

## ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this “Agreement”) is made as of this 6th day of May 2022, by and between Sandlin Broadcasting Co, Inc., a Texas corporation (“Seller”), and Bay and Beyond Broadcasting LLC, a Texas limited liability company (“Buyer”) or its designee, in Buyer’s sole discretion, and their heirs, successors and assigns.

WHEREAS, Seller holds the authorizations for Station KMKS(FM), Bay City, Texas (Facility ID Number 58979) (the “Station”), issued by the Federal Communications Commission (the “FCC”); and

WHEREAS, subject to the terms and conditions set forth herein, Seller desires to assign the Station’s FCC authorizations and sell all of the assets used and useful in connection with the Station and Buyer desires to purchase and accept such authorizations and assets.

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

1. Assets. Seller agrees to assign, transfer, convey and deliver to Buyer or Buyer’s designee, and Buyer shall acquire from Seller, all of the right, title, and interest of Seller in and to all assets, properties, interests and rights, tangible and intangible, used or held for use in connection with the ownership and operation of the Station (the “Assets”), as follows:

- (a) all licenses, permits and other authorizations or other governmental authority with respect to the Station held by Seller (the “Licenses”) including the licenses listed on Schedule 1(a);
- (b) all towers, transmitters, antennas, transmission lines, STL’s, studio equipment, computers, automation systems, traffic and billing systems, vehicles, office furniture, and other tangible personal property of the Seller used in the operation of the Station (the “Tangible Personal Property”) including, but not limited to, the items listed on Schedule 1(b), all of which will be sold and delivered to Buyer as-is, where-is; and
- (c) the parcels of real property (“Real Property”) listed on Schedule 1(c);
- (d) all intangible property of the Station (“Intangible Property”) listed in Schedule 1(d);
- (e) agreements for the sale of advertising time on the Station as of the date hereof and all such orders and agreements entered into between the date hereof and the Closing Date in the ordinary course of business, to the extent the foregoing have not been performed as of the Closing (collectively, the “Assumed Contracts”).
- (f) all FCC files and records pertaining to the Station including but not limited to the Station’s paper and online paper public inspection files (“FCC Records”); and
- (g) goodwill in connection with the business and operation of the Station.

2. Excluded Assets. Notwithstanding anything to the contrary contained herein, the Assets shall not include the following (the “Excluded Assets”):

- (a) all cash and cash equivalents of Seller;
- (b) accounts receivable arising from the operation of the Station prior to the Closing Date; and
- (c) any contracts, leases or agreements that are not Assumed Contracts.

3. Purchase Price. The purchase price to be paid for the Assets will be One Hundred Thousand Dollars (\$100,000.00), as adjusted pursuant to Section 6 hereof (the “Purchase Price”).

4. Full Payment Deposit. The parties acknowledge that as an inducement to Seller and to demonstrate good faith, Buyer has delivered the entire Purchase Price in escrow with Fletcher, Heald & Hildreth, PLC (“Escrow Agent”), the amount of One Hundred Thousand Dollars (\$100,000.00) (the “Full Payment Deposit”) to be held pursuant to the terms of a mutually acceptable Escrow Agreement among Seller, Buyer and Escrow Agent. At the Closing, the Full Payment Deposit shall be delivered by the Escrow Agent to Seller, subject to adjustments as acknowledged by the Parties, as a credit against the Purchase Price. Should this Agreement be terminated prior to the Closing for any reason other than an uncured default of the Buyer, the Full Payment Deposit shall be returned to Buyer as set forth in Section 22 below.

5. Assumption of Obligations. On the Closing Date, Buyer shall assume the obligations of Seller arising thereafter under the Assumed Contracts and all obligations arising from the business or operation of the Station after the Closing Date.

6. Prorations and Adjustments. Utility bills and all other prepaid and deferred expenses arising from the conduct of the business and operations of the Station shall be prorated as of 11:59 p.m. on the day immediately prior to the Closing Date (as defined below) and the Purchase Price adjusted accordingly. To the extent practicable, the prorations and adjustments contemplated by this Section shall be made at the Closing and to the extent not made at the Closing shall be made within thirty (30) calendar days after the Closing Date. For clarity, the payment due from Seller to Clifton Gardiner, LLC shall be paid directly to Clifton Gardiner, LLC from the Full Payment Deposit at the Closing.

7. Closing. Subject to satisfaction or waiver of the conditions set forth herein, consummation of the sale of the Assets under this Agreement (the “Closing”) shall occur on a date (the “Closing Date”) mutually agreed upon by the parties which date shall be within three (3) business days after the FCC Consent (as defined below) shall have been obtained unless a petition to deny the FCC Application is filed prior to the grant of the FCC Consent in which event the Closing shall occur within three (3) business days of the date on which the FCC Consent becomes a Final Order. For purposes of this Agreement, the term “Final Order” shall mean action shall have been taken by the FCC (including action duly taken by the FCC’s staff, pursuant to delegated authority) which shall not have been reversed, stayed, enjoined, set aside, annulled or suspended, with respect to which no timely request for stay, petition for rehearing, appeal or certiorari or *sua sponte* action of the FCC with comparable effect shall be pending, and as to which the time for filing any such request, petition, appeal, certiorari or for the taking of

any such *sua sponte* action by the FCC shall have expired or otherwise terminated.

8. FCC Consent. The Closing is subject to and conditioned upon prior FCC consent (the “FCC Consent”) to the assignment of the FCC Licenses to Buyer.

9. FCC Application. Within five days of the date of this Agreement, Seller and Buyer shall file an application with the FCC (the “FCC Application”) requesting the FCC Consent. Buyer and Seller shall diligently prosecute the FCC Application and otherwise use their best efforts to obtain the FCC Consent as soon as practicable.

