

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (“**Agreement**”) is made and effective the 7th day of June, 2023 (the “**Closing Date**”), by and between **WHKY, LLC**, a North Carolina limited liability company (“**WHKY**”) and **LONG COMMUNICATIONS, LLC**, a North Carolina limited liability company (“**Long Communications**”). **WHKY** and **Long Communications** are hereinafter individually referred to as a “**Party**” or collectively as the “**Parties**.”

WITNESSETH:

WHEREAS, **Long Communications** operates a commercial radio broadcast station (transmitting on 1290 AM and 102.3 FM) which has offices and studios located at 526 Main Avenue SE, Hickory, North Carolina. (“**Business**”);

WHEREAS, **WHKY** desires to purchase, and **Long Communications** desires to sell, substantially all of **Long Communications**’ assets, as further agreed below; and

NOW, THEREFORE, in consideration of the above and other good and valuable consideration, the Parties hereby agree as follows:

SECTION I. PURCHASE AND SALE OF ASSETS

A. Transferred Assets. **WHKY** hereby agrees to purchase, acquire and assume from **Long Communications**, and **Long Communications** hereby agrees to sell, transfer, convey, assign and deliver to **WHKY**, at the closing hereof and upon the terms and conditions set forth herein, **Long Communications**’ assets listed below (“**Transferred Assets**”).

1. Licenses. All broadcast licenses issued by the Federal Communications Commission (“**FCC**”) for the AM and FM broadcast stations 1290 AM and 102.3 FM (the “**FCC Licenses**”), subject to the **FCC**’s consent as contemplated in Section XV hereof;

2. Real Property. All real property and fixtures currently owned by **Long Communications** including but not limited to the following parcels:

a. 526 Main Avenue SE, Hickory, NC 28601, which is more particularly described as Catawba County Parcel ID 370208894834 (the “**Studio building real estate**”);

b. 301 20th Street SE, Hickory, NC 28602, which is more particularly described as Catawba County Parcel ID 371211774107 (the “**Tate Boulevard real estate**”)

c. Such of that portion of 6492 Bakers Mountain Road, Hickory, NC 28602, which is more particularly described as Catawba County Parcel ID 278003437166 which is subdivided from the aforementioned parcel in connection with that certain asset purchase agreement previously entered into between **Long Communications** and **Family Worship Center Church, Inc.** (individually the “**Bakers Mountain real estate**” and collectively with the **Studio building real estate** and the **Tate Boulevard real estate** the “**Real Property**”).

3. Equipment. Any and all personal property, equipment, machinery, tooling,

computers, automobiles, software, furniture and fixtures utilized in the Business (the “**Equipment**”).

4. **Accounts Receivable**. Any and all accounts receivable (“**Accounts Receivable**”).
5. **Contract Rights With Customers**. All contract rights with customers (the “**Customer Contracts**”).
6. **Contract Rights With Suppliers**. All contract rights with suppliers (“**Supplier Contracts**”).
7. **Goodwill, Intangibles and Customer Lists**. All goodwill, intangibles and customer lists utilized by or in conjunction with the Business.
8. **Intellectual Property**. All intellectual property, including but not limited to the patents, patent applications, trade secrets, proprietary knowledge, names utilized by the Business and all variants thereof, trade names, trademarks and copyrights (the “**Intellectual Property**”).
9. **Names, Addresses, Listings**. All telephone numbers and listings, email addresses and website names, and internet and email addresses.
10. **Books and Records**. All business and marketing records including operating records, asset ledgers, inventory records, current payroll records at the time of Closing, vendor lists, supplier lists, information and data respecting Equipment, files, correspondence and mailing lists, advertising materials and brochures, and other business records used in connection with the Business (the “**Books and Records**”) with the exception that Seller will obtain copies of the Books and Records as necessary and required to communicate with counsel and for tax requirements;
11. **All Other Assets**. All other tangible and intangible assets or interests in assets of any kind or description owned by Long Communications, not described above, other than the Excluded Assets.

