

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made as of June 29, 2022 (the "Effective Date") between **Idaho Wireless Corporation**, an Idaho Corporation ("Buyer") and **Radio By Grace, Inc.**, a Texas nonprofit corporation ("Seller") being the Parties to this Agreement.

RECITALS

WHEREAS, Seller currently holds the license for the Translator K279CH, 103.7 Pocatello, Idaho, (FAC ID 151720) (the "Station") issued by the Federal Communications Commission (the "FCC").

WHEREAS, pursuant to the terms and subject to the conditions set forth in this Agreement, Buyer desires to acquire certain assets and rights used in the operation of the Station and to secure an assignment of the license and other authorizations issued by the FCC for the operation of the Station, and Seller desires to sell, assign, transfer and convey the same to Buyer.

WHEREAS, the parties jointly understand that the proposed sale of the Station must be approved by the FCC prior to closing.

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

ARTICLE 1: PURCHASE OF ASSETS

1.1. Station Assets. On the terms and subject to the conditions hereof, at Closing (defined below), Seller shall sell, assign, transfer, convey and deliver to Buyer, and Buyer shall purchase and acquire from Seller, all right, title and interest of Seller in and to the following assets, properties, interest and rights of Seller which are used in the operation of the Station (the "Station Assets"), but excluding the Excluded Assets (defined below):

- (a) all licenses, permits and other authorizations issued to Seller by the FCC ("FCC Licenses"), the Federal Aviation Administration (the "FAA"), and any other federal, state or local governmental authorities with respect to the Station in connection with the conduct of the business and the operation of the Station, hereto (collectively, the "Licenses");
- (b) all files, documents and records (or copies thereof) relating to the operation of the Station, but excluding records relating to Excluded Assets (defined below); and
- (c) all of Seller's equipment, transmitter, electrical devices, antennas, cables, and other tangible personal property which are used in the operation of the Stations, a complete list of which is set forth on Schedule A (the "Tangible Personal Property").

The Station Assets shall be transferred to Buyer free and clear of liens, claims and encumbrances ("Liens") other than for taxes not yet due and payable and liens or mortgages that

will be released on or before the Closing or otherwise satisfied by Seller with Buyer's consent (collectively, "Permitted Liens").

1.2. Excluded Assets. Notwithstanding anything to the contrary contained herein, the Station Asset shall not include the following assets or any rights, title and interest therein (the "Excluded Assets"):

- (a) Seller's charter documents and such other books and records;
- (b) Any cash, certificates of deposit, cash equivalents, and marketable securities on hand and/or in banks and any prepaid assets; and
- (c) Accounts and notes receivable for services fully performed or provided by Seller prior to the Closing Date.

1.3. Purchase Price. In lieu of cash consideration, the Buyer has agreed to forgive back rent owed by Seller to Buyer (the "Back Rent") for the use of Buyer's tower for the Station and for K239BR, the license for which is also held by Seller. At Closing, Buyer will also enter into a Radio Premises Site Lease Agreement (the "Buyer Ancillary Lease Agreement") with Seller to provide to Seller certain antenna space and equipment space in Pocatello, Idaho for K239BR for a period of four (4) years from the date of Closing. The terms of the Buyer Ancillary Lease Agreement will be agreed to by the Parties within twenty-one (21) days of the execution of this Agreement. If the Buyer Ancillary Lease Agreement is not agreed to by the Parties within that period, either Party can terminate its obligations hereunder subject to the provisions of Article 9 of this Agreement.

1.4. Closing. The consummation of the sale and purchase of the Assets (the "Closing") shall take place within ten (10) days after the date the FCC Consent (as defined below) has been granted, provided, however, that Buyer may elect to delay Closing until the FCC Consent has become Final if there have been any petitions to deny or informal objections submitted to the FCC commenting on or objecting to the FCC Application or seeking to delay or prevent the grant of the FCC Consent. FCC Consent will be considered Final when all periods for the filing of any judicial or administrative request for stay, review, reconsideration or appeal of the FCC Consent have passed with no such filing, and all periods for the FCC to act to review the decision of its staff have passed without the FCC having taken any such action. The date on which the Closing is to occur is referred to herein as the "Closing Date."