10. Buyer’s Representations and Warranties. Buyer makes the following representations and warranties to Seller:

(a) Buyer is a limited liability company, duly organized, validly existing and in good standing under the laws of the State of Texas. Buyer has the requisite power and authority to execute and deliver this Agreement and to comply with the terms, conditions and provisions hereof.

(b) The execution, delivery and performance of this Agreement by Buyer have been duly authorized and approved by all necessary corporate action of Buyer. This Agreement is a legal, valid and binding agreement of Buyer enforceable in accordance with its terms, except (i) as may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors’ rights generally, and (ii) as such enforceability is subject to general principles of equity.

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

(d) Buyer is legally, financially and otherwise qualified to be the licensee of, acquire, own and operate the Station under the Communications Act of 1934, as amended, and the rules, regulations, and policies of the FCC, and the FCC Application will not contain any request for waiver or require any station divestiture.

(e) There are no suits, arbitrations, administrative charges or other legal proceedings, claims or governmental investigations pending against, or, to Buyer’s knowledge, threatened against, Buyer relating to or affecting this Agreement or the transactions contemplated hereby.

11. Seller’s Representations and Warranties. Seller makes the following representations and warranties to Buyer:

(a) Seller is a corporation, duly organized, validly existing and is in good standing under the laws of the State of Texas and has authority to do business in the State of Texas. Seller has the requisite power and authority to execute and deliver this Agreement and to comply with the terms, conditions and provisions hereof.

(b) The execution, delivery and performance of this Agreement by Seller have been duly authorized and approved by all necessary corporate action of Seller. This Agreement is a legal, valid and binding agreement of Seller enforceable in accordance with its terms, except (i) as may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally, and (ii) as such enforceability is subject to general principles of equity.

(c) The Licenses are held by Seller, and have been issued for the full terms customarily issued to radio stations in the State of Texas. The Licenses are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired. There are no applications, complaints, investigations or proceedings pending or, to the knowledge of Seller, threatened before the FCC relating to the operation of the Station other than those affecting the broadcasting industry generally. Seller is not subject to any outstanding judgment or order of the FCC relating to the Station other than those affecting the broadcasting industry generally. Seller has operated and is operating the Station in material compliance with all laws, regulations and governmental orders applicable to the operation of the Station other than such non-compliance that would not have a material adverse effect on Buyer, the Station, the Assets or the transactions contemplated by this Agreement.

(d) The Assumed Contracts are in full force and effect.

(e) All documentation provided by Seller to Buyer regarding billing, collection and expenses of operating the Station are true and correct, to the best of Seller's knowledge.

(f) On the Closing Date, Seller will have good and valid title to all Tangible Personal Property and Real Property, free and clear of all liens and encumbrances, except for liens for taxes not yet due and payable and for which Buyer receives a credit pursuant to Section 6 hereof ("Permitted Liens"), and except for the security interests, if any, which will be released on or before Closing. To Seller's knowledge, the Real Property is not subject to any suit for condemnation or other taking by any public authority.

(g) To Seller's knowledge, there is no condition on the Real Property which violates any county, state or federal environmental law or regulation. Seller will allow Buyer, at Buyer's own expense, to conduct any and all investigations, examinations and studies for the Real Property as Buyer deems necessary including, but not limited to, a survey and an environmental study of the Real Property before Closing. To Seller's knowledge, no permits, license or certificates pertaining to leasing or operation of the Real Property, other than those that are transferable with the Real Property, are required by any federal, state or local government, agency, board or other governmental authority having jurisdiction over the Real Property. To Seller's knowledge, the Stations transmitter has not released any "PCBs" onto the Real Property and Seller has not received any notice of any appropriation, condemnation or like proceeding, or of any violation of any applicable zoning law, regulation or other law, order, regulation or requirement affecting the Real Property or the improvements thereon. "Environmental Laws" are those environmental, health or safety laws and regulations applicable to Seller's activities at the Real Property in effect on the date of this Agreement. Seller will complete standard Texas Association

of Realtors Seller Disclosure Forms for each parcel of Real Property.

(h) To Seller's knowledge, the tower (the "Tower") located on the parcel of Real Property at which the Station's tower is located (the "Tower Site Parcel") is: (i) obstruction marked; (ii) lighted; and (iii) properly registered with the FCC in the Seller's name, to the extent required by, and in accordance with, the rules and regulations of the FAA and the FCC. The Tower and all of the guy anchors, guy wires, cables, driveways, parking lots, ground systems, transmitting equipment, buildings and other improvements relating to the Station's operations are located entirely on and wholly within the boundaries of the Tower Site Parcel.

(i) Seller is responsible for all liabilities and other obligations to all employees of the Station up to and as of the Closing Date. It is understood and agreed by the parties that Buyer may (but is under no obligation to) hire any employee currently employed by Seller but any such hire will be a new employment relationship and Buyer assumes no liabilities or obligations whatsoever for the Station's current employees.

(j) No insolvency proceedings of any character, including without limitation, bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, affecting Seller or any of the Assets, are pending or, to Seller's knowledge, threatened, and Seller has not made any assignment for the benefit of creditors or taken any action which would constitute the basis for the institution of such insolvency proceedings.

(k) Seller has duly, timely, and in the required manner filed all federal, state, and local income, franchise, sales, use, property, excise, payroll, and other tax returns and forms required to be filed, and has paid in full or discharged all taxes, assessments, excises, interest, penalties, deficiencies, and losses required to be paid. To Seller's knowledge, no event has occurred which could impose upon Buyer any of Seller's liability for taxes, penalties, or interest due or to become due from operation of the Station as of the Closing Date.

(l) Except for Clifton Gardiner LLC, the broker fee for which Seller shall be solely responsible (the "Brokerage Fee") and which shall be deducted from the Full Payment Deposit and paid directly to Clifton Gardiner LLC on the Closing Date, no broker, finder or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Seller.

