

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (the “Agreement”) is entered into as of this 5th day of May 2022 (the “Effective Date”) by and between **MEGA MEDIA, INC.**, a North Carolina corporation (“Buyer”), and **CONNER MEDIA CORPORATION**, a North Carolina corporation (“Seller”) (each a “Party” and, collectively, the “Parties”).

RECITALS

WHEREAS, Seller is the licensee and operator of commercial AM radio station WKOQ(AM), Rose Hill, North Carolina (FCC Facility ID No. 17745) (“WKOQ”), and FM translator radio station W263DF, Rose Hill, North Carolina (FCC Facility ID No. 201382) (“W263DF”) (collectively, the “Stations”), holding valid authorizations for the operation thereof from the Federal Communications Commission (the “FCC”), and Seller owns or leases all other assets used in connection with the operation of the Stations;

WHEREAS, Buyer and Seller are parties to that certain Time Brokerage Agreement dated as of July 1, 2019, with respect to the Stations (the “TBA”), which granted to Buyer an option to purchase the Stations (the “Option”); and

WHEREAS, Buyer and Seller desire to proceed with the transaction contemplated by the Option on the terms and conditions described herein.

NOW, THEREFORE, taking the foregoing into account, and in consideration of the mutual covenants and agreements set forth herein, the sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, hereby agree to the following terms and conditions:

ARTICLE 1: SALE AND PURCHASE

1.1 **Station Assets**. Subject to the terms and conditions contained herein, Seller shall grant, convey, sell, assign, transfer and deliver to Buyer on the Closing Date (defined below) the following assets, properties, interests and rights of Seller used exclusively in connection with the operation of the Stations (collectively, the “Station Assets”):

(a) **Licenses and Authorizations**. All licenses, authorizations, permits and approvals issued with respect to the Stations by the FCC (the “FCC Authorizations”), as set forth on Schedule 1.1(a) attached hereto.

(b) **Tangible Personal Property**. The WKOQ Rose Hill tower, WKOQ equipment trailer, and all equipment and other tangible personal property used primarily in connection with the business and operation of the Stations, including, without limitation, the tangible personal property listed and described on Schedule 1.1(b) attached hereto (collectively, the “Tangible Personal Property”).

(c) **Assumed Contracts.** All contracts, leases, and agreements used primarily in connection with the business and operation of the Stations (collectively, the “Assumed Contracts”).

(d) **Call Letters.** All of Seller’s rights and interests to the use of the call letters of the Stations as call letters or as part of a trade name.

(e) **Claims.** Any and all claims, credits, causes of action and rights against third parties if and to the extent that they relate to the Station Assets, including, without limitation, all rights under manufacturers’ and vendors’ warranties.

(f) **Public File.** All records pertaining to the Stations and required by the FCC to be maintained in the Station’s FCC online public inspection file; provided that Seller may retain copies thereof.

1.2 **Excluded Assets.** All assets, properties, interests and rights not expressly set forth above in Section 1.1 above shall be excluded from the Stations Assets and retained by Seller (collectively, the “Excluded Assets”). For the avoidance of doubt, all real property and the W263DF tower facilities (including the W263DF antenna, transmission line, cables and other equipment installed on the W263DF tower) shall be Excluded Assets (subject to the W263DF Tower Site Lease as defined in Section 9.1(e)), and all assets, properties, interests and rights used in connection with any Seller station other than the Stations shall be Excluded Assets.

1.3 **Liabilities.** The Station Assets shall be transferred by Seller to Buyer free and clear of all debts, security interests, mortgages, trusts, claims, pledges, conditional sales agreements, equipment leases, and other liens, liabilities and encumbrances of every kind and nature (“Liens”) other than the terms of the Assumed Contracts, Liens for taxes not yet due and payable (which shall be prorated pursuant to Section 1.4), and Liens that will be discharged prior to Closing (“Permitted Liens”). Buyer shall assume and undertake to pay, discharge and perform all obligations and liabilities relating to the Assumed Contracts and any other Station Asset, in each case to the extent arising or occurring after the Closing (collectively, the “Assumed Liabilities”).

1.4 **Purchase Price.**

(a) **Purchase Price.** The purchase price to be paid for the Station Assets will be ONE HUNDRED THOUSAND DOLLARS (\$100,000.00) (the “Purchase Price”).

(b) **Payment of Purchase Price.** At Closing, Buyer shall receive a credit against the Purchase Price in the amount as provided in Section 6.6 of the TBA (the “Credit”). As of the Effective Date, Buyer has made 34 payments under the TBA and accordingly the Credit is \$42,692.90, which amount shall increase based on additional payments made by Buyer under the TBA between the Effective Date and the Closing as provided in the TBA. At Closing, the Buyer will execute and deliver to Seller a promissory note in the principal amount equal to the Purchase Price, less the Credit, and plus or minus the adjustments made pursuant to Section 1.5, in the form attached hereto as **Exhibit A** (the “Promissory Note”). The Promissory Note

will be secured by a personal guarantee, each in the form attached as **Exhibit B** (the “Personal Guarantee”).

1.5 Prorations and Adjustments.

(a) Except as provided in the TBA, the Parties agree to prorate all expenses arising out of the operation of the Stations which are incurred, accrued, or payable, as of 11:59 p.m. local time of the day preceding the Closing so that Seller shall be entitled to all income and responsible for all expenses and costs allocable for the period prior to and on such time, and Buyer shall be entitled to all income and responsible for all expenses and costs allocable for the period after the such time. In the event that the exact amount of any taxes or the annual FCC regulatory fees which are to be prorated is not known on the Closing Date, such taxes or fees shall be prorated on the basis of the most recent tax or fee assessment and such proration shall be final. The prorations shall, insofar as feasible, be determined and paid on the Closing Date, with final settlement and payment to be made within forty-five (45) days after the Closing Date.

(b) Buyer agrees to reimburse Seller for one half (1/2) of Seller’s attorneys’ fees accrued in connection with this Agreement and the transaction contemplated herein. At Closing, Buyer may pay its portion of such attorneys’ fees with an adjustment to the Promissory note.

1.6 Allocation of Purchase Price. Buyer and Seller shall negotiate in good faith an allocation of the Purchase Price to the Station Assets acquired hereunder in a manner which complies with Section 1060 of the Internal Revenue Code of 1986, as amended to the date hereof, prior to Closing.

ARTICLE 2: FCC CONSENT; CLOSING

2.1 FCC Consent; Assignment Application. As soon as practicable Buyer and Seller shall file an application with the FCC (the “Assignment Application”) requesting the FCC’s consent (the “FCC Consent”) to the assignment from Seller to Buyer of all FCC Authorizations pertaining to the Stations. Buyer and Seller shall take all reasonable steps to cooperate with each other and with the FCC in order to secure such FCC Consent without delay and to promptly consummate the transaction contemplated in this Agreement. At the Closing, Buyer shall reimburse Seller for one-half of the FCC filing fees paid by Seller in connection with the Assignment Application.

2.2 Closing Date; Closing Place. The closing of the transaction contemplated in this Agreement (the “Closing”) shall occur on a date (the “Closing Date”) that is no more than fifteen (15) days following the date (y) the date on which the FCC Consent is granted; and (z) all other conditions to the Closing set forth in Articles 7 and 8 hereof shall have either been waived or satisfied. The Closing shall be held by exchange of documents via e-mail, or as Seller and Buyer may otherwise agree.

ARTICLE 3: REPRESENTATIONS AND WARRANTIES OF SELLER

Seller makes the following representations and warranties to Buyer:

3.1 **Organization.** Seller is duly organized, validly existing and in good standing under the laws of North Carolina. Seller has the requisite power and authority to execute, deliver and perform this Agreement and the other agreements and instruments to be made by Seller pursuant hereto and to consummate the transactions contemplated hereby.

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

3.3 **No Conflicts.** The execution and delivery by Seller of this Agreement and the consummation by Seller of the transactions contemplated hereby does not conflict with any organizational documents of Seller or any law, judgment, order, or decree to which Seller is subject or require the approval, consent, authorization or act of, or the making by Seller of any declaration, filing or registration with, any third party or any governmental authority, except the FCC Consent.

3.4 **Tangible Personal Property.** The Tangible Personal Property is conveyed AS-IS-WHERE-IS. To the maximum extent permitted by applicable law, **SELLER MAKES NO WARRANTY OF ANY KIND, WHETHER IMPLIED, STATUTORY, OR OTHERWISE AND DISCLAIMS, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY AND, FITNESS FOR A PARTICULAR USE.**

3.5 **FCC Authorizations and Other Licenses.** Schedule 1.1(a) hereto contains a true and complete list of the FCC Authorizations and all other licenses, permits, or other authorizations from governmental or regulatory authorities that are required for the lawful operations of the Stations in the manner and to the full extent that the Stations are presently operated.

3.6 **No Other Representations.** Seller disclaims any and all other representations and warranties (express or implied, oral or written), except as expressly set forth in this Article 3. Buyer specifically acknowledges that Seller shall not be deemed to have made, and Buyer is in no way relying upon, any representation or warranty not expressly set forth in this Article 3, including with respect to materials, if any, previously delivered or made available to Buyer concerning the Station Assets.

3.7 **Due Diligence.** Buyer acknowledges and agrees that it has exercised due diligence and property investigation with respect to the Stations and that Seller shall not be liable to Buyer with respect to any breach of any representation or inaccuracy or warranty in this Agreement if Buyer had knowledge of such breach, or should be reasonably expected to have knowledge of such breach, before Closing.

ARTICLE 4: REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer makes the following representations and warranties to Seller:

4.1 **Organization.** Buyer is duly organized, validly existing and in good standing under the laws of North Carolina. Buyer has the requisite power and authority to execute, deliver and perform this Agreement and the other agreements and instruments to be executed and delivered by Buyer pursuant hereto and to consummate the transactions contemplated hereby.

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

4.3 **No Conflicts.** The execution and delivery by Buyer of this Agreement and the consummation by Buyer of the transactions contemplated hereby does not conflict with any organizational documents of Buyer or any law, judgment, order or decree to which Buyer is subject, or require the approval, consent, authorization or act of, or the making by Buyer of any declaration, filing or registration with, any third party or any governmental authority, except the FCC Consent.

4.4 **Buyer's Qualification.** Subject to the FCC Consent, Buyer is legally and financially qualified to acquire, and to become the FCC licensee of, the Stations and to perform its obligations under this Agreement. There is no fact or circumstance relating to Buyer that would reasonably be expected to prevent the FCC from granting the Assignment Application or that would otherwise reasonably be expected to disqualify Buyer as the licensee of the FCC Authorizations or as the owner or operator of the Stations. Buyer has no reason to believe that the Assignment Application might not be granted by the FCC in the ordinary course due to any fact or circumstance relating to Buyer. No waiver of or exemption from any FCC rule or policy is required for the grant of the Assignment Application.

