

K241BQ ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made this 12 day of October, 2016 (the "Effective Date") by and between 1TV.com, Inc., an Arizona corporation (the "Seller"), and mkhangroup, LLC, a Texas limited liability company, or an affiliated entity designated by it in accordance with the provisions hereof (the "Buyer"), each a "Party" and collectively the "Parties."

RECITALS:

A. Seller holds a license issued by the Federal Communications Commission (the "FCC") for the operation of FM translator K241BQ, Ft. McDowell, AZ (Facility ID No. 33804) (the "Translator").

B. With FCC Consent (as hereinafter defined), Seller desires to assign to Buyer, and Buyer desires to acquire from Seller such license for the Translator (the "FCC License") and certain assets associated therewith in accordance with all the terms and subject to the conditions set forth in this Agreement.

NOW THEREFORE, in consideration of the Recitals and mutual covenants, conditions and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed as follows:

ARTICLE I DEFINITIONS

1.1 Definitions: Except as specified otherwise, when used in this agreement, the following terms shall have the meanings specified:

1.1.1. "Agreement" shall mean this Asset Purchase Agreement, together with the Schedules and Exhibits attached hereto, as the same shall be amended from time to time in accordance with the terms hereof.

1.1.2. "Business Day" shall mean any calendar day, excluding Saturdays and Sundays, on which federally chartered banks in the city of McDowell, AZ, are regularly open for business.

1.1.3 "Closing" shall mean the conference to be held at 10:00 AM Mountain Standard Time on the Closing Date, at the location(s) described herein or agreed upon by the parties, at which time the transactions contemplated by this Agreement shall be consummated as indicated herein. Unless otherwise agreed by Buyer and Seller in writing, the Closing will be performed through the electronic transfer of funds and electronic exchange of documents, with originals to follow by mail and/or courier service.

1.1.4 "Closing Date" shall mean the date on which Closing will take place within ten (10) business days of FCC Consent (as hereinafter defined). Notwithstanding the forgoing, in the event a petition to deny or an informal objection is filed with the FCC against the assignment of the FCC License, Buyer may elect that the transaction closing date shall take place within ten (10) business days of FCC Final Order (as hereinafter defined).

1.1.5 "FCC" shall mean the Federal Communications Commission and any successor agency.

1.1.6 "FCC Consent" for or related to the Translator license shall be action by the FCC (including by the FCC's staff under delegated authority) granting its consent to the assignment of the FCC License from Seller to Buyer or Buyer's designated affiliate.

1.1.7 "FCC License" shall mean all licenses, permits or authorizations, issued by the FCC to Seller respecting the Translator exclusively, and for the operation of the Translator, as listed in **Schedule A**.

1.1.8 "Final Order" shall mean an FCC approval or grant of the assignments as contemplated in this Agreement with respect to which no action, request for stay, petition for rehearing or reconsideration, appeal or review by the FCC on its own motion is pending, and as to which the time for filing or initiation of any such request, petition, appeal, or review has expired. "Final Order" shall mean an FCC approval or grant of the assignments as contemplated in this Agreement with respect to which no action, request for stay, petition for rehearing or reconsideration, appeal or review by the FCC on its own motion is pending, and as to which the time for filing or initiation of any such request, petition, appeal, or review has expired.

1.1.9 "Lien" shall mean any mortgage, deed of trust, pledge, hypothecation, security interest, encumbrance, claim, lien, lease (including any capitalized lease) or charge of any kind, whether voluntarily incurred or arising by operation of law or otherwise, including any agreement to give or grant any of the foregoing, any conditional sale or other title retention agreement and the filing of or agreement to give any financing statement under the Uniform Commercial Code of the State of Florida or comparable law of any jurisdiction, except for liens for taxes not yet due or payable;

1.1.10 "Person" shall mean any natural person, general or limited partnership, corporation, limited liability company or other entity.

1.1.12 "Schedules" shall mean those schedules referred to in this Agreement which have been delivered concurrently with the execution of this Agreement.

1.1.13 "Station Assets" shall mean the right, title and interest of Seller in and to certain assets used or held for use by Seller solely in the operation of the Translator which are being purchased by Buyer pursuant to this Agreement, including the FCC

License, the Seller Records, and the intangible property listed on **Schedule B** hereto, but excluding all of Seller's cash, accounts receivable, general business records, insurance policies and proceeds, contracts, leases, real property, the Translator antenna structure, Translator equipment, personal property, and assets used or held by Seller for use in connection with any of Seller's activities or operations other than the operation of the Translator or otherwise defined as Station Assets.

