

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this “Agreement”) is made as of June 27, 2019 by and between JDF INVESTMENTS, LLC, a California Limited Liability Company (“Seller”) and ESTHER ARENAS, a resident of the State of California (“Buyer”). The parties hereto shall be known as the “Parties” collectively and a “Party” in the singular.

WHEREAS, Seller is licensee of Station KVPS-LD, Indio, California, Facility No. 10533 (the “Station”);

WHEREAS, subject to the terms and conditions set forth herein, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller all of the personal property, tangible and intangible (the “Purchased Assets”), used and useable in the operation of the Station;

WHEREAS, the transaction represented herein shall consummate only upon the prior consent of the Federal Communications Commission (“FCC” or “Commission”) and other applicable conditions precedent contained herein; and

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

ARTICLE 1: PURCHASE OF STATION

1.1. Sale and Purchase. On the terms and subject to the conditions herein, at Closing (as defined below), Seller shall sell, assign, transfer, convey, and deliver to Buyer, and Buyer shall purchase and acquire from Seller, the following assets (the “Purchased Assets”):

(a) All FCC Licenses and applications of Seller which pertain to the Station (See Exhibit 1 attached hereto);

(b) Broadcast equipment (which for the purposes of the transaction herein shall be considered “Tangible Personal Property” (See Exhibit 2 attached hereto);

(c) All right, title, and interest to any and all rights, licenses, permits, authorizations, goodwill and other intangibles, to the extent lawfully transferable, which are used, useful, or intended to be used in the operation of the Station (See Exhibit 3 attached hereto);

(d) All files, records, and logs pertaining to the operation of the Station including the Station’s Public Inspection Files;

(e) Buyer shall assume those contracts, leases, and agreements set forth on Exhibit 4 attached hereto, and Buyer agrees to indemnify Seller against any and all claims which may arise as a result of Buyer’s non-performance thereunder;

(f) The Purchased Assets shall be free and clear of any debts, liens, claims or encumbrances of any kind or nature, except for any obligations or liabilities of the Seller that Buyer may expressly agree in writing to assume.

1.2 Deposit and Escrow. Concurrent with the execution of that certain Memorandum of Understanding (the “Memorandum”) by and between the Parties dated as of June 17, 2019, Buyer has delivered an Earnest Deposit to be held in the client trust account of Aaron A. Grunfeld, Esq. (“Grunfeld”) to the benefit of the Parties.

(a) As of the end of Buyer’s Due Diligence Period Buyer has registered no unsatisfactory conditions which would have led to a cancellation of the transaction hereby represented, therefore the Earnest Deposit is now considered non-refundable; and

(b) Upon the mutual execution of this Agreement and the filing of an Assignment Application with the FCC, Buyer shall deliver the Additional Deposit of Twenty Thousand Dollars (\$20,000.00) to Grunfeld at which time the Earnest Deposit and the Additional Deposit shall constitute an Escrow Deposit.

(c) The Parties have executed the Escrow Agreement, attached hereto at Exhibit 5 and incorporated herein by reference, setting forth irrevocable instructions, mutually agreeable to both Parties concerning the deposit, disposition, and delivery of the Escrow Deposit.

1.3 Purchase Price and Payment. The Purchase Price to be paid by Buyer to Seller for the Purchased Assets shall be Seventy-Five Thousand Dollars (\$75,000.00) as follows:

(a) On the Closing Date, the principal of the Escrow Deposit shall be released to Seller via wire transfer or cashier’s check with accrued interest, if any, returned to Buyer or as Buyer directs.

(b) On the Closing Date, Buyer shall deliver to Seller a final payment of Fifty Thousand Dollars (\$50,000.00) via wire transfer or cashier’s check.

1.4. Assignment Application. As soon as practicable but in no event later than five (5) business days after the date of this Agreement, Buyer and Seller shall file an application (FCC Form 345) with the FCC requesting FCC consent to the assignment of the Station’s FCC Licenses from Seller to Buyer (the “Assignment Application”). The filing fee for the Assignment Application shall be paid by the Buyer.

1.5. Closing Date and Place. The consummation of the sale and purchase of the Purchase Assets (the “Closing”) shall take place within five (5) business days following FCC staff grant of the Assignment Application. The Closing shall take place at a time and place mutually agreeable to the Parties at which time Buyer shall deliver to Seller the Purchase Price and Seller and Buyer shall execute those closing documents evidencing the assignment and assumption of the Purchase Assets.