ARTICLE 5: COVENANTS OF SELLER

Seller covenants and agrees that from the Effective Date until the completion of the Closing (except as otherwise specified).

1.1 **Station Assets.** The Station Assets shall be maintained by Seller consistent with good engineering practice and in material conformity with all applicable FCC technical regulations.

1.2 **FCC Compliance.** Seller shall continue to operate and maintain the Stations in accordance with the terms of the FCC Authorizations and in material compliance with all applicable laws and FCC regulations and published policies.

1.3 **Compliance with Law.** Seller shall comply in all material respects with all federal, state, and local laws, rules and regulations in connection with the operation of the Stations.

1.4 **Consummation of Agreement.** Seller shall use commercially reasonable efforts to fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement, and to consummate the transaction contemplated hereby.

ARTICLE 6: COVENANTS OF BUYER

Buyer covenants and agrees that from the Effective Date until the completion of the Closing:

6.1 **Representations and Warranties.** Buyer shall give detailed written notice to Seller promptly upon learning of the occurrence of any event that would cause or constitute a breach of any of the representations and warranties of Seller contained in this Agreement.

6.2 **Consummation of Agreement.** Buyer shall use commercially reasonable efforts to fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement, and to consummate the transaction contemplated hereby.

ARTICLE 7: CONDITIONS TO THE OBLIGATIONS OF SELLER

The obligations of Seller under this Agreement are subject to the fulfillment of the following conditions prior to or on the Closing Date.

7.1 Representations, Warranties and Covenants.

(a) Each of the representations and warranties of Buyer contained in this Agreement was true and correct, in all material respects, as of the date when made and is deemed to be made again on and as of the Closing Date and is then true and correct, in all material respects, except to the extent changes are permitted or contemplated pursuant to this Agreement.

(b) Buyer shall have performed and complied, in all material respects, with each and every covenant and agreement required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

7.2 **Proceedings.** Neither Seller nor Buyer is subject to any restraining order or injunction (or similar action) restraining or prohibiting the consummation of the transaction contemplated hereby.

7.3 **FCC Consent.** The FCC Consent has been issued by FCC staff grant.

7.4 **Deliveries.** Buyer has complied with each and every one of its obligations set forth in Section 9.2.

ARTICLE 8: CONDITIONS TO THE OBLIGATIONS OF BUYER

The obligations of Buyer under this Agreement are subject to the fulfillment of the following conditions prior to or on the Closing Date.

8.1 **Representations, Warranties and Covenants.**

(a) Each of the representations and warranties of Seller contained in this Agreement was true and correct, in all material respects, as of the date when made and is deemed to be made again on and as of the Closing Date and is then true and correct, in all material respects, except to the extent changes are permitted or contemplated pursuant to this Agreement.

(b) Seller shall have performed and complied, in all material respects, with each and every covenant and agreement required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

8.2 **Proceedings.** Neither Seller nor Buyer is subject to any restraining order or injunction (or similar action) restraining or prohibiting the consummation of the transaction contemplated hereby.

8.3 **FCC Consent.** The FCC Consent has been issued by FCC staff grant.

8.4 **Deliveries.** Seller has complied with each and every one of the obligations set forth in Section 9.1.

8.5 **Ground Lease.** Buyer shall have entered into a mutually acceptable ground lease, to be effective as of the Closing Date, with the owner of the real property upon which the Station's Rose Hill transmission and studio/office facilities are located, and Buyer shall use its best efforts to negotiate and finalize such lease prior to the Closing Date.

ARTICLE 9: ITEMS TO BE DELIVERED AT CLOSING

9.1 **Deliveries by Seller.** At Closing, Seller shall deliver to Buyer, duly executed by Seller or such other signatory as may be required by the nature of the document:

(a) a bill of sale and assignment sufficient to sell, convey, transfer and assign the Station Assets (including the FCC Authorizations) to Buyer free and clear of any Liens other than Permitted Liens, in a form reasonably acceptable to Buyer and Seller (the "Bill of Sale and Assignment");

(b) 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 Seller of this Agreement, and the consummation of the transaction contemplated hereby;

(c) a certificate dated as of the Closing Date and duly executed by an officer of Seller to the effect that the conditions set forth in Section 8.1 have been satisfied;

(d) to the extent not addressed in the Bill of Sale and Assignment, an Assignment and Assumption Agreement duly executed by Seller with respect to the Assumed Contracts in a form reasonably acceptable to Buyer and Seller (the “Assignment and Assumption Agreement”);

(e) A tower lease reasonably acceptable to Seller (and Seller’s affiliate PRO Tower Services, LLC) and Buyer with respect to the tower site and facilities for W263DF and in the form set forth in Schedule 9.1(e) (the “W263DF Tower Site Lease”); and

(f) such additional documents, instruments, and agreements as Buyer may reasonably request in connection with the consummation of the transactions contemplated by this Agreement.

9.2 **Deliveries by Buyer.** At the Closing, Buyer shall deliver to Seller, duly executed by Buyer or such other signatory as may be required by the nature of the document:

(a) the Promissory Note;

(b) the Personal Guarantee;

(c) the Bill of Sale and Assignment;

(d) the Assignment and Assumption Agreement (if applicable);

(e) certified copies of resolutions, duly adopted, which shall be in full force and effect at the time of the Closing, authorizing the execution, delivery and performance by Buyer of this Agreement, and the consummation of the transaction contemplated hereby;

(f) a certificate dated as of the Closing Date and duly executed by and officer Buyer to the effect that the conditions set forth in Section 7.1 have been satisfied;

(g) the W263DF Tower Site Lease; and

(h) such additional documents, instruments, and agreements as Seller may reasonably request in connection with the consummation of the transactions contemplated by this Agreement.

ARTICLE 10: SURVIVAL AND INDEMNITY

The rights and obligations of Buyer and Seller under this Agreement shall be subject to the following terms and conditions:

10.1 **Survival of Representations and Warranties.** The representations and warranties of Buyer and Seller contained in this Agreement shall not survive the Closing. Neither Seller nor Buyer shall have any liability whatsoever with respect to any representation or warranty unless a claim is made hereunder or an action at law or in equity is commenced prior to Closing.

10.2 **Seller's Indemnity Obligation.** Subject to Section 10.1, 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 (collectively, "Losses"), 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 Station Assets or operation of the Stations prior to the Closing Date hereunder. Notwithstanding anything to the contrary herein, in no event will Seller have any indemnification obligations hereunder for any Losses unless and until the aggregate amount of all of such Losses exceeds \$25,000 in the aggregate ("Threshold"), whereupon Seller shall be liable to indemnify the Indemnified Party only for the amount of such Losses in excess of the Threshold; and in no event will Seller have any indemnification obligations hereunder for any Losses in excess of the Purchase Price in the aggregate.

10.3 **Buyer's Indemnity Obligation.** Subject to Section 10.1, Buyer hereby agrees to indemnify, defend, save, and hold Seller harmless with respect to any and all Losses 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 Station Assets or operation of the Stations subsequent to the Closing Date hereunder or arising out of any breach by Buyer of Sublease or Assumed Contracts assigned to the Buyer hereunder because of events occurring after the Closing Date hereunder.

10.4 **Exclusive Remedy.** After the Closing, the indemnification rights provided in this Article 10 shall be the sole remedy, exclusive of any other rights or remedies arising under contract, at law, in equity, or otherwise, available to the Parties against one another for any claims in any way arising out of or relating to this Agreement or the transactions contemplated hereby.

ARTICLE 11: TERMINATION

11.1 **Termination.** This Agreement may be terminated at any time prior to Closing:

- (a) by the mutual written consent of Seller and Buyer;
- (b) by written notice of Seller to Buyer if Buyer defaults in any material respect in the performance of any of Buyer's covenants or agreements under this Agreement; and in any of which events such default is not cured within the Cure Period (as defined below), if applicable;
- (c) by written notice of Buyer to Seller if Seller defaults in any material respect in the performance of any of Seller's covenants or agreements under this Agreement; and in any of which events such default is not cured within the Cure Period (as defined below), if applicable; or
- (d) by written notice of Seller to Buyer, or Buyer to Seller if the Closing has not been consummated within twelve (12) months of the Effective Date; provided, however, that the right to terminate this Agreement under this clause shall not be available to any Party whose

breach of this Agreement has been the cause of, or resulted in, the failure of the Closing to occur on or before such date.

11.2 **Cure Period.** The term “Cure Period” as used herein means a period commencing with the date that Buyer or Seller receives from the other Party written notice of breach or default hereunder and continuing until thirty (30) days thereafter; provided, however, that if the breach or default cannot reasonably be cured within such period but can be cured before the Closing Date, and if diligent efforts to cure promptly commence, then the Cure Period shall continue as long as such diligent efforts to cure continue, but not beyond the Closing Date.

ARTICLE 12: MISCELLANEOUS

12.1 **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 North Carolina (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 North Carolina. 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.

12.2 **Expenses.** Except as otherwise specifically provided herein, each Party hereto shall bear all of its expenses incurred in connection with the transaction contemplated by this Agreement, including without limitation, accounting, engineering and legal fees incurred in connection herewith.

12.3 **Entire Agreement; Amendment; No Waiver.** This Agreement, including the schedules and exhibits hereto, contain the entire agreement and understanding by and between the Parties, and no other representations, promises, agreements, or understanding, written or oral, not contained herein shall be of any force or effect. This Agreement may only be amended in a writing signed by the Parties. No oral agreement shall have any effect. No failure or delay in exercising any right hereunder shall be deemed or construed to be a waiver of such right, either prospectively or in the particular instance. This Agreement has been prepared by all of the Parties hereto, and no inference of ambiguity against the drafter of a document therefore applies against any Party hereto.

12.4 **Risk of Loss.** The risk of loss to any of the Station Assets on or prior to the Closing shall be upon Seller. Seller shall use all commercially reasonable efforts to repair or replace any damaged or lost Assets; provided, however, that in the event that any Station Asset or Station Assets collectively with a fair market value of Five Thousand Dollars (\$5,000) or more shall have been damaged or lost as of the date otherwise scheduled for the Closing, then Buyer may postpone the Closing for a period of up to sixty (60) days while Seller shall repair or replace such Station Asset(s). In the event Seller has not repaired or replaced such Station Asset(s) by the end of such postponement period, Buyer may terminate this Agreement. In the event the Parties close the transaction contemplated herein with the Station Asset(s) in their damaged or lost condition, Seller shall assign to Buyer all proceeds of insurance on such

damaged or lost Station Asset(s), and Buyer shall have the responsibility to repair or replace the damaged or lost Station Asset(s).