1.5. FCC Consent

(a) Within ten (10) days following execution of this Agreement, Buyer and Seller shall file an application with the FCC (the "FCC Application") requesting FCC consent to the assignment of the FCC License from Seller to Buyer. The FCC's consent to the FCC Application without any material adverse conditions is referred to herein as the "FCC Consent." Buyer and Seller shall diligently prosecute the FCC Application and otherwise use their commercially reasonable efforts to obtain the FCC Consent.

(b) Each party shall promptly provide the other with a copy of any pleading, order or other document served on it relating to such FCC Application and shall furnish all information

required by the FCC. In the event the FCC requires an application filing fee for the Assignment Application the parties agree to share equally the cost of such fee. To the extent that one Party pays the fee to the FCC, the other party will reimburse the party that paid the fee upon presentation of a receipt or similar evidence showing the payment of said fee.

ARTICLE 2: SELLER REPRESENTATIONS AND WARRANTIES

Seller hereby represents and warrants to Buyer as follows:

2.1. Organization. Seller is duly organized, validly existing and in good standing under the laws of the State of Texas. Seller has the requisite power and authority to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby.

2.2. Authorization. The execution, delivery and performance of this Agreement have been duly authorized by Seller and approved by all necessary action of Seller and do not require any further authorization or consent of Seller. This Agreement is, and will be 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).

2.3. No Conflicts. The execution and delivery by Seller of this Agreement and the consummation by Seller of the transactions contemplated hereby do not conflict with any organizational documents of Seller; any other agreement or understanding to which Seller is a party; 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.

2.4. FCC Licenses. Seller is the holder of the FCC Licenses for the Station. The FCC Licenses are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired. There is not pending or, to Seller's knowledge, threatened any action by or before the FCC to revoke, suspend, cancel, rescind or materially adversely modify the FCC Licenses other than proceedings to amend FCC rules of general applicability, and Seller has no knowledge of any such action at the FCC and no reason to believe that such an action may be sought from the FCC by any third party. There is no order to show cause, notice of violation, notice of apparent liability or notice of forfeiture or complaint pending or, to Seller's knowledge, threatened against Seller with respect to the FCC Licenses by or before the FCC. The Station is operating in compliance in all material respects with the FCC Licenses, the Communications Act of 1934, as amended (the "Communications Act") and the rules, regulations and policies of the FCC. The Station does not cause any interference to any other communications facility.

2.5. Personal Property. Schedule A contains a list of the Tangible Personal Property. Seller has title to the Tangible Personal Property free and clear of Liens. Each item of Tangible Personal Property is in operating condition and repair, is functioning in the manner and purposes for which it was intended, and has been maintained in accordance with industry standards.

2.6 Ownership of Assets. Seller has good and marketable title to the Assets and will deliver the Assets to Buyer at Closing, free and clear of all Liens other than Permitted Liens.

2.7. No Finder. 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 or any party acting on Seller's behalf.

ARTICLE 3: BUYER REPRESENTATIONS AND WARRANTIES

Buyer hereby represents and warrants to Seller as follows:

3.1. Organization. Buyer is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and is qualified to do business in the jurisdiction in which the Station is located. 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 (collectively, the Buyer Ancillary Agreements) and to consummate the transactions contemplated hereby.

3.2. Authorization. The execution, delivery and performance of this Agreement by Buyer 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 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).

3.3. No Conflicts. The execution and delivery by Buyer of this Agreement and the Buyer Ancillary Agreements and the consummation by Buyer of the transactions contemplated hereby does not conflict with any organizational documents of Buyer; any other agreement or understanding to which Buyer is a party; 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.

3.4. Qualification. Buyer is legally, financially and otherwise qualified to acquire, own and operate the Station under the Communications Act of 1934, as amended, and the rules, regulations and policies of the FCC (collectively, the "Communications Laws") as they exist on the date of this Agreement. There are no facts that would under the Communications Laws, disqualify Buyer as an assignee of the FCC Licenses or as the operator of the Station and no waiver of any provision of the Communications Laws are required for the FCC Consent to be obtained.