ARTICLE 2: SELLER REPRESENTATIONS AND WARRANTIES

Seller hereby represents and warrants to Buyer as follows:

2.1 Organization. Seller is a Limited Liability Company, duly organized, validly existing and in good standing under the laws of the State of California, and is qualified to do business in the State of California. Seller has the requisite power and authority to own and operate

the Station, to carry on the Station's business as now conducted by it, and to execute, deliver and perform this Agreement and the documents to be made pursuant hereto.

2.2 Authorization. The execution, delivery and performance of this Agreement and the documents to be made pursuant hereto have been duly authorized and approved by all necessary action of Seller and do not require any further authorization or consent of Seller. This Agreement and the documents to be made pursuant hereto are legal, valid and binding agreements of Seller enforceable in accordance with their respective terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

2.3 No Conflicts. The execution, delivery and performance by Seller of this Agreement and the documents to be made pursuant hereto does not conflict with any organizational documents of Seller or any law, judgment, order, or decree to which Seller is subject, and does not require the consent, approval or authorization, or filing with, any third-party or any court or governmental authority, except the FCC Consent.

2.4 FCC Licenses. Seller holds the FCC Licenses listed and described on Exhibit 1. Such FCC Licenses constitute all of the authorizations required under the Communications Act of 1934, as amended (the "Communications Act"), or the rules, regulations and policies of the FCC for the present operation of the Station. The FCC Licenses are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired. There is not pending or, to Seller's knowledge, threatened any action by or before the FCC to revoke, suspend, cancel, rescind or modify any of the FCC Licenses (other than proceedings relating to FCC rules of general applicability), and there is no order to show cause, notice of violation, notice of apparent liability, investigation, or notice of forfeiture or complaint pending or, to Seller's knowledge, threatened against Seller or the Station by or before the FCC that would have a material adverse effect on Buyer, the Purchase Assets, or the transactions contemplated by this Agreement. The Station complies in all material respects with the FCC Licenses, the Communications Act, and the rules, regulations and policies of the FCC. To Seller's knowledge, the Station is not transmitting or receiving any objectionable interference to or from any other stations in excess of FCC-licensed parameters. All material reports and filings required to be filed with the FCC and all regulatory fees required to be paid to the FCC by Seller with respect to the Station has been timely filed and paid. All such reports and filings are accurate and complete in all material respects.

2.5 Taxes. Seller has in respect to the Station's business filed all foreign, federal, state, county and local income, excise, property, sales, use, franchise and other tax returns and reports which are required to have been filed by it under applicable law in connection with the Station's business, and has paid all taxes which have become due pursuant to such returns or pursuant to any assessments which have become payable.

2.6 Tangible Personal Property.

(a) Exhibit 2 contains a list of all material items of Tangible Personal Property included in the Purchase Assets. Seller owns and has, and will have on the Closing Date, good and marketable title to the Tangible Personal Property or as otherwise indicated. At any reasonable time or times prior to the Closing Date, Buyer and/or Buyer's engineer may inspect the Station

and the equipment. Seller agrees to extend full cooperation, including such access to the property, equipment and to logs pertaining thereto at such time or times as Buyer or its representative shall reasonably request provided Seller or Seller's representative is present during any such inspection.

(b) It is specifically understood that Seller does not warrant the continued operation of said equipment after the Closing Date and Buyer is to rely solely on its own due diligence and engineering report(s) with respect to the equipment's state of repair. This is a sale of used broadcast equipment, on an "as is, where is" basis. At Closing, all equipment used and essential to the daily operation of the Station will be fully operational and in good working order unless otherwise noted in the Purchase Agreement exhibits as surplus, non-operational, or non-essential.

2.7 Compliance with Law. Seller has complied and complies in all material respects with all laws, regulations, rules, writs, injunctions, ordinances, franchises, decrees or orders of any court or of any foreign, federal, state, municipal or other governmental authority which are applicable to the Station or the Purchased Assets except as prevented by force majeure. There is no action, suit or proceeding pending or, to Seller's knowledge, threatened against Seller in respect of the Station or the Purchased Assets. To Seller's knowledge, there are no claims or investigations pending or threatened against Seller in respect of the Station or the Purchased Assets.

