

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this “Agreement”) is made on this 22nd day of November 2021, by and between **Blount Broadcasting Corporation**, a Tennessee corporation (“Seller”), and **Radio Loudon LLC**, a Tennessee limited liability company (“Buyer”). Seller and Buyer are sometimes individually referred to in this Agreement as a “Party” and collectively as the “Parties.”

WITNESSETH

WHEREAS, Seller desires to convey and assign and Buyer desires to accept and assume all rights, title, and interest in and to certain assets of broadcast AM station WLOD (FCC Facility ID Number 38473), Loudon, TN and FM Translator Station W284DC (FCC Facility ID Number 200943, Loudon, TN (the “Stations”), subject to the terms and conditions stated herein; and

WHEREAS, Seller and Buyer have entered into Local Marketing Agreement (“LMA”), dated as of the date hereof, whereby Buyer (as Programmer thereunder) has agreed to provide programming to the Stations, and Seller (as Licensee thereunder) has agreed to accept such programming, subject to the terms of the LMA, the Communications Act of 1934, as amended, and the rules and published policies of the Federal Communications Commission promulgated thereunder (collectively, “Communications Laws”)

WHEREAS, the consummation of this Agreement is subject to the prior approval of the FCC.

NOW, THEREFORE, in consideration of the mutual covenants and conditions herein contained, and subject in all respects to the Communications Laws, it is hereby agreed as follows:

1. **ASSETS**. Subject to the prior approval of the FCC, Seller agrees to transfer, assign, convey, and deliver to Buyer, and Buyer agrees to receive and accept, free and clear of all liabilities, debts, liens, charges, assessments and encumbrances of any kind, the following (collectively, the “Assets”):

- (a) all licenses, construction permits, authorizations or other rights of any kind issued or granted by the FCC to Seller with respect to the Stations (collectively the “FCC Licenses”) listed in Schedule 1(a);
- (b) all intangible property related to operation of the Stations;
- (c) all intellectual property and expressions thereof related for operation of the Stations;
- (c) goodwill of the Stations and Seller’s client lists for the Station;
- (d) all FCC files and records pertaining to the Stations (“FCC Records”);
- (e) any leases or other real property rights required to operate the Stations listed in Schedule 1(e); and

- (f) equipment listed in Schedule 1(f) required to operate the Stations.

But Seller will retain the following assets ("Excluded Items"):

- (1) cash items held by the Seller including, but not limited to, cash bank balances and term deposits;
- (2) records in the possession of the Seller relating to the Excluded Items;
- (3) accounts receivable and all other monies owed to the Seller before Closing (as defined below); and
- (4) Insurance policies, and any cash surrender value in regard thereto of the Seller.

Buyer assumes no liabilities, debts, or obligations, including without limitation, for Station's personnel or employment contracts, retirement obligations, or any contracts, obligations, or leases of Seller other than those Seller expressly requires to operate the Stations and for which Buyer has taken assignment thereof by separate executed written instrument. Buyer assumes no liability for periods on or before the Closing Date (as defined below) under any lease or contract or for any other liability, debt or obligation of Seller, including without limitation, any which may have accumulated or accrued on any contracts, leases, or agreements on or before the Closing Date unless Buyer expressly accepts same in a separate executed written instrument.

2. **PURCHASE PRICE.** The purchase price for the Assets is **Thirty Seven Thousand Eight Hundred Eleven Dollars** (\$37,811) (the "Purchase Price"). All prepaid and deferred expenses arising from the conduct of the business and operations of the Station shall be prorated as of 11:59 p.m. of the Closing Date. The prorations and adjustments contemplated by this Section shall be made to the extent practicable at the Closing (as defined below), and to the extent not made at the Closing shall be made within thirty (30) calendar days after the Closing Date.

3. **SELLER'S COVENANTS AND WARRANTIES.** Seller hereby covenants and warrants as follows, subject to the LMA:

- (a) The FCC Licenses are in full force and effect, and the Stations operate in material compliance with the FCC Licenses, the rules and regulations of the FCC, and applicable laws of the State of Tennessee and federal laws.
- (b) Seller is aware of no litigation, proceeding, or investigation whatsoever pending or threatened against or relating to Seller, its business, or the Assets to be transferred hereunder, and knows of no reason the FCC Licenses would not be renewed in the ordinary course.
- (c) Seller will convey said Assets to Buyer in "as is" condition of such Assets on the Closing Date and, except as expressly set forth in this Agreement or in a separate executed writing, makes no warranty whatsoever with regard to the condition of said Assets.

(d) Seller has full power and authority to enter into and perform this Agreement and this Agreement constitutes a valid and binding Agreement of Seller enforceable in accordance with its terms.

(e) Seller is responsible for all liabilities and other obligations to all current employees of the Station and any employees hired by Seller up to the Closing Date. It is understood and agreed by the Parties that Buyer assumes no liabilities or obligations whatsoever for the Station's current employees and is under no obligation to hire any such employees.

