

## ASSET PURCHASE AGREEMENT

***THIS ASSET PURCHASE AGREEMENT*** (this "Agreement") is made as of Jan 14, 2022, 2021, between Daisy Holdings, Inc., (the "Seller"), and Diamond Shores Broadcasting, LLC., ("Buyer") both being organized in the State of Indiana.

***WHEREAS***, Seller holds the authorizations issued by the Federal Communications Commission (the "FCC") for FM station WKLO, (FCC Facility Id 88536) licensed to Hardinsburg, Indiana (the "Station"); and

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

***WHEREAS***, Assignment of the FCC Authorizations to Buyer, by law, requires the prior consent of the FCC.

***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, and Buyer shall acquire from Seller, all of the right, title, and interest of Seller in and to certain assets, properties, interests and rights of Seller, tangible and intangible, which are used in the operation of the Station (the "Assets"), including the FCC licenses and any other FCC authorizations of any type with respect to the Station held by Seller (the "FCC Authorizations") including without limitation those set forth in Schedule 1(a); the equipment, land, tower, and other tangible personal property listed in Schedule 1(b), the call sign WKLO and any other intangible property of the Seller held for use with the Station listed in Schedule 1(b), (the "Tangible and Intangible Property"); and Seller's rights and obligations under agreements to be assumed by Buyer, (the "Assumed Obligations") listed in Schedule 1(c).

2. Excluded Assets. The Assets shall not include certain assets, (the "Excluded Assets") described as follows: (i) assets not connected in any way with the ownership or operation of the Station or the Assets, (ii) any rights and obligations of Seller not specifically assumed by Buyer; (iii) all accounts receivable arising in connection with and necessary for the operation of the Station prior to the Closing Date and (iv) any other assets not specifically set forth in Schedule 1(b).

3. Purchase Price. The purchase price to be paid for the Assets at Closing is Three Hundred thirty-seven Thousand Dollars (\$337,000.00). Pursuant to the existing Time Brokerage Agreement between the parties, Fifty Thousand Dollars (\$50,000.00) of the Purchase Price shall be credited to the Buyer. The remaining Two Hundred Eighty-Seven Thousand Dollars (\$287,000.00) of the purchase price shall be paid at Closing, as adjusted pursuant to Section 6 hereof (collectively the "Purchase Price").

(a.) Deposit. Simultaneously with the execution of this Agreement, Buyer shall deposit with Seller the sum of five thousand dollars (\$5,000.00) as an earnest money deposit (the "Deposit") to secure Buyer's performance hereunder. The Deposit shall be credited to the purchase price at closing. If Buyer is in breach of any material representation, warranty or covenant contained in this Agreement and, after an opportunity to cure, said breach Buyer is unable or unwilling to close this transaction, then Seller, as its sole remedy, shall immediately have the right to the Deposit, and all interest on it as liquidated damages.

4. Assets Sold be Free of Security Interests. The Assets shall be sold and conveyed to Buyer free and clear of all liabilities (absolute or contingent), obligations, liens (including tax, mechanics' and materialmen's liens), pledges, conditional sales agreements, charges, mortgages, security interests, encumbrances, and restrictions of any type or amount created by Seller prior to the Closing Date, whether existing now or in the future.

5. Assumed Obligations and Liabilities. On the Closing Date, Buyer shall assume the obligations of Seller under any agreement set forth in Schedule 1(c) for dates after Closing Date and arising from the business or operation of the Station after the Closing Date. Except as otherwise specifically provided in Schedule 1(c), Buyer is not assuming or liable for, and does not undertake to assume or discharge (i) any liability or obligation of Seller arising out of or relating to any contract, lease agreement, or instrument; (ii) any liability or obligation of Seller arising out of or relating to any of its employees, prior to Closing Date (iii) any liability or obligation of Seller arising prior to the Closing Date, relating to any litigation, proceeding or claim (whether or not such litigation, proceeding or claim is pending, threatened or asserted before, on or after the Closing Date); (iv) any other liabilities, obligations, debts or commitments of Seller which are not assumed or if assumed arising prior to the Closing Date whatsoever, whether accrued now or hereafter, whether fixed or contingent, whether known or unknown; or (v) any claims asserted against the Station or any of the Station Assets relating to any event (whether act or omission) prior to the Closing Date, including without limitation, the payment of all taxes and fees.