3.5. Broker. 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 or any party acting on Buyer's behalf.

ARTICLE 4: COVENANTS

Buyer and Seller hereby further covenant and agree as follows:

4.1. Confidentiality. Subject to the requirements of applicable law, all non-public information regarding the parties and their business and properties that is disclosed in connection with the negotiation, preparation or performance of this Agreement shall be confidential and shall not be disclosed to any other person or entity, except the parties' representatives and lenders for the purpose of consummating the transactions contemplated by this Agreement, and provided that no provision of this Agreement shall restrict the Buyer's ability to produce this Agreement in response to a lawful request.

4.2. Control. Buyer shall not, directly or indirectly, control, supervise or direct the operation of the Station prior to Closing. Consistent with the Communications Laws, control, supervision and direction of the Station prior to Closing shall remain the responsibility of Seller as the holder of the Station's licensee.

4.3. Seller Covenants. Between the date hereof and the Closing Date, Seller shall: (i) maintain in effect the FCC Licenses in full force and effect, (ii) operate the Station in the ordinary course of business and in accordance with FCC rules and regulations and with all other applicable laws, (iii) file with the FCC all required reports with respect to the Station, (iv) promptly deliver to Buyer copies of any material reports, applications or written responses to the FCC related to the Station which are filed during such period, and (v) not modify the FCC Licenses without Buyer's consent. Seller shall not engage with any party other than Buyer in any discussions, negotiations or other consideration for any action inconsistent with the completion of the transactions contemplated by this Agreement.

4.4 Modification Application. If requested by Buyer, Seller will cooperate with Buyer in filing an FCC application for a modification of the facilities of the Station while the FCC Application is pending. Buyer will assume all costs of filing such application.

ARTICLE 5: SELLER CLOSING CONDITIONS

The obligation of Seller to consummate the Closing hereunder is subject to satisfaction, at or prior to Closing, of each of the following conditions (unless waived in writing by Seller):

5.1. Representations and Covenants. The representations and warranties of Buyer made in this Agreement shall be true and correct in all material respects as of Closing. Buyer shall have delivered to Seller a duly executed certificate, dated as of the Closing Date, in form and substance reasonably satisfactory to Seller, certifying to the satisfaction of this condition, and the covenants and agreements to be complied with and performed by Buyer at or prior to Closing shall have been complied with or performed in all respects.

5.2 Closing Deliveries. Buyer shall have made, or be ready, willing and able to concurrently make, the Closing deliveries described in Section 7.2.

5.3. FCC Consent. The FCC Consent shall have been obtained, the FCC shall have issued public notice of the FCC Consent, and no court or governmental order prohibiting Closing shall be in effect.

5.4. Proceedings. Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

ARTICLE 6: BUYER CLOSING CONDITIONS

The obligation of Buyer to consummate the Closing hereunder is subject to satisfaction, at or prior to Closing, of each of the following conditions (unless waived in writing by Buyer):

6.1. Representations and Covenants. The representations and warranties of Seller made in this Agreement shall be true and correct in all material respects as of Closing. Seller shall have delivered to Buyer a duly executed certificate, dated as of the Closing Date, in form and substance reasonably satisfactory to Buyer, certifying to the satisfaction of this condition, and the covenants and agreements to be complied with and performed by Seller at or prior to Closing shall have been complied with or performed in all respects.

6.2. Closing Deliveries. Seller shall have made, or be ready, willing and able to concurrently make, the Closing deliveries described in Section 7.1.

6.3. FCC Consent. The FCC Consent shall have been granted and shall have become Final and no court or governmental order prohibiting Closing shall be in effect.

6.4. Proceedings. Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

ARTICLE 7: CLOSING DELIVERIES

7.1. Seller Documents. At Closing, Seller shall deliver or cause to be delivered to Buyer (i) a bill of sale for the Assets, (ii) an assignment and assumption agreement assigning the Licenses, including the FCC License from Seller to Buyer, (iii) the certificate contemplated in Section 6.1 above, and (iv) and any other instruments of conveyance, assignment and transfer that may be reasonably necessary to convey, transfer and assign the Assets from Seller to Buyer, free and clear of Liens other than Permitted Liens.

