

STATE OF ALABAMA

COUNTY OF MOBILE

**ASSET PURCHASE AGREEMENT**

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**THIS AGREEMENT** (“Agreement”), made this 7<sup>th</sup> day of February, 2018, by and between Radio Center of Jackson, Inc. (hereinafter referred to as Seller), and Pine City Radio, LLC, an Alabama Limited Liability Company, (hereinafter referred to as Buyer).

**WITNESSETH:**

**WHEREAS**, Seller is the licensee and owner of AM station WRJX, Jackson, Alabama (FCC Facility ID No. 8604), FM station WHOD, Jackson, Alabama (FCC Facility ID No. 8605) and FM station WBMH, Grove Hill, Alabama (FCC Facility ID No. 8607) (“Stations”); and

**WHEREAS**, Seller has applied (FCC Application No. BNPFT-20171219ABN) for a construction permit for a new FM Translator for use with WRJX (FCC Facility ID No. 200030). (“Translator”); and

**WHEREAS**, Seller desires to convey and Buyer desires to purchase all of the licenses, assets, equipment and call letters used or intended for use in the construction and operation of the Stations; and

**WHEREAS**, Seller and Buyer will not be able to consummate this Agreement without the prior approval of the United States Bankruptcy Court, Southern District of Alabama and Federal Communications Commission (“FCC”) for said purchase and assignment; and

**WHEREAS**, the Stations are silent and the parties intend to enter into a local marketing agreement (“LMA”) in order to restore operations of the Stations as quickly as possible.

**NOW THEREFORE**, in consideration of the mutual promises, covenants and conditions contained herein the parties, intending to be legally bound, mutually agree as follows:

1. **ASSETS SOLD AND PURCHASED** – Subject to the terms and conditions of this Agreement, Seller agrees to sell, convey, transfer and assign to Buyer, and Buyer agrees to buy, receive, and assume all of the real and personal property, assets, licenses, equipment and call letters used and intended to be used in the operation of the Stations. Said assets are to be delivered to Buyer from Seller at the time of closing and in compliance with all generally accepted standards and FCC requirements, free and clear of the security interest of Asset Capital, Inc., but otherwise in “as is” condition and without other warranty, express or implied. The Translator cannot be conveyed until the FCC issues a construction permit to Seller. Seller does not warrant that the FCC will grant the application but, in the event the

FCC grants the application for the Translator construction permit, Seller will convey its interest in the Translator upon filing a subsequent application for consent to assignment of the Translator construction permit, so long as Buyer bears all costs relative to such application and subsequent conveyance. Attached hereto is Exhibit A itemizing a list of equipment to be conveyed as part of this purchase agreement. The Purchaser has inspected all Radio Center of Jackson, Inc. facilities and has confirmed and is satisfied that the list of equipment as itemized on Exhibit A is present at the station facilities. The Trustee makes no representations or warranties regarding the existence, nonexistence or condition of the equipment as itemized on Exhibit A.

2. **PURCHASE PRICE** – The total consideration to be paid by the Buyer to the Seller for the property, licenses and assets to be acquired by Buyer shall be TWO-HUNDRED THOUSAND AND NO/100 DOLLARS (\$200,000.00) to be paid as follows:
  - (A) An earnest money deposit of \$20,000.00 (TWENTY THOUSAND AND NO/100 DOLLARS) shall be paid by Buyer to the Bankruptcy Trustee in cash upon execution of this Agreement, by deposit of that sum into the Bankruptcy Estate Account either by wire or certified funds. In the event the FCC or US Bankruptcy Court, Southern District of Alabama, fails to approve the sale of the stations as expressed in this Agreement, the balance of the earnest money funds less any expenses and/or bank fees will be returned to the Buyer.
  - (B) At closing Buyer will pay the balance of the purchase price by wire transfer or certified funds in the amount of 180,000.00 (ONE HUNDRED EIGHTY THOUSAND AND NO/100 DOLLARS.)
  - (C) Buyer will have ownership of all outstanding accounts receivable.
  - (D) Buyer agrees to pay the FCC filing fee for the filing of the appropriate Assignment Application.
  - (E) Seller agrees to give public notice of the Assignment Application, as required by the FCC's rules, and Buyer will pay any fees incident to such notice.
3. **CONDITIONS PRECEDENT** – This entire Agreement is subject to and contingent upon Bankruptcy Court approval from the United States Bankruptcy Court, Southern District of Alabama, approval of the FCC to the terms of this Agreement and the Assignment of the permits of Stations. The parties shall cooperate in the prompt execution of filing of an Assignment Application on the proper FCC form and all other instruments necessary in order to obtain the consent of the FCC to the Assignment contemplated herein. Said application shall be filed within (5) days following the execution of this Agreement. For