(f) As of the Closing Date, Seller will have paid all taxes and assessments, rent, water, sewer, and other utility charges or assessments relating to the Assets, if any, or any such amounts will be prorated and deducted from the Purchase Price at Closing.

(g) The warranties, representations, and covenants contained in this Section 3 shall survive Closing for a period of one (1) year.

4. **BUYER'S COVENANTS AND WARRANTIES.** Buyer hereby covenants and warrants as follows:

(a) Buyer has full power and authority to enter into and perform this Agreement, and this Agreement constitutes a valid and binding Agreement of Buyer enforceable in accordance with its terms;

(b) Buyer knows of no reason it should not be approved to become a holder of the FCC Licenses.

(c) No broker, finder or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Buyer.

(d) Warranties, covenants, and representations contained in this Section 4 shall survive the Closing Date for a period of one (1) year.

5. **FCC ASSIGNMENT APPLICATION.** Seller and Buyer shall file an application with the FCC for consent to the assignment of the FCC Licenses to Buyer within ten (10) business days after executing this Agreement and shall cooperate fully and diligently in seeking FCC's consent to assignment of the FCC Licenses from Seller to Buyer.

6. **CLOSING.** The closing of the sale of the Assets to Buyer (the "Closing") shall take place at a place and time designated by Seller (the "Closing Date"), but in no event shall the Closing Date be prior to the grant of FCC consent to the assignment of the FCC Licenses to Buyer, or later than ten (10) business days after such grant.

7. **CLOSING DOCUMENTS.** Seller will, at Closing, execute and deliver to Buyer customary assignments, instruments, and other documents sufficient to grant to Buyer title to the Assets, free and clear of liabilities, debts, claims, assessments, liens and other encumbrances of any kind. Buyer will at Closing execute and deliver to Seller such documents and instruments of

assumption as may reasonably be requested by Seller for Buyer to assume the assignment of the Assets. Buyer shall also deliver the Purchase Price as provided in Section 2 above.

8. **TERMINATION.** This Agreement may be terminated at any time prior to the Closing as follows:

- (a) by mutual written consent of Seller and Buyer; or
- (b) by written notice of Seller to Buyer if Buyer breaches in any material respect any of its representations or warranties or other terms of this Agreement or the LMA, or defaults in any material respect in the performance of any of its covenants or agreements contained herein or in the LMA, and such breach or default is not cured within the Cure Period (as defined below); or
- (c) by written notice of Buyer to Seller if Seller breaches in any material respect any of its representations or warranties or other terms of this Agreement or the LMA, or defaults in any material respect in the performance of any of its covenants or agreements contained herein or in the LMA, and such breach or default is not cured within the Cure Period; or
- (d) by written notice of Seller to Buyer, or Buyer to Seller, if the Closing shall not have been consummated on or before the date which is one year after the execution of this Agreement, and if the party giving notice is not then in default hereunder.

The term "Cure Period" as used herein means a period commencing on the date that a party receives from the other party written notice of breach or default hereunder and continuing for twenty (20) days thereafter.

9. **STATION CONTROL.** Prior to Closing, Seller shall have complete control over the Assets and operation of the Station. Buyer shall have the right to reasonable access to the Station's logs and other records as to the operation of the Station prior to Closing and to inspect the Assets upon prior reasonable written notice to Seller. Upon Closing and the transfer and assignment of the Assets, as contemplated herein, Buyer shall have complete control over the Assets and operation of Station.

10. **INDEMNIFICATION.**

- (a) Seller hereby agrees to indemnify, defend, save, and hold Buyer harmless with respect to any and all claims, losses, obligations, liabilities, costs and expenses, including reasonable counsel fees, threatened, suffered, incurred, or sustained by Buyer by reason of any misrepresentations by Seller or any breach by Seller of this Agreement or of any of Seller's warranties, covenants, or representations contained in this Agreement, or arising from or by reason of Seller's ownership of the Assets or operation of the Station prior to the Closing Date hereunder. This Section 10(a) shall survive Closing for one (1) year.
- (b) Buyer hereby agrees to indemnify, defend, save, and hold Seller harmless with respect to any and all claims, losses, obligations, liabilities, costs, and expenses, including reasonable counsel fees, threatened, suffered, incurred, or sustained by Seller by reason of

any misrepresentations by Buyer or any breach by Buyer of this Agreement or of any of Buyer's warranties, covenants, or representations contained in this Agreement or arising from or by reason of Buyer's ownership of the Assets or operation of the Station subsequent to the Closing Date. This Section 10(b) shall survive Closing for one (1) year.