Long Communications shall convey all the Transferred Assets free and clear of all encumbrances, security interests, liens, taxes, judgments and any and all other charges and claims against such Transferred Assets.

B. Exclusions. Long Communications shall not sell, and WHKY shall not purchase, the following assets:

1. Any specific items set forth on **Exhibit “A”** (collectively, the “**Excluded Assets**”).

SECTION II. ASSUMPTION OF LIABILITIES.

A. Except as specifically provided herein, WHKY shall not assume any debts, liabilities, claims, lawsuits, taxes or other obligations of any nature of Long Communications or any of its predecessors, successors, related entities, officers, directors, employees, owners, agents or otherwise incurred or accrued prior to the Closing Date, including but not limited to any credit

card liabilities (the "**Excluded Liabilities**"). Long Communications hereby agrees to be responsible for all Excluded Liabilities and to indemnify WHKY from all Excluded Liabilities.

B. Notwithstanding the foregoing, WHKY will assume the current liabilities listed on **Exhibit "B"** attached hereto (collectively, the "**Assumed Liabilities**") including the following:

1. accounts payables and other current liabilities of the Business arising in the normal course of business;

2. all liabilities and obligations under the Customer Contracts, Supplier Contracts, and Leases that relate to the operation of the business arising out of the written terms of such Customer Contracts, Supplier Contracts and Leases, but specifically excluding liabilities for breaches of such Customer Contracts, if any, resulting from acts or omissions by Long Communications or its predecessors in interest prior to the Closing Date including any liability arising from any assignment pursuant to this Agreement in contravention of such Customer Contracts.

C. With respect to any period including the Closing Date, on the Closing Date, the parties shall prorate and apportion, on a per diem basis, as of the close of business the day before the Closing Date, the personal property taxes and assessments, both general and special, for the Transferred Assets, based upon the last available tax statement and amounts owing for utilities and similar expenses.

SECTION III. PURCHASE PRICE; PAYMENT.

A. General. In consideration of the sale and transfer of the Transferred Assets to WHKY and certain other agreements and undertakings between WHKY and Long Communications as set forth in this Agreement, WHKY agrees at closing to assume the ongoing operation and certain liabilities of Long Communications' radio business as set forth herein and will pay all expenses associated with moving the Transferred Assets into WHKY's name (the "**Purchase Price**")

B. Allocation of Purchase Price. WHKY and Long Communications shall each allocate and report the Purchase Price for tax purposes among the Transferred Assets as they may agree on.

SECTION IV. CLOSING DELIVERIES AND ACTIONS

A. The parties agree to deliver such paperwork and documentation as they deem necessary to show proper assignments and authorizations for this transaction.

SECTION V. EMPLOYEES

A. In connection with the transactions outlined herein, Long Communications shall terminate all employees no later than the closing date. WHKY shall extend offers of employment to such of Long Communications' current employees as WHKY deems appropriate, if any. Any such offers of employment are conditional upon completion of drug testing, if deemed necessary by WHKY. Any such employees initially hired by WHKY shall be at-will employees. WHKY shall not be responsible for any severance pay, termination or discharge bonus, subsidy, benefit, compensation, or any other payment of any sort with respect to Long Communications employees termination from employment with Long Communications or the failure of WHKY to employ any Long Communications employee so terminated.

SECTION VI. LONG COMMUNICATIONS' REPRESENTATIONS AND WARRANTIES

A. Long Communications hereby represents, warrants and covenants as follows:

1. **Legal Status.** Long Communications is a limited liability company organized and validly existing and in good standing under the laws of the State of North Carolina, with full power and authority to carry on its Business. Long Communications has the power and authority to enter into this Agreement and to consummate the transactions contemplated by this Agreement.

2. **Legal Authority.** Long Communications has taken all required actions under applicable law and its own governance documents to authorize Long Communications' execution of this Agreement and the sale of assets and assumption of liabilities contemplated hereby, and **Thomas E. Long, Jr.** is authorized to execute this Agreement on behalf of Long Communications.