6. Prorations and Adjustments. All prepaid and deferred expenses arising from the conduct of the business and operations of the Assets shall be prorated as of 11:59 p.m. of the Closing Date. The prorations and adjustments contemplated by this Section 6 lease payments, electric power, telephone, other utilities and similar expenses, if any, incurred in operation of the Station and will be made to the extent practicable at the Closing, and to the extent not made at the Closing shall be made within thirty (30) calendar days after the Closing Date.

7. FCC Consent. The Closing is subject to and conditioned upon prior FCC consent to the assignment of the FCC Licenses to Buyer, (the "FCC Consent") and, unless waived by Buyer, the FCC Consent having become a Final Order. "Final Order" means an action by the FCC as to which: (a) no request for stay by the FCC is pending, no such stay is in effect, and any deadline for filing a request for any such stay has passed; (b) no appeal, petition



for rehearing or reconsideration, or application for review is pending before the FCC and the deadline for filing any such appeal, petition or application has passed; (c) the FCC has not initiated reconsideration or review on its own motion and the time in which such reconsideration or review is permitted has passed; and (d) no appeal to a court, or request for stay by a court, of the FCC's action is pending or in effect, and the deadline for filing any such appeal or request has passed. Provided however, that the Closing shall not occur before May 2, 2022.

8. FCC Application. Upon a date mutually agreed to between the parties, within ten (10) days of the date of this Agreement, Seller and Buyer shall file an application with the FCC (the "FCC Application") seeking the FCC Consent to the assignment of the FCC Authorizations to the Buyer.

9. Buyer's Representations and Warranties. Buyer makes the following representations and warranties to Seller:

a. Buyer is duly organized, validly existing and in good standing under the laws of the State of Indiana and has the requisite power and authority to execute and deliver and comply with this Agreement.

b. The execution, delivery and performance of this Agreement by Buyer have been duly authorized and approved by all necessary action of Buyer and Buyer's Board of Directors, and it is a legal, valid and binding agreement of Buyer enforceable in accordance with its terms.

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

a. Seller is duly organized, validly existing and in good standing under the laws of the State of Indiana and has the requisite power and authority to execute and deliver and comply with this Agreement.

b. The execution, delivery and performance of this Agreement by Seller have been duly authorized and approved by Seller and it is a legal, valid and binding agreement of Seller.

c. The FCC Authorizations are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired and to the knowledge of Seller, there are no applications, complaints, investigations or proceedings pending or, threatened before the FCC relating to the Station or Seller.

d. The Tangible Property assets are in operating condition, with reasonable wear and tear based on the age of the assets, and are being sold in their current as-is condition.

e. To the knowledge of Seller, Seller has operated the Station in material compliance with the rules and regulations of the FCC and the Communications Act of

1934, as amended to the extent applicable to the Station.

f. Seller has good and valid title to the Tangible Assets which on Closing Date will be free and clear of all liens and security interests.

g. With respect to the Assets, Seller has, to the best of its knowledge, complied in all material respects with all laws, rules and regulations of all federal, state and local governments (and all agencies thereof) concerning the environment and public health and safety that are applicable to the Assets (the "Environmental Laws"), and no charge, complaint, action, suit, proceeding, hearing, investigation, claim, demand or notice has been filed or commenced against Seller alleging any failure to comply with any such Environmental Law.

11. Buyer's General Covenants. Between the date hereof and the Closing, Buyer shall take necessary steps, as required, to obtain funds to be able to pay the Purchase Price due at Closing.

12. Seller's General Covenants. Seller covenants and agrees that between the date hereof and the Closing that Seller will: maintain the FCC Authorizations in compliance in all material respects with the FCC's rules and regulations and the Communications Act; not directly or indirectly, sell, lease or dispose of any of the Assets. Neither shall the Seller enter into any barter or trade contracts that are prepaid for time periods after Closing.

13. Joint Covenants. Seller and Buyer agree to cooperate 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 transaction conditions contemplated by this Agreement.