purposes of this Agreement, "Final Approval" shall be defined as an Order by the United States Bankruptcy Court and the FCC approving the sale and granting the Assignment Application filed by the parties hereto, which Order is no longer subject to appeal or reconsideration by the parties or by third persons, or subject to review by the Commission on its own motion.

4. **CLOSING** – Closing shall take place following an order approving the sale executed by the United States Bankruptcy Court, Southern District of Alabama, and receipt of Final Approval.
5. **SELLER'S REPRESENTATIONS AND WARRANTIES** – Seller represents and warrants to Buyer as follows:
  - (B) That Seller conveys all assets of the Stations free and clear of the security interest and/or mortgage of Capital Assets, Inc.
  - (C) That Seller is in compliance with all applicable laws rules and regulations of all federal, state, and local authorities having jurisdiction over Seller and the Stations, including the FCC.
6. **BUYER'S REPRESENTATIONS AND WARRANTIES** – Buyer represents and warrants to the Seller as follows:
  - (A) That Buyer will, at closing, be legally and financially qualified and able to undertake performance of the obligations set forth in Agreement and to become an FCC licensee of the Stations; and
  - (B) Except for the consent of the FCC and the United States Bankruptcy Court, Southern District of Alabama, no further consent of any kind is required, and Buyer knows of no reason why final approval would not be granted by the FCC.
  - (C) **RISK OF LOSS**. During the period of the LMA operation, the Buyer shall purchase insurance on the facilities and equipment, the proceeds from any claims shall be paid to the Bankruptcy Estate upon consideration by the US Bankruptcy Court insurance proceeds will be distributed by the Court.
7. **REMEDIES** - The parties agree that the assets and property to be conveyed under this Agreement are unique and cannot be readily purchased and sold in the open market. Should the Buyer willfully and wrongfully breach this Agreement or fail or refuse to settle in accordance with the terms of this Agreement, the Seller's remedy shall be liquidated damages for such breach in the amount of the earnest money deposit in escrow in the Bankruptcy Estate Account.

8. **PERFORMANCE AT CLOSING** –

- 8.1 Seller shall deliver to Buyer or Buyer's duly authorized agent, at closing, A Bill of Sale and Quit Claim Deed, transferring to Buyer title to all real property, tangible and intangible personal property and licenses to be conveyed under the terms of this Agreement, free and clear of the security interest Capital Assets, Inc. The parties recognize and agree that all property is sold "as is/where-is", and Seller makes no warranties, express or implied, as to the condition or operability of the property. Buyer warrants he has investigated status of all property to be conveyed and by Closing the purchase of the Stations warrants that it is satisfied with the status of the property conveyed.
- 8.2 Seller shall deliver to Buyer all licenses, permits and authorizations issued by the FCC for operation of or issued in connection with the operation of the radio stations.
- 8.3 Buyer shall deliver to Seller the balance of the purchase price, as set forth in paragraph 2(b) and 2(c) hereof; subject to any adjustments provided for by this Agreement.

9. **PRORATION OF EXPENSES** – Seller shall be responsible for all expenses accrued or incurred prior to, or arising from the Stations' operations prior to the execution of the LMA Effective Date, including but not limited to property taxes and utility bills, and Buyer shall be responsible for all such expenses thereafter. Buyer shall be entitled to all income for services rendered or to be provided by the Stations on and after the closing date.