(m) There are no suits, arbitration, administrative charges or other legal proceedings, claims or governmental investigations pending, or, to Seller's knowledge, threatened against Seller relating to or affecting this Agreement or the transactions contemplated hereby.

12. AS-IS PURCHASE. EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, BUYER IS PURCHASING THE ASSETS ON AN "AS IS," "WHERE IS," AND "WITH ALL FAULTS" BASIS. BUYER IS RELYING UPON BUYER'S OWN INDEPENDENT

INVESTIGATION OF THE ASSETS IN ENTERING INTO THIS AGREEMENT AND PURCHASING THE ASSETS. BUYER ACKNOWLEDGES AND AGREES THAT EXCEPT AS SPECIFICALLY SET FORTH IN THIS AGREEMENT, SELLER, ITS PARTNERS, OWNERS, OFFICERS, AGENTS, EMPLOYEES, AND REPRESENTATIVES HAVE MADE NO REPRESENTATIONS, WARRANTIES OR AGREEMENT AS TO THE PHYSICAL CONDITION OF THE PROPERTY.

13. Buyer's General Covenants.

(a) Buyer covenants and agrees that between the date hereof and the Closing:

(i) Buyer shall maintain its qualifications to be the licensee of the Station as set forth in Section 10 above;

(ii) Buyer shall notify the Seller promptly of any event, circumstance or occurrence which will interfere with the prompt consummation of this transaction at Closing.

14. Seller's General Covenants. Seller covenants and agrees that between the date hereof and the Closing, Seller shall:

(a) operate the Station in the ordinary course of business consistent with past practice;

(b) use commercially reasonable efforts to preserve substantially intact the relationships of the Seller with the Station's respective customers, suppliers, licensors, and others with whom the Seller deals;

(c) not directly or indirectly, including by dissolution, liquidation, merger or otherwise, sell, lease or dispose of any of the Assets unless those assets are replaced with assets of equal or greater value;

(d) maintain the Tangible Personal Property in its current condition (reasonable wear and tear in ordinary usage excepted); and

(e) obtain and deliver to Buyer or his designees for each parcel of Real Property: (a) title insurance, and (b) a survey; and copies of any information or existing environmental reports pertaining to the Real Property in Seller's possession; except that Seller may advise Buyer within three (3) days after the execution of this Agreement that Seller prefers Buyer to arrange the title insurance and the cost of such title insurance will be deducted from the Total Price Deposit, as adjusted, due Seller at closing.

15. Joint Covenants and Acknowledgements.

(a) Seller and Buyer hereby covenant and agree that between the date hereof and the Closing they shall cooperate fully with each other in taking any commercially reasonable actions (including to obtain the required consent of any governmental instrumentality or any third party) necessary to accomplish the transactions contemplated by this Agreement, including, but not

limited to, the prompt satisfaction of any condition to the Closing set forth herein.

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

16. Seller's Conditions to Closing. The obligations of Seller hereunder are, at its option, subject to satisfaction at or prior to the Closing of each of the following conditions:

(a) The representations and warranties of Buyer made in this Agreement shall be true and correct in all material respects as of the Closing Date except for changes permitted or contemplated by the terms of this Agreement, and the covenants and agreements to be complied with and performed by Buyer at or prior to the Closing shall have been complied with or performed in all material respects.

(b) The FCC Consent (not subject to waiver) shall have been obtained and shall be in full force and effect, and no court, administrative or governmental order prohibiting the Closing shall be in effect.

(c) Buyer shall have made each of the deliveries contemplated by Section 18 hereof or otherwise reasonably required by this Agreement.

17. Buyer's Conditions to Closing. The obligations of Buyer hereunder are, at its option, subject to satisfaction at or prior to the Closing of each of the following conditions:

(a) The representations and warranties of Seller made in this Agreement shall be true and correct in all material respects as of the Closing Date except for changes permitted or contemplated by the terms of this Agreement, and the covenants and agreements to be complied with and performed by Seller at or prior to the Closing shall have been complied with or performed in all material respects.

(b) The FCC Consent (not subject to waiver) shall have been obtained and shall be in full force and effect, and no court, administrative or governmental order prohibiting the Closing shall be in effect.

(c) All security interests pertaining to the Assets shall be released of record and there shall be no liens in respect of such assets, except Permitted Liens.

(d) Seller shall have made each of the deliveries contemplated by Section 18 hereof or otherwise reasonably required by this Agreement.

18. Closing Deliveries.

(a) At the Closing, Seller shall deliver to Buyer, duly executed by Seller or such other signatory as may be required by the nature of the document:

(i) a bill of sale sufficient to sell, convey, transfer and assign the Tangible Personal Property and any other assets included in the Station Assets (other than the FCC Licenses and Assumed Contracts) to Buyer free and clear of any Liens (the “Bill of Sale”);

(ii) an Assignment and Assumption sufficient to sell, convey, transfer and assign the Assumed Contracts to Buyer free and clear of any Liens (the “Assignment and Assumption”);

(iii) a full and complete list of all Assume Contracts, including an accounting of what consideration has been received by the Station under each contract and the amount of ad time remaining to be aired on the Station under each such contract.

(iv) an Assignment sufficient to assign the FCC Licenses (including the Station’s call letters) to Buyer (the “FCC Licenses Assignment”); and

(v) general warranty deeds, in form and substance acceptable to Buyer or his designees and the title company, conveying each parcel of the Real Property from Seller to Buyer and any other documents required by a title company for conveyance of the Real Property; and

(vi) a joint letter instructing the Escrow Agent to release the (i) Brokerage Fee to Clifton Gardiner LLC and (ii) the remainder of the Full Payment Deposit, adjusted as provided in Section 6 (the “Joint Deposit Release”) to Seller.

