

# RADIO STATION ASSET PURCHASE AGREEMENT

This RADIO STATION ASSET PURCHASE AGREEMENT is made and entered by HIGH PLAINS RADIO NETWORK, LLC, a Texas limited liability company ("Buyer") and or assigns, and Altus FM Inc., a Oklahoma corporation ("Seller").

## RECITALS

WHEREAS, Seller is the sole licensee, proprietor and operator of the three commercial radio stations identified as KEYB FM, KJOK FM and KKRE FM officially assigned to Altus and Hollis Oklahoma; and

WHEREAS, Seller is the owner of all tangible and intangible personal property used in connection with the operation of the Stations (the "Radio Assets"); and

WHEREAS, Seller desires to sell, and Buyer desires to purchase, substantially all of the Stations Assets, all subject to the terms and conditions set forth herein for a purchase price of six hundred thousand dollars cash at closing, (\$600,000). In addition to the assets being purchased, Buyer will enter into a Consulting Agreement with the Seller for a total of one hundred and fifty thousand dollars (\$150,000) payable over a three year period of \$50,000 per year. The studio building will be leased by the Buyer, with an option to purchase for an additional Two hundred and Fifty Thousand Dollars, (\$250,000) which is addressed in a separate real estate agreement. Upon execution of this agreement, Buyer shall deposit \$37,500 into a Media Services Group Escrow account, with terms and conditions as outlined in the agreement, shown in Schedule 5.

NOW, THEREFORE, in consideration of their respective agreements and covenants herein, the receipt and sufficiency of which is hereby acknowledged, Buyer and Seller agree:

### 1. Purchase and Sale of Radio Assets.

On the terms and conditions of this Agreement, at Closing Seller shall sell, assign, transfer, convey and deliver to Buyer the entire right, title and interest of Seller in, to and under the Radio Assets.

(A) The Radio Assets shall include all personal property, rights, contracts, liabilities and obligations utilized in the 'Ordinary Course of Business' (i.e., the ordinary course of the Stations' business consistent with past practices). The Radio Assets shall specifically:

- (1) include the broadcasting equipment, personal property, rights and contracts; and
- (2) include all governmental licenses which include any franchises, approval, certificates, authorizations, permits, rights and applications used in the Ordinary Course of Business of the Radio Station.
- (3) include all of the equipment used and useful in the Cable sales operation with Cable One and assumption of all agreements between Seller and Cable One.

### 2. Pre-Closing Covenants.

The parties agree to comply with the following covenants until Closing.



- (A) Buyer, with Seller's reasonable assistance, shall prepare and file the FCC Application in accordance with Section 5.
  - (B) Buyer, with Seller's reasonable assistance, shall obtain all approvals, consents or authorizations necessary to assign all Licenses to Buyer.
  - (C) Without Buyer's written consent, Seller shall not surrender or voluntarily modify any License, shall not permit any License to expire, shall not take any action (or fail to take any action) that could result in suspension, revocation or limitation of rights under any License; and shall prosecute with due diligence any pending applications concerning any License.
  - (D) Without Buyer's written consent, Seller shall not cause any Radio Station to take any action outside the Ordinary Course of Business.
  - (E) Without Buyer's written consent, Seller shall not negotiate or agree to transfer ("Transfer", including sales, assignments, conveyances, pledges, encumbrances, liens or any other transfer) any Radio Assets.
  - (F) Without Buyer's written consent, Seller shall not permit the Transfer of any of Seller's capital stock or other equity interests.
  - (G) Without the other party's approval, a party shall not disclose any confidential information about the other party except as necessary for the FCC Application, obtaining the License transfer authorizations and obtaining the Transfer Consents.
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### **3. Preparation of Schedules.**

The parties agree that the Schedules to this Agreement (the "Schedules") shall be prepared (*see below*) by Seller during its operation of the Stations.

- (A) Seller shall deliver final Schedules to Buyer at the closing.
- (B) Buyer and Seller shall then negotiate in good faith to jointly approve all Schedules.
- (C) Buyer and Seller shall inform the other about any subsequent material changes in the Radio Assets and the corresponding amendments to the Schedules.

### **4. Obtaining 3rd Party Consents.**

- (A) Until all Transfer Consents are obtained, Seller shall take all necessary action to enable Buyer to obtain the benefits of the Radio Assets.
- (B) If any Radio Assets are leased by Seller then Seller shall consent to Buyer's use of such leased Radio Assets. To the extent permitted by such leases, Seller shall assign its rights under those leases to Buyer.

