e) by Family or Relevant if the FCC by Final Order: (i) dismisses either FCC Application; (ii) denies either FCC Application; or (iii) designates either FCC Application for an evidentiary hearing; provided that the right to terminate this Agreement under this Section 10.1(e) shall not apply to any party whose action or inaction in fulfilling a material obligation under this Agreement shall have been a cause for the failure of the FCC to dismiss, deny or designate for hearing such FCC Application as provided herein; or

(f) by Family or Relevant, if the FCC has not granted both FCC Applications by the twelve (12) month anniversary of the date hereof, provided that the right to terminate this Agreement under this Section 10.1(f) shall not apply to any party whose action or inaction in fulfilling a material obligation under this Agreement shall have been a cause for the failure of the FCC to grant both FCC Consents during such twelve (12) month period.

10.2 Effect of Termination. Upon termination of this Agreement, neither Family nor Relevant shall have any liability to the other party, and this Agreement in its entirety shall be deemed null, void, and of no further force and effect, except as provided in Section 11.6. In the event of termination of this Agreement, each party shall bear its own expenses.

10.3 Specific Performance. The parties acknowledge that the Stations are unique assets not readily obtainable on the open market and that, in the event that either party fails to perform its obligation to consummate the transaction contemplated hereby, money damages alone will not be adequate to compensate the other party for its injuries. Therefore, both parties agree and acknowledge that in the event of a party's failure to perform its obligation to consummate the transaction contemplated hereby, the non-breaching party shall be entitled, in addition to any other rights and remedies on account of such failure, to specific performance of the terms of this Agreement and of the breaching party's obligation to consummate the transaction contemplated hereby. If any action is brought to enforce this Agreement, the defending party shall waive the defense that there is an adequate remedy at law.

## **ARTICLE 11 MISCELLANEOUS PROVISIONS**

11.1 General. This Agreement and the Schedules attached hereto and the ancillary documents provided for herein, constitute the entire agreement and understanding of the parties hereto relating to the matters provided for herein and supersede any and all prior agreements, arrangements, negotiations, discussions and understandings relating to the matters provided for herein. This Agreement may not be amended except by an instrument in writing signed on behalf

of each of the parties hereto. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. All notices or other communications required or desired to be given hereunder by any party shall be in writing to the applicable address set forth on the signature page and shall be deemed to have been given if delivered personally (including by a nationally-recognized overnight delivery service), or five (5) business days after being deposited in the U.S. mail if mailed via registered or certified mail, return receipt requested, postage prepaid to the subject party, or via electronic mail, with proof of delivery.

11.2 Construction. The language used in this Agreement will be deemed to be language chosen by the parties to express their mutual intent. In the event an ambiguity or question of intent arises, this Agreement will be construed as if drafted jointly by the parties, and no presumption or burden of proof will arise favoring or disfavoring any person or entity by virtue of the authorship of any of the provisions of this Agreement.

11.3 Severability. If any provision of this Agreement or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law, but only as long as the continued validity, legality and enforceability of such provision or application does not materially (a) alter the terms of this Agreement or (b) diminish the benefits or burdens of this Agreement.

11.4 Assignment. This Agreement and the parties' rights or obligations hereunder shall not be assigned without the prior written consent of the non-assigning party, provided, however, that either party may assign its rights hereunder to a party under common control as long as such assignment is not reasonably expected to materially delay the processing by the FCC of either FCC Application. This Agreement shall be binding upon and inure only to the benefit of the parties hereto and their respective successors and assigns.

11.5 Further Assurances. After Closing, each party shall from time to time, at the request of and without further cost or expense to the other, execute and deliver such other instruments of conveyance and assumption and take such other actions as may reasonably be requested in order to more effectively consummate the transactions contemplated hereby.

11.6 Survival. The representations and warranties in this Agreement shall survive for a period of twelve (12) months from the Closing Date, whereupon they shall expire and be of no further force or effect, except (a) those under Sections 5.1 and 5.2 (Family Organization and Authority) and Sections 6.1 and 6.2 (Relevant Organization and Authority), which shall survive until the expiration of any applicable statute of limitations; and (b) those with respect to title to the WBMD Station Assets and WAMT Station Assets, which shall survive indefinitely. The covenants and agreements in this Agreement that are to be performed after the Closing shall survive until performed and any other covenants and agreements shall survive for a period of twelve (12) months from the Closing Date.

11.7 Waivers. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof (whether or not similar), nor shall such



waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

11.8 No Third Party Beneficiaries. Nothing herein expressed or implied is intended or shall be construed to confer upon or give to any person or entity other than the parties hereto and their successors or permitted assigns, any rights or remedies under or by reason of this Agreement.

11.9 Governing Law. The construction and interpretation of this Agreement shall at all times and in all respects be governed by the laws of the State of Wisconsin (exclusive of those relating to conflicts of laws). Any action at law, suit in equity or judicial proceeding arising directly, indirectly, or otherwise in connection with, out of, related to or from this Agreement, or any provision hereof, shall be litigated only in the courts of the State of Wisconsin. The parties hereby consent to the personal and subject matter jurisdiction of such courts and waive any right to transfer or change the venue of any litigation between them.

[Remainder of page left intentionally blank. Signature page follows.]

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

**FAMILY:**

**FAMILY STATIONS, INC.**

By: 

Thomas Evans  
President/General Manager

Address:

4057 Rural Plains Circle  
Franklin, TN 37054-1618  
Email: [tevans@familyradio.org](mailto:tevans@familyradio.org)

Copy to (which shall not constitute notice):

Matthew H. McCormick  
Fletcher, Heald & Hildreth, P.L.C.  
1300 17<sup>th</sup> Street North, 11<sup>th</sup> Floor  
Arlington, VA 22209  
e-mail: [mccormick@fhhlaw.com](mailto:mccormick@fhhlaw.com)

Family Stations, Inc. Office of Record  
112 North Elm Street  
Shenandoah, IA 51601  
Email: [jburkhiser@familyradio.org](mailto:jburkhiser@familyradio.org)

**RELEVANT:**

**RELEVANT RADIO, INC.**

By: \_\_\_\_\_

Fr. Francis Hoffman  
Executive Director

Address:

c/o Amy Vanden Langenberg, CFO  
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Washington, DC 20016  
e-mail: [mdenbo@fccworld.com](mailto:mdenbo@fccworld.com)

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Family Stations, Inc. Office of Record  
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Email: [jburkhiser@familyradio.org](mailto:jburkhiser@familyradio.org)

**RELEVANT:**

**RELEVANT RADIO, INC.**

By: Francis J. Hoffman  
Fr. Francis Hoffman  
Executive Director

Address:

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680 Barclay Boulevard  
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