

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made as of May 5, 2023 (the "Effective Date") between **ANDERSON RADIO, INC.**, a Montana Corporation ("Buyer") and **RADIO BY GRACE, INC.**, a Texas nonprofit corporation ("Seller").

RECITALS

WHEREAS, Seller currently holds the license for the FM Translator K250BP, Evergreen, Montana (Facility ID 149287) (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, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, the Assets (defined below).

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. **Sale and Purchase**. 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 assets described in Section 1.2 (together the "Assets"). The 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. **Assets**. The Assets shall include the following:

- (a) all licenses, permits and other authorizations issued to Seller by the FCC ("FCC Authorizations"), the Federal Aviation Administration (the "FAA"), and any other federal, state or local governmental authorities with respect to the Station and listed on Schedule 1 (the "FCC licenses"), including any renewals or permitted modifications thereof between the date hereof and Closing,
- (b) Seller's tangible property with respect to the Station as listed on Schedule 2 (the "Tangible Property"), and
- (c) The Station records maintained by Seller pursuant to 47 C.F.R. Section 74.1281.

1.3. Excluded Assets. Notwithstanding the foregoing, the Assets to be conveyed to Buyer hereunder shall exclude all assets owned or leased by Seller other than the Assets listed in Section 1.2.

1.4. Purchase Price. The purchase price for the Station is Two Thousand One and no/100 Dollars (\$2,001.00) (the Purchase Price). Upon approval by the FCC of the assignment of the License to Buyer, the Buyer shall pay the purchase price to the Seller.

1.5. 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. The date on which the Closing is to occur is referred to herein as the "Closing Date."

1.6. 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 Licenses to Buyer. The FCC's consent to the FCC Application without any material adverse conditions other than those of general applicability 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, the accounting for which may be done as an adjustment to the Purchase Price at Closing.

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 Authorizations.

- (a) Seller is the holder of the FCC Authorizations for the Station. The FCC Authorizations are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired. There is not pending any action by or before the FCC to revoke, suspend, cancel, rescind or materially adversely modify the FCC Authorizations 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 Authorizations by or before the FCC.
- (b) Seller maintains the FM Translator station records in material compliance with 47 C.F.R Section 74.1281.

2.5. 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.

2.6. Compliance with Law. Seller represents and warrants that Seller has materially complied with all laws, regulations, rules, writs, injunctions, ordinances, franchise, decrees, or orders of any court or of any foreign, federal, state, municipal, or other governmental authority which are applicable to the Assets. Seller represents and warrants that there is no action, suit, or proceeding pending or, to Seller's knowledge, threatened against Seller in respect of the Assets.

2.7 No Finder or 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 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. Buyer has the requisite power and authority to execute, deliver and perform this Agreement 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 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 Assets under the Communications Act of 1934, as amended, and the rules, regulations and policies of the FCC (collectively, the "Communications Laws"). There are no facts that would under the Communications Laws, disqualify Buyer as an assignee of the FCC Authorizations 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. No Finder or 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 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 Station's licensee.

4.3. Seller Covenants. Between the date hereof and the Closing Date, Seller shall: (i) maintain in effect the FCC Authorizations, (ii) 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 (iii) not modify the FCC Authorizations.

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 on and as of the Closing Date as if made on that date, and 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 on and as of the Closing Date as if made on that date, and 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 License, including the FCC Authorizations 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 Purchase Price, (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.

8.2 Indemnification. 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 (a) any breach by Seller of its representations and warranties made under this Agreement; or (b) any default by Seller of any covenant or agreement made under this Agreement. 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 (a) any breach by Buyer of its representations and warranties made under this Agreement; or (b) 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.

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 One Thousand dollars (\$1,000.00) 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 or 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 shall be entitled to specific performances of the terms of this Agreement and of Seller's obligation to consummate the transaction contemplated hereby. If any action is brought by Buyer to enforce this Agreement, Seller shall waive the defense that there is an adequate remedy at law, and shall waive any requirement that Buyer post a bond or other security in connection therewith, and Buyer shall be entitled to receive from Seller all court costs, attorney's fees and other out-of-pocket expenses incurred by Buyer in enforcing its rights under this provision. As a condition to seeking specific performance of Seller's performance to assign and transfer the Assets, Buyer shall not be required to tender the Purchase Price but shall be ready, willing and able to do upon such assignment and transfer.

9.4. Risk of Loss. Seller shall bear the risk of any loss of or damage to any of the 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 Texas 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.

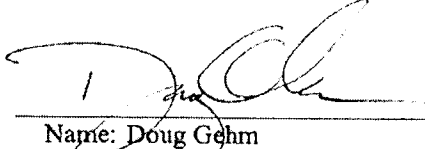
10.5. Notices. Any notice pursuant to this Agreement shall be in writing and shall be deemed delivered on the date of personal delivery or confirmed facsimile transmission, United States mail (certified, return receipt requested) or overnight courier service, or other means where delivery is confirmed, and shall be addressed as follows (or to such other address as any party may request by written notice):

10.10 No Beneficiaries. Nothing in this Agreement expressed or implied is intended or shall be construed to give any rights to any person or entity other than the parties hereto and their successors and permitted assigns.

10.11 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. Delivery of an executed counterpart signature page to this Agreement by e-mail shall be deemed sufficient to render this Agreement effective.

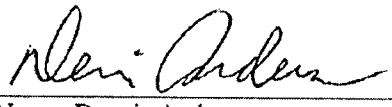
IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

SELLER: **RADIO BY GRACE, INC.**

By: 
Name: Doug Gehm
Title: President

Date: 5/8/23

BUYER: **ANDERSON RADIO BROADCASTING, INC.**

By: 
Name: Dennis Anderson
Title: President

Date: 5-5-23

Schedule 1 – FCC Licenses

FM Translator Station K250BP, Evergreen , Montana (Facility ID 149287)

Schedule 2 – Tangible Property