12.5 **Successors and Assigns.** Neither Party may assign this Agreement without the prior written consent of the other Party hereto. The terms of this Agreement shall bind and inure to the benefit of the Parties' respective successors and any permitted assigns, and no assignment shall relieve any Party of any obligation or liability under this Agreement.

12.6 **Notices.** All notices, requests, demands and other communications required or permitted under this Agreement shall be in writing and shall be deemed to have been duly made and received when personally served, or when delivered by FedEx or a similar overnight courier service, expenses prepaid, addressed as set forth below:

If to Seller, then to:

Conner Media Corporation
3208 Banberry Drive
Statesville, NC 28625
Attention: Ronald W. Benfield

and to (which shall not constitute notice):

Brooks, Pierce, McLendon, Humphrey & Leonard, LLP
1700 Wells Fargo Capitol Center
150 Fayetteville Street
Raleigh, North Carolina 27601
Attn: Coe W. Ramsey

If to Buyer, then to:

Mega Media, Inc.
122 Franklin St.
Wallace, NC 28466
Attention: Norman C. McCauley

Any Party may change the address to which communications are to be sent by giving notice of such change of address in conformity with the provisions of this Section providing for the giving of notice.

12.7 **Further Assurances.** From time to time prior to, on and after the Closing Date, each Party hereto will execute all such instruments and take all such actions as any other Party shall reasonably request, without payment of further consideration, in connection with carrying out and effectuating the intent and purpose hereof and all transactions contemplated by this Agreement, including without limitation the execution and delivery of any and all confirmatory and other instruments in addition to those to be delivered on the Closing Date, and any and all actions which may reasonably be necessary to complete the transaction contemplated hereby.

The Parties shall cooperate fully with each other and with their respective counsel and accountants in connection with any steps required to be taken as part of their respective obligations under this Agreement.

12.8 **Partial Invalidity.** Wherever possible, each provision hereof shall be interpreted in such manner as to be effective and valid under applicable law, but in case any provision contained herein, or its application to any particular circumstance shall, for any reason, be held to be invalid or unenforceable by a court of competent jurisdiction, such provision or such application shall be ineffective to the extent of such invalidity or unenforceability in such jurisdiction, without invalidating the remainder of such provision or any other provisions hereof, or its application in any other circumstance, unless such a construction would be unreasonable, and without invalidating such provision or its application in any other jurisdiction.

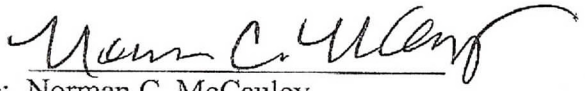
12.9 **Facsimile; Counterparts.** This Agreement may be executed by facsimile or email transmission and in counterparts, each of which shall constitute an original but together will constitute a single document.


[Signatures Appear on Following Page]

IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the date first above written.

BUYER:

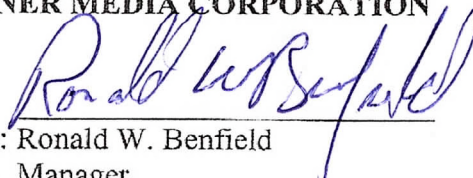
MEGA MEDIA, INC.

By: 
Name: Norman C. McCauley
Title: President

By: 
Name: Teresa W. McCauley
Title: Secretary

BUYER:

CONNER MEDIA CORPORATION

By: 
Name: Ronald W. Benfield
Title: Manager

Schedule 1.1(a)
FCC Authorizations

- WKOQ(AM), Rose Hill, North Carolina, Facility ID No. 17745; Expires 12/01/2027.
- FM Translator W263DF, Rose Hill, North Carolina, Facility ID No. 201382; Expires 12/01/2027.
- FCC Antenna Structure Registration Number (ASRN): 1007322

* * * * *

Schedule 1.1(b)
Tangible Personal Property

BUILDINGS/STRUCTURES (Rose Hill property)

- 1 Communications tower (ASRN 1007322, 81 Meter Tower))
- 1 Office building
- 1 Studio-transmitter trailer (holds AM transmitter)
- 1 GE office trailer (storage)

ON AIR -

- BE Board 8M 150A
- 1 Microphone Arm
- 1 Microphone
- 1 Cabinet
- 1 Sony Cassette Deck
- 1 Symmetrix Phone Interphase
- 1 Pair Headphones
- 1 Pioneer CD Player
- 1 Telephone
- 1 Computer

PRODUCTION -

- 1 Tascam Cassette Deck
- 1 Tascam Mini Studio
- 2 Chairs
- 1 Microphone arm
- 1 Microphone

FRONT OFFICE -

- 3 Desks
- 3 Chairs
- 1 Fax machine
- 3 File cabinets

TRANSMITTER ROOM -

- 1 BE 2.5 KHz Transmitter
- 1 EAS Decoder
- 1 Aha MOD Monitor
- 1 Sine System Remote Control
- 2 Air Conditioners
- 1 Equipment Rack
- 1 GE Modular Office
- 1 Tower
- 1 ATU
- 1 Fanfare Receiver

Auxiliary FM Antenna on WKO Rose Hill tower

Nicom Transmitter for W263DF FM Translator (at W263DF Wallace Tower Site)

* * * * *

Schedule 9.1(e)
W263DF Tower Site Lease

(Attached)

TOWER SITE LEASE

This TOWER SITE LEASE (hereinafter "Lease") is made as of _____, 2022, by and between **PRO TOWER SERVICES, LLC**, a North Carolina limited liability company ("Lessor") and **MEGA MEDIA, INC.**, a North Carolina corporation ("Lessee").

RECITALS

A. **WHEREAS**, Lessee and Connor Media Corporation ("Conner"), an affiliate of Lessor, are parties to that certain Asset Purchase Agreement dated as of _____, 2022 (the "Asset Purchase Agreement"), and this Lease is being entered into in connection with the closing of the transactions contemplated by the Asset Purchase Agreement which is occurring simultaneously with the execution of this Lease on the date hereof;

B. **WHEREAS**, Lessor owns certain property consisting of, among other things, a communications tower (registered with the FCC under Antenna Structure Registration Number 1276840) and the W263DF antenna, transmission line, cables and other equipment installed on the tower (the "Tower Facilities") and an equipment building (the "Building") each located on real property owned Lessor and located at Gourd Hill Road, Teachey, North Carolina, as further described in Exhibit A (collectively, the "Property");

C. **WHEREAS**, as of the date hereof, Lessee acquired from Conner FM translator W263DF, Rose Hill, North Carolina (Facility ID No. 201382) (the "Station") together with certain broadcast transmission equipment and other personal property for the Station (the "Lessee Facilities") that are presently located in certain locations of the Property (the "Leased Property");

D. **WHEREAS**, Lessor and Lessee desire to enter into this Lease granting Lessee the right to use the Property and the Leased Property and maintain and operate the Lessee Facilities in accordance with the terms hereof; and

E. **WHEREAS**, Lessor and Lessee intend that all activities contemplated hereunder shall comply with all applicable federal, state, county or local laws, rules, codes, regulations, zoning requirements, ordinances, requirements, court rulings and governmental orders ("Laws"), including, but not limited to, the laws and regulations of the Federal Communications Commission ("FCC") and shall be provided pursuant to the appropriate authorizations, licenses, franchises, or permits and shall conform with all applicable industry standards.

NOW, THEREFORE, in consideration of the mutual promises set forth herein, the parties agree as follows:

1. **Grant of Lease**. Subject to all of the terms and conditions of this Lease, Lessor grants to Lessee, and Lessee accepts from Lessor, the right to maintain and operate the Lessee Facilities at the Leased Property for the purpose of operating the Station (the "Permitted Use"). Lessee accepts the Leased Property AS-IS-WHERE-IS without any obligation or covenant of Lessor.

2. **Term.** The term of this Lease shall be for the term commencing on the date hereof (the “Commencement Date”) and end on that date that is five (5) years after the Commencement Date (the “Initial Term”). Thereafter, the Lease shall automatically renew for five (5) consecutive periods of five (5) years each (each a “Renewal”) (the Initial Term together with any Renewals is hereinafter referred to as the “Term”) unless either Party provides notice of non-renewal no later than six (6) months prior to any Renewal.

3. **Rent.** Commencing on the Commencement Date and continuing throughout the Term, Lessee hereby covenants and agrees to pay Lessor monthly rent of six hundred dollars (\$600.00) for the Leased Property without set-off or deduction, in advance by the first (1st) business day of each month, prorated for any partial month, escalating on each anniversary of the Commencement Date at a rate equal to the percentage increase in the Consumer Price Index – All Urban Customers (CPI-U) (U.S. City Average, All Items) published by the US Bureau of Labor Statistics for the preceding 12-month period.

4. **Maintenance, Repair and Modifications.** All of the Lessee Facilities are and shall remain the exclusive property of Lessee. Lessee, at its sole cost and expense, shall have sole responsibility for the maintenance, repair, and security of the Lessee Facilities and shall keep the same in good repair and condition in accordance with recognized engineering standards and practices and in accordance with all requirements of the FCC and all other applicable public authorities during the Term. Lessee shall regularly monitor the Property and promptly notify Lessor in the event any maintenance or repair of the Property is necessary, including but not limited to, with respect to the painting and lighting of the Tower Facilities in accordance with the applicable requirements of the FCC and Federal Aviation Administration (“FAA”). Any damage done to the Property during the operation, or removal of the Lessee Facilities due to the Lessee’s, or its agents’, employees’ or contractors’ actions shall be immediately made known in writing to Lessor by Lessee, repaired by Lessee at Lessee’s expense and returned to prior condition to Lessor’s reasonable satisfaction. Lessee shall pay all costs and expenses in relation to maintaining the structural integrity of the Tower Facilities and any other improvements needed in connection with Lessee’s operation of the Lessee Facilities on the Property. Lessee shall not update or add to the Lessee Facilities nor shall it make any additions, alterations, modifications, or improvements to the Property without Lessor’s prior written approval which may be withheld in its sole discretion. Lessee shall submit to Lessor a proposal for any such modifications and any supplemental materials as may be requested for Lessor’s timely evaluation and approval, including studies consistent with applicable requirements and the Lessee’s license obligations to determine whether Lessee’s proposed installation or modification will interfere with the electronic equipment of Lessor, other licensees of Lessor, or nearby property owners. If requested by Lessor, Lessee will also provide a professional engineer stamped structural engineering study satisfactory to Lessor in its sole discretion to determine whether any proposed installation or modification will adversely affect the structural integrity of any part of the Tower Facilities and, upon Lessor’s request, Lessee will pay for an independent review of that study by an engineering consultant chosen by Lessor. If approved by Lessor in writing, modifications shall be made at Lessee’s sole expense and only upon Lessee first obtaining all necessary governmental approvals and permits for such modifications, and Lessee shall further ensure that such installation be conducted in a good workman like manner and in compliance with all Laws. After completing such modifications, Lessee shall provide to Lessor updated “as built” planning and engineering drawings. Modifications that result in additional equipment, changes to the

space requirements of the Leased Property or changes in configuration, placement, or number of antennas or feedlines may result in an increased monthly rent to be mutually agreed upon.

