

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this “Agreement”) is made as of August 17, 2018, between ILLINOIS ASSOCIATION OF SEVENTH-DAY ADVENTISTS, an Illinois not-for-profit corporation (“Seller”), and WPW BROADCASTING, INC., an Illinois corporation (“Buyer”).

WHEREAS, Seller holds the authorizations for FM translator W229BZ (formerly W282AO), Canton, Illinois (FCC Facility ID Number 141941) (the “Translator”), issued by the Federal Communications Commission (the “FCC”);

WHEREAS, Seller and Buyer are parties to that certain Time Brokerage Agreement and Purchase Option, dated August 28, 2013 (the “TBA and Option”); and

WHEREAS, Buyer has exercised its option under the TBA and Option to purchase from Seller the Translator’s FCC authorizations and substantially all of the asset used and useful in connection with the Translator.

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

1. Translator Assets. Seller agrees to assign, transfer, convey and deliver to Buyer, and Buyer shall acquire from Seller, all of the right, title, and interest of Seller in and to certain assets, properties, interests and rights of Seller, tangible and intangible, which are used in the operation of the Translator (the “Translator Assets”), including the following:
 - (a) all licenses, permits and other authorizations or other governmental authority with respect to the Translator held by Seller (the “Licenses”); and
 - (b) the transmitter, and other tangible personal property of the Seller used in the operation of the Translator (the “Tangible Personal Property”), listed on Schedule 1(b).
2. Purchase Price. The purchase price to be paid for the Translator Assets is payment in full of the principal amount of Thirty-Three Thousand Five Hundred Dollars (\$33,500) under the promissory note executed by Buyer in favor of Seller under the TBA and Option (the “Purchase Price”). Seller acknowledges that this principal amount of the promissory note has been paid in full by Buyer as of the date of this Agreement.
3. Assumption of Obligations. On the Closing Date, Buyer shall assume all obligations arising from the business or operation of the Translator after the Closing Date.
4. Prorations and Adjustments. All prepaid and deferred expenses arising from the conduct of the business and operations of the Translator shall be prorated as of 11:59 p.m. of the Closing Date (as defined below). The prorations and adjustments contemplated by this Section 4 shall be made to the extent practicable at the Closing (as defined below), and to the extent not made at the Closing shall be made within thirty (30) calendar days after the Closing Date.
5. Closing. Subject to satisfaction or waiver of the conditions set forth herein,

consummation of the sale of the Translator Assets under this Agreement (the “Closing”) shall occur on a date (the “Closing Date”) mutually agreed upon by the parties which date shall be within ten (10) business days after the grant of FCC Consent (as defined below).

6. FCC Consent. The Closing is subject to and conditioned upon prior FCC consent (the “FCC Consent”) to the assignment of the FCC Licenses to Buyer. Within five (5) business days of the date of this Agreement, Seller and Buyer shall file an application with the FCC (the “FCC Application”) requesting the FCC Consent. Seller and Buyer shall diligently prosecute the FCC Application and otherwise use their best efforts to obtain the FCC Consent as soon as practicable.

7. Buyer’s Representations and Warranties. Buyer makes the following representations and warranties to Seller:

(a) Buyer is duly organized, validly existing and in good standing under the laws of the State of Illinois. Buyer has the requisite power and authority to execute and deliver this Agreement and to comply with the terms, conditions and provisions hereof.

(b) The execution, delivery and performance of this Agreement by Buyer have been duly authorized and approved by all necessary corporate action of Buyer. This Agreement is a legal, valid and binding agreement of Buyer enforceable in accordance with its terms, except (i) as may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors’ rights generally, and (ii) as such enforceability is subject to general principles of equity.

(c) 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.

(d) Buyer is legally, financially and otherwise qualified to be the licensee of, acquire, own and operate the Translator under the Communications Act of 1934, as amended, and the rules, regulations, and policies of the FCC.

(e) There are no suits, arbitrations, administrative charges or other legal proceedings, claims or governmental investigations pending against, or, to Buyer’s knowledge, threatened against, Buyer relating to or affecting this Agreement or the transactions contemplated hereby.

8. Seller’s Representations and Warranties. Seller makes the following representations and warranties to Buyer:

(a) Seller is duly organized, validly existing and in good standing under the laws of the State of Illinois. Seller has the requisite power and authority to execute and deliver this Agreement and to comply with the terms, conditions and provisions hereof.

(b) The execution, delivery and performance of this Agreement by Seller have been duly authorized and approved by all necessary corporate action of Seller. This

Agreement is a legal, valid and binding agreement of Seller enforceable in accordance with its terms, except (i) as may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally, and (ii) as such enforceability is subject to general principles of equity.