1.1.14 "Seller Records" shall mean files and records, including technical information and engineering data and FCC logs relating solely to the Translator; provided, however, that the Seller Records shall not include the financial or corporate books and records of Seller or records of other businesses or activities of Seller, its principals or affiliated companies.

1.2 **Singular / Plural – Gender:** Where the context so requires or permits, the use of the singular form includes the plural, and the use of the plural form includes the singular, and the use of the gender includes any and all genders. Except as specifically set forth herein, all Section and Article references are to Sections and Articles of this agreement.

ARTICLE II PURCHASE AND SALE

2.1 **Purchase and Sale:** At the Closing on the Closing Date, and upon all of the terms and subject to all of the conditions of this Agreement, Seller shall sell, assign, convey, transfer and deliver to Buyer, and Buyer shall purchase all of Seller's right, title and interest, legal and equitable, in and to the Station Assets.

2.2 **Consideration:** The monetary consideration for the assets shall be **One Hundred Seventy-Five Thousand Dollars (\$175,000.00)** (the "Purchase Price"), payable by wire transfer of immediately available U.S. funds on the Closing Date to an account designated by Seller at least two (2) business days prior to the Closing Date, subject to the prorations and adjustments provided for herein.

2.3 **Closing Date Deliveries for Seller:** At the Closing on the Closing Date, Seller shall deliver, or cause to be delivered, to Buyer the following, properly executed and delivered as of the Closing Date: (i) an assignment of the FCC License properly executed and delivered as of the Closing Date; (ii) a bill of sale for the Station Assets; and (iii) such other reasonable assignments, instruments and documentation, properly executed and delivered as of the Closing Date, as Buyer reasonably may request.

2.4 **Closing Date Deliveries by Buyer:** At the Closing on the Closing Date, Buyer shall deliver, or cause to be delivered, to Seller the following: (i) the Purchase Price, in accordance with Section 2.2 hereof; (ii) an assumption of the FCC License, properly executed and delivered as of the Closing Date; and (iii) such other reasonable assumptions, instruments and documentation, properly executed and delivered as of the Closing Date, as Seller may reasonably request.

2.5 Adjustments to Purchase Price:

(a) Prorations: At the Closing the parties shall make all necessary pro-rations, including but not limited to taxes and regulatory fees (to the extent applicable to Seller), rent, and utility charges. Income and expenses arising from the operation of the Translator and/or ownership or operation of the Station Assets until 11:59 p.m. on the day before the day of Closing shall be for the account of Seller and thereafter for the account of Buyer.

(b) Disputes: In the event of any disputes between the Parties as to any adjustments under this Section, the amounts not in dispute will be paid at the time provided herein and the dispute will be resolved by an independent Certified Public Accountant ("CPA") who shall be jointly selected by the Parties within thirty (30) days after the Closing, or after the final settlement on prorations, as the case may be. The decision of the CPA will be binding on each of the Parties and enforceable by a court of competent jurisdiction. The fees and expenses of the CPA will be paid one-half by Buyer and one-half by Seller.

2.6 Non-Assumption of Liabilities of Seller: Buyer does not and shall not assume or become obligated to pay any debt, obligation of any kind or nature of Seller or the Translator, except for the liabilities and obligations arising out of the Station Assets from and after the Closing Date, and such other liabilities, obligations, debts or charges as are specifically allocated to Buyer elsewhere in this Agreement.

ARTICLE III GOVERNMENTAL APPROVALS AND CONTROL OF STATION

3.1 FCC Consent: It is specifically understood and agreed by the Parties that the Closing shall be in all respects subject to, and conditioned upon, the receipt of prior FCC Consent. The Parties shall prepare and file with the FCC as soon as is reasonably practicable, but in no event later than five (5) Business Days after the execution of this Agreement, all requisite applications and other necessary instruments and documents to request the FCC Consent. The Parties shall prosecute such applications with all reasonable diligence and take all steps necessary to obtain the requisite FCC Consent. Each Party shall be responsible for one-half of all filing fees associated with the application(s) for FCC Consent.

ARTICLE IV REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller (as of the date hereof and as of the Closing Date) as follows:

4.1. Organization: Buyer is a limited liability company, organized and in good standing under the laws of the State of Texas. Buyer has the power and authority to own, lease and operate the Station Assets and to construct and operate the Translator as it is now

being operated; provided that Buyer may operate on a commercial basis. Buyer has the full corporate power to purchase the Station Assets pursuant to this Agreement.

