

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this "Agreement") is dated as of August 13, 2020, by and between **ST. JOSEPH CATHOLIC CHURCH** ("Seller") and **YUBA-SUTTER COMMUNITY MEDIA, INC.**, a California non-profit corporation ("Buyer") (collectively referred to as "Parties").

WITNESSETH:

WHEREAS, Seller is the licensee of LPFM Station KXMJ-LP, 94.3 MHz, Marysville, California (Facility ID #197192) ("KXMJ-LP"), pursuant to authorizations issued by the Federal Communications Commission (the "FCC"); and

WHEREAS, Seller desires to sell, transfer, assign, convey and deliver to Buyer, and Buyer desires to acquire from Seller, certain assets used in connection with the operation of the Station; and

WHEREAS, FCC authorizations may be assigned only with the prior consent of the FCC.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants and agreements hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. **Sale of Assets.**

(a) At Closing (as hereinafter defined), Seller agrees to sell, transfer, assign, convey and deliver to Buyer and Buyer shall purchase and assume from Seller, free and clear of any liens other than liens for taxes not yet due and payable, the following assets used in connection with the operation of the Station ("Assets"), but excluding the Excluded Assets described in subparagraph (b) below:

(i) Seller's equipment and other tangible personal property used in the transmission operations of the Station (the "Tangible Personal Property") identified on Schedule 1 hereto;

(ii) The license for KXMJ-LP granted by the FCC on January 11, 2016 for the operation of the Station in FCC File No. BLL-20160104ANE, for a term that expires on December 1, 2021, together with the Station's call letters "KXMJ-LP"; and

(iii) Permission to use KXMJ-LP's current licensed transmitter site for a period of two (2) years commencing on the Closing Date..

(b) Seller is not selling, assigning, or transferring to Buyer the following assets

of Seller (the "Excluded Assets");

(i) Cash on hand and in banks (or their equivalents), and accounts receivable arising out of the operation of the Station prior to Closing;

(ii) All rights of Seller under all contracts, leases, and agreements, including contracts of insurance and insurance proceeds of settlement and insurance claims made by Seller relating to property or equipment repaired, replaced, restored by Seller prior to the Closing Date;

(iii) All deposits and all prepaid expenses and taxes;

(iv) Seller's corporate records;

(v) All tangible and intangible personal and real property used or useful in connection with all of Seller's church, religious and educational activities excluding the Station.

2. **Consideration. Purchase Price.** The purchase price for all assets shall be FOUR THOUSAND DOLLARS in lawful money of the United States of America (the "*Purchase Price*"), payable in cash on the Closing Date. This amount represents the fair market value of the equipment used and useful in the operation of the Station.

3. **Closing Date; Closing Place.** The closing (the "*Closing*") of the transactions contemplated by this Agreement shall occur on the fifth (5th) business day following the date upon which the FCC Consent shall have been granted by the FCC or its staff acting pursuant to delegated authority. The Closing shall be held by mail, facsimile, or electronic mail, as the Buyer and Seller may agree. Buyer shall have the sole right to waive a Final Order and close at any time subsequent to receipt of FCC staff approval of this transaction, subject to giving Seller five (5) calendar days' advance notice of the Closing Date.

4. **Representations and Warranties of Seller.** Seller hereby makes the following representations and warranties to Buyer:

(a) Seller has the power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Seller and constitutes the legal, valid and binding obligation of Seller enforceable in accordance with its terms, except as may be limited by bankruptcy, insolvency or other laws affecting generally the enforcement of creditors' rights or the application of principles of equity.

(b) Schedule 1 hereto contains a list of the Tangible Personal Property owned by Seller that shall be transferred to Buyer. Seller owns and has, and will have on the Closing Date, good and marketable title to the Tangible Personal Property. Each material item of Tangible Personal Property shall be conveyed to Buyer without representation or warranty, "as-is, where-is."