5. **Lessor Access and Use Rights.** It is expressly understood that Lessee shall not have any exclusive rights under this Lease except to the Leased Property, and Lessor may, at its election, use the Property for the same or similar purposes or enter into the same or similar agreements with any other party or parties from time to time, and Lessor may modify or improve the Tower Facilities or make other improvements on the Property, in each case, so long as Lessee is able to continue to operate the Station as it is operated as of the date hereof from the Leased Property. Notwithstanding any provision, Lessor may require Lessee to temporarily reduce its Station's operating power or to temporarily cease operations for a reasonable period of time to permit work on the Tower Facilities as necessary to comply with applicable American National Standards Institute ("ANSI") standards or other standards, provided that any non-emergency work that requires a power reduction or a temporary cessation of operations will be scheduled with appropriate consideration of and consultation with Lessee to minimize the disruption of Lessee's operations.

6. **Interference.** Lessee's operation, maintenance, and use of the Lessee Facilities shall not damage or interfere in any way with Lessor's operations or related repair and maintenance activities, nor shall such operation, maintenance, and use damage or interfere in any way with the operations (or related repair or maintenance activities) of other Lessor tenants/licensees on or near the Property or other nearby property owners as those operations existed at the execution of this Lease. In the event it is determined that such damage or interference exists, Lessee, at its expense, shall provide immediate relief from that damage or interference. If such interference or any spurious radiation is not reduced to levels acceptable to Lessor in Lessor's sole determination, Lessor may elect, by giving Lessee written notice, to have Lessee immediately terminate operation until such operation becomes acceptable to Lessor. If Lessee fails to cease operation within twenty-four (24) hours of such written notification, Lessor may disconnect Lessee's equipment, and at Lessor's option, this Lease may be terminated, and Lessor shall have all rights and remedies as provided in cases of default. Lessor, at all times during this Lease, reserves the right to take any action it deems necessary, in its sole discretion, to repair, maintain, alter, or improve the Property and to temporarily interfere with the Lessee Facilities as may be necessary in order to carry out any such activities. Lessor agrees to give reasonable advance written notice of such activities to Lessee and to reasonably cooperate with Lessee to carry out such activities with a minimum amount of interference with Lessee's operations. If interference with nearby property owners occurs and Lessor is unable to resolve any complaints received regarding the same after diligent efforts to do so, Lessor and Lessee each agree to participate in mediation. Lessor agrees that each of its license agreements with other tenants or licensees for the Property entered into after the date of this Lease shall contain a provision substantially the same as this Paragraph 6 and that Lessor shall enforce such provision in a nondiscriminatory manner with respect to all of its tenants/licensees.

7. **Compliance with Laws.** Lessee will use and occupy the Leased Property in a careful, lawful, safe, and proper manner and in compliance with all Laws and solely for the Permitted Use and for no other purpose. Lessee will not use or knowingly permit others to use the Leased Property or Property for any unlawful or improper purpose, and Lessee will conform to and obey all applicable present and future Laws as the same may be amended from time to

time, including, but not limited to the Communications Act of 1934 and the rules of the FCC and the FAA, including any rules, regulations, procedures or guidelines of the FCC pertaining to the National Environmental Policy Act of 1969, as amended from time to time, and electromagnetic or radio frequency radiation including without limitation the ANSI guidelines and OET Bulletin 65. Lessee shall obtain all rights, licenses and permits required for Lessee's use of the Leased Property and pay, as they become due and payable, all fees, charges, taxes and expenses associated therewith.

8. **Environmental.** Lessee represents and warrants that its use of the Leased Property will not generate any hazardous substance, that it will not unlawfully store or dispose on the Property or unlawfully transport to or over the Property any Hazardous Substance and that the Lessee Facilities do not constitute or unlawfully contain and will not generate any Hazardous Substance. "**Hazardous Substance**" shall be interpreted to mean any substance or material designated or defined as hazardous or toxic waste, hazardous or toxic material, hazardous or toxic or radioactive substance, or other similar term by any Laws now or hereafter in effect.

9. **Taxes and Impositions.** Lessee shall pay, as the same becomes due and payable, any taxes, assessments, and charges of every nature levied or assessed resulting from or relating to the use or occupancy of the Leased Property or adjoining Property by Lessee, in proportion to its use as compared to the use by Lessor or any other person authorized by Lessor. Any monies paid or prepaid by Lessor on behalf of Lessee shall be promptly reimbursed by Lessee upon Lessor's written demand, which shall contain a reasonable description of the charges and fees with respect to such monies paid or prepaid. Lessee shall not permit any mechanic's lien or other lien, encumbrance or charge to be filed against or levied upon Lessor's real or personal property. In the event any mechanic's lien is filed against the Property in connection with Lessee's use of the Leased Property, Lessee shall cause such mechanic's lien to be immediately released or shall bond over such lien by posting a bond with Lessor in an amount reasonably determined by Lessor to be adequate to cover such lien.

10. **Utilities.** Lessee shall be responsible for all utility costs and expenses associated with the Property during the Term. Lessor shall not be liable or responsible to Lessee in any manner because of interruption or suspension of utility service to the Property, unless such interruption or suspension is the direct result of willful misconduct or gross negligence of Lessor.

11. **Assignment or Subleasing.** Lessee shall not assign, transfer, or sublet this Lease nor any right granted hereunder without the prior written consent of the Lessor.

12. **Indemnification.** Lessee covenants that it will protect, save and keep Lessor and all associated, affiliated, allied, and subsidiary entities of Lessor, whether existing now or in the future, and the respective officers, directors, shareholders, employees, agents, and representatives of each, and the successors and assigns of any of them (collectively, "**Indemnified Parties**") harmless and indemnified against and from any penalty or damage or charges imposed for any violation of any Laws, occasioned by Lessee, its managers, officers, agents, affiliates, contractors, subcontractors, invitees, and employees (each a "**Lessee Party**"), during the Term hereof; and provided further, that Lessee shall assume the sole risk and responsibility for, and hold Indemnified Parties harmless against, indemnify Indemnified Parties, and release Indemnified Parties from any and all losses, costs, expenses (including reasonable attorneys' fees

of counsel selected by Lessor and all other costs and expenses of litigation), damages, liabilities, demands, claims, actions, suits or damage to persons or property (each a "Claim") arising in any way or resulting, whether directly or indirectly from: (a) the use, maintenance, or occupancy of the Leased Property; (b) any act or omission of any Lessee Party; or (c) any breach of any representation, warranty, covenant, obligation or other agreement contained in this Lease. Lessee shall diligently defend any Claim for which indemnification is sought by Lessor pursuant to this Paragraph 12, and, subject to Lessee's compliance with its indemnification obligations, Lessor shall, at Lessee's expense, fully cooperate with Lessee, the Lessee Party and its and their legal representatives in the investigation and defense of any Claim covered by this Lease. Lessee shall be in charge of, and control, such negotiations, compromise, and defense, and shall have the right to select counsel with respect thereto, provided that Lessee shall promptly notify Lessor of all developments in the matter. Lessor shall have the right, but not the obligation, to be represented by counsel of its own selection and at its own expense. If Lessee fails to promptly act to protect the interests of Lessor after being notified of a Claim, Lessor may, at Lessee's expense, take action in its own defense. The obligations to indemnify contained in this Paragraph 12 will survive the expiration or termination of this Lease for one (1) year.

13. **Disclaimer; Limitations.** Lessor makes no representations (express or implied) as to the fitness of the Property for any purpose (including without limitation any warranty of merchantability or fitness for a particular purpose) and Lessee accepts the Property in "AS IS" and "WHERE IS" condition. To the maximum extent permitted by law, Lessee shall use and occupy the Leased Property at Lessee's own risk, and Lessor shall not be liable to Lessee for damages of any nature arising from the inability of Lessee to operate the Lessee Facilities or for any loss or damage to the Lessee Facilities, fixtures, or other personal property of Lessee. In no event shall Lessor be liable for any indirect, special, incidental, consequential (including lost revenues or profits) exemplary or punitive damages, regardless of the form of action, whether in contract, tort, strict liability or otherwise arising of the performance or nonperformance of this Lease, including by action or omission constituting negligence or worse conduct.

14. **Insurance.** At all times during the Term, Lessee shall keep in force and effect (i) Commercial General Liability Insurance – a minimum of \$1,000,000 Each Occurrence/\$2,000,000 General Aggregate, (ii) Worker's Compensation Insurance in statutory amounts, and (iii) Property Insurance covering Lessee Facilities. Upon request, Lessee will furnish Lessor with a Certificate of Insurance. Lessor shall be named as an additional insured under all of the policies. Lessor shall not be liable to Lessee, Lessee's contractors or their subcontractors, for any injuries to Lessee's employees or those of its contractors or their subcontractors arising out of or in connection with this Lease, including any and all work of any type performed upon the Property, including injuries arising during equipment installation, alteration, modification, improvement, maintenance, repair, replacement, or use, or ingress or egress to or from the Property unless caused by the willful acts of bad faith or the gross negligence of Lessor, its agents or employees. Except as set forth above, Lessee and Lessee's contractors and their subcontractors shall each waive any and all rights of recovery from Lessor for worker's compensation claims made by their respective employees and shall obtain such waiver from their worker's compensation insurer. Lessee, for itself and its contractors and their subcontractors, agrees that the indemnification and hold harmless provisions within this Lease extend to any such claims brought by or on behalf of any employee of Lessee, any contractor of Lessee, or their subcontractors.