(b) 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:

(i) release of the Purchase Price in accordance with Section 18(a)(v), including all adjustments thereto as provided in Section 6; and

(ii) the Assignment and Assumption;

(iii) any documents required by a title company for conveyance of the Real Property; and

(iv) the Joint Deposit Release.

Except for the title insurance, the cost of which shall be Seller’s, the parties agree to use the services of Bay City Abstract to facilitate the transfer of the Real Property. Each party shall be responsible for their customarily allocated shares of such costs related to the transfer of the Real Property.



19. Survival. The covenants, agreements, representations and warranties in this Agreement shall survive for one (1) year, provided, however, that those Claims made under Section 20 below that relate to Buyer's Damages or Seller's Damages (as those terms are defined below) for which timely written notice is given by the indemnified party to the indemnifying party prior to expiration of this survival period, shall survive until resolved.

20. Indemnification.

(a) From and after the Closing, Seller shall defend, indemnify and hold harmless Buyer from and against losses, costs, damages, liabilities and expenses, including reasonable attorneys' fees and expenses ("Buyer's Damages") incurred by Buyer arising out of or resulting from: (i) any failure by Seller to perform any covenant or agreement contained in this Agreement, or any other breach or default by Seller under this Agreement; and (ii) the operation of the Station before the Closing.

(b) From and after the Closing, Buyer shall defend, indemnify and hold harmless Seller from and against losses, costs, damages, liabilities and expenses, including reasonable attorneys' fees and expenses ("Seller's Damages") incurred by Seller arising out of or resulting from: (i) any failure by Buyer to perform any covenant or agreement contained in this Agreement, or any other breach or default by Buyer under this Agreement; and (ii) the operation of the Station after the Closing.

(c) The indemnified party shall give prompt written notice to the indemnifying party of any demand, suit, claim or assertion of liability by third parties or other circumstances that could give rise to an indemnification obligation hereunder on the part of the indemnifying party (a "Claim"), but a failure to give such notice or a delay in giving such notice shall not affect the indemnified party's right to indemnification and the indemnifying party's obligation to indemnify as set forth in this Agreement, except to the extent the indemnifying party's ability to remedy, contest, defend or settle with respect to such Claim is thereby prejudiced.

(d) The aggregate liability of either party pursuant to this Section 20 for indemnification arising from a breach of representation, warranty, covenant or the operation of the Station after Closing shall not exceed an amount equal to the Purchase Price (as adjusted pursuant to the terms of this Agreement).

21. Termination. This Agreement may be terminated at any time prior to the Closing as follows:

(a) by mutual written consent of Seller and Buyer;

(b) by written notice of Seller to Buyer if Buyer breaches in any material respect any of its representations or warranties or other terms of this Agreement, or defaults in any material respect in the performance of any of its covenants or agreements herein contained, and such breach or default is not cured within the Cure Period (as defined below);

(c) by written notice of Buyer to Seller if Seller breaches in any material respect any of its representations or warranties or other terms of this Agreement, or defaults in any

material respect in the performance of any of its covenants or agreements herein contained, and such breach or default is not cured within the Cure Period;

(d) by written notice of Buyer to Seller if the Closing shall not have been consummated on or before the date which is twelve (12) months after the execution of this Agreement, provided that Buyer is not then in default hereunder; or

(e) by written notice of Buyer to Seller, if due to a weather-related cause, force majeure, or other cause beyond the control of Seller, a material portion of the Assets are damaged or destroyed and Seller elects not to repair or replace such damaged or destroyed Assets prior to Closing Date.

The term “Cure Period” as used herein means a period commencing on the date that a party receives from the other party written notice of breach or default hereunder and continuing for thirty (30) days thereafter.

22. Damages upon Termination. The termination of this Agreement shall not relieve any party of any liability for breach or default under this Agreement prior to the date of termination. Upon termination under Section 21(a), (c), (d), or (e), this Agreement shall be deemed null and void and the Full Payment Deposit shall be returned to Buyer and neither party will have any further liability or obligation to the other. Upon termination under Section 21(b), due to material breach or default of the Buyer, this Agreement shall be deemed null and void and Seller shall be entitled to receive a distribution from the Full Payment Deposit in the amount of \$10,000 as liquidated damages and as its exclusive remedy. If this Agreement is terminated pursuant to Section 21(c) due to the default of Seller, Buyer may, as an alternative to return of the Full Payment Deposit, bring an action for specific performance, Seller hereby acknowledging that the Assets are of a special, unique and extraordinary character, and that monetary damages would not be sufficient to compensate Buyer under such circumstances.

23. Expenses. Each party shall be solely responsible for all costs and expenses incurred by it in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement, except that filing fees with respect to the FCC Application shall be paid equally by Seller and Buyer.

24. Assignment. Buyer may assign all or part of its rights and obligations hereunder to one or more designees provided that (i) it will not delay the processing of the FCC Application, and (ii) the designee expressly agrees to assume Buyer’s obligations as to such assets hereunder. Except as provided in the previous sentence, neither party may assign any of its rights or obligations under this Agreement, without the express prior written consent of the non-assigning party.

25. Amendments. No amendment to, or waiver of compliance with, any provision or condition hereof or consent pursuant to this Agreement shall be effective unless evidenced by an instrument in writing signed by the party against whom enforcement of any waiver or amendment is sought.

26. Headings. The headings set forth in this Agreement are for convenience only and will not control or affect the meaning or construction of the provisions of this Agreement.

27. Governing Law. The construction and performance of this Agreement shall be governed by the laws of the State of Texas applicable to contracts made and to be fully performed within such State, without giving effect to the choice of law provisions thereof that may require the application of the laws of any other state.