3. **Enforceability.** This Agreement, and all of its terms, conditions, representations, warranties, covenants, undertakings, agreements, and obligations, constitute valid, legal and binding obligations of Long Communications, enforceable against Long Communications in accordance with the terms set out herein, subject to applicable bankruptcy, insolvency, moratorium, reorganization, or similar laws affecting enforcement of creditor's rights generally.

4. **No Conflict or Default.** No provision, term or condition of this Agreement is contrary to Long Communications' articles of organization or operating agreement, any law applicable to Long Communications, or any other documents, agreements or arrangements of Long Communications, including any agreements or contracts with third parties nor will the implementation of any provision of this Agreement, or the transactions contemplated hereby, create a default or event of default, or acceleration of any obligation under any such agreement or arrangement of Long Communications or have any adverse implication for the Business. Except for third-party consents as may be required in connection with the transfers and assignments contemplated herein, no other consent and no governmental approval is required to be obtained by Long Communications in connection with the execution and delivery of this Agreement or the consummation of any of the transactions contemplated hereby.

5. **Warranty of Title: Restrictions or Impediments Concerning Business.** Long Communications shall have good and marketable title to and ownership of the Transferred Assets, free and clear of all mortgages, pledges, claims, security interests, encumbrances, leases, subleases, licenses, occupancy agreements, easements, covenants, restrictions, encroachments, burdens, title defects, title retention agreements, voting trust agreements, equities, options, liens, rights of first refusal or first offer, charges or other contractual restrictions or limitations. Long Communications further represents and warrants that there do not exist restrictions or impediments as to Long Communications' ability to convey, sell, assign and transfer the assets to WHKY.

6. **Litigation.**

a. To the best knowledge and belief of Long Communications after diligent inquiry:

(i) There is no investigative action, inquiry, proceeding or litigation pending or threatened against Long Communications or the Transferred Assets before any court or before or by any government department, commission, board, agency or governmental instrumentality;

(ii) Long Communications does not know of the occurrence of any events which are likely to give rise to any such action, proceeding or investigation. There has not been any action, proceeding or investigation which resulted in any judgment, order, injunction or decree against Long Communications, any of the Transferred Assets which has not been fully paid, satisfied or otherwise discharged; and

(iii) There is no employment discrimination claim, labor dispute, grievance, controversy, strike or request for union representation pending or threatened against Long Communications, and Long Communications does not know of the occurrence of any events which are likely to give rise to any such claim, dispute, grievance, controversy, strike or request for union representation.

b. Long Communications is and shall remain responsible for any and all litigation and other items found to be in existence after the Closing to have existed before the Closing, and Long Communications hereby agrees to pay all costs, fees and expenses incurred in connection with said defense and/or prosecution of such litigation, including, without limitation, all damages, judgments and legal fees.

7. **Legal Compliance.** The Business has been conducted in compliance with the laws and regulations of each jurisdiction in which the Business has been conducted, and there is no governmental restriction against Long Communications executing this Agreement or consummating the sale of assets and assumption of liabilities contemplated herein. Long Communications has not received any notice or warning from any governmental authority with respect to any failure or alleged failure of Long Communications to comply with any applicable law, regulation or order no such notice or warning has been proposed or threatened.

8. **FCC Licenses; Permits.** The FCC Licenses are in full force and effect and renewed for a full term. All other governmental, regulatory and industry licenses, permits, authorizations, certifications, and approvals (collectively “**Permits**”) necessary for the conduct of the Business as presently conducted. All such Permits are in full force and effect. There are no violations by Long Communications of such Permits, nor any claims or proceedings, pending or threatened, which challenge the validity of, or seek to discontinue, any such Permits. Long Communications has at all times in the past five (5) years conducted and is conducting the Business in compliance with the requirements, standard, criteria and conditions set forth in the Permits.

9. **Conduct of Business.** Except for Long Communications selling of its previously held television operating assets, during the six (6) month period preceding the date hereof there has been no adverse change in the Business or in any Transferred Assets or liabilities to be assumed hereunder.

10. **Commissions.** Long Communications has not incurred any obligation or liability

for broker's or finder's fees or commissions with respect to the transaction contemplated hereby.