15. **Casualty or Condemnation.** If, during the Term hereof the Leased Property shall be destroyed or damaged by fire or other casualty as to render it unsuitable for Lessee's use, Lessor shall have the right but not the obligation to repair or rebuild all or any portion of the Leased Property. Should Lessor elect to repair or rebuild Leased Property, it shall give written notice of such election to Lessee within ten (10) days following such damage or destruction, whereupon this Lease for the Lease Space shall continue in full force and effect, so long as Lessee can operate from the Leased Property in accordance with its FCC license, provided Lessor shall promptly commence and pursue the same to completion. Failure of Lessor to deliver written notice of Lessor's election to repair or rebuild, and/or its failure to commence and pursue same, shall be deemed to be an election by Lessor not to repair or rebuild, and Lessee shall have the option to terminate the Lease by written notice to Lessor within thirty (30) days following Lessor's failure. It is understood and agreed that during any period in which Lessee is required pursuant to this Paragraph to discontinue operation of transmissions from the Leased Property, the obligation to pay rent shall be suspended for such period. The obligation to pay rent for the Lease Space shall recommence immediately upon the operation of transmissions. In the event that the whole or a substantial part of the Leased Property shall be taken or condemned by any competent authority for any public or quasi-public use or purpose, this Lease shall terminate as of the date when possession is so taken. In such event, Lessor shall be under no liability to Lessee and Lessee shall be entitled to no part of any condemnation award, except so much thereof as is expressly based upon moving or relocation expenses incurred by Lessee. Lessor agrees to provide Lessee with notice in writing of any actual or threatened condemnation proceedings promptly after receiving such notice itself.

16. **Surrender of Property.** Lessee shall at all times keep its Lessee Facilities in good and safe repair. Immediately upon the expiration or earlier termination, Lessee shall surrender and deliver up the Leased Property in as good order and condition as the same was on the Commencement Date, reasonable wear and tear excepted. It is understood that the Lessee Facilities shall remain the personal property of the Lessee, shall be kept in the Leased Property at the sole risk of Lessee and shall be removed by Lessee within thirty (30) days after the expiration or earlier termination of this Lease, weather related circumstances notwithstanding. Lessee shall immediately repair any and all damage caused to the Tower Facilities, Building, or the remainder of the Property caused by the removal of the Lessee Facilities from the Leased Property. For clarity, the W263DF antenna, transmission line, cables and other equipment installed on the W263DF tower as of the date of this Lease shall remain Lessor's property, but Lessee shall have the right to use such property during the Term as part of the Leased Property.

17. **Lease Default.** This Lease is made upon the condition that Lessee will punctually and faithfully perform all of the covenants and agreements to be performed as set forth herein, and the occurrence of any of the following shall constitute an event of default and a breach of the Lease by Lessee, (a) any item comprising rent remaining unpaid for five (5) calendar days after nonpayment when due to Lessor from Lessee; (b) the Leased Property shall be abandoned without the payment of rent; (c) there shall be an attachment, execution, or other judicial seizure of substantially all of Lessee's assets or interest, and such attachment, execution or seizure is not bonded or discharged within ninety (90) days after Lessor's notice to Lessee; or (d) failure by Lessee to observe or perform any of the other covenants, agreements, or conditions of this Lease and said failure shall continue for a period of thirty (30) calendar days after written notice of such default (provided such default can be cured within thirty (30) days and if not, then

within a reasonable time, provided Lessee commenced such remedy within the thirty (30) days and pursues such remedy with due diligence). In the event of an event of default Lessor may (w) terminate this Lease and re-enter the Leased Property and dispose and remove therefrom Lessee, or other occupants claiming under Lessee, and their property without being liable therefor; (x) bring suit for the collection of all amounts with respect to which Lessee is in default; (y) upon the reletting of the Leased Property, collect from Lessee the difference, if any, between the rent contractually due Lessor from Lessee and the rent contractually due Lessor from any such new tenant; and (z) cure such default (but shall not be obligated to do so) at its expense and collect from Lessee the costs incurred in curing such default. Each of the rights, remedies and benefits provided by this Lease are cumulative, and are not exclusive of any other rights, remedies and benefits, whether hereunder, at law or in equity

18. **Holding Over.** If Lessee does not vacate the Property and remove the Lessee Facilities on the termination of this Lease, then on the first day of each month thereafter Lessee shall pay Lessor two hundred percent (200%) of the then current rent and in addition shall pay Lessor all damages, consequential as well as direct, sustained by Lessor as the result of such holding over.

19. **Accord and Satisfaction.** No payment by Lessee or receipt by Lessor of a lesser amount than any payment of rent herein stipulated shall be deemed to be other than on account of the earliest stipulated rent, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction, and Lessor may accept such check or payment without prejudice to Lessor's right to recover the balance of such rent or pursue any other remedy provided for in this Lease or available at law or in equity.

20. **Estoppel Certificate.** Lessee shall, at any time and from time to time upon not less than ten (10) days after a written request by Lessor, deliver to Lessor a statement in writing certifying that: (i) this Lease is unmodified and in full force (or if there have been modifications, that the Lease is in full force as modified and identifying the modifications); (ii) the dates to which the (monthly rental fee) and other charges hereunder have been paid; (iii) so far as the person making the certificate knows, Lessor is not in default under any provision of this Lease; and (iv) such other matters as Lessor may reasonably request.

21. **Attorneys' Fees.** If either party retains an attorney to enforce the terms of, or obtain a declaration of rights under, this Lease, to collect any fees or other amounts due under this Lease or to recover possession of the Property, the prevailing party, shall be entitled to recover from the other party its reasonable, documented attorneys' fees and costs (including the allocated cost of in-house legal services, calculated at market rates).

22. **Regulatory Filings.** Upon Lessor's reasonable, written request, Lessee shall provide Lessor with copies of all petitions, applications, reports and communications submitted by Lessee to the FCC or any other federal or state regulatory commission or agency having jurisdiction in respect to any matter affecting this Lease or Lessee's operation of its Lessee Facilities.

23. **Notices.** All notices hereunder shall be in writing and shall be deemed given if personally delivered, mailed, e-mailed, certified mail, return receipt requested, or sent by overnight delivery service to the following address:

If to Lessor, to:

PRO Tower Services, LLC
3208 Banberry Drive
Statesville, NC 28625
Attention: Ron Benfield

and to (which shall not constitute notice):

Brooks, Pierce, McLendon, Humphrey & Leonard, LLP
1700 Wells Fargo Capitol Center
150 Fayetteville Street
Raleigh, NC 27601
Attention: Coe W. Ramsey

If to Lessee, to:

Mega Media, Inc.
122 Franklin St.
Wallace, NC 28466
Attention: Norman C. McCauley

Any such notice, demand or request shall be deemed to have been duly delivered and received (a) on the date of personal delivery, or (b) on the date of receipt, if (1) mailed by registered or certified mail, postage prepaid and return receipt requested or (2) e-mailed (subject to the sender's receipt of a written acknowledgement by the intended recipient), or (c) on the date of a signed receipt, if sent by overnight delivery service, but only if sent in the same manner to all persons entitled to receive notice or a copy. Any Party may change the address to which communications are to be sent by giving notice of such change of address in conformity with the provisions of this Section providing for the giving of notice.

24. **Time is of the Essence.** Time is of the essence of all obligations set forth in this Lease.

25. **Force Majeure.** If either party shall be prevented or delayed from punctually performing any obligations or satisfying any conditions under this Lease by reason of any act of God, unusual governmental restriction, regulation or control, enemy or hostile governmental action, civil commotion, strikes, lockouts, insurrection, pandemic, sabotage, fire or other casualty, or any comparable event, then the time to perform such obligation or satisfy such condition shall be extended on a day-to-day basis for the period of the delay caused by such event. This Paragraph shall not apply to the inability to pay any sum of money due hereunder or the failure to perform any other obligation due to the lack of money or inability to raise capital or borrow for any purpose.

26. **Waiver of Jury Trial.** THE PARTIES HEREBY WAIVE TRIAL BY JURY IN ANY PROCEEDING BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS LEASE, THE RELATIONSHIP OF LESSOR AND LESSEE, LESSEE'S USE OR OCCUPANCY OF THE PROPERTY OR THE LEASED PROPERTY, AND/OR ANY CLAIM FOR INJURY OR DAMAGE WITH RESPECT TO THIS LEASE.

27. **Applicable Law and Severability.** The construction and interpretation of this Lease shall at all times and in all respects be governed by the laws of the State of North Carolina (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 Lease, or any provision hereof, shall be litigated only in the courts of the State of North Carolina. 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. If one or more of the terms hereof are found to be void or invalid with respect to the Property in whole or in part, those terms shall be deemed inoperative and null and void, and shall be deemed modified to conform to such rule of law with respect to the Property in whole or in part, all without invalidating any of the remaining provisions of this Lease or the enforceability thereof, which shall continue in full force and effect.

28. **Entire Agreement; Amendment; No Waiver.** This Agreement, including the schedules and exhibits hereto, contain the entire agreement and understanding by and between the Parties, and no other representations, promises, agreements, or understanding, written or oral, not contained herein shall be of any force or effect. This Agreement may only be amended in a writing signed by the Parties. No oral agreement shall have any effect. No failure or delay in exercising any right hereunder shall be deemed or construed to be a waiver of such right, either prospectively or in the particular instance. This Agreement has been prepared by all of the Parties hereto, and no inference of ambiguity against the drafter of a document therefore applies against any Party hereto.

29. **Not Construed Against Drafter.** Each party to the Lease acknowledges that it has been represented by counsel and Lessor and Lessee acknowledge that this Lease was negotiated at arm's length and that no presumptions in favor of or against the drafter shall apply to the interpretation of this Lease.

30. **Memorandum of Lease.** Upon the request of Lessee, the parties shall execute and record a short form memorandum of this Lease outlining the basic provisions of this Lease relating to the Term, the Lessee's renewal options and access rights and such other basic terms mutually agreed upon by the parties and required by applicable law.

31. **Quiet Enjoyment.** Lessor covenants and agrees that upon Lessee paying the rent and observing and performing all terms, covenants and conditions on Lessee's part to be observed and performed, and Lessee may peaceably and quietly enjoy the Leased Property hereby demised. Anything to the contrary in this Lease notwithstanding, the covenants contained in this Lease to be performed by Lessor shall not be binding personally, but instead, said covenants are made for the purpose of binding only the fee simple or leasehold estate which Lessor owns in the Property (including all rents, incomes, and profits therefrom).

32. **Authority to Sign.** Each Lessor, and Lessee, represent and warrant on behalf of such party that the person executing the Lease on behalf of such party is authorized to bind the party on whose behalf such person is executing. This Lease may be executed in one or more counterparts, including via pdf and/or electronic signature, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, Lessor and Lessee have executed this Lease on the day and year first above written:

For Lessor:

PRO TOWER SERVICES, LLC

By: _____
Name: Ronald W. Benfield
Title: Member and Manager

For Lessee:

MEGA MEDIA, INC.