4.2. **Authorization; Enforceability:** The execution, delivery and performance of this Agreement and all of the documents and instruments required hereby of Buyer are within the power of Buyer. This Agreement is, and the other documents and instruments required hereby will be, when executed and delivered by Buyer, the valid and binding obligations of Buyer, enforceable against Buyer in accordance with their respective terms, subject only to bankruptcy, insolvency, reorganization, moratoriums or similar laws at the time in effect effecting the enforceability or rights of creditors generally and by general equitable principles which may limit the right to obtain equitable remedies.

4.3. **Qualifications:** Buyer is legally, technically and financially qualified to acquire the FCC License and own and operate the Translator. Buyer knows of no reason why the FCC would not grant its consent to the assignment of the FCC License to Buyer.

4.4 **No Broker:** There is no broker or finder fee in connection with this Agreement and/or the transactions contemplated hereby as a result of this agreement, understanding or action by Buyer.

4.5 **Representations as of the Closing Date:** Buyer's representations and warranties set forth in this Agreement shall be true and correct in all material respects on and as of the Closing Date, as though such representation and warranties were made on the Closing Date; except for representations and warranties made as of a specific date, which need only be true as of such date or as otherwise provided by this Agreement.

ARTICLE V REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants to Buyer (as of the date hereof and as of the Closing Date) as follows:

5.1 **Organization:** Seller is a corporation, incorporated and in good standing under the laws of the State of Arizona. Seller has the power and authority to own, lease and operate the Station Assets and to conduct its operations as they are now being conducted.

5.2 **Authorization; Enforceability:** The execution, delivery and performance of this Agreement and all of the documents and instruments required hereby by Seller are within the power of Seller. This Agreement is, and the other documents and instruments required hereby will be, when executed and delivered by Seller, the valid and binding obligations of Seller, enforceable against Seller in accordance with their respective terms, subject only to bankruptcy, insolvency, reorganization, moratoriums or similar laws at the time in effect effecting the enforceability or rights of creditors generally and by general equitable principles which may limit the right to obtain equitable remedies.

5.3 **Title to Purchased Assets; Liens and Encumbrances:** Seller owns good and marketable title in all of the Station Assets free and clear of any and all Liens, except for

(i) any liens for taxes not yet due and payable and (ii) any Liens which are disclosed on the Schedules hereto and which shall be released on the Closing Date.

5.4 Governmental Authorizations: Seller holds, and on the Closing Date Seller will hold, a valid FCC License to operate the Translator. **Schedule A** includes a true and complete list of the FCC License(s). The FCC License is in full force and effect and Seller is the authorized legal holder thereof. The Seller is operating the Translator in full accordance with the FCC License, including without limitation at full authorized operating power. As of the date hereof, no action or proceeding is pending or threatened before the FCC or any other governmental authority to revoke, refuse to renew or modify such FCC License or other authorizations of the Translator.

5.5 Representations as of the Closing Date: Seller's representations and warranties set forth in this Agreement shall be true and correct in all material respects on and as of the Closing Date, as though such representation and warranties were made on the Closing Date; except for representations and warranties made as of a specific date, which need only be true as of such date or as otherwise provided by this Agreement.

5.6 No Broker: There is no broker or finder fee in connection with this Agreement and/or the transactions contemplated hereby as a result of this agreement, understanding or action by Seller.

ARTICLE VI CERTAIN MATTERS PENDING THE CLOSING

From and after the date of this Agreement and until the Closing (unless otherwise provided herein):

6.1 Seller Operations Pending Closing: Seller shall, after the date hereof and prior to Closing:

- (a) Hold the FCC License in material compliance in accordance with all applicable FCC requirements, rules and regulations;
- (b) Continue to operate the Translator in the ordinary course of business consistent with past practice;
- (c) Not modify the FCC License or Station Assets without prior written notification to Buyer; and
- (c) Not sell, lease, mortgage, pledge or otherwise dispose of any of the Station Assets except for transactions in the ordinary and regular course of the construction or operation of the Translator.
- (d) Not construct or take any steps in preparation to construct Translator facilities authorized by unbuilt Translator construction permit granted in FCC File No. BPFT-20151211ABI

6.2 Cooperation: Buyer and Seller will reasonably cooperate in all respects in connection with: (a) securing any non-governmental approvals, consents and waivers

required of third parties, and (b) giving notices to any governmental authority, or securing the permission, approval, determination, consent or waiver of any governmental authority, required by law in connection with the transfer of the Station Assets from Seller to Buyer.