11. Condition of Physical Assets. The Equipment and all other physical assets of Long Communications being purchased and sold hereunder are in good operating condition, ordinary wear and tear excepted. The Transferred Assets constitute all assets necessary for WHKY to operate the Business in the ordinary course consistent with the past practice of Long Communications.

12. Financial Statements.

a. WHKY has reviewed and accepts such financial information as it has received from Long Communications.

13. Contracts.

a. WHKY has reviewed and accepts such contracts as Long Communications is currently a party to ("**Contracts**"):

b. With respect to each such agreement: (A) the Contract is legal, valid, binding, enforceable, and in full force and effect (subject to the effect, if any, of (I) applicable insolvency, bankruptcy, reorganization, moratorium, or other similar Laws affecting creditors' rights generally, and (II) applicable equitable principles (whether considered in a proceeding at law or in equity)); (B) subject to any required notice or consent, the Contract will continue to be legal, valid, binding, enforceable, and in full force and effect on identical terms following the consummation of this Agreement; (C) neither Long Communications nor, to Long Communications' knowledge, any other party to such Contract is in breach or default in any respect, and to Long Communications' knowledge no event has occurred which, with notice or lapse of time, would constitute such a breach or default or permit termination, modification, or acceleration, under the Contract; and (D) to Long Communications' knowledge no party has repudiated any provision of the Contract.

14. Intellectual Property.

a. Long Communications' Intellectual Property is owned or licensed by Long Communications and is free from any encumbrances. Without limiting the foregoing, there are no open or pending claims pertaining to, or disputes involving, any patents owned by Long Communications and transferred hereunder, and no conditions exist which could allow for any of the same to be asserted by a third party.

b. Long Communications has (A) policies and internal procedures (as reasonably necessary and/or as required by applicable law) to maintain and protect the Intellectual Property, including without limitation, protection of trade secrets of the Business, enforcement and maintenance of trade or service marks of the Business, and protection of the personal information and intellectual property of any third parties, including Long Communications customers; and (B) has complied with applicable laws that pertain to privacy and confidentiality of any third-party information.

15. Employees.

a. To Long Communications' knowledge no executive, key employee, or group of employees has any plans to terminate employment with Long Communications. Long Communications is not a party to or bound by any collective bargaining agreement, nor has it experienced any strikes, grievances, claims of unfair labor practices, or other collective bargaining disputes. Long Communications has no knowledge of any organizational effort presently being made or threatened by or on behalf of any labor union with respect to employees of Long Communications.

b. Long Communications has provided WHKY with a true and accurate listing of the following: (A) a true and complete list of each employee, independent contractor or consultant of Long Communications; and (B) a full description of any employment agreement, and the current salary, wage or compensation arrangement with such employee or contractor, whether written or verbal. With respect to such persons, Long Communications has provided WHKY, in writing, information setting forth his or her date(s) of hire or engagement, position and title (if any), current rate of compensation, compensation paid to such person for most recent fiscal year (including bonuses, commissions and incentive compensation, if any), and in the case of an employee, whether such employee is hourly or salaried, whether such employee is exempt or non-exempt, the service credited for purposes of vesting and eligibility to participate under any employee benefit plans.

B. Veracity of Representations and Warranties. No representation or warranty of Long Communications contained in this Agreement, and no statement of information contained in any certificates, lists, documents, schedules, exhibits or other documents specified in this Agreement to be furnished to WHKY in connection with the transaction contemplated hereby, contain any material and/or deliberate untrue statements of fact or unreasonably omits to state facts necessary to make the statements therein not false or misleading.

SECTION VII. WHKY'S REPRESENTATIONS AND WARRANTIES

A. **Legal Status.** WHKY is a business limited liability company, organized, validly existing, and in good standing under the laws of the State of North Carolina, with full power and authority to carry on its business. WHKY is qualified under the Communications Act of 1934, as amended, to hold the FCC Licenses, and is qualified to do business and is in good standing in all jurisdictions in which it is required to be so qualified. WHKY has the power and authority to enter into this Agreement and to consummate the transactions contemplated by this Agreement.