11. **NOTICES.** All notices required or permitted to be given under the provisions of this Agreement shall be in writing, delivered by personal delivery, or sent by commercial delivery service or certified mail, return-receipt requested. Properly made notices shall be deemed to have been given on the date of personal delivery, or the date set forth in the records of the delivery service or on the return-receipt. Notices shall be addressed as follows:

If to Seller: Blount Broadcasting Corporation
Attn: Johnnie Sexton
3077 Little Dug Gap Road
Louisville, TN 37777

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

Mark Denbo, Esq.
Smithwick & Belendiuk, P.C.
5028 Wisconsin Ave., N.W., Suite 301
Washington, DC 20016

If to Buyer: Radio Loudon LLC
Attn: R. Lynn
PO Box 604
Loudon, TN 37774

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

Michael Richards
PO Box 5842
Takoma Park, MD 20913

12. **ASSIGNMENT.** Neither Party shall assign any right under this Agreement nor delegate any duty under this Agreement unless the other Party has consented to any such assignment or delegation in writing. This document shall be binding on the heirs, successors, and assigns of the Parties hereto.

13. **SEVERABILITY AND INDEPENDENT COVENANTS.** If any covenant or other provision of this Agreement is invalid, illegal, or incapable of being enforced by reason of any law, administrative order, judicial decision, or public policy, all other conditions and provisions shall remain in full force and effect. No covenant shall be deemed dependent upon any other covenant or provision unless so expressed in this Agreement.

14. **GOVERNING LAW AND VENUE.** This Agreement shall be governed, construed and enforced in accordance with the laws of the State of Tennessee without regard, however, to the choice of law provisions thereof which may direct the application of the laws of another jurisdiction. Venue for any lawsuit involving this contract shall be filed in a court of competent jurisdiction in Loudon County, Tennessee.

15. **ENTIRE AGREEMENT.** This Agreement, the Schedules hereto, and all documents, certificates, and other documents to be delivered by the Parties pursuant hereto collectively represent the entire understanding and agreement between Seller and Buyer with respect to the subject matter of this Agreement. This Agreement supersedes all prior negotiations among the Parties and cannot be amended, supplemented, or changed except by an agreement in writing that makes specific reference to this Agreement and that is signed by both Parties.

16. **WAIVER OF COMPLIANCE; CONSENTS.** Except as otherwise provided in this Agreement, any failure of any of the Parties to comply with any obligation, representation, warranty, covenant, agreement, or condition herein may be waived by the Party entitled to the benefits thereof only by a written instrument signed by the Party granting such waiver, but such waiver of failure to insist upon strict compliance with such obligation, representation, warranty, covenant, agreement, or condition shall not operate as a waiver of or estoppel with respect to any subsequent or other failure. Whenever this Agreement requires or permits consent by or on behalf of any Party hereto, such consent shall be given in writing in a manner consistent with the requirements for a waiver of compliance set forth in this Section 16.

17. **COUNTERPARTS.** This Agreement may be signed in counterparts with the same effect as if the signature on each counterpart were upon the same instrument. Executed copies of this Agreement transmitted by facsimile or other electronic means shall be valid and binding.

**[THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK--
SIGNATURES APPEAR ON FOLLOWING PAGE]**

[SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT]

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

SELLER:

Blount Broadcasting Corporation

By: Johnnie Sexton
Johnnie Sexton
Its Secretary

BUYER:

Radio Loudon LLC

By: _____
Charles H. Lynn
Its sole Member

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Its Secretary

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Charles H. Lynn
Its sole Member

Table of Schedules

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|------|---------------------------------------|
| 1(a) | FCC Licenses |
| 1(f) | Leases or Other Real Property Rights |
| 1(f) | Equipment and Other Personal Property |

Schedule 1(a)

FCC Licenses, Permits and Authorizations

WLOD (FCC Facility ID No. 38473), Loudon, TN

FM Translator Station W284DC, (FCC Facility ID Number 384730), Loudon, TN

Studio-Transmitter Link WLP361

Schedule 1(e)

Leases or Other Real Property Rights

Tower Lease with The Thomas Farm (Arthur Fowler; \$275/month on a month-to-month basis)

Schedule 1(f)

Equipment and Other Personal Property

AM:

Transmitter building w/steps
Harris Gates One AM Transmitter
Various equipment manuals & Drawings
Open frame equipment rack
CRL Audio processors (2)
Misc. Processors (2)
Loose parts, connectors & Hardware stored at site
Sine Systems remote control
Internet router/phone modem
APC ups
Transmission line 1/2"
Tuning unit 1kw AM model w/Keys
197ft Cross Section Guyed Radio Tower
Air conditioner & Fan

FM TRANSLATOR:

BW 600 FM transmitter
Isocoupler for 104.7MHz
2 bay Nicom BKG-77 antennas w/power divider
Transmission line 1/2"
Barix Transmitter Unit Exstreamer 500
Barix Studio Unit Exstreamer 500