### **5. FCC Transfer.**

Buyer and Seller acknowledge that the Federal Communications Commission ("FCC") will upon receiving all needed documents, consent to the assignment of the Radio Stations' radio-frequency licenses from Seller to Buyer.

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- (A) Buyer shall prepare the application to obtain the FCC's consent to the assignment of the Radio Stations' radio frequency licenses from Seller to Buyer ("FCC Application").
- (B) Buyer shall file the FCC Application with the FCC within thirty days following execution of this Agreement.
- (C) Buyer and Seller shall diligently prosecute the FCC Applications. Seller shall provide any assistance or cooperation requested by Buyer for obtaining approval of the FCC Application.

#### 6. Closing.

- (A) The closing of the purchase and sale provided for in this Agreement (herein referred to as the "Closing") shall take place after FCC approval in Altus, Oklahoma or at a place mutually agreed to in writing by the parties.
- (B) At the Closing, Seller shall transfer to Buyer, all of Seller's right, title and interest of Seller in, to and under the Radio Assets, free and clear of all liens. Seller shall execute and deliver:
  - (1) all documents requested by Buyer to evidence transfer of the Radio Assets;
  - (2) certificates containing seller representations and warranties customary for the sale of a business;
  - (3) all other documents reasonably requested by Buyer that are customary for the sale of a business.
- (C) At the Closing, Buyer shall deliver to Seller:
  - (1) all documents requested by Seller to evidence Buyer's assumption of any contract, liabilities and obligations contained in the Radio Assets and the cable television sales agreement with Cable One.
  - (2) all documents reasonably requested by Seller that are customary for the sale of a business; and
- (D) At the Closing, the parties shall make appropriate pro-rations for all taxes, fees, expenses and other costs relating to the Radio Assets and customary for the sale of a business. The parties shall pay their pro-rated share of such amounts.
- (E) Each party will execute such additional documents and take such other actions requested by another party in order to effectuate the transfer of the Radio Assets from Seller to Buyer.
- (F) Receivables Purchased @ closing: All for \$.80 on the dollar, to be figured immediately after billing is completed for the month just ended. No receivables that have aged 91 days or longer will be paid for with the exception of active agency accounts.

7. **Force Majeure.** Except as herein provided to the contrary, neither Buyer nor Seller shall have any rights against the other Party hereto for failure or delay in the performance of a required obligation if such failure or delay is caused by an act of God; inevitable accident; fire;

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lockout; flood; tornado; hurricane; strike or other labor dispute; riot or civil commotion; earthquake; war; act of government or governmental instrumentality (whether federal, state or local); failure of performance by a common carrier; failure in whole or in part of technical facilities; or other cause (financial inability excepted) beyond such Party's reasonable control. Prompt written notice within thirty (30) days of such event shall be provided.

**8. Fees and Costs.** Each party shall be solely responsible for its own attorney's fees and costs in connection with the matter herein. However, in any action to enforce, interpret, or seek damages for violation of this Agreement, the prevailing Party shall recover all attorneys' fees, litigation expenses, and court costs.

Buyer and Seller hereby mutually represent that there are no finders, consultants or brokers involved in the transaction other than MSG and that neither Seller nor buyer has agreed to pay any brokers or finders fee in connection with this transaction other than the fee of MSG in the amount of \$37,500.00. The payment of which shall be the responsibility of the seller in full at closing. With respect to the Escrow deposit, MSG is entitled to retain the brokerage fee at closing and pay the balance, if any, to the appropriate party."

**9.No Assignment.** Buyer may not assign its rights under this Agreement to another entity. Except as expressly specified in this Agreement, a party may not assign, transfer or delegate, in whole or in part, its rights or obligations hereunder without the prior written consent of the other party.

**10. Notices.** All notices, requests, consents, approvals, demands, notifications and other communications provided for hereunder (collectively "Notices") shall be in writing. All Notices shall be deemed given or made when timely deposited in the mail, first class postage prepaid, addressed to the Parties at the addresses following their signatures with return receipt required. A Party may change its address for notices by a notice complying with this Section.

**11. Construction and Interpretation.** Terms used in this Agreement should be interpreted according to their fair meaning consistent with this Section.

- (A) If an ambiguity or question of intent or interpretation arises then no party shall bear any presumption or burden of proof due to authorship of any provision herein because the parties jointly negotiated and drafted this Agreement.
- (B) The obligations of Buyer and Seller under this Agreement are subject to all applicable federal, state and local laws, rules and regulations (including the federal Communications Act of 1934, as the same may be amended from time to time, and the rules and regulations of the FCC promulgated thereunder).
- (C) This Agreement and all matters or issues collateral thereto shall be construed in accordance with the domestic laws of the State of Oklahoma, without applying conflict of laws principles.
- (D) Unless the context requires otherwise, words denoting the singular may be construed as denoting the plural and the words of the plural may be construed as denoting the singular as is appropriate.