10. **MISCELLANEOUS** – The United States Bankruptcy Court, Southern District of Alabama and any applicable federal laws and regulation of FCC matters shall govern in all matters affecting this Agreement and any disputes which may arise hereunder. The headings contained in this Agreement as for reference purposed only and shall not affect in any way the meaning or interpretation of this Agreement. This Agreement and the attachments hereto contain the entire Agreement of the parties with respect to the transactions contemplated and supersede all prior negotiations between the parties concerning the subject matter contained herein. No change, modification or waiver of any provision hereof will be valid unless in writing and signed by the parties hereto. No delay or failure on the part of either party in exercising any rights hereunder, and no partial or single exercise thereof, will constitute a waiver of such rights or of any other rights hereunder. The provisions hereof shall service the closing hereunder in accordance with the terms of this Agreement and shall be binding upon and inure to the benefit of all of the parties hereto, their heirs, executors, administrators, legal representatives, successors and assigns. This Agreement may be executed in counterparts. Each of such counterparts shall for all purposes be deemed an original; all of such counterparts together shall constitute complete execution of this Agreement. This Agreement shall be binding upon, and shall inure to the benefit of, the parties to this Agreement, their heirs, successors and assigns.

11. Until the Closing, control of the Stations shall remain vested in Seller and Buyers shall take no action to control the Stations except as permitted under the LMA.

12. This contract may not be assigned by Buyer without the Seller's written consent, except to a corporation of which Buyer is sole stockholder.

IN WITNESS WHEREOF, the parties have executed on their behalf as of the date first set forth above.

Signed, Sealed, and Delivered in the Presence of:

**SELLER**

RADIO CENTER OF JACKSON, INC.

BY: Trustees, Inc. (Seal)  
Chapter 7 Trustee Bankruptcy Estate  
Jason Clarke Kyzer and Shelley Janette Kyzer  
Case number 17-04297

**BUYER**

PINE CITY RADIO, LLC

BY: TAB

Thomas A. Butts, Managing Member

ATTEST:

Jennifer Butts  
Jennifer Butts

**EXHIBIT A**  
**EQUIPMENT LIST**

**Equipment List for Radio Center 01/20/2017**

**STUDIO EQUIPMENT**

(2) Marti STL-10 STL discrete STL transmitters	870.00	1990
(4) Electro-Rack Matrix MI-40U equipment racks	894.00	1990
(600') Andrews 1/2" coaxial cable +6 connectors	1500.00	1990
(1) Scala Paraflector microwave antenna-WHOD	376.50	1990
(2) Tripp Lite Omni Smart 1400 UPS/surge & Spike protectors	498.00	1998
(1) Rhohn R45 100' guyed tower	3000.00	1999
(1) Scala Miniflector microwave antenna WRJX	387.50	1999
(1) Scala Paraflector microwave antenna WBMH	580.00	2000
(1) Audioarts R-60 audio console-Studio A	5124.00	2002
(1) Audioarts R-60 audio console-Studio B	5371.00	2002
(2) Sony TC WE305 dual record/play cassette machines	390.00	2002
(3) Broadcast Tools SS12.4 stereo crosspoint audio switchers	2055.00	2002
(2) ART-SLA-1 monitor amplifiers	350.00	2002
(1) Energy Onix STL-1 Composite STL transmitter WBMH	760.50	2002
(1) RAM SR-64 audio switcher	742.00	2002
(4) Rolls RS-79B AM/FM stereo receivers	585.00	2002
(1) Crenshaw 12' mesh satellite dish w/LNG & coax	3696.00	2002
(4) Henry Marchbox matching transformers/couplers	356.00	2002
(1) Belar FM Receiving antenna & mounting	135.00	2003
(2) Broadcast Tools SM-111 silence monitors	1200.00	2003
(2) Broadcast Tools VAD-2 telephone interfaces	388.00	2003
(4) Shure SM-7B professional microphones	1960.00	2004
(4) Oc White 51900 mic booms w/risers	440.00	2004
(3) JK Audio SMIII remote kits (complete)	5582.00	2006
(3) Marantz PMD660 Portable Digital Recorders w/mics	1928.00	2006