(c) The Licenses are held by Seller, and have been issued for the full terms customarily issued to radio translators in the State of Illinois. The Licenses are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired. There are no applications, complaints, investigations or proceedings pending or, to the knowledge of Seller, threatened before the FCC relating to the operation of the Translator other than those affecting the broadcasting industry generally. Seller is not subject to any outstanding judgment or order of the FCC relating to the Translator.

(d) Seller has good and valid title to all Tangible Personal Property [listed in Schedule 1(b)], free and clear of all liens and encumbrances, except for liens for taxes not yet due and payable and for which Buyer receives a credit pursuant to Section 4 hereof ("Permitted Liens"). All of the items of Tangible Personal Property are of types, kinds and/or designs in accordance with standard industry practices. The Tangible Personal Property will be conveyed to Buyer "Where is/as is."

(e) No insolvency proceedings of any character, including without limitation, bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, affecting Seller or any of the Translator Assets, are pending or, to Seller's knowledge, threatened, and Seller has not made any assignment for the benefit of creditors or taken any action which would constitute the basis for the institution of such insolvency proceedings.

(f) 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.

(g) There are no suits, arbitration, administrative charges or other legal proceedings, claims or governmental investigations pending, or, to Seller's knowledge, threatened against Seller relating to or affecting this Agreement or the transactions contemplated hereby.

9. Joint Covenants. Seller and Buyer hereby covenant and agree that between the date hereof and the Closing they shall cooperate fully with each another in taking any commercially reasonable actions (including to obtain the required consent of any governmental instrumentality or any third party) necessary to accomplish the transactions contemplated by this Agreement, including, but not limited to, the prompt satisfaction of any condition to the Closing set forth herein.

10. Seller's Conditions to Closing. The obligations of Seller hereunder are, at its option, subject to satisfaction at or prior to the Closing of each of the following conditions:

- (a) The representations and warranties of Buyer made in this Agreement shall be true and correct in all material respects as of the Closing Date except for changes permitted or contemplated by the terms of this Agreement, and the covenants and agreements to be complied with and performed by Buyer at or prior to the Closing shall have been complied with or performed in all material respects.
- (b) The FCC Consent shall have been obtained and shall be in full force and effect, and no court, administrative or governmental order prohibiting the Closing shall be in effect.
- (c) Buyer shall have made each of the deliveries contemplated by Section 12 hereof or otherwise reasonably required by this Agreement.
- (d) Buyer shall have satisfied all of the obligations and liabilities for which it was responsible pursuant to the TBA and Option.

11. Buyer's Conditions to Closing. The obligations of Buyer hereunder are, at its option, subject to satisfaction at or prior to the Closing of each of the following conditions:

- (a) The representations and warranties of Seller made in this Agreement shall be true and correct in all material respects as of the Closing Date except for changes permitted or contemplated by the terms of this Agreement, and the covenants and agreements to be complied with and performed by Seller at or prior to the Closing shall have been complied with or performed in all material respects.
- (b) The FCC Consent shall have been obtained and shall be in full force and effect, and no court, administrative or governmental order prohibiting the Closing shall be in effect.
- (c) All security interests pertaining to the Translator Assets shall be released of record and there shall be no liens in respect of such assets, except Permitted Liens.
- (d) Seller shall have made each of the deliveries contemplated by Section 12 hereof or otherwise reasonably required by this Agreement.

12. Closing Deliveries. At the Closing, Seller shall deliver or cause to be delivered to Buyer: such bills of sale, release of the promissory note, documents of title and other instruments of conveyance, assignment and transfer as may reasonably be requested by Buyer to convey, transfer and assign the Translator Assets to Buyer, free and clear of liens, except for Permitted Liens. At the Closing, Buyer shall deliver or cause to be delivered to Seller such documents and instruments of assumption as may reasonably be requested by Seller for Buyer to assume the obligations arising under operation of the Translator after the Closing.