7.2. Buyer Documents. At Closing, Buyer shall deliver to Seller, (i) the Buyer Ancillary Lease Agreements as provided with Section 1.3, (Purchase Price) hereof, (ii) a bill of sale for the Assets, (iii) an assignment and assumption agreement assigning the License from Seller to Buyer; (iv) the certificate contemplated in Section 5.1 above and (v) and any other instruments of conveyance, assignment and transfer that may be reasonably necessary to convey, transfer and assign the Assets from Seller to Buyer, free and clear of Liens other than Permitted Liens.

ARTICLE 8: SURVIVAL AND INDEMNIFICATION

8.1 Survival. The representations and warranties in this Agreement shall survive Closing for a period of one (1) year from the Closing Date at which time they shall expire and be of no further force or effect.

8.2 Indemnification.

(a) Seller shall defend, indemnify and hold harmless Buyer from and against any and all losses, costs, damages, liabilities and expenses, including reasonable attorneys' fees and expenses incurred by Buyer arising out of or resulting from (i) any breach by Seller of its representations and warranties made under this Agreement; or (ii) any default by Seller of any covenant or agreement made under this Agreement.

(b) Buyer shall defend, indemnify and hold harmless Seller from and against any and all losses, costs, damages, liabilities and expenses, including reasonable attorneys' fees and expenses incurred by Seller arising out of or resulting from (i) any breach by Buyer of its representations and warranties made under this Agreement; or (ii) any default by Buyer of any covenant or agreement made under this Agreement.

ARTICLE 9: INDEMNIFICATION, TERMINATION, SPECIFIC PERFORMANCE AND RISK OF LOSS

9.1. Termination. This Agreement may be terminated prior to Closing (a) by mutual written consent of Buyer and Seller; (b) by written notice of Seller to Buyer or Buyer to Seller if Closing does not occur by the date which is twelve (12) months after the Effective Date; (c) by either Buyer or Seller upon written notice if there is a material breach or default under this Agreement by the other party following a fifteen (15) day period for cure by the breaching party following written notice of the breach, provided that the party seeking to terminate is not also then in material default or breach of this Agreement; or (d) by either Buyer or Seller upon written notice if there shall be in effect any judgment, final decree or order that would prevent or make unlawful the Closing. Except as set forth in Section 9.2 below, the termination of this Agreement shall not relieve any party of any liability for breach of this Agreement prior to the date of termination and, as set forth in Section 9.4 below, the termination will not relieve Seller of any obligation to Buyer for Back Rent.

9.2 Effect of Termination. If Closing does not occur and this Agreement is terminated by Seller pursuant to Section 9.1(c), then the Seller shall receive the sum of five dollars (\$5.00) as liquidated damages and be Seller's sole and exclusive remedy for damages of any nature or kind that Seller may suffer as a consequence of Buyer's breach of default under this Agreement. The parties understand and agree that the amount of liquidated damages represents Seller's and Buyer's reasonable estimate of actual damages and does not constitute a penalty. If this Agreement is terminated for any reason other than by Seller or Buyer pursuant to Section 9.1(c), neither party shall have any liability to the other with respect to this Agreement from and after the termination date.

9.3 Specific Performance. Seller acknowledges that the Station is a unique asset not readily obtainable on the open market and that, in the event that Seller fails to perform its obligations to consummate the transaction contemplated hereby, money damages alone will not be adequate to compensate Buyer for its injury. Therefore, Seller agrees and acknowledges that in

the event of Seller's failure to perform its obligation to consummate the transaction contemplated hereby, Buyer, at Buyer's election, shall be entitled to specific performances of the terms of this Agreement and of Seller's obligation to consummate the transaction contemplated hereby.