# STUDIO EQUIPMENT (continued)

(2) JK Audio Innkeeper-2 telephone hybrids	2400.00	2006
(1) Telos Omnia 6EX HD/FM audio processor WHOD	9014.44	2007
(1) Telos Omnia 6EX HD/FM audio processor WBMH	9737.00	2007
(2) Numark cdn 22 mk5 professional cd play 2 piece unit	350.00	2010
(1) RCA 3-way speaker (4)	764.00	2002
(1) ultra pc tower serial 107301141 W7 serial 107295151 XP	600.00	06/2011
(1) D-Link Gig-a-bit switch DRBWAA100433	189.00	10/2010
(1) ultra battery backup 1000ap serial 40006281012	170.00	07/2011
(2) Micro smart PC Tower	600.00	10/2011
(1) Ultra W7 PC tower	700.00	11/2010
(1) HP Ap Previllion pc monitor sm91502118	430.00	12/2010
(1) 22" Acer LED Monitor	160.00	04/2011
(1) Ultra W7 PC Tower	699.00	04/2011
(2) TrendNet KVM Switch	40.00	06/2010
(1) 48V 10 A Switching Power Supply	425.00	07/2010
(1) Barix Exstreamer 500 INTL	467.00	07/2013

<b>Studio Equipment Total:</b>	<b>65913.94</b>	
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# OFFICE EQUIPMENT/FURNITURE/ACCESSORIES

(1) Hon double pedestal desk (steel-tan)	385.00	1988
(1) Christopher Lowell executive desk	795.00	1988
(2) Hon secretarial desks with returns	1120.00	1988
(1) O'Sullivan desk & credenza	425.00	1988
(1) Sauder secretarial desk with return	635.00	1988
(4) Leather wingback chairs	1956.00	1992
(1) Leather Queen-Anne Loveseat	879.00	1992
(1) Wooden end table	129.00	1992
(1) Silvertone antique console radio	200.00	1992
(3) Hon 4-drawer filing cabinets	912.00	1996
(1) Hon 2-drawer filing cabinet/safe	330.00	1998
(4) Hon double pedestal desks (steel-putty)	1782.00	2002
(1) O'Sullivan computer credenza	199.00	2002
(1) Badcock "kitchen" dining table & 4 chairs	691.00	2002
(1) SAMS 18" x 48" folding table	79.00	2002
(4) Global mid-back manager chairs only have 3	1167.00	2002
(2) Hon vinyl guest chairs	178.00	2002
(1) Telephone system	4000.00	2016
(5) BSW wall clocks	172.00	2002
(1) Docu-bind P-100 document binding system	279.00	2003
(1) Wal-Mart 2 drawer filing cabinet	40.00	2011
(1) Lot miscellaneous office tools (calculators, staplers, etc.)	500.00	2004
(2) Lowes 18" x 24" folding tables	99.00	2004
(10) Global secretarial chairs	1290.00	2005
(1) Kenmore Elite 30" under-counter Refrigerator	290.00	2006

**OFFICE EQUIPMENT/FURNITURE/ACCESSORIES (continued)**

(1)Fridgeid air deep freezer	400.00	2006
(1) Pull Behind Cooker Grill	2500.00	2006
(1) Kenmore self cleaning oven/range (used)	100.00	2006
(1) Brother Intellifax 2800 fax machine	265.00	2003
(1)Acer AcerPower CPU/ AL1916W monitor	1800.00	2006
(1) Custom CPU & 15" VGA monitor	1000.00	2001
(1) HP officejet pro 8500 a+ printer	235.00	10/2011
(1) HP officejet pro l7680 all in one printer	455.00	2007
(1) Wal-Mart 1450 PSI electric pressure washer	68.98	2007
(1) Lenovo Laptop	763.00	2013
(1) Cannon HD Camcorder	660.00	2013
(1) 1.5TB HDD	120.00	2013
(3) Optelator	1005.00	2013
(2) High Cap UPS	200.00	2013
(1)Med CAP UPS	80.00	2013
(1) Peastone Tripod	70.00	2013
(1) Mackie Board	96.00	2013
(3) Relay Panels	1143.00	2013
(3) Surge Protectors	360.00	2013
(3) Remote Facility Monitoring	2862.00	2013
(1) Scan Disk MP3 Player	38.00	2013
(1) Dazzle Unit	70.00	2013
(2) Nexgen Automation System	30,000.00	2013
(1) HP Deskjet 8100	90.00	2013

OFFICE EQUIPMENT/FURNITURE/ACCESSORIES (continued)