By: _____
Name: Norman C. McCauley
Title: President

By: _____
Name: Teresa W. McCauley
Title: Secretary

EXHIBIT A

Real Property

(Attached)



PRO TOWER SERVICES, LLC
09-4461-1 -
Property Address: 225 GOURD HILL RD

DISCLAIMER:
The information gathered from this site is for informational purposes only and the map(s) printed from this site should NOT be used as or in place of an actual survey. The map(s) should NOT be used in sales or conveyances.

Mailing Address: 702 HARTNESS RD STATESVILLE NC 28677
Deeded Acres: 8.49
Deed Ref: 1682/274 2011
Last Sale Date: 2010/08/31
Last Sale Price: \$56,000
Assessed Value: \$35,100
Property Class: 1
Heat SQ Feet: 0

Town Code: 0
Account #: 7080595
Misc. Imprv: \$1870
Year Built: 0
Land Value: \$33,200
Fire Code: 09
Year Built: 0

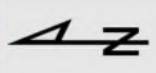


Exhibit A
Promissory Note

(Attached)

PROMISSORY NOTE

_____, 2022

[\$57,307.10]

FOR VALUE RECEIVED, MEGA MEDIA, INC., a North Carolina corporation (“Maker”), promises to pay to the order of CONNER MEDIA CORPORATION, a North Carolina corporation (“Payee”), the principal sum of **[FIFTY SEVEN THOUSAND THREE HUNDRED SEVEN DOLLARS AND TEN CENTS (\$57,307.10)]**, together with interest on the unpaid principal balance outstanding from time to time until paid in full at the interest rate set forth herein, calculated on the basis of the actual number of days elapsed over a year.

1. Interest Rate. The interest rate applicable to this Note shall be five percent (5%) per annum.

2. Payments of Principal and Interest. Maker shall make 60 monthly installments of principal and interest based on a five-year amortization in the amount of **[\$1,081.46]** with the first payment due on _____ and the first day of every month thereafter until all 60 monthly installments are paid.

3. Prepayment. Maker may prepay the outstanding principal balance of this Note in whole or in part without premium or penalty, provided that such prepayment shall be made together with accrued interest on the amount prepaid to the date of prepayment.

4. Representations and Warranties. Maker hereby represents and warrants to Payee that:

- (a) Validity of Note. The execution, delivery and performance by Maker of this Note has been duly authorized by all necessary action and, when executed and delivered by Maker, will constitute the valid and binding agreements of Maker, enforceable in accordance with its terms.
- (b) Existing Defaults. Maker is not in default in the performance or observance of any material obligation, agreement, covenant, or condition contained in any bond, debenture, note, or other evidence of indebtedness or in any contract, indenture, mortgage, agreement, loan agreement, lease, or other agreement or instrument to which Maker is a party or by which it, or any of its properties, is bound.
- (c) No Default in Other Agreements. The execution and delivery and performance by Maker of this Note, the incurrence of the obligations set forth herein, and the consummation of the transactions contemplated hereby, will not conflict with or result in a breach of any bond, debenture, note, contract, indenture, mortgage, loan agreement, lease, or any other evidence of indebtedness, agreement or instrument to which Maker is a party or by which it or any of its properties may be bound, or result in the violation by it of any law, order, rule, or regulation of any court or governmental agency or body having jurisdiction over it or any of its properties.

- (d) No Consents. No consent, approval, authorization, or other acknowledgment of, or the provision of notice to, any court or governmental agency or body, or any other person, that has not already been obtained, is required for the consummation by Maker of any of the transactions contemplated by this Note.

5. Acceleration of Note. All outstanding principal, together with all accrued but unpaid interest thereon, shall become due and payable immediately upon the occurrence of any of the following (an “Event of Prepayment”): (i) a Change of Control (as defined below) of the Maker or the licensee of the Stations (as defined in Section 7 below); (ii) a sale, transfer, or assignment by Maker of all or substantially all of the assets used in the operation of the Stations (as defined below); (iii) a sale, transfer, or assignment by Maker of the Federal Communications Commission license(s) of either Station; and (iv) Maker’s entering into an agreement pursuant to which Maker permits any other person or entity (other than any entity majority-owned by Norman C. McCauley) to program more than fifteen percent (15%) of either Station’s programming time per week, or sell commercial spot announcements for more than fifteen percent (15%) of either Station’s commercial time per week, without Payee’s prior written consent to such agreement after financial review of such person or entity, which shall not be unreasonably withheld. A “Change of Control” with respect to an entity occurs when (i) such entity merges into another entity or (ii) any person or entity (or group of persons or entities acting in concert) acquires, directly or indirectly, the power to elect or appoint a majority of the board of directors or managers of such entity, or otherwise to direct the management or affairs of such entity, whether through voting agreements or trusts, acquiring securities, by contract or otherwise.

6. Method of Payment or Repayment. Payments hereunder shall be made in lawful money of the United States of America by check or draft on the date payment is due, or in such other manner, and at such place, as the Payee may from time to time direct in writing to the Maker, provided that such “other manner” of payment does not require the Maker to incur additional costs in the making of payments hereunder (e.g., wire transfer fees, etc.).

7. Purchase Agreement. This Note is delivered to Payee in connection with Maker’s purchase of certain of the assets owned by Payee and used in connection with the operation of commercial radio station WKOQ(AM), Rose Hill, North Carolina (Facility ID No. 17745) (“WKOQ”), and FM Translator W263DF, Rose Hill, North Carolina (Facility ID No. 201382) (“W263DF”, and together with WKOQ, the “Stations”). This Note is issued in connection with, and is entitled to the benefits of and is subject to the terms and conditions of, the Asset Purchase Agreement dated _____, as amended, relating to the purchase and sale of the Stations (the “APA”). Reference is made to the APA for a statement of the rights, obligations, and duties of Payee and Maker in relation thereto.

8. Security. This Note is secured by, and/or Maker has provided Payee with certain remedies under, (a) a Security Agreement of even date herewith executed by Maker in favor of Payee granting and conveying to Payee a first priority security interest in the collateral described therein (the “Security Agreement”), (b) an guarantee of Maker’s obligations to Payee (the “Guarantee Agreement”) executed by Norman C. McCauley (“Guarantor”) for the benefit of

Payee, and (c) pledges of all of the equity of Maker (the “Pledge Agreement” and together with the Security Agreement and the Guarantee Agreement, the “Collateral Documents”).

9. Event of Default; Remedies. Each of the following shall constitute an “Event of Default”, whatever the reason for such event and whether it shall be voluntary or involuntary, or within or without the control of Maker or be effected by operation of law or pursuant to any judgment or order of any court or any order, rule, or regulation of any governmental or nongovernmental body:

- (a) failure by Maker to make any scheduled payment when due, and such failure shall continue unremedied for twenty (20) days after such payment is due;
- (b) any representation or warranty by Maker in this Note, the APA or the Collateral Documents, or any representation or warranty by a Guarantor in the Guarantee Agreement or the Pledge Agreement, shall at any time prove to have been incorrect or misleading in any material respect when made;
- (c) any failure by Maker to comply, perform or observe of any term, covenant, condition, or agreement contained in this Note or the APA (other than a term, covenant, condition, or agreement a default in the performance or observance of which is elsewhere in this Note specifically dealt with, (e.g. the payment of amounts owing on this Note)) and, if capable of being remedied, shall remain uncured for a period of thirty (30) days following written notification of such matter to Maker from Payee;
- (d) any default under or breach of any of the Collateral Documents that remains uncured beyond the applicable cure period set forth therein, if any; or
- (e) (i) a filing of any petition or answer by Maker or a Guarantor seeking to adjudicate Maker or a Guarantor bankrupt or insolvent, or seeking for Maker or a Guarantor any liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition or adjustment of Maker’s or a Guarantor’s debts under any law relating to bankruptcy, insolvency, or reorganization or relief of debtors, or seeking, consenting to, or acquiescing in the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for Maker or a Guarantor or for any substantial part of Maker’s or a Guarantor’s property or any action taken by Maker or a Guarantor to authorize any of the actions set forth above; (ii) the entry of an order for relief or approving a petition for relief or reorganization or any other petition seeking any reorganization, arrangement, adjustment, protection, relief, or composition or adjustment of Maker’s or a Guarantor’s debts under any law relating to bankruptcy, insolvency, or reorganization or any similar statute, law or regulation, or the filing of any such petition against Maker or a Guarantor which petition shall not be dismissed within ninety (90) days; or (iii) without the consent or acquiescence of either Maker or a Guarantor, the entering of an order appointing a trustee, custodian, receiver or liquidator of the Maker or a Guarantor (as applicable) or of all or any substantial

part of the property of Maker or a Guarantor which order shall not be dismissed within sixty (60) days.

10. Remedies.

- (a) Upon the occurrence and during the continuance of any Event of Default, and at all times thereafter until such default is cured or the remainder of the principal sum, together with all interest accrued thereon shall have been paid in full (each such period, a "Default Period"), the interest rate hereunder shall be nine percent (9%) and interest shall accrue on the unpaid principal balance at such rate during the Default Period.
- (b) Upon the occurrence and during the continuance of any Event of Default other than an Event of Default described in Section 9(e) hereof, Payee may, in its sole discretion, declare this Note, including, without limitation, the remainder of the principal sum plus all interest accrued thereon and any costs of collection (including, without limitation, actual reasonable attorney's fees and disbursements if collected by or through an attorney at law or in bankruptcy, receivership or other judicial proceedings), all without presentment, demand, protest or notice. Failure to exercise this option shall not constitute a waiver of the right to exercise the same at any other time.
- (c) Upon the occurrence of an Event of Default described in Section 9(e), this Note including, without limitation, the remainder of the principal sum plus all interest accrued thereon and any costs of collection (including, without limitation, actual reasonable attorney's fees and disbursements if collected by or through an attorney at law or in bankruptcy, receivership or other judicial proceedings), shall become immediately due and payable, without presentment, demand, protest or any other notice of any kind, all of which are expressly waived.
- (d) Upon the occurrence of an Event of Default and acceleration of this Note as provided in this Section 10, Payee may pursue any remedy available under this Note, the Collateral Documents, or available at law or in equity, all of which shall remain cumulative. The order and manner in which the rights and remedies of Payee may be exercised shall be determined by Payee in its sole discretion.

11. Waiver of Protest. Maker hereby waives presentment, protest, notice of protest and non-payment, or other notice of default, notice of acceleration and intention to accelerate and agrees that its liability under this Note shall not be affected by any renewal or extension in the time of payment hereof, or by any indulgences, or by any release or change in any security for the payment of the indebtedness evidenced by this Note, and hereby consents to any and all renewals, extensions, indulgences, releases or changes, regardless of the number of such renewals, extensions, indulgences, releases or changes.