2.8 Finder or Broker Fees. No finder, broker, or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby other than MCH Enterprises, Inc., which has acted on behalf of Seller. Payment of the broker's fee to MCH Enterprises, Inc., shall be at Seller's sole cost and expense.

ARTICLE 3: BUYER REPRESENTATIONS AND WARRANTIES

Buyer hereby represents and warrants to Seller as follows:

3.1. Organization. Buyer is an individual resident of the State of California, and is qualified to do business in the state of California. Seller has the requisite power and authority to own and operate the Station, to carry on the Station's business as now conducted by it, and to execute, deliver and perform this Agreement and the documents to be made pursuant hereto.

3.2. Authorization. The execution, delivery and performance of this Agreement and the documents to be made pursuant hereto have been duly authorized and approved by all necessary actions of Buyer and do not require any further authorization or consent of Buyer. This Agreement and the documents to be made pursuant hereto are legal, valid and binding agreements of Buyer enforceable in accordance with their respective terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

3.3. No Conflicts. The execution, delivery and performance by Buyer of this Agreement and the documents to be made pursuant hereto does not conflict with any organizational documents of Buyer or any law, judgment, order, or decree to which Buyer is

subject, and does not require the consent, approval or authorization, or filing with, any third-party or any court or governmental authority, except the FCC Consent.

3.4 Qualification. Buyer is legally, financially, and otherwise qualified to hold the FCC Licenses under the Communications Act and the rules, regulations and policies of the FCC as they exist on the date of this Agreement, including by not limited to the FCC's foreign ownership and multiple ownership rules and policies. Buyer is not aware of any facts related to Buyer that would, under existing law, disqualify Buyer as an assignee of the FCC Licenses or as the owner and operator of the Stations. To Buyer's knowledge, no declaratory order, waiver of or exemption from any existing FCC rule or policy on the part of Buyer is necessary for the FCC Consent to be obtained.

3.5 Finder or Broker Fees. No finder, broker, or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby other than MCH Enterprises, Inc., which has acted on behalf of Seller. Payment of the broker's fee to MCH Enterprises, Inc., shall be at Seller's sole cost and expense.

ARTICLE 4: COVENANTS

Buyer and Seller hereby further covenant and agree as follows:

4.1. Confidentiality. Subject to the requirements of applicable law, all non-public information regarding the Parties and their business and properties that is disclosed in connection with the negotiation, preparation, or performance of this Agreement shall be confidential and shall not be disclosed to any other person or entity, except the Parties' representatives and lenders for the purpose of consummating the transactions contemplated by this Agreement.

4.2. Control. Buyer shall not, directly or indirectly, control the Station prior to Closing. Consistent with the Communications Act and the FCC rules and regulations, control, supervision, and direction of the Station prior to Closing shall remain the responsibility of Seller.

4.3. Seller Covenants. Between the date hereof and the Closing Date, Seller shall: (i) maintain in effect the FCC Licenses, (ii) promptly deliver to Buyer copies of any material reports, applications, or written responses to the FCC related to the Station which are filed during such period, and (iii) not modify the Station's FCC Licenses (except as may be requested by Buyer and approved by Seller). From the date of this Agreement until the Closing Date, Seller covenants that it will take no action, or fail to take any action, that would hinder Buyer from becoming the owner of the Station or delay the grant of the Assignment Application by the FCC. Furthermore, Seller shall give prompt notice to Buyer of any occurrence that comes to Seller's attention that may constitute a misrepresentation, breach of warranty, or non-fulfillment of any covenant or condition on the part of Seller contained in this Agreement. Seller shall deliver to Buyer within ten (10) business days after filing thereof with the FCC copies of any and all reports, applications, and/or responses relating to the Station's FCC Licenses which are filed by the Seller with the FCC on or prior to the Closing Date, including a copy of any FCC inquiries to which the filing is responsive, and in the event of an oral FCC inquiry, Seller will furnish a written summary thereof.

4.4. Modification of Authorized Transmitter Site. Seller agrees to cooperate with Buyer in the filing of any application for modification of the Station's FCC Licenses as may be requested

by Buyer prior to Closing. All costs and expenses incurred by Seller in conjunction with the preparation and filing of such Application shall be the responsibility of Buyer.