(1) HDD	50.00	2013
(1) Craftsman 277CC Weedeater	105.00	2013
(1) Barix Extremer 500	500.00	2013
(1) Pyle FM Tuner	150.00	2012
(1) Sage Digital Endec	4500.00	2012
(1)Sage Multi Station Relay Panel	500.00	2012
(1) Enclosed Cargo 6x12 Trailer	2595.00	2015
<b>Office Equipment Total:</b>	<b>71312.98</b>	

# WHOD TOWER SITE

(1) Harris FM 2.5K FM transmitter (standby) Not functional	14000.00	1977
(1) Jampro JMPC-6 broadcast antenna (standby)	5500.00	1988
(1) Phelps-Dodge FM-5 FM broadcast antenna (spare)	1669.00	1990
(150') Cablewave M1B 1-5/8" coaxial cable (spare)	2625.00	1990
(1) Scala Paraflector Microwave antenna	376.50	1990
(1) Building with concrete slab	4385.00	1991
(1) J-Crow 600' 48" face guyed tower & obstruction lighting system	98882.00	1992
(1) standard chain link fencing (around building, tower, guy anchors)	1894.00	2002
(1) Dielectric DRC-6C FM broadcast antenna (main)	16488.00	2005
(600') Dielectric FL-77 3-1/8" coaxial cable (main)	16462.00	2005
(1) Fridgidaire 28,000 BTU thru-wall air conditioners	1595.00	2005
(1) Fridgidaire 15,000 BTU thru-wall air conditioner	520.00	2012
(1) Coaxial Dynamics thru-line wattmeter	1310.00	2005
(1) Enery-Onix ECO-22 #070422 transmitter	40000.00	2007
(1) Broadcast tools Remote Unit -non working	820.00	2007
(1) Harris Digital Exciter	9900.00	1993

<b>WHOD Tower Site Total:</b>	<b>216426.50</b>	
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# WBMH TOWER SITE

(1) Rohn 65G 400', 24" face guyed tower & obstruction lighting system	21000.00	1990
(1) Henry 250D-95 FM transmitter (standby)	2475.00	1991
(1) ERI LP3E FM broadcast antenna (main)	26465.00	1999
(400') Andrew HCC 158-50 1-5/8" coaxial cable (main)	7900.00	1999
(1) Standard chain link fencing (around building & tower)	2100.00	1999
(1) scala paraflector microwave antenna	580.00	2000
(1) Federal Electric 1 ½ ton central (split system) HVAC system	1543.00	2000
(1) Building	368.00	2000
(1) Energy-Onix ECO-10 transmitter	33916.00	2002
(1) Energy-Onix STL-1 composite STL Receiver	760.05	2002
(1) Coaxial Dynamics thru0 line wattmeter	995.00	2005
(1) Broadcast Tools Remote Unit-non working	820.00	2007
(1) Henry Studio Drive mixer (incl telephone hybrid)	1452.00	2006
(1) Energy Onix 30 W Exciter	2500.00	2002

<b>WBMHTower Site Total:</b>	<b>102874.05</b>	
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#### WRJX TOWER SITE

(1) Harris MW-1A AM transmitter (not functional)	10500.00	1977
(1) Stainless 210' face guyed tower & obstruction lighting system	14000.00	1977
(1) Harris 1KW tuning unit/matching network	1800.00	1977
(1) custom folded unipole antenna kit (mounted above tower)	2000.00	1977
(1) Standard 5' broadcast equipment rack	185.00	1977
(1) Building w/ concrete slab	1595.00	1977
(2) Marti STL-10 discrete STL receivers	850.00	1990
(100') Andrews 1/2" solid coaxial cable	250.00	1990
(1) Scala Miniflector microwave antenna	387.50	1999
(1) Energy-Onix Pulsar 1000 #070417 transmitter	7000.00	2007
(1) Broadcast Tools Remote unit-non working	820.00	2007
(2) Whirlpool 12,000 BTU thru wall air conditioners	600.00	2007
(1) ATU Custom Build	4300.00	2007
(1) Orban Optimod 9100B AM audio processor-WRJX	7900.00	1995

**WRJX Tower Site Total:** **52,187.50**

**Radio Center Equipment List Total** **\$508,714.97**