14. 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.

b. The FCC Consent 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 or threatened.

c. Buyer shall have made each of the deliveries contemplated or otherwise reasonably required by this Agreement, including without limitation payment of the Purchase Price.

15. 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.



b. The FCC Consent shall have been obtained, shall be in full force and effect and shall have become a Final Order, and no court or governmental order prohibiting the Closing shall be in effect or threatened.

c. Seller shall have made each of the deliveries contemplated by or otherwise reasonably required by this Agreement.

16. Documents at Closing. At the Closing, Seller shall deliver or cause to be delivered to Buyer: such bills of sale, documents of title and other instruments of conveyance, assignment and transfer as may reasonably be requested by Buyer to convey, transfer and assign the Assets to Buyer, under the terms of this Agreement. At the Closing, Buyer shall deliver or cause to be delivered to Seller such documents and instruments of assumption as may reasonably be requested by Seller under the terms of this Agreement. Buyer shall also deliver the Purchase Price, as adjusted pursuant to Section 6.

17. Termination: This Agreement shall terminate upon written notice of either party to the other, if the FCC Application is not approved by the FCC in actions which become a "Final Order" during the twelve (12) month period from the date of this Agreement. The Agreement may also be terminated by either party in the event of a material default of the other party, after written notice and failure to cure such default within thirty (30) days of such notice.

18. Entire Understanding of the Parties. This Agreement sets forth the entire understanding of the parties at the time of execution and delivery of this Agreement with respect to the subject matter of the Agreement and may not be amended except by written amendment signed by both parties. All prior agreements between the parties with respect to the subject matter hereof shall be of no further force or effect. Further, if any term or provision of this Agreement is determined to be void, unenforceable or contrary to law, the remainder of this Agreement shall continue in full force and effect provided that such continuation would not materially diminish the benefits of this Agreement for either party.

19. Specific Performance and Limitation on Damages. In the event of failure by either party to comply with the terms of this Agreement, the other party shall be entitled, in lieu of an action for damages, to seek a decree of specific performance requiring compliance with this Agreement and injunctive relief. The breaching party agrees to waive any defense as to the adequacy of the other party's remedies at law and to interpose no opposition, legal or otherwise, to the propriety of specific performance as a remedy. With respect to any action for damages at law or in equity, in lieu of specific performance, such damages shall be limited to actual out of pocket expenses, and neither party shall be entitled to recover or make a claim for any amounts in respect of consequential, incidental, indirect, punitive or similar damages.

20. Survival and Indemnification. If either party (obligee) should become obligated to pay the obligation of the other party (obligor), or if the obligee should have a Claim or cause of action asserted against it stemming from activities, actions or failures to act of obligor, the obligor shall be obligated to indemnify, defend and hold harmless the obligee from and against any and all costs, claims, liability, responsibility and causes of action brought against

the obligee, including reasonable attorneys' fees and costs incurred by the obligee in defending itself. This obligation to indemnify applies regardless of whether a lawsuit is commenced. Additionally, the covenants, agreements, representations and warranties in this Agreement shall expire twelve (12) months after the Closing Date with the exception of those claims made that relate to Buyer's damages or Seller's damages, as applicable, for which timely written notice is given by the Obligeeparty to the obligor prior to expiration of this survival period, shall survive until resolved.

21. Counterparts. This agreement may be signed in counterparts with the same effect as if the signature on each counterpart were on the same instrument.

22. Applicable Law. This Agreement shall be governed and construed according to the substantive law of the State of Indiana, without regard to choice of laws principles, and each party agrees to accept the jurisdiction of courts located in Indiana with respect to any matters arising hereunder.

23. Successors and Assigns. This Agreement shall inure to the benefit of, and be binding upon, the successors and permitted assigns of the parties hereto.

24. Expenses. Buyer and Seller shall each pay half of the FCC filing fees. Otherwise, each party shall be solely responsible for all costs and expenses incurred by it in connection with this Agreement and the applications and documents arising under the Agreement.