B. **Legal Authority.** WHKY has taken all required actions under applicable law and its own corporate governance documents to authorize WHKY's execution of this Agreement and the purchase of assets and assumption of liabilities contemplated hereby, and **Thomas E. Long, Jr.** is authorized to execute this Agreement on behalf of WHKY.

C. **Enforceability.** This Agreement, and all of its terms, conditions, representations, warranties, covenants, undertakings, agreements, and obligations, constitute valid, legal and binding obligations of WHKY, enforceable against WHKY in accordance with the terms set out

herein, subject to applicable bankruptcy, insolvency, moratorium, organization, or similar laws affecting enforcement of creditor's rights generally.

D. No Conflict or Default. No provision, term or condition of this Agreement is contrary to WHKY's Articles of Organization or by-laws, any law applicable to WHKY, or any other documents, agreements or arrangements of WHKY; nor will the implementation of any provision of this Agreement, or the transactions contemplated hereby, create a default or event of default in any such agreement or arrangement of WHKY or have any adverse implication for WHKY's business. Except for third party consents as may be required in connection with the contemplated assignments herein, no other consent and no governmental approval is required to be obtained by WHKY in connection with the execution and delivery of this Agreement or the consummation of any of the transactions contemplated hereby.

E. Veracity of Representations and Warranties. No representation or warranty of WHKY contained in this Agreement, and no statement of information contained in any certificates, lists, documents, schedules, exhibits or other documents specified in this Agreement to be furnished to Long Communications in connection with the transaction contemplated hereby, contains any untrue statements of fact or omits to state facts necessary to make the statements therein not false or misleading.

SECTION VIII. COVENANTS

A. Further Documents and Assurances. The Parties hereto will at any time after Closing deliver and execute such further instruments as may be reasonably requested by the other Party which are necessary with respect to the consummation of the transaction contemplated by, but pursuant to the terms of, this Agreement. None of the documents or instruments requested hereunder shall contain an undertaking or representation inconsistent with this Agreement or the representations and warranties contained herein.

B. Control. Consistent with FCC rules control, supervision, and direction of the operation of the Station prior to Closing shall remain the responsibility of Long Communications as the holder of the FCC Licenses.

C. Assignment of Licenses and Permits. To the extent that any business licenses or permits cannot be transferred or reissued to WHKY on or before the Closing Date, Long Communications hereby authorizes WHKY, if and to the extent the same is permissible under applicable law, rule or regulation, to operate under its licenses and permits, and agrees to keep such licenses and permits in effect, at WHKY's cost, until WHKY is able to complete the transfer or re-issuance of such licenses and permits to WHKY, *provided, however*, that the preceding language shall not be applicable to the FCC Licenses, the assignment approval for which by the FCC is a condition of closing and shall not be assigned without FCC consent (as contemplated herein).

SECTION IX. AMENDMENT, WAIVER

A. There can be no amendment or waiver of any term, provision or condition of this Agreement except in writing signed by all Parties. No waiver in one instance shall be deemed a waiver in any other.

SECTION X. VOLUNTARY ASSIGNMENT, BINDING ON LEGAL SUCCESSORS AND ASSIGNS

A. No Party may assign any of its rights under this Agreement without the prior written consent of the other Parties, which consent shall not be unreasonably withheld. Subject to the preceding sentence, this Agreement will apply to, be binding in all respects upon, and inure to the benefit of the legal successors and assigns of the Parties. Nothing expressed or referred to in this Agreement will be construed to give any person other than the Parties to this Agreement (and the WHKY Indemnified Parties and the Long Communications Indemnified Parties, as provided in the next sentence) any legal or equitable right, remedy or claim under or with respect to this Agreement or any provision of this Agreement. This Agreement and all of its provisions and conditions are for the sole and exclusive benefit of the Parties to this Agreement and their respective successors and assigns.