28. Notices. Any notice, demand or request required or permitted to be given under the provisions of this Agreement shall be in writing, and shall be deemed to have been received on the date of personal delivery, on the third day after deposit in the U.S. mail if mailed by registered or certified mail, postage prepaid and return receipt requested, on the day after delivery to a nationally recognized overnight courier service if sent by an overnight delivery service for next morning delivery (or to such other address as any party may request by written notice):

If to Buyer: Bay and Beyond Broadcasting LLC  
107 E Monseratte St.  
El Campo, TX 77437  
Attention: David M. Rowell, Managing Member  
Tel: (979) 429-3616  
Email: [drowell@gmail.com](mailto:drowell@gmail.com)

with a required copy to: Fletcher, Heald & Hildreth, P.L.C.  
1300 North 17th Street, 11th Floor  
Arlington, VA 22209  
Attention: Kathleen Victory, Esq.  
Tel: 703-812-0473  
Email: [victory@fhhlaw.com](mailto:victory@fhhlaw.com)

If to Seller: Sandlin Broadcasting Co., Inc.  
2309 5<sup>th</sup> Street  
Bay City, Texas 77414  
Attention: J. Larry Sandlin, President  
Tel: (979) 244-4242  
Email: [larry@kmks.com](mailto:larry@kmks.com)

with a required copy to: Wilkinson, Baker, Knauer LLP  
100 M Street  
Suite 800N  
Washington DC 20036  
Attention: Mary O'Connor  
Tel: 202-383-3351  
Email: [moconnor@wbklaw.com](mailto:moconnor@wbklaw.com)

29. Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed an original and all of which together will constitute one and the same instrument.

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

31. Severability. The parties agree that if one or more provisions contained in this Agreement shall be deemed or held to be invalid, illegal or unenforceable in any respect under any applicable law, this Agreement shall be construed with the invalid, illegal or unenforceable provision deleted, and the validity, legality and enforceability of the remaining provisions contained herein shall not be affected or impaired thereby, unless such construction would alter the fundamental purposes of this Agreement.

32. Entire Agreement. This Agreement embodies the entire agreement and understanding of the parties hereto and supersedes any and all prior agreements, arrangements and understandings relating to the matters provided for herein.

33. Attorneys' Fees. In the event of a dispute relating to this Agreement involving the interpretation or enforcement of the terms of this Agreement, resulting in litigation brought by either party, the prevailing party in such litigation shall be entitled, in addition to other relief ordered by the Court, to reasonable attorneys' fees and costs.

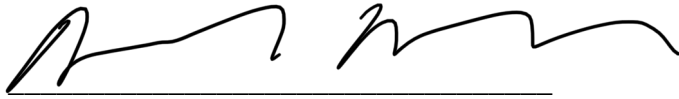
34. Further Assurances. After the Closing, each party shall from time to time, at the request of and without further cost or expense to the other, execute and deliver such other instruments and take such other actions as may reasonably be requested in order to more effectively consummate the transactions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

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

***Buyer:***

**BAY AND BEYOND BROADCASTING LLC**

By: 

Name: David M. Rowell

Title: Managing Member

***Seller:***

**SANDLIN BROADCASTING CO., INC.**

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

Name: J. Larry Sandlin

Title: President

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

***Buyer:***

**BAY AND BEYOND BROADCASTING LLC**

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

Name: David M. Rowell

Title: Managing Member

***Seller:***

**SANDLIN BROADCASTING CO., INC.**

By: Joseph L Sandlin

Name: J. Larry Sandlin

Title: President

## **Table of Schedules**

- |      |                                    |
|------|------------------------------------|
| 1(a) | List of FCC Licenses               |
| 1(b) | List of Tangible Personal Property |
| 1(c) | Real Property                      |
| 1(d) | Intangible Property                |

**Schedule 1(a)**

**List of FCC Licenses**

FM Station KMKS(FM), Bay City, Texas  
Facility ID Number: 48520

Type of Authorization	Call Sign	FCC File Number	Grant Date	Expiration Date
FM Broadcast Station License	KMKS(FM)	<a href="#">BLH-20070720ABH</a>	7/20/2007	08/01/2029

Broadcast Auxiliary Stations Associated with  
FM Station KMKS(FM), Bay City, Texas  
Facility ID Number: 58979

Type of Authorization	Call Sign
Remote Pickup	<a href="#">KB55898</a>
STL	<a href="#">WHY777</a>

Antenna Structure Registrations Associated with  
FM Station KMKS(FM), Bay City, TX  
Facility ID Number: 58979

Registration Number	Coordinates
1053750	28° 47' 49.9" N+ 096° 09' 20.9" W-



## **Schedule 1(b)**

### **Transmitter Site.**

AMMOUNT	ITEM	MODEL	NOTES
<b><u>Transmitter Site.</u></b>			
1	<b>512' Tower</b>		
1	520 +/- Feet 3" Coax/2 Connectors		
1	FM Antenna 8-Bay	Jampro JHPC-10	
1	Microwave Antenna	Mark Dish STL	
1	<b>Transmitter Metal Building</b>		
1	FM Transmitter	Continental 816R2B	
1	FM Exciter	Crown FM 30	
1	Mosley SCA Rec Model PCL 505		
1	SCA Generator MSG		
1	8' Equipment Rack		
1	Dehydrator		
1	BE 1000 Watt Emergency	STX-LP	
1	Rack Surge Protector		
1	Tower Light Control Unit		
1	5G cell Repeater unit	Verizon WHPLVP2	
1	Relay Panel Sine Systems RP-8		
	Nitrogen Tank and Gages		
1	5' Work bench		
1	Various parts		
1	Small Table		
1	Cooling system	Ducted Attic fan	
1	<b>Metal Building</b>	AUX Diesel Gen	
1	Generator & Cut-over system	Generac GTS Generator	
1	<b>Concrete Block House</b>	Unused Cell Bldg	
<b><u>Yard and Engineering</u></b>			
1	50 Ft Tower	Rohn Guided	
1	STL Transmitting Dish Antenna		
1	Marti Receiving antenna		
1	Work Bench		
1	Desk		