(c) The FCC Authorizations are in full force and effect, unimpaired by any act or omission of Seller. Seller lawfully holds each of the FCC Authorizations described in this Agreement, none of which is subject to any restrictions or conditions that would limit in any material respect the operations of the Station, except such conditions as are stated on the face thereof.

(d) No representation or warranty made by Seller in this Agreement, and no statement made in any certificate, document, exhibit or schedule furnished or to be furnished in connection with the transaction herein contemplated, contains or will contain any untrue statement of a material fact or omits or will omit to state any material fact necessary to make such representation or warranty or any such statement not misleading.

(e) There is no broker or finder or other person who would have any valid claim for a commission or brokerage in connection with this Agreement or the transaction contemplated hereby as a result of any agreement, understanding or action by Seller.

5. **Representations and Warranties of Buyer.** Buyer hereby makes the following representations and warranties to Seller:

(a) This Agreement has been duly and validly executed and delivered by Buyer and constitutes the legal, valid and binding agreements of Buyer enforceable in accordance with their respective terms, except as may be limited by bankruptcy, insolvency or other laws affecting generally the enforcement of creditors' rights or the application of principles of equity.

(b) Buyer is a non-profit corporation validly formed and legally existing in the state of California in good corporate standing. Buyer is authorized to do business in California as a foreign non-profit corporation. Buyer is legally, financially and technically qualified to acquire and become the licensee of, acquire, own and operate the Station under the Communications Act of 1934, as amended (the "Communications Act") and the rules, regulations and policies of the FCC. There are no facts that would, under existing law and the existing rules, regulations, policies and procedures of the FCC, disqualify Buyer as an assignee of the FCC Authorizations or as the owner and operator of the Station. No waiver of any FCC rule or policy with respect to Buyer, its business or operations, is necessary for the FCC Consent to be obtained.

(c) There is no broker or finder or other person who would have any valid claim against Seller for a commission or brokerage in connection with this Agreement or the transaction contemplated hereby as a result of any agreement, understanding or action by Buyer.

(d) No representation or warranty made by Buyer in this Agreement, and no statement made in any certificate, document, exhibit or schedule furnished or to be furnished in connection with the transactions herein contemplated, contains or will contain any untrue statement of a material fact or omits or will omit to state any material fact necessary to make such representation or warranty or any other such statement not misleading to Seller to the best of Buyer's knowledge.

6. **Covenants.** Seller covenants with Buyer that, between the date hereof and the

Closing Date, Seller shall take all reasonable actions necessary to keep the FCC Authorizations, including all material permits and applications pending before the FCC, valid and in full force and effect.

7. **Conditions Precedent to Obligation to Close.**

(a) The performance of the obligations of Seller hereunder is subject to the satisfaction of each of the following express conditions precedent, unless waived in writing by Seller:

(i) Buyer shall have performed and complied in all material respects with all of the agreements, obligations and covenants required by this Agreement to be performed or complied with by Buyer prior to or as of the Closing Date;

(ii) The representations and warranties of Buyer set forth in this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same effect as if made on and as of the Closing Date;

(iii) The FCC consent for the assignment of the KXMJ-LP license contemplated by this Agreement shall have become a Final Order, unless waived by Seller; and

(iv) Buyer shall have delivered to Seller on the Closing Date, the documents and payments required to be delivered pursuant to Section 9(b);

(b) The performance of the obligations of Buyer hereunder is subject to the satisfaction of each of the following express conditions precedent:

(i) Seller shall have performed and complied in all material respects with all the agreements, obligations and covenants required by this Agreement to be performed or complied with by Seller prior to or as of the Closing Date;

(ii) The representations and warranties of Seller set forth in this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same effect as if made on and as of the Closing Date;

(iii) The FCC Consent to Buyer acquiring the KXMJ-LP license from Seller contemplated by this Agreement shall have been granted;

(iv) The FCC Authorizations shall be in full force and effect and there shall be no proceedings pending before the FCC to revoke, cancel, rescind, or refuse to renew any of such FCC Authorizations; and

(v) Seller shall have delivered to Buyer, on the Closing Date, the documents required to be delivered pursuant to Section 9(a).