25. Notices. All notices, requests, consents, waivers and other communications required or permitted to be delivered or otherwise given hereunder shall be in writing to a party and shall be deemed to have been delivered or given (a) if transmitted by facsimile, upon receipt of confirmation; (b) if mailed by registered or certified United States mail, return receipt requested, postage prepaid, upon delivery or refusal of delivery; or (c) if sent by an overnight delivery service, upon delivery or refusal of delivery to:

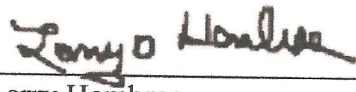
To Seller: Larry Hembree  
Daisy Holdings, Inc.  
514 JFK Avenue  
Loogootee, IN 47553  
Telephone: (812)295-2875

To Buyer: Kelly Trask  
Diamond Shores Broadcasting, LLC  
PO Box 806  
Seymour Indiana 47274

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

***SELLER:***

**Daisy Holdings, Inc.**

By:   
Larry Hembree  
President

***BUYER:***

**Diamond Shores Broadcasting, LLC**

By:   
Kelly Trask  
Managing Member

### **Table of Schedules**

Schedule 1(a)	FCC Authorizations
Schedule 1(b)	Tangible Personal Property and Intangible Property
Schedule 1(c)	Assumed Obligations
Schedule 2	Excluded Assets



**Schedule 1(a)**

**FCC Authorizations**

The FCC Authorizations include the Station's FCC licenses (attached) as well as any other FCC construction permits, other authorizations or licenses issued by the FCC used or useful in the operation of the Station.

**Federal Communications Commission**

Washington, DC 20554

**ASSIGNMENT AUTHORIZATION**

Date 04/09/2021	From: HEMBREE COMMUNICATIONS, INC.
<input checked="" type="checkbox"/> Consent To Assignment	To: Daisy Holdings, Inc
<input type="checkbox"/> Consent To Transfer	

Service	Call sign	Facility ID	File number	Community	Auxiliary Stations
FM	WRZR	12795	0000138024	LOOGOOTEE,IN	All Currently Authorized Auxiliary Stations
FM	WKLO	88536	0000138025	HARDINSBURG,IN	

Under authority of the Communications Act of 1934, as amended, the consent of the Federal Communications Commission is hereby granted to the transaction indicated above.

The Commission's consent to the above is based on the representations made by the applicants that the statements contained in, or made in connection with, the application are true and that the undertakings of the parties upon which this transaction is authorized will be carried out in good faith.

The actual consummation of all transactions shall be completed within 90 days from the date hereof, and notification thereof shall promptly be furnished to the Commission by the seller or buyer showing the date the acts necessary to effect the transaction were completed. Upon furnishing the Commission with such notification, this transaction will be considered completed for all purposes related to the above described station(s).

FCC Form 323 or 323-E, Ownership Report, must be filed within 30 days after consummation, by the licensee /permittee or assignee.

**ADDITIONAL REQUIREMENTS FOR ASSIGNMENTS ONLY**

Upon consummation the assignor must deliver the permit/license, including any modifications thereof to the assignee.

The assignee is not authorized to construct nor operate said station(s) unless and until the Commission has been notified of consummation.

**Note: Only WKLO applies to this transaction.**

**Schedule 1(b)**

**Tangible Personal Property and Intangible Property**

A list of equipment, and other Tangible Personal Property referenced in Section 1 are attached hereto. The Intangible Property includes the call sign WKLO, as issued by the FCC and subject to its rules and policies, and any goodwill associated with the call sign or the Station..

**At the Tower**

Harris Transmitter  
Energy Onyx STL  
Nitro Tank  
Telephone  
Syne System remote control

**At the Studio**

Energy Onyx STL  
2 Gentner Prisms....(1 working, 1 not working)  
Innovonics 531N

**Description of Land and Tower**

**Land Description**

There are 4.1 acres more or less

Parcel # 59-10-33-300-016.001-013

CO RD 250 E

Paoli, IN 47454





**Schedule 1 (c)**

**Assumed Obligations**

Agreements or contracts are to be assumed by Buyer, if any, are listed below.

All music licenses for radio broadcasting including but not limited to SESAC, BMI, ASCAP, RML

## **Schedule 2**

### **Excluded Assets**

Note: This agreement includes only the assets listed in schedules 1(a), 1(b) and 1(c). If an asset is not listed then it is excluded. Accounts receivables are excluded.