ARTICLE VII CONDITIONS PRECEDENT TO THE OBLIGATIONS OF SELLER

Each and every obligation of Seller to be performed on the Closing Date shall be subject to the satisfaction prior to or at the Closing of the following express conditions precedent:

7.1 Compliance with Agreement: Buyer shall have performed and complied in all material respects with all of its obligations under this Agreement which are to be performed or complied with prior to or at the Closing.

7.2 Representations and Warranties: The representations and warranties made by Buyer in this Agreement shall be true and correct in all material respects as of the Closing Date with the same force and effect as though such warranties and representations were made on the Closing Date, except for changes permitted or contemplated by this Agreement, and except for representations or warranties made with reference to a specific date or time period (which shall have been true and correct as of such date or time period).

7.3 Deliveries at Closing: Buyer shall have delivered or cause to be delivered to Seller any closing documents, each properly executed and dated as of the Closing Date as required pursuant to Section 2.4 (as applicable).

7.4 Consents. The FCC Consent shall have been granted and shall be in full force and effect. All other authorizations, consents and approvals of any kind and all governmental regulatory authorities necessary in conjunction with the consummation of the transactions contemplated by this Agreement shall have been obtained and be in full force and effect.

7.5 Proceedings. No order or decree shall have been issued by any court or governmental authority restraining or prohibiting, or awarding any damages or other relief in connection with, this Agreement or the consummation of the transactions contemplated hereby. No suit, action or other proceeding shall be pending before any court or governmental authority in which it is sought to restrain or prohibit, or obtain any damages or other relief in connection with, this Agreement or the consummation of the transactions contemplated hereby.

If any of the conditions set forth in this Article VII except for the FCC Consent or other governmental consents required pursuant to Section 7.4 have not been satisfied, Seller may, in its sole discretion, nevertheless elect to proceed with the consummation of the transactions contemplated hereby.

ARTICLE VIII
CONDITIONS PRECEDENT TO THE OBLIGATIONS OF BUYER

Each and every obligation of Buyer to be performed on the Closing Date shall be subject to the satisfaction prior to or at the Closing of the following express conditions precedent:

8.1 Compliance with Agreement: Seller shall have performed and complied in all material respects with all of its obligations under this Agreement which are to be performed or complied with prior to or at the Closing.

8.2 Representations and Warranties: The representations and warranties made by Seller in this Agreement shall be true and correct in all material respects as of the Closing Date with the same force and effect as though such warranties and representations were made on the Closing Date, except for changes permitted or contemplated by this Agreement, and except for representations or warranties made with reference to a specific date or time period (which shall have been true and correct as of such date or time period).

8.3 Deliveries at Closing: Seller shall have delivered or cause to be delivered to Buyer any closing documents, each properly executed and dated as of the Closing Date as required pursuant to Section 2.3.

8.4 Absence of Investigations and Proceedings: Except for governmental investigations relating to the broadcast industry, generally there shall be no decree, judgment, order, or litigation at law or inequity, no arbitration proceedings, and no proceedings before or by any commission, agency or other administrative or regulatory body or authority pending which relate to the Translator or Station Assets which would materially adversely affect the ability of Buyer to operate the Translator or to use or acquire the Station Assets in substantially the same manner as operated and used by Seller. Without limiting the generality of the foregoing, no action or proceeding shall be pending before the FCC or any governmental authority to revoke, modify in any material respect or refuse to renew the FCC License. No order or decree shall have been issued by any court or governmental authority restraining or prohibiting, or awarding any damages or other relief in connection with, this Agreement or the consummation of the transactions contemplated hereby. No suit, action or other proceeding shall be pending before any court or governmental authority in which it is sought to restrain or prohibit, or obtain any damages or other relief in connection with, this Agreement or the consummation of the transactions contemplated hereby.

8.5 Consents: The FCC Consent shall have been issued and shall be in full force and effect and contain no provision materially adverse to Buyer; provided, that no condition on or applicable to the FCC License on the date hereof, or applicable to FM translators or the broadcasting industry generally, shall be deemed materially adverse; and provided further that in the event the application for the FCC Consent was the subject of a petition to deny or informal objection, the FCC Consent shall have become a Final Order if required by Section 1.1.4 of this Agreement. All other authorizations, consents and approvals of any kind and all governmental regulatory authorities necessary in

conjunction with the consummation of the transactions contemplated by this Agreement shall have been obtained and be in full force and effect.

ARTICLE IX SURVIVAL; INDEMNIFICATION; TERMINATIONS

9.1 Survival: The respective representations and warranties of each of the Parties to this Agreement shall survive the Closing for a period of nine (9) months from the Closing Date.