- (E) The terms "include" and "including" mean 'including without limitation'.
- (F) The term "any" includes 'any', 'if any', 'all', 'any or all' or 'any and all', as the context requires.
- (G) The term "laws" include constitutions, statutes, rules, regulations, codes, injunctions, judgments, orders, decrees, rulings, restrictions and charges.
- (1) Unless expressly limited in a particular provision, the term "laws" includes federal, state and local laws.
- (2) A reference to a specific statute refers to regulations relating to that statute.
- (3) A reference to a specific law refers to that law as revised or amended at the time that law is being applied.
- (H) The term "person" includes any individual, partnership, corporation, association, joint stock company, limited liability company, limited partnership, trust, retirement entity, government or other entity, whether foreign or domestic.
- (I) If a date for a party's performance is a day on which national banks are not open for business in Oklahoma then such performance shall occur on the next weekday when national banks are open for business in Oklahoma.
- (J) References to a 'Section', 'subsection', 'Article', 'Exhibit', 'Appendix' or 'Schedule' shall constitute cross-references within this Agreement unless the reference also expressly cites another document.
- (K) The provisions of this Agreement are severable and separate, so if any particular provision is ruled to be illegal, invalid or unenforceable, the remaining provisions shall be severed there from and shall remain in full force and effect.
- (L) This Agreement shall be construed neither to place the Parties in the relationship of partners or joint venturers nor to constitute any Party the agent of any other Party. Except as specifically provided for herein, neither Party shall have the power to obligate or bind the other Party in any manner whatsoever
- (M) This Agreement shall be binding upon and inure to the benefits of Buyer, Seller, their respective successors and permitted assigns but shall not confer any rights or remedies upon any other person except as expressly granted herein.
- (N) A waiver of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent or other breach.
- (O) The rights and remedies of a party herein provided are cumulative and are not exclusive of any right or remedies which it may otherwise have.
- (P) No provision of this Agreement shall be altered, amended, revoked or waived, except by an instrument in writing signed by all parties.
- (Q) This Agreement may be executed in one or more counterparts. All counterparts collectively shall constitute a single instrument, while each such counterpart shall be considered an original.

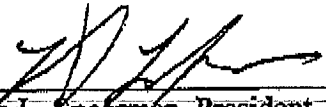
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(R) A facsimile signature or a Emailed response on any document executed in connection with the Company shall constitute an original signature.

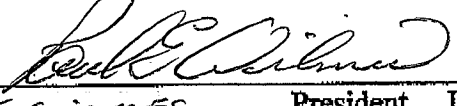
The Section titles are stated only for convenience and shall not control or affect the interpretation or construction of any provision of this Agreement.

12. **Entire Agreement.** This Agreement set forth the entire understanding and agreement of Buyer and Seller concerning the purchase and sale of the Station. This Agreement supersedes all prior understandings, agreements or representations by or between the parties, whether written or oral. The parties hereby release & discharge all liabilities with respect to prior discussions, negotiations and commitments.

**Buyer:** **High Plains Radio Network, LLC**

By:  Pres 03-01-2016  
Monte L. Spearman, President Date  
3218 N. Quincy St.  
Plainview, Texas 79072  
(806) 777-8542

**Seller:** **Altus FM, Inc.**

By:  3 4 2016  
Paul E. Wilmes, President Date  
Po Box 1077  
Altus, Oklahoma 73522  
~~(806) 319-1956~~

### **Schedule 1: The Radio Assets**

A. All Broadcast Equipment, furniture & fixtures: List Attached

B. Broadcast Rights & Broadcast Contracts: List Attached

### **Schedule 2: The Excluded Assets**

NONE

### **Schedule 3: The Excluded Liabilities**

NONE

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### **Schedule 4: The Licenses**

KEYB, KJOK, KKRE

Including all associated Studio Transmitter Link

### **Schedule 5: The Escrow Agreement**

Attached

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# ESCROW AGREEMENT

AGREEMENT Effective as of the       day of       , 2016,  
by and among:

BUYER: High Plains Radio Network, LLC  
P. O. Box 1478  
Plainview, TX 79072  
Attention: Monte Spearman  
Email: monte.pp@hotmail.com