2 Chairs

**Studio**

	Studio Board	Arrakis 10 channel	
2	Microphones	EV RE20 w Pop	
1	Headset Amp	Optimums STA 300	
1	CD player	Numark MP103	
1	EAS Unit	Sage Digital	
1	EAS Monitor	Sage Digital	
1	Audio Source EQ		
1	TV Monitor		
2	Monitor Speakers (Studio)		
37	CD Racks (Studio)		
2	DBX Mic Pre Amp/Processor		1- defective 1- good
1	Wall Clock	LaCross Atomic	
1	WiFi Phone	Omma	
1	Light panel on air ets		
All	CD's and other programming and production material		

**Equipment Room**

1	DAI 2 Dial Up Interface	
2	Australian Air Monitors	
1	Marti BR 10 Receiver RPU	
1	RDS Inovoinic Model 713	
1	Wheatstone FM 55 Audio Processor	
1	Optimod FM8100A (Backup)	
	Marti STL 20 Transmitter	Replaced by (Crown Broast `FM30T 30 watt Transmitter
1	Equipment Rack 5 Ft.	

**General Manager's Office**

1	Executive Desk	
1	Printer Stand	
1	Computer desk	
1	Credenza's	
1	Computers	Combination of XP and 10
1	Computer Monitors	

## EXECUTION VERSION

2	Printers	Epson ET3750	
4	File Cabinets (Letter Size)		
2	Chairs	various	
1	WiFi phone	Omma	
	<b>Open Area</b>		
2	Desk W Hutch		
2	Computers		
2	Monitors		
2	Printers		
1	Panasonic Fax machine		not currently in use
1	Printer Paper	bulk cases	
	<b>Kitchen</b>		
1	Microwave Oven		
1	Full height Fridge	Kitchenaide??	
1	Dishwasher	Built in	
1	Range top & Oven	built in	
	<b>Receptionist Area</b>		
1	Desk		
3	Office Chairs	various	
1	book self		
	<b>Sales Manager's Office</b>		
1	Executive Desk		
	Printer Stand		
1	Computer desk		
	Credenza's		
2	Computers		Combination of XP and 10
2	Computer Monitors		
1	Printers		
	File Cabinets (Letter Size)		
3	Chairs	various	
1	WiFi phone	Omma	

**Schedule 1(c)**

**Real Property**

The following described land, situated in Matagorda County, Texas:

1. STUDIO BUILDING AND LAND AT 2309 5<sup>TH</sup> Street, Bay City, Texas 77414  
(DEED ATTACHED)
  
2. KMKS TOWER SITE LAND, BUILDING (and tower), 8176 FM2853, Palacios, TX  
(DEED ATTACHED)

Ad 9.00  
5.00  
7.00

522 / 906

988354

WARRANTY DEED WITH VENDOR'S LIEN  
(Vendor's Lien Reserved and Assigned to Third Party Lender)

THE STATE OF TEXAS       ()  
                              ()       KNOW ALL MEN BY THESE PRESENTS:  
COUNTY OF MATAGORDA     ()

THAT THE UNDERSIGNED, JAMES FREDERICK HUITT, Individually and as Independent Executor of the Estate of Hilma Slone Huitt, WILLIAM MCKINLEY HUITT, ERNEST LARRY HUITT, MELISSA H. PETERSON and DONNA C. HUITT, hereinafter called "Grantor", whether one or more, for and in consideration of the sum of TEN DOLLARS (\$10.00) and other valuable consideration to the undersigned in hand paid by the Grantee herein named, the receipt of which is hereby acknowledged, and the further consideration of the execution and delivery by the Grantee of that one certain promissory note of even date herewith in the principal sum of THIRTY NINE THOUSAND DOLLARS (\$39,000.00), payable to the order of First Prosperity Bank, as therein specified, providing for acceleration of maturity and for attorney's fees, the payment of which note is secured by the vendor's lien herein retained, and is additionally secured by a deed of trust of even date herewith to DAVID ZALMAN, TRUSTEE, has GRANTED, SOLD AND CONVEYED, and by these presents does GRANT, SELL AND CONVEY unto JOSEPH L. SANDLIN and wife, MARGARET K. SANDLIN, herein referred to as the "Grantee", whether one or more, the real property described as follows:

Surface estate of all of Lot 3 and the East 10 feet of Lot 2, Block 174 of the Original Townsite of Bay City, in Matagorda County, Texas, according to the Map of said townsite recorded in Volume 5, pages 36-39 of the Deed Records of Matagorda County, Texas

This conveyance, however, is made and accepted subject to:

1. Any and all restrictions, encumbrances, easements, covenants and conditions, if any, relating to the hereinabove described property as the same are filed for record in the County Clerk's Office of Matagorda County, Texas.
2. Any other visible or apparent easements on or across the captioned property which a current survey would show.

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging, unto the said Grantee, Grantee's heirs, executors, administrators, successors and/or assigns forever; and Grantor does hereby bind Grantor, Grantor's heirs, executors, administrators, successors and/or assigns to WARRANT AND FOREVER



03500095215001  
Year: 1998 No: 988354 Type: DAV


522 / 907

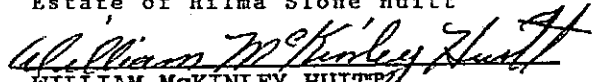
Grantee's heirs, executors, administrators, successors and/or assigns, against every person whomsoever claiming or to claim the same or any part thereof.