13. Indemnification. From and after the Closing, Seller shall defend, indemnify and hold harmless Buyer from and against losses, costs, damages, liabilities and expenses, including reasonable attorneys' fees and expenses ("Buyer's Damages") incurred by Buyer arising out of or resulting from: (a) any failure by Seller to perform any covenant or agreement contained in this Agreement, or any other breach or default by Seller under this Agreement; and (b) the operation of the Translator before the Closing, provided that Seller shall not be liable for any Damages for which Buyer was or is obligated to indemnify Seller pursuant to the TBA and Option.. From and after the Closing, Buyer shall defend, indemnify and hold harmless Seller from and against losses, costs, damages, liabilities and expenses, including reasonable attorneys' fees and expenses ("Seller's Damages") incurred by Seller arising out of or resulting from: (y) any failure by Buyer to perform any covenant or agreement contained in this Agreement, or any other any breach or default by Buyer under this Agreement; and (z) the operation of the Translator after the Closing. The indemnified party shall give prompt written notice to the indemnifying party of any demand, suit, claim or assertion of liability by third parties or other circumstances that could give rise to an indemnification obligation hereunder on the part of the indemnifying party (a "Claim"), but a failure to give such notice or a delay in giving such notice shall not affect the indemnified party's right to indemnification and the indemnifying party's obligation to indemnify as set forth in this Agreement, except to the extent the indemnifying party's ability to remedy, contest, defend or settle with respect to such Claim is thereby prejudiced.

14. Specific Performance. If Seller defaults in performance of its obligations under this Agreement, Buyer may, as an alternative to a claim for legal damages, bring an action for specific performance. Seller hereby acknowledges that the Translator Assets are of a special, unique and extraordinary character, and that monetary damages would not be sufficient to compensate Buyer under such circumstances.

15. Expenses. Each party shall be solely responsible for all costs and expenses incurred by it in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement, except that filing fees, if any, with respect to the FCC Application shall be paid by Buyer.

16. Assignment. Neither party may assign any of its rights or obligations under this Agreement, without the express prior written consent of the non-assigning party.

17. Amendments. No amendment to, or waiver of compliance with, any provision or condition 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 any waiver or amendment is sought.

18. Headings. The headings set forth in this Agreement are for convenience only and will not control or affect the meaning or construction of the provisions of this Agreement.

19. Governing Law. The construction and performance of this Agreement shall be governed by the laws of the State of Illinois applicable to contracts made and to be fully performed within such State, without giving effect to the choice of law provisions thereof that may require the application of the laws of any other state.

20. Notices. Any notice, demand or request required or permitted to be given under the provisions of this Agreement shall be in writing, and shall be deemed to have been received on the date of personal delivery, on the third day after deposit in the U.S. mail if mailed by registered or certified mail, postage prepaid and return receipt requested, on the day after delivery to a nationally recognized overnight courier service if sent by an overnight delivery service for next morning delivery (or to such other address as any party may request by written notice):

If to Seller: Illinois Association of Seventh-Day Adventists
619 Plainfield Road, Suite 200
Willowbrook, IL 60521
Attention: _____

With a copy to each, which shall not alone constitute notice, to:
DONALD E. MARTIN, P.C.
P.O. Box 8433
Falls Church, VA 22041
Attention: Donald E. Martin, Esq.

Douglas Carr
319 West Ivey Lane
Peoria, IL 61614

If to Buyer: WPW Broadcasting Inc.
P.O. Box 864
DeKalb, IL 60115
Attention: Vanessa Wetterling

With a copy, which shall not alone constitute notice, to:
Fletcher, Heald & Hildreth, PLC
1300 North 17th Street, Suite 1100
Arlington, VA 22209
Attention: Davina S. Sashkin, Esq.

21. Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed an original and all of which together will constitute one and the same instrument.

22. No Third Party Beneficiaries. Nothing herein expressed or implied is intended or shall be construed to confer upon or give to any person or entity other than the parties hereto and their successors or permitted assigns, any rights or remedies under or by reason of this Agreement.

23. Severability. The parties agree that if one or more provisions contained in this Agreement shall be deemed or held to be invalid, illegal or unenforceable in any respect under any applicable law, this Agreement shall be construed with the invalid, illegal or unenforceable provision deleted, and the validity, legality and enforceability of the remaining provisions

contained herein shall not be affected or impaired thereby, unless such construction would alter the fundamental purposes of this Agreement.

24. Entire Agreement. This Agreement embodies the entire agreement and understanding of the parties hereto and supersedes any and all prior agreements, arrangements and understandings relating to the matters provided for herein.

25. Attorneys' Fees. In the event of a dispute relating to this Agreement involving the interpretation or enforcement of the terms of this Agreement, resulting in litigation brought by either party, the prevailing party in such litigation shall be entitled, in addition to other relief ordered by the Court, to reasonable attorneys' fees and costs.

26. Further Assurances. After the 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 and take such other actions as may reasonably be requested in order to more effectively consummate the transactions contemplated hereby.

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

SELLER: ILLINOIS ASSOCIATION OF SEVENTH-DAY ADVENTISTS

By: 
Name: Michael Daum
Title: Vice President

BUYER: WPW BROADCASTING, INC.

By: 
Name: Vanessa Watterling
Title: President

Schedule 1(b)

List of Tangible Personal Property

One PTEK 300-watt FM transmitter