8. **Closing Deliveries.**

(a) At the Closing, Seller shall deliver to Buyer the following, each of which shall be in form and substance satisfactory to Buyer and its counsel:

(i) A Bill of Sale transferring title to the Tangible Personal Property to Buyer;

(ii) An Assignment and Assumption of the Station's FCC Authorization; and

(iii) Such other documents, instruments and agreements necessary to consummate the transactions contemplated by this Agreement or as Buyer shall reasonably request, each in form and substance satisfactory to Buyer and its counsel.

(b) Prior to or at the Closing, Buyer will deliver to Seller the following, each of which shall be in form and substance satisfactory to Seller and its counsel:

(i) The Purchase Price; and

(ii) Such documents, instruments and agreements necessary to consummate the transactions contemplated by this Agreement or as Seller shall reasonably request, each in form and substance satisfactory to Seller and its counsel.

9. **Notices.** All notices, elections and other communications permitted or required under this Agreement shall be in writing and shall be deemed effectively given or delivered upon personal delivery (or refusal thereof), or twenty-four (24) hours after delivery to a courier service which guarantees overnight delivery, or five (5) days after deposit with the U.S. Post Office, by registered or certified mail, postage prepaid, and, in the case of courier or mail delivery, addressed as follows (or at such other address for a party as shall be specified by like notice):

If to Seller, to:

St. Joseph Catholic Church
223 Eighth Street
Marysville, CA 95901
Attention: Rev. Michael Olszewski, Parochial Administrator

If to Buyer, to:

Yuba-Sutter Community Media, Inc.
2679 Walnut Avenue
Marysville, CA 95901
Attention: Emilio Toche, President

10. **Governing Law; Venue.** This Agreement shall be construed and enforced in accordance with the laws of the State of California, without giving effect to the choice of law principles thereof. Venue shall lie in the state or federal courts located in or having jurisdiction over Yuba County, California.

11. **Partial Invalidity.** Wherever possible, each provision hereof shall be interpreted in such manner as to be effective and valid under applicable law, but in case any provision contained herein shall, for any reason, be held to be invalid or unenforceable, such provision shall be ineffective to the extent of such invalidity or unenforceability without invalidating the remainder of such provision or any other provisions hereof, unless such a construction would be unreasonable.

12. **Counterparts.** This Agreement may be executed in several counterparts, each of which will be deemed to be an original but all of which together will constitute one and the same instrument. This Agreement may be executed and exchanged by facsimile transmission or electronic mail, with the same legal effect as if the signatures had appeared in original handwriting on the same physical document.

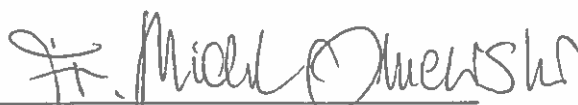
13. **Assignment.** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. No party may voluntarily assign its interest or delegate its duties under this Agreement without the prior written consent of the other party.

14. **Entire Agreement.** This Agreement, and the exhibits attached hereto, supersede all prior agreements and understandings between the parties with respect to the subject matter hereof and may not be changed or terminated orally, and no attempted change, amendment, or waiver of any of the provisions hereof shall be binding unless in writing and signed by parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

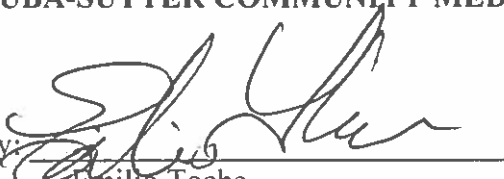
SELLER:

ST. JOSEPH CATHOLIC CHURCH

By: 
Rev. Michal Olszewski
Parochial Administrator

BUYER:

YUBA-SUTTER COMMUNITY MEDIA, INC.

By: 
Emilio Toche
President

SCHEDULE 1

Tangible Personal Property