But it is expressly agreed that the Vendor's Lien, as well as Superior Title in and to the above described premises, is retained against the above described property, premises and improvements until the above described note and all interest thereon are fully paid according to the face, tenor, effect and reading thereof, when this Deed shall become absolute. First Prosperity Bank, at the instance and request of the Grantee herein, having advanced and paid in cash to the Grantor herein that portion of the purchase price of the herein described property as is evidenced by the hereinabove described Note, the Vendor's Lien, together with the Superior Title to said property, is retained herein for the benefit of said Lender and the same are hereby TRANSFERRED AND ASSIGNED to said Lender, its successors and assigns without recourse.

Current ad valorem taxes on the property having been prorated, the payment thereof is assumed by Grantee.

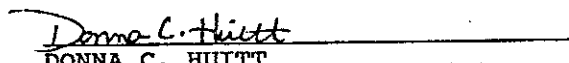
EXECUTED this 4th day of December, 1998.

  
JAMES FREDERICK HUITT, Individually  
and as Independent Executor of the  
Estate of Hilma Slone Huitt

  
WILLIAM MCKINLEY HUITT

  
ERNEST LARRY HUITT

  
MELISSA H. PETERSON

  
DONNA C. HUITT

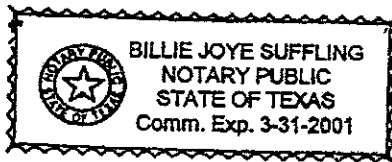
Return To  
GRANTEES' ADDRESS:

P.O. Box 2056  
Bay City, TX 77404-2056

522 / 908

THE STATE OF TEXAS      ()  
                                  ()  
COUNTY OF MATAGORDA    ()

The foregoing instrument was acknowledged before me on this  
the 8th day of December, 1998, by JAMES FREDERICK HUITT.



Billie Joye Suffling  
NOTARY PUBLIC, STATE OF TEXAS  
PRINTED NAME OF NOTARY  
Billie Joye Suffling  
MY COMMISSION EXPIRES: 3-31-2001

THE STATE OF TEXAS      ()  
                                  ()  
COUNTY OF Dallas      ()

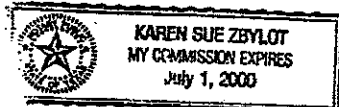
The foregoing instrument was acknowledged before me on this  
the 4th day of December, 1998, by WILLIAM MCKINLEY HUITT.



Karen Sue Zbylot  
NOTARY PUBLIC, STATE OF TEXAS  
PRINTED NAME OF NOTARY  
MY COMMISSION EXPIRES: \_\_\_\_\_

THE STATE OF TEXAS      ()  
                                  ()  
COUNTY OF Dallas      ()

The foregoing instrument was acknowledged before me on this  
the 4th day of December, 1998, by ERNEST LARRY HUITT.



Karen Sue Zbylot  
NOTARY PUBLIC, STATE OF TEXAS  
PRINTED NAME OF NOTARY  
MY COMMISSION EXPIRES: \_\_\_\_\_

522 / 909

THE STATE OF TEXAS ( )  
COUNTY OF Brazoria ( )

The foregoing instrument was acknowledged before me on this  
the 7<sup>th</sup> day of December, 1998, by MELISSA H. PETERSON.



Kathy Keener  
NOTARY PUBLIC, STATE OF TEXAS  
PRINTED NAME OF NOTARY  
MY COMMISSION EXPIRES: \_\_\_\_\_

THE STATE OF TEXAS ( )  
COUNTY OF Brazoria ( )

The foregoing instrument was acknowledged before me on this  
the 7<sup>th</sup> day of December, 1998, by DONNA C. HUITT.



Kathy Keener  
NOTARY PUBLIC, STATE OF TEXAS  
PRINTED NAME OF NOTARY  
MY COMMISSION EXPIRES: \_\_\_\_\_

FILED

'98 DEC 11 AM 11:47

DeVonne Janett  
COUNTY CLERK  
MATAGORDA COUNTY, TEXAS

STATE OF TEXAS COUNTY OF MATAGORDA  
I hereby certify that this instrument was FILED in File Number  
Sequence on the date and at the time stamped hereon by me,  
and was duly RECORDED in the OFFICIAL RECORDS of  
Matagorda County, Texas on

DEC 11 1998



DeVonne Janett  
COUNTY CLERK, Matagorda County, Texas



pd. 7.10  
2613

WARRANTY DEED WITH VENDOR'S LIEN

OFFICIAL RECORDS

VOL 254 PAGE 918

THE STATE OF TEXAS

I

COUNTY OF MATAGORDA

I

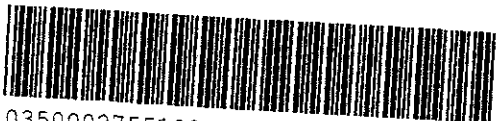
KNOW ALL MEN BY THESE PRESENTS:

THAT WE, NERDA FAY STUBBLEFIELD ROSS, joined herein by her husband, Hardy Ross, of the County of Washington, State of Texas; and BARBARA GEORGENE STUBBLEFIELD BRANDON, joined herein by her husband, Thomas Brandon, of the County of Harris, State of Texas, for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) and other valuable consideration to the undersigned paid by the Grantees herein named, the receipt of which is hereby acknowledged, and the further consideration of the execution and delivery of one certain promissory note of even date herewith in the principal sum of FOURTEEN THOUSAND EIGHT HUNDRED AND NO/100 DOLLARS (\$14,800.00), bearing interest at the rate therein provided, executed by JOSEPH L. SANDLIN and wife, MARGARET K. SANDLIN, and payable to the order of FIRST NATIONAL BANK OF BAY CITY as therein provided, the payment of which note is secured by the vendor's lien herein retained, and is additionally secured by a Deed of Trust of even date herewith to Jack I. Conner, Trustee, have GRANTED, SOLD AND CONVEYED, and by these presents do GRANT, SELL AND CONVEY unto JOSEPH L. SANDLIN and wife, MARGARET K. SANDLIN, whose address is P.O. Box 2056, Bay City, Matagorda County, Texas 77414, all of the following described real property in Matagorda County, Texas, to-wit:

(That certain real estate described in Exhibit "A" attached hereto and made a part hereof.)