SELLERS: Altus FM, Inc.  
PO Box 1077  
Altus, OK 73522

Email: Gayle@KEYB.net

ESCROW  
AGENT: Media Services Group, Inc.  
402 Angell Street  
Providence, RI 02906  
Attention: Robert J. Macinni  
Email: maccini@mediaservicesgroup.com

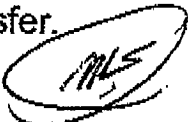
## WITNESSETH:

WHEREAS, Buyer and Seller have entered into an Agreement of Purchase and Sale with respect to KEYB-FM, KJOK-FM, and KKRE-FM, from Seller to Buyer, said Agreement dated the 4<sup>th</sup> day of March, 2016, being by reference incorporated herein and made a part hereof (hereinafter the "Purchase Agreement"), and

WHEREAS, the parties wish to provide for an orderly disposition of the funds deposited into escrow pursuant to said Purchase Agreement;

NOW, THEREFORE, in consideration of these premises, promises and mutual covenants contained herein, the parties do hereby agree as follows:

1. DEPOSIT OF ESCROW FUNDS. Upon the execution of this Escrow Agreement, buyer is delivering or causing to be delivered to the Escrow Agent, the sum of \$37,500 (Thirty Seven Thousand Five hundred Dollars) via wire transfer.





2. INVESTMENT OF ESCROW FUND. The Escrow Agent shall invest and reinvest the escrow funds in the Invesco STIC Prime Portfolio Short-Term Investments Trust. The Escrow Agent shall not be held responsible for the failure of any financial institution or entity into which the escrow funds are deposited or for the loss of all or any part of the escrow funds, after they have been deposited with such financial institution or entity or as otherwise deposited or invested in accordance with the provisions herein. The Escrow Agent shall hold said escrow funds together with all interest accumulated thereon and proceeds therefrom and dispose of the same as hereinafter provided.

3. DISPOSITION OF ESCROW FUND. The Escrow Agent shall distribute and dispose of the escrow funds, less any expense reimbursement due Escrow Agent, as follows:

(a) In the event the purchase and sale closes in the manner contemplated in the Purchase Agreement, the escrow funds shall be paid over at closing in accord with said Purchase Agreement. In such event, all interest earned and accumulated thereon and proceeds therefrom shall be paid over to Buyer at closing.

(b) In the event the purchase and sale does not close as contemplated in the Purchase Agreement due to the material breach by or default of the Buyer under the terms of the Purchase Agreement, then the escrow funds shall be paid over to Seller together with all interest earned and accumulated thereon and the proceeds therefrom.

(c) In the event the purchase and sale does not close as contemplated in the Purchase Agreement due to the material breach by or default of the Seller under the terms of the Purchase Agreement, then the escrow funds shall be paid over to Buyer together with all interest earned and accumulated thereon and the proceeds therefrom.

(d) In all other events, if the Purchase Agreement is terminated or if the transactions or closing contemplated thereby are not consummated, the escrow funds shall be returned to the Buyer together with all interest earned and accumulated thereon and the proceeds therefrom.

(e) If any provision of this Paragraph with respect to the disposition of the escrow fund is in conflict with any provision of the Purchase Agreement with respect to such disposition, then such provision in the Purchase Agreement shall control.

4. CONTROVERSIES WITH RESPECT TO ESCROW FUND. The Escrow Agent shall discharge his duties to dispose of the escrow fund in accord with the provisions of paragraph 3 above upon the joint written instructions of the Seller and Buyer or their duly designated representatives. If the Escrow

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Agent shall not have received such joint written instructions or a controversy shall exist between Buyer and Seller as to the correct disposition of the escrow funds, the Escrow Agent shall continue to hold the escrow funds and the income earned or accrued thereon until:

(a) The receipt by the Escrow Agent of the joint written instructions of the Seller and Buyer as to the disposition of the escrow funds; or

(b) The receipt by the Escrow Agent of a final order entered by a court of competent jurisdiction determining the disposition of the escrow funds and the income earned or accrued thereon; or

(c) The Escrow Agent shall have, at its option, filed an action or bill in interpleader, or similar action for such purpose, in a court of competent jurisdiction and paid the escrow funds and all income earned or accrued thereon into said court, in which event, the Escrow Agent's duties, responsibilities and liabilities with respect to the escrow fund, proceeds therefrom and this Agreement shall terminate.