4.5. Condition Precedent. The Parties agree that consummation of the transaction represented hereby is conditioned the FCC granting a Construction Permit which would allow the Station's transmission facilities to be re-located to a new site, known locally as Edom Hill with no unreasonable or extraordinary conditions which would make such a re-location untenable. Seller makes no warranties as to the terms and conditions of site lease requirements, such determination and lease acquisition to be the sole responsibility of Buyer.

ARTICLE 5: MISCELLANEOUS PROVISIONS

5.1. Termination and Remedies. This Agreement may be terminated prior to Closing as follows:

(a) by mutual written consent of Buyer and Seller;

(b) by written notice of Buyer to Seller if Seller breaches in any material respect its representations or warranties or defaults in any material respect in the performance of its covenants or agreements herein contained and such breach or default is not cured within ten (10) business days of Buyer's notice to Seller that a breach or default has occurred.

(c) by written notice of Seller to Buyer if Buyer breaches in any material respect its representations or warranties or defaults in any material respect in the performance of its covenants or agreements herein contained and such breach or default is not cured within ten (10) business days of Seller's notice to Buyer that a breach or default has occurred.

(d) by either Buyer or Seller, by written notice to the other, if the Closing has not been consummated on or before the date which is ninety (90) days following FCC consent to the assignment represented herein.

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

5.3. Assignment. Neither Party may assign this Agreement without the prior written consent of the other Party hereto. The terms of this Agreement shall bind and inure to the benefit of the Parties' respective successors and assigns, and no assignment shall relieve any Party of any obligation or liability under this Agreement.

5.4. Amendments. No amendment or waiver of compliance with any provision 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 such amendment, waiver, or consent is sought.

5.5. Governing Law. The construction and performance of this Agreement shall be governed by the laws of the State of California without giving effect to the choice of law provisions thereof.

5.6. Notices. Any notice, demand, or request required or permitted to be given under the provisions of the Agreement shall be in writing and shall be deemed to have been duly delivered on the date of personal delivery or on the date of delivery by email with a “read receipt” or other confirmation of delivery, or on the date of receipt if mailed by registered or certified mail, postage prepaid and return receipt requested, and shall be deemed to have been received on the date of personal delivery or on the date set forth on the return receipt, to the following addresses, or to such other address as a party may request. Notice made in accordance with this section shall be deemed delivered upon receipt.

(a) To Seller:

Sim Farar, Managing Member
JDF Investments, LLC
15332 Antioch St. Suite 509
Pacific Palisades CA 90272
(310) 413-1104
Email: sfarar@yahoo.com

(b) To Buyer:

Esther Arenas
P.O. Box 40046
Downy, CA 90239
(562) 869-8888
Email: jararenas@hotmail.com

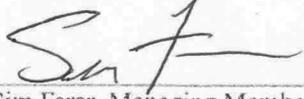
5.7. Entire Agreement. This Agreement, including the schedules hereto, constitute the entire agreement and understanding among the Parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings with respect to the subject matter hereof. No Party makes any representation or warranty with respect to the transactions contemplated by this Agreement except as expressly set forth in this Agreement.

5.8. Counterparts. This Agreement may be executed in separate counterparts, each of which will be deemed an original and all of which together will constitute one and the same agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Asset Purchase Agreement as of the date set forth above.

SELLER
JDF INVESTMENTS, LLO

By: 
Sim Farar, Managing Member

BUYER
ESTHER ARENAS

By: 
Esther Arenas

Exhibit 1
Station FCC Licenses

License to Cover for LPTV Application: (KVPS-LD)

Purpose: License to Cover File No: 72565

File No: 73385

Submit Date: 5/28/2019

Granted: 5/31/2019

Expiration: 12/1/2022

Exhibit 2
Tangible Personal Property

Transmitter includes: encoder, modulator, pre-amp and amp

RF Amp: Radio Free Berkeley (Macon)

RF Pre-Amp: Radio Free Berkeley (Macon)

Filter Amplifier: Microwave filter company

Encoder: Drake 2 channel

Kathrein DRV Band III Antenna: Kathrein USA (Scala)

Modulator: Amigo on loan from Channel 4 (Not Included)

Exhibit 3
Other Authorizations and Intangibles

None

Exhibit 4
Contracts, Leases, and Agreements

None

Exhibit 5
Escrow Agreement