This conveyance is made by Grantors and accepted by Grantees, subject to the following:

- (1) There is expressly reserved herefrom and not conveyed hereby all of the oil, gas and other minerals in, on, under and that may be produced from the herein conveyed real estate;
- (2) Easement from Nerva Stubblefield to the State of Texas, recorded in Volume 429, at page 350, Deed Records of Matagorda County, Texas;
- (3) Easement from Nerva Stubblefield to the State of Texas, recorded in Volume 437, at page 10, Deed Records of Matagorda County, Texas.



03500027551001

Year: 90 No: 002613 Type: DEED

OFFICIAL RECORDS

VOL 254 PAGE 919

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging unto the said Grantee, their heirs and assigns forever, and Grantors do hereby bind themselves, their heirs, executors and administrators, to WARRANT AND FOREVER DEFEND all and singular the said premises unto the said Grantees, their heirs and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

But it is expressly agreed that the VENDOR'S LIEN, as well as the superior title in and to the above described premises, is retained against the above described property, premises and improvements until the above described note and all interest thereon are fully paid according to the face, tenor, effect and reading thereof, when this Deed shall become absolute.

EXECUTED this 16 day of April, 1990.

Needa Fay Stubblefield Ross  
NEEDA FAY STUBBLEFIELD ROSS

Hardy Ross  
HARDY ROSS

Barbara Georgene Stubblefield Brandon  
BARBARA GEORGENE STUBBLEFIELD BRANDON

Thomas Brandon  
THOMAS BRANDON

THE STATE OF TEXAS I  
COUNTY OF WASHINGTON I

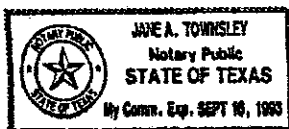
This instrument was acknowledged before me on the 20 day of April, 1990, by NEEDA FAY STUBBLEFIELD ROSS and HARDY ROSS.

Charlotte Roemer  
Notary Public in and for  
the State of Texas  
Notary's Printed Name: CHARLOTTE ROEMER  
Commission expires: 2-28-93

THE STATE OF TEXAS I  
COUNTY OF Harris I

This instrument was acknowledged before me on the 16 day of April, 1990, by BARBARA GEORGENE STUBBLEFIELD BRANDON and THOMAS BRANDON.

Jane A. Townsley  
Notary Public in and for  
the State of Texas  
Notary's Printed Name: JANE A. TOWNSLEY  
Commission expires: 9-16-93



OFFICIAL RECORDS

VOL 254 PAGE 920

OF 9.558 acres of land out of the J. George Survey, Abstract No. 163, in Matagorda County, Texas, and is the east one-half of Lot No. 31, Block No. Two of the Moore Pasture Subdivision, Plat of which is recorded in Volume 23 at Page 15, Deed Records of Matagorda County, Texas, and which 9.558 acres of land is more particularly described as follows:

BEGINNING at a point set within the State Highway No. FM 2853 right of way for the northeast corner of this tract and the northeast corner of the above mentioned Lot No. 31 and which point of beginning is set North 89 degrees 48 minutes East for a distance of 35.50 feet from a one-half inch steel rod found at the intersection of the recognized north line of the above mentioned Lot No. 31 with the west right of way line of State Highway No. FM 2853;

THENCE South 9 degrees 13 minutes West for a distance of 681.0 feet to a point set for the southeast corner of the said Lot No. 31 and this tract;

THENCE South 89 degrees 25 minutes 11 seconds West coincident with the south line of the said Lot No. 31 at 35.54 feet pass a one-half inch steel rod set in the west right of way line of the said State Highway No. FM 2853 and continue coincident with the south line of the said Lot No. 31 for a total distance of 618.57 feet to a one-half inch steel rod set for the southwest corner of this tract same being the southeast corner of the west one-half of the said Lot No. 31;

THENCE North 9 degrees 13 minutes East for a distance of 685.16 feet to a one-half inch steel rod set in the recognized north line of the said Lot No. 31 for the northwest corner of this tract and the northeast corner of the said west one-half of the above mentioned Lot No. 31;

THENCE North 89 degrees 48 minutes East coincident with the recognized north line of the said Lot No. 31 at 582.37 feet pass a one-half inch steel rod found at the intersection with the west right of way line of State Highway No. FM 2853 and continue for a total distance of 617.87 feet to the place of beginning containing 9.558 acres of land more or less, of which there is 0.548 acres of land within the said State Highway No. FM 2853 and being more particularly described in the following two Easements from Nerva Stubblefield to the State of Texas recorded in Volume 429 at Page 350 and Volume 437 at Page 10, Deed Records of Matagorda County, Texas, leaving a net 9.010 acres of land more or less.

FILED

'90 MAY -1 A9:14

*Laura Vaughn*  
COUNTY CLERK  
MATAGORDA COUNTY, TEXAS

STATE OF TEXAS

COUNTY OF MATAGORDA

I hereby certify that this instrument was FILED in File Number: Sequence on the date and at the time stamped hereon by me, and was duly RECORDED in the above named records of Matagorda County, Texas on



MAY 1 - 1990

*Doris Vaughn*  
COUNTY CLERK, Matagorda County, Texas

EXHIBIT "A"

**Schedule 1(d)**

**Intangible Property**

Station's call sign: KMKS.

Logos including :



Website: <http://kmks.com/>

Social media accounts

Jingles and other station identification sound tracks