SECTION XI. NOTICES

A. All notices, demands or other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been properly served if: delivered personally; delivered by a recognized overnight courier service; sent by certified or registered mail, return receipt requested and first class, postage prepaid; or sent by email transmission followed by a confirmation copy delivered by a recognized overnight courier service the next business day. All such notices, demands or other communications shall be deemed to have been received: if by personal delivery, on the day of such delivery; if by overnight courier, on the day delivered; if by certified or registered mail, on the day delivered; or if by email transmission, on the day on which such email was sent, provided that a confirmation copy was also sent by a recognized overnight courier service for delivery the next business day. Such notices, demands and other communications shall be sent to the address indicated with the North Carolina Secretary of State

SECTION XII. SEVERABILITY

A. If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part for any reason, then such invalidity or unenforceability shall not affect any other provision of this Agreement to which effect reasonably can be given without such invalid provision; and for such purpose the provisions of this Agreement shall be severable from one another.

SECTION XIII. COUNTERPARTS AND ELECTRONIC DOCUMENTS

A. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same agreement and shall become effective when one or more counterparts have been signed by each of the Parties hereto and delivered to the others. For purposes of negotiating and finalizing this Agreement (including any subsequent amendments thereto), any signed document transmitted by electronic transmission, which includes by email transmission with any scanned document or .pdf, shall be treated in all manner and respects as an original document. The signature of any Party by electronic transmission shall be considered for these purposes as an original signature. Any such electronic transmission shall be considered to have the same binding legal effect as an original document. At the request of any Party, any electronic transmission subject to this Agreement shall be re-executed by all Parties in an original form. The Parties hereby agree that they will not raise the use of electronic

transmission or the fact that any signature or document was transmitted or communicated through electronic transmission as a defense to the formation of this Agreement.

SECTION XIV. GOVERNING LAW AND FORUM

A. This agreement and the interpretation and enforcement of its terms shall be governed by the laws of the State of North Carolina excluding its law of conflicts. Any suit to enforce or interpret this agreement shall be brought in a state or federal court of competent jurisdiction in the State of North Carolina, and the parties hereto consent to the personal jurisdiction of any such court.

SECTION XV. FCC APPLICATION; CONSENT; CLOSING

A. The Parties hereto agree (a) to prepare and file an application with the FCC seeking consent to assign the FCC Licenses from Long Communications to WHKY (the “**Assignment Application**”) as expeditiously as possible after the execution hereof; (b) exercise diligence in the prosecution of the Assignment Application; (c) notify the other of any communication from the FCC regarding the Assignment Application; and (d) that closing of the transactions as described in this Agreement (the “**Closing**”) shall take place within five (5) business days of the FCC’s initial grant of the Assignment Application indicating its consent thereto, subject to all other closing conditions having been satisfied. Grant of the Assignment Application shall be a condition to closing the contemplated transaction. All filing fees for the Assignment Application shall be paid by WHKY.

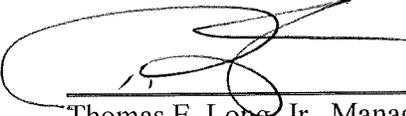
SECTION XVI. ENTIRE AGREEMENT

A. This Agreement, and the other documents, agreements and instruments referenced herein contain the entire understanding and agreement of the Parties with respect to the transaction covered hereby and the subject matter hereof and supersede all other understandings and agreements among the Parties, oral or written, relating to the subject matter of this Agreement. This Agreement shall be deemed to have incorporated by reference all of the Exhibits and Schedules referred to herein to the same extent as if such Exhibits and Schedules were fully set forth herein.

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IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date first above written.

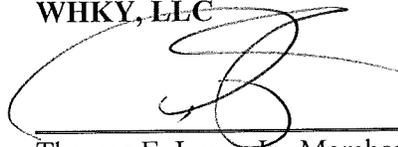
Long Communications, LLC



Thomas E. Long, Jr., Manager

Date: 6/7/2023

WHKY, LLC



Thomas E. Long, Jr., Member-Manager

Date: 6/7/2023

EXHIBIT "A"
EXCLUDED ASSETS

1. _____
2. _____
3. _____
4. _____
5. _____

EXHIBIT "B"
ASSUMED LIABILITIES

1. _____
2. _____
3. _____
4. _____
5. _____