5. CONCERNING THE ESCROW AGENT. The following shall control the fees, resignation, discharge, liabilities and indemnification of the Escrow Agent:

(a) The Escrow Agent shall charge no fees for its services hereunder, but shall be reimbursed for all reasonable expenses, disbursements and advancements incurred or made by the Escrow Agent in performance of his duties hereunder including but not limited to wire transfer fees and its attorney's fees; one-half (1/2) of any such expenses, disbursements and advances to be paid by Buyer and one-half (1/2) by the Seller upon Escrow Agent's request, other than for expenses for investments authorized hereunder which shall be borne by Buyer.

(b) The Escrow Agent may resign and be discharged from its duties hereunder at any time by giving written notice of such resignation to the parties hereto, specifying the date when such resignation shall take effect. Upon such notice, a successor escrow agent shall be appointed with the unanimous consent of the parties hereto, and the service of such successor escrow agent shall be effective as of the date of resignation specified in such notice, which date shall not be less than thirty (30) days after giving such notice. If the parties hereto are unable to agree upon a successor agent within thirty (30) days after such notice, the Escrow Agent shall be authorized to appoint its successor. The Escrow Agent shall continue to serve until its successor accepts the escrow by written notice to the parties hereto and the Escrow Agent deposits the escrow fund with such successor escrow agent.

(c) The Escrow Agent undertakes to perform such duties as are specifically set forth herein and may conclusively rely, and shall be protected in acting or refraining from acting, on any written notice, instrument or signature

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believed by it to be genuine and to have been signed or presented by the proper party or parties duly authorized to do so. The Escrow Agent shall have no responsibility for the contents of any writing contemplated herein and may rely without any liability upon the contents thereof. Escrow Agent shall be under no obligation to refer to the Purchase Agreement or to any other documents between the parties related in any way to this Escrow Agreement, except as specifically provided herein

(d) The Escrow Agent shall not be liable for any action taken or omitted by it in good faith and believed by it to be authorized hereby or within the rights and powers conferred upon it hereunder, nor for action taken or omitted by it in good faith, or in accordance with advice of counsel (which counsel may be of the Escrow Agent's own choosing) and it shall not be liable for any mistake of fact or error of judgment or for any acts or omissions of any kind unless caused by its own misconduct or gross negligence.

(e) Each of the Buyer and Seller agrees to indemnify the Escrow Agent and hold it harmless against any and all liabilities incurred by it hereunder. Buyer and Seller agree jointly to indemnify the Escrow Agent and hold it harmless against any and all liabilities incurred by it hereunder, except in the case of liabilities incurred by the Escrow Agent resulting from its own misconduct or gross negligence.

(f) The Escrow Agent acts hereunder as a depository only, and is not responsible or liable in any manner for the sufficiency, correctness, genuineness or validity of any cash, letter of credit or security deposited with it.

## 6. MISCELLANEOUS.

(a) This Escrow Agreement shall be construed by and governed in accordance with the laws of the State of Florida, applicable to agreements executed and wholly to be performed therein.

(b) This Escrow Agreement shall be binding upon and shall inure to the benefit of the parties, their successors and assigns.

(c) This Escrow Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

(d) Paragraph headings contained in this Escrow Agreement have been inserted for reference purposes only, and shall not be construed as part of this Escrow Agreement.

(e) All notices, requests, demands and other communications hereunder shall be in writing, shall be given simultaneously to all parties hereunder and shall be deemed to have been duly given if delivered or mailed (certified mail, postage pre-paid, return receipt requested) as follows:

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**BUYER:** High Plains Radio Network, LLC  
P. O. Box 1478  
Plainview, TX 79072  
Attention: Monte Spearman  
Email: monte.pp@hotmail.com

**SELLER:** Altus FM, Inc.  
PO Box 1077  
Altus, OK 73522  
Email: Gayle@KEYB.net

with copy to Gayle Ledbetter Darby

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**ESCROW**

**AGENT:** Media Services Group, Inc.  
402 Angell Street  
Providence, RI 02906  
Attention: Robert J. Maccini  
Email: maccini@mediaservicesgroup.com

or to such other addresses as any party may have furnished to the other in writing, in accord herewith.

7. TERMINATION. This Escrow Agreement shall automatically terminate upon the distribution of the escrow fund in accord with the terms hereof.

IN WITNESS WHEREOF, the parties have caused their hands, or those of their duly authorized officers, and seals to be affixed as of the date first above written.



Signature Page

ATTEST:

Megan Chavez

BUYER: High Plains Radio Network, LLC

By: [Signature]

Title President

ATTEST:

[Signature]

SELLER: Altus FM, Inc.

By: [Signature]

Title: CEO

ATTEST:

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ESCROW AGENT:  
Media Services Group, LLC

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

Title: \_\_\_\_\_