9.4 Failure of Performance. If the Agreement is terminated for any reason without there being a Closing by which Buyer receives the FCC's unconditional approval to acquire and operate the Station with no material adverse conditions, including a failure to execute a mutually agreeable Buyer Ancillary Lease Agreement within the time set forth in Section 1.3 of this Agreement, Seller shall pay Buyer the sum of Twenty-Four Thousand and Eight Dollars and Forty-Five Cents (\$24,008.45), which amount shall be considered full payment for the Back Rent. However, such payment shall not provide Seller with any future rights to operate the Station or K239BR from towers owned or managed by Seller or any of its affiliates without entering into a mutually agreeable, binding lease for the use of space on such towers.

9.5. Risk of Loss. Seller shall bear the risk of any loss of or damage to any of the Station assets at all times until the Closing, and Buyer shall bear the risk of any such loss or damage thereafter.

ARTICLE 10: MISCELLANEOUS PROVISIONS

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

10.2. Assignment. 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 assigns, and no assignment or consent shall relieve any party of any obligations, liabilities, or rights under this Agreement.

10.3. Amendments. No amendment or waiver of compliance with any provision 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 such amendment, waiver, or consent is sought.

10.4. Governing Law. The construction and performance of this Agreement shall be governed by the laws of the State of Idaho without giving effect to the choice of law provisions thereof. SELLER AND BUYER HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING IN ANY WAY TO THIS AGREEMENT, INCLUDING ANY COUNTERCLAIM MADE IN SUCH ACTION OR PROCEEDING, AND AGREE THAT ANY SUCH ACTION OR PROCEEDING SHALL BE DECIDED SOLELY BY A JUDGE.

10.5. Notices. Any notice pursuant to this Agreement shall be in writing and shall be deemed delivered on the date of personal delivery, United States mail (certified, return receipt requested), overnight courier services, or other means where delivery is confirmed, in each case with all postage or delivery charges prepaid, and shall be addressed as set forth below (or to such other address as any party may request by written notice):

Notices to Seller:

Radio By Grace, Inc.
4111 Plains Blvd
Amarillo, Texas 79106
Attention: Tom Golding
Phone: 806-353-14788
Email: fcc@radiobygrace.com

Notices to Buyer:

Idaho Wireless Corporation
544 N Arthur
Pocatello, ID 83204
Attention: Paul Anderson
Phone: (208) 234-1290
Email: PaulAnderson@EastIdahoRadio.Com

10.6. Entire Agreement. This Agreement, including any exhibits and schedules hereto, constitutes the entire agreement and understanding among the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings with respect to the subject matter hereof. No party makes any representation or warranty with respect to the transactions contemplated by this Agreement except as expressly set forth in this Agreement.

10.7. Expenses. Except as otherwise set forth herein, 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. If any legal or equitable action is required by either party to enforce any of that party's rights or obligations under this Agreement, including the provisions of Section 9.4 to pay Back Rent in the event of the termination of this Agreement, the party who substantially prevails in such action shall be entitled to receive, in addition to any other award or recovery, its reasonable attorney's fees and costs incurred in bringing such action.

10.8 Severability. If any court or governmental authority holds any provision in this agreement invalid, illegal or unenforceable under any applicable law, then so long as no party is deprived of the benefits of this Agreement in any material respect, 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.

10.9. Waiver. Buyer and Seller, by written notice to the other, may, but shall not be obligated to (a) extend the time for performance of any of the obligations or other actions of the other under this Agreement, (b) waive any inaccuracies in the representations or warranties of the other contained in this Agreement or in any document delivered pursuant to this Agreement, (c) waive compliance with any of the conditions or covenants of the other contained in this Agreement, or (d) waive or modify performance of any of the obligations of the other under this Agreement; provided that neither party may without the written consent of the other make or grant any extension of time, waiver of inaccuracies or compliance, or waiver or modification of performance,

with respect to its own obligations, representations, warranties, conditions or covenants in this Agreement.

10.10 Counterparts. This Agreement may be executed in separate counterparts, each of which will be deemed an original and all of which together will constitute one and the same agreement.

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

SELLER:

RADIO BY GRACE, INC.

By: 

Name: Bill Gehm
Title: President

Date signed: 6-29-22

BUYER:

Idaho Wireless Corporation

By: 

Name: Paul Anderson
Title: President

Date signed: 7-1-22

Schedule A – Equipment List