12. Rights and Waivers. No waiver or modification of any right, power or privilege of Payee or of any obligation of Maker shall be effective unless such waiver or modification is in

writing, and signed by Payee and then only to the extent set forth therein. A waiver by Payee of any right, power, or privilege hereunder on any one occasion shall not be construed as a bar to, or waiver of, the exercise of any such right, power or privilege which Payee otherwise would have on any subsequent occasion.

13. Costs of Collection. Upon an Event of Default, Maker agrees to pay all costs of collection, including, but not limited to, court costs and reasonable actual attorneys' fees calculated on the basis of such attorneys' usual hourly rate multiplied by the number of hours spent in enforcing Payee's rights hereunder and not on the basis of any percentage of the outstanding balance of this Note.

14. Assignment. This Note may be assigned or transferred, in whole or in part, by Payee to any person or entity at any time without notice to or the consent of Maker. Maker may not assign or transfer this Note or any of its rights hereunder without the prior written consent of Payee. This Note shall inure to the benefit of and be binding upon the parties hereto and their permitted assigns.

15. Governing Law. This Note shall be construed in accordance with and governed by the law of the State of North Carolina, without regard to its choice of law principles.

16. Jurisdiction. Any judicial proceeding against Maker brought by Payee with respect to any term, condition or breach of this Note, or any other present or future agreement between Maker and Payee related to this Note may be brought by Payee in a court of competent jurisdiction in the State of North Carolina, and, by execution and delivery of this Note, Maker accepts for itself and in connection with its properties, generally and unconditionally, the nonexclusive jurisdiction of the aforesaid courts, and irrevocably agrees to be bound by any final judgment rendered thereby in connection with this Note, or any other present and future agreement between Maker and Payee. Maker waives any bond or surety or security upon such bond or surety which might, but for this waiver, be required of Payee. Nothing contained in this section affects the right of Payee to bring any action or proceeding against Maker or its property in the courts of any other jurisdiction. Any judicial proceeding by Maker against Payee involving, directly or indirectly, any matter or claim in any way arising out of, related to or connected with this Note, its actual or threatened breach, or any other present or future agreement or other dispute of any nature between Payee and Maker related to this Note, may be brought only in a North Carolina state court sitting in Wake County, North Carolina (and the appropriate appellate courts therefrom). Maker waives any objection to jurisdiction and venue of any action instituted hereunder or in connection herewith and may not assert any defense based on lack of jurisdiction or venue or based upon forum non conveniens. Payee or Maker may file an original counterpart or a copy of this agreement with any court as written evidence of the waivers and consents contained herein.

17. Severability. The provisions of this Note are severable and if any one clause or provision hereof shall be held invalid or unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Note in any jurisdiction.

18. Business Purpose. The loan evidenced by this Note represents credit extended for business, commercial, investment or other similar purpose, and not for personal, family, household or other consumer purposes.

19. Binding Effect. This Note shall bind and inure to the benefit of the parties, their legal representatives, successors, and assigns.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, Maker has caused this Note to be executed by its duly authorized officer the date first above written.

MEGA MEDIA, INC.

By: _____

Name: Norman C. McCauley

Title: President

By: _____

Name: Teresa W. McCauley

Title: Secretary

Exhibit B
Personal Guarantee

(Attached)

GUARANTEE

THIS GUARANTEE AGREEMENT (this "Guarantee") is executed as of _____, _____, by NORMAN C. MCCAULEY and TERESA W. MCCAULEY, each a resident of North Carolina (each a "Guarantor") in favor of CONNER MEDIA CORPORATION, a North Carolina corporation ("Lender").

W I T N E S S E T H :

WHEREAS, MEGA MEDIA, INC., a North Carolina corporation (the "Company") has on this date acquired substantially all of Lender's assets and interests in commercial radio station WKOO(AM), Rose Hill, North Carolina (Facility ID No. 17745) ("WKOO"), and FM Translator W263DF, Rose Hill, North Carolina (Facility ID No. 201382) ("W263DF", and together with WKOO, the "Stations");

WHEREAS, in connection with the purchase of the Stations by the Company described above, the Guarantor has requested Lender to extend to the Company a loan in the principal amount of [FIFTY SEVEN THOUSAND THREE HUNDRED SEVEN DOLLARS AND TEN CENTS (\$57,307.10)], as evidenced by a promissory note from the Company to the order of Lender (as amended, restated, supplemented or otherwise modified from time to time, the "Note"); and

WHEREAS, Each Guarantor together owns the Company and therefore has derived substantial benefit from the Company's acquisition of the Stations through the issuance of the Note.

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

1. **GUARANTEE.** Guarantor hereby absolutely, irrevocably and unconditionally guarantees to Lender and its successors and assigns the timely payment and performance of all liabilities and obligations of Company to Lender under the Note and the Security Agreement made by Company in favor of Lender dated the date hereof (the "Security Agreement" and together with the Note, collectively, the "Loan Documents"), however and whenever incurred or evidenced, whether primary, secondary, direct, indirect, absolute, contingent, due or to become due, now existing or hereafter contracted or acquired, and all modifications, extensions and renewals thereof (collectively, the "Guaranteed Obligations").

2. **GUARANTOR'S LIABILITY.** This Guarantee is a continuing and unconditional guaranty of payment and performance and not of collection. This Guarantee does not impose any obligation on Lender to extend or continue to extend credit or otherwise deal with Company at any subsequent time. This Guarantee shall continue to be effective or be reinstated, as the case may be, if at any time any payment of the Guaranteed Obligations is rescinded, avoided or for any other reason must be returned by Lender, and the returned payment shall remain payable as part of the Guaranteed Obligations, all as though such payment had not been made. Except to the extent the provisions of this Guarantee give Lender additional rights, this Guarantee shall not be deemed to supersede or replace any other guaranties given to Lender by Guarantor; and the obligations guaranteed hereby shall be in addition to any other obligations

guaranteed by Guarantor pursuant to any other agreement of guaranty given to Lender and other guaranties of the Guaranteed Obligations. Guarantor's obligations under this Guarantee shall remain in force until all Guaranteed Obligations have been paid and shall not be released or discharged for any reason whatsoever prior to such payment.

3. **CONSENT TO MODIFICATIONS.** Guarantor consents and agrees that Lender may from time to time, in its sole discretion, without affecting, impairing, lessening or releasing the obligations of Guarantor hereunder: (a) extend or modify the time, manner, place or terms of payment or performance and/or otherwise change or modify the credit terms of the Guaranteed Obligations; (b) increase, renew, or enter into a novation of the Guaranteed Obligations; (c) waive or consent to the departure from terms of the Guaranteed Obligations; (d) permit any change in the business or other dealings and relations of Company or any other guarantor with Lender; (e) proceed against, exchange, release, realize upon, or otherwise deal with in any manner any collateral that is or may be held by Lender in connection with the Guaranteed Obligations or any liabilities or obligations of Guarantor; and (f) proceed against, settle, release, or compromise with Company, any insurance carrier, or any other person or entity liable as to any part of the Guaranteed Obligations, and/or subordinate the payment of any part of the Guaranteed Obligations to the payment of any other obligations, which may at any time be due or owing to Lender; all in such manner and upon such terms as Lender may deem appropriate, and without notice to or further consent from Guarantor. No invalidity, irregularity, discharge or unenforceability of, or action or omission by Lender relating to any part of the Guaranteed Obligations or any security therefor shall affect or impair this Guarantee.

4. **WAIVERS AND ACKNOWLEDGMENTS.** Guarantor waives and releases the following rights, demands, and defenses Guarantor may have with respect to Lender and collection of the Guaranteed Obligations: (a) promptness and diligence in collection of any of the Guaranteed Obligations from Company or any other person liable thereon, and in foreclosure of any security interest and sale of any property serving as collateral for the Guaranteed Obligations; (b) any law, statute or other right that requires that Lender make demand upon, assert claims against, or collect from Company or other persons or entities, foreclose any security interest, sell collateral, exhaust any remedies, or take any other action against Company or other persons or entities prior to making demand upon, collecting from or taking action against Guarantor with respect to the Guaranteed Obligations, including any such rights Guarantor might otherwise have had under N.C.G.S. §§ 26-7 through 26-9, inclusive, and any successor statute and any other applicable law; (c) any law or statute that requires that Company or any other person be joined in, notified of or made part of any action against Guarantor; (d) that Lender or its affiliates preserve, insure or perfect any security interest in collateral or sell or dispose of collateral in a particular manner or at a particular time; (e) notice of amendments, extensions, modifications, renewals, or novations of the Guaranteed Obligations, of any new transactions or other relationships between Lender, Company and/or any guarantor, and of changes in the financial condition of, ownership of, or business structure of Company or any other guarantor; (f) presentment, protest, notice of dishonor, notice of default, demand for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, notice of sale, and all other notices of any kind whatsoever to which Guarantor may be entitled; (g) the right to assert against Lender or its affiliates any defense (legal or equitable), set-off, counterclaim, or claim that Guarantor may have at any time against Company or any other party liable to Lender or its

affiliates; (h) all defenses relating to invalidity, insufficiency, unenforceability, enforcement, release or impairment of Lender or its affiliates' lien on any collateral, of the Loan Documents, or of any other guaranties held by Lender; (i) any right to which Guarantor is or may become entitled to be subrogated to Lender or its affiliates' rights against Company or to seek contribution, reimbursement, indemnification, payment or the like, or participation in any claim, right or remedy of Lender or its affiliates against Company or any security which Lender or its affiliates now has or hereafter acquires, until such time as the Guaranteed Obligations have been fully satisfied beyond the expiration of any applicable preference period; (j) any claim or defense that acceleration of maturity of the Guaranteed Obligations is stayed against Guarantor because of the stay of assertion or of acceleration of claims against any other person or entity for any reason including the bankruptcy or insolvency of that person or entity; and (k) the right to marshalling of Company's assets or the benefit of any exemption claimed by Guarantor. Guarantor acknowledges and represents that Guarantor has relied upon Guarantor's own due diligence in making an independent appraisal of Company, Company's business affairs and financial condition, and any collateral; Guarantor will continue to be responsible for making an independent appraisal of such matters; and Guarantor has not relied upon Lender or its affiliates for information regarding Company or any collateral.

5. **FINANCIAL CONDITION.** Guarantor warrants, represents and covenants to Lender and its affiliates that on and after the date hereof: (a) the fair saleable value of Guarantor's assets exceeds its liabilities, Guarantor is meeting its current liabilities as they mature, and Guarantor is and shall remain solvent; and (b) there are not now pending any court or administrative proceedings or undischarged judgments against Guarantor, no federal or state tax liens have been filed or threatened against Guarantor, and Guarantor is not in default or claimed default under any agreement;

6. **INTEREST AND APPLICATION OF PAYMENTS.** Regardless of any other provision of this Guarantee or other Loan Documents, if for any reason the effective interest on any of the Guaranteed Obligations should exceed the maximum lawful interest, the effective interest shall be deemed reduced to and shall be such maximum lawful interest, and any sums of interest which have been collected in excess of such maximum lawful interest shall be applied as a credit against the unpaid principal balance of the Guaranteed Obligations. Monies received from any source by Lender or its affiliates for application toward payment of the Guaranteed Obligations may be applied to such Guaranteed Obligations in any manner or order deemed appropriate by Lender and its affiliates.

7. **DEFAULT.** If any of the following events occur, a default ("Default") under this Guarantee shall exist: (a) failure of timely payment or performance of the Guaranteed Obligations or a default under any Loan Document that remains uncured after the applicable cure period, if any; (b) a material breach of any agreement or representation contained or referred to in this Guarantee; and/or (c) the death of, appointment of a guardian for, appointment of a receiver for, assignment for the benefit of creditors by, or the commencement of any insolvency or bankruptcy proceeding by or against Guarantor unless the executor, trustee, heir, receiver, assignee, or other successor of Guarantor agrees in writing to be bound by the terms of this Guarantee.

If a Default occurs, the Guaranteed Obligations shall be due immediately and payable without notice, and Lender may exercise any rights and remedies as provided in this Guarantee and other Loan Documents, or as provided at law or equity.

8. **ATTORNEYS' FEES AND OTHER COSTS OF COLLECTION.** Guarantor shall pay all of Lender's reasonable expenses incurred to enforce or collect any of the Guaranteed Obligations, including, without limitation, reasonable arbitration, paralegals', attorneys' and experts' fees and expenses, whether incurred without the commencement of a suit, in any suit, arbitration, or administrative proceeding, or in any appellate or bankruptcy proceeding.

9. **SUBORDINATION OF OTHER DEBTS.** Guarantor agrees: (a) to subordinate the obligations, if any, now or hereafter owed by Company to Guarantor, except for compensation in the usual and ordinary course paid by Company to Guarantor ("Subordinated Debt") to any and all obligations of Company to Lender now or hereafter existing while this Guarantee is in effect; (b) to either place a legend indicating such subordination on every note, ledger page or other document evidencing any part of the Subordinated Debt or deliver such original documents to Lender; and (c) except as permitted by this paragraph, Guarantor will not request or accept payment of or any security for any part of the Subordinated Debt, and any proceeds of the Subordinated Debt paid to Guarantor, through error or otherwise, shall immediately be forwarded to Lender by Guarantor, properly endorsed to the order of Lender, to apply to the Guaranteed Obligations.

10. **NEGATIVE COVENANTS.** Guarantor agrees that from the date hereof and until final payment in full of the Guaranteed Obligations, unless Lender shall otherwise consent in writing, Guarantor will not: (a) default on any material contract with or obligation when due to a third party or default in the performance of any obligation to a third party incurred for money borrowed; (b) permit the assertion or making of any seizure, vesting or intervention by or under authority of any governmental entity of any assets of Guarantor; or (c) permit the entry of any monetary judgment or the assessment against, the filing of any tax lien against, or the issuance of any writ of garnishment or attachment against any of his/her property or debts due.

11. **JURISDICTION.** Any judicial proceeding against Guarantor brought by Lender with respect to any term, condition or breach of this Guarantee, or any other present or future agreement between Guarantor and Lender related to this Guarantee may be brought by Lender in a court of competent jurisdiction in the State of North Carolina, and, by execution and delivery of this Guarantee, Guarantor accepts for itself and in connection with its properties, generally and unconditionally, the nonexclusive jurisdiction of the aforesaid courts, and irrevocably agrees to be bound by any final judgment rendered thereby in connection with this Guarantee, or any other present and future agreement between Guarantor and Lender. Guarantor waives any bond or surety or security upon such bond or surety which might, but for this waiver, be required of Lender. Nothing contained in this section affects the right of Lender to bring any action or proceeding against Guarantor or its property in the courts of any other jurisdiction. Any judicial proceeding by Guarantor against Lender involving, directly or indirectly, any matter or claim in any way arising out of, related to or connected with this Guarantee, its actual or threatened breach, or any other present or future agreement or other dispute of any nature between Lender and Guarantor related to this Guarantee, may be brought only in a North Carolina state court sitting in Wake County, North Carolina (and the appropriate appellate courts therefrom).

Guarantor waives any objection to jurisdiction and venue of any action instituted hereunder or in connection herewith and may not assert any defense based on lack of jurisdiction or venue or based upon forum non conveniens. Lender or Guarantor may file an original counterpart or a copy of this agreement with any court as written evidence of the waivers and consents contained herein.

12. **MISCELLANEOUS.** (a) **Assignment.** This Guarantee and other Loan Documents shall inure to the benefit of and be binding upon the parties and their respective heirs, legal representatives, successors and permitted assigns. Lender may assign this Guarantee to any assignee of Lender's rights under the Note. Any assignment shall not release Guarantor from the Guaranteed Obligations. This Guarantee may not be assigned by any Guarantor without the express prior written consent of the Lender. (b) **Authorizations; No Conflicts; Absence of Litigation.** All governmental authorizations and actions necessary in connection with the execution and delivery by Guarantor of this Guarantee and the performance of his/her obligations hereunder have been obtained or performed and remain valid and in full force and effect; the execution, delivery and performance of this Guarantee do not (i) violate any law, rule, regulation, order, judgment or decree applicable to or binding on Guarantor; (ii) conflict with or contravene, or result in any breach of or constitute any default under, any agreement or instrument to which Guarantor is a party or by which Guarantor or any of his/her properties may be bound or affected; or (iii) require the consent of any person under any existing law or agreement which has not already been obtained. There is no pending or, to the best of Guarantor's knowledge, threatened action or proceeding affecting Guarantor before any court, governmental agency or arbitrator. (c) **Applicable Law.** This Guarantee shall be governed by and construed under the law of the State of North Carolina without regard to its conflict of laws principles. (d) **Severability.** If any provision of this Guarantee or of the other Loan Documents shall be prohibited or invalid under applicable law, such provision shall be ineffective but only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Guarantee or other Loan Documents. (e) **Notices.** Any notices to Guarantor or Lender shall be sufficiently given if in writing and mailed or delivered to such person's address shown above or such other address as such person may specify in writing from time to time. In the event that Guarantor changes Guarantor's address at any time prior to the date the Guaranteed Obligations are paid in full, Guarantor agrees to promptly give written notice of said change of address to Lender by registered or certified mail, return receipt requested, all charges prepaid. (f) **Plural; Captions.** All references in the Loan Documents to borrower, guarantor, person, document or other nouns of reference mean both the singular and plural form, as the case may be, and the term "person" shall mean any individual person or entity. The captions contained in the Loan Documents are inserted for convenience only and shall not affect the meaning or interpretation of the Loan Documents. (g) **Binding Contract.** Guarantor by execution of and Lender by acceptance of this Guarantee agree that each party is bound to all terms and provisions of this Guarantee. (h) **Nature of Guarantee.** The liability of Guarantor hereby is independent of the Guaranteed Obligations of Company pursuant to the Loan Documents and a separate action or separate actions may be brought and prosecuted against Guarantor, whether or not any action is brought or prosecuted against Company or whether Company is joined in any such action or actions. (i) **Amendments, Waivers and Remedies.** No waivers, amendments or modifications of this Guarantee and other Loan Documents shall be valid unless in writing and signed by an officer of Lender and by Guarantor.

No waiver by Lender of any Default shall operate as a waiver of any other Default or the same Default on a future occasion. Neither the failure nor any delay on the part of Lender in exercising any right, power, or privilege granted pursuant to this Guarantee and other Loan Documents shall operate as a waiver thereof, nor shall a single or partial exercise thereof preclude any other or further exercise or the exercise of any other right, power or privilege. All remedies available to Lender with respect to this Guarantee and other Loan Documents and remedies available at law or in equity shall be cumulative and may be pursued concurrently or successively. (j) **LIMITATION ON LIABILITY; WAIVER OF PUNITIVE DAMAGES.** EACH OF THE PARTIES HERETO, INCLUDING LENDER BY ACCEPTANCE HEREOF, AGREES THAT IN ANY JUDICIAL, MEDIATION OR ARBITRATION PROCEEDING OR ANY CLAIM OR CONTROVERSY BETWEEN OR AMONG THEM THAT MAY ARISE OUT OF OR BE IN ANY WAY CONNECTED WITH THIS GUARANTEE, THE LOAN DOCUMENTS OR ANY OTHER AGREEMENT OR DOCUMENT BETWEEN OR AMONG THEM OR THE OBLIGATIONS EVIDENCED HEREBY OR RELATED HERETO, IN NO EVENT SHALL ANY PARTY HAVE A REMEDY OF, OR BE LIABLE TO THE OTHER FOR, (I) INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES OR (II) PUNITIVE OR EXEMPLARY DAMAGES. EACH OF THE PARTIES HEREBY EXPRESSLY WAIVES ANY RIGHT OR CLAIM TO PUNITIVE OR EXEMPLARY DAMAGES THEY MAY HAVE OR WHICH MAY ARISE IN THE FUTURE IN CONNECTION WITH ANY SUCH PROCEEDING, CLAIM OR CONTROVERSY, WHETHER THE SAME IS RESOLVED BY ARBITRATION, MEDIATION, JUDICIALLY OR OTHERWISE. (k) **Final Agreement.** This Guarantee and the other Loan Documents represent the final agreement between the parties and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

[Signature Pages Follow]

IN WITNESS WHEREOF, Guarantor, on the day and year first written above, has caused this Guarantee to be executed under seal.

_____(SEAL)
NORMAN C. MCCAULEY
122 Franklin St.
Wallace, NC 28466

_____(SEAL)
TERESA W. MCCAULEY
122 Franklin St.
Wallace, NC 28466

STATE OF NORTH CAROLINA

COUNTY OF _____

I, _____, a Notary Public of the County and State aforesaid, certify that NORMAN C. MCCAULEY and TERESA W. MCCAULEY each personally came before me this day and that the foregoing Guarantee was signed by each of them.

WITNESS my hand and official stamp or seal, this _____ day of _____, 2022.

Notary Public

My Commission Expires:

[NOTARY SEAL]

Accepted and Agreed by:

CONNER MEDIA CORPORATION

By: _____
Name: Ronald W. Benfield
Title: Manager