9.2 Termination:

(a) Either Party may terminate this Agreement if the Closing has not occurred within six (6) months following the date of this Agreement, provided that the Party seeking termination shall not be in default or breach of any of its material obligations under this Agreement. Termination of this Agreement shall not relieve any party of any liability it would otherwise have for a breach or default under this Agreement.

(b) In the event that a party is in default or breach of its material obligations hereunder, the non-breaching party may terminate this Agreement upon written notice to the other party, subject to Section 9.4 hereof.

9.3 Cure Period: No breach shall become a material breach unless the breaching party files to remedy such breach within fifteen (15) business days of written notice of breach.

9.4 Remedies: In the event of a Party's breach or failure to perform its obligation to consummate the transaction contemplated hereby, the other Party shall be entitled, as its sole remedy, to specific performance of the terms of this Agreement.

ARTICLE X MISCELLANEOUS

10.1 Entire Agreement; Amendment; and Waiver: This Agreement and the documents required to be delivered pursuant hereto constitute the entire agreement between the Parties pertaining to the subject matter hereof, and supersede all prior and contemporaneous agreements, understandings, negotiations and discussions of the parties, whether oral or written, and there are no warranties, representations or other agreements between the parties in connection with the subject matter hereof, except as specifically set forth or referenced herein. No amendment, supplement, modification or waiver of this Agreement shall be binding unless executed in writing by the Party to be bound thereby. No waiver of any of the provisions of this Agreement shall be deemed or constitute a waiver of any other provision of this Agreement, whether or not similar, unless expressly provided.

10.2 Expenses: Except as otherwise specifically provided herein, whether or not the transactions contemplated by this Agreement are consummated, each of the Parties shall pay the fees and expenses of its respective counsel, accountants and other experts

incident to the negotiation, drafting and execution of this Agreement, its performance hereunder, and consummation of the transactions contemplated hereby. Each Party shall be responsible for one half (1/2) of any FCC filing fees in connection with the application for the assignment of the FCC License.

10.3 Benefit; Assignment: This Agreement shall be binding upon, inure to the benefit of, and be enforceable by Seller and Buyer and their respective proper successors and assigns. This Agreement (and any rights, obligations or liabilities hereunder) may not be assigned or delegated in whole or in part by any Party without the prior written consent of the other Party; provided, however, that Buyer may assign this Agreement or any of Buyer's rights or obligations hereunder to a third party, provided such third party agrees in writing to assume and be bound by the provisions hereof.

10.4 Notices: All communications or notices required or permitted under this Agreement shall be in writing and delivered by (a) by electronic means (*i.e.*, via e-mail and/or telephonic facsimile), with a hard copy mailed by U.S. First Class mail, postage prepaid; (b) by Federal Express, United Parcel Service or any other nationally recognized overnight delivery service for next morning delivery; or (c) by hand delivery. Such notices shall be deemed delivered, (i) when dispatched by electronic means (with an electronic transmission receipt confirmation being deemed conclusive evidence of such dispatch); (ii) when signed for at the place of delivery, if sent by FedEx or other nationally-recognized courier service, or (iii) on the date of personal delivery to an officer or designated agent of the other party, if delivered by hand. Notices in each case shall be addressed to the Parties, at the physical or e-mail address, or facsimile number, shown below, unless such address or number is changed by a written notice given to the other Party as provided for herein:

If to Seller: 1TV.com, Inc.
Attn: John Low
4501 Broadway
Miami, AZ 85539
Facsimile: _____
Email: v.low@att.net

With a copy (which shall not constitute notice) to:

Miller and Neely, PC
Attn: John Neely, Esq
3750 University Blvd., West; Suite 203
Kensington, MD 20895
Email: johnsneely@yahoo.com

If to Buyer: mkhangroup, LLC
Attn: Mushahid Khan
4610 Devon Street

Houston, TX 77027
Facsimile: _____
Email: mk@mkhangroup.com

With a copy (which shall not constitute notice) to:

Dawn M. Sciarrino, Esq.
Sciarrino and Shubert, PLLC
4601 N. Fairfax Drive, Suite 1200
Arlington, VA 22203
Facsimile: 703-991-7120
Email: dawn@sciarrinolaw.com

10.5 Counterparts; Headings: This Agreement may be executed in several counterparts, each of which shall be deemed original, but such counterparts shall together constitute but one and the same Agreement. This Agreement may be executed and delivered in counterpart signature pages executed and delivered by facsimile transmission, and any such counterpart executed and delivered via facsimile transmission shall be deemed an original for all intents and purposes. The Article and Section headings in this Agreement are inserted for convenience of reference only and shall not constitute a part thereof.

10.6 Judicial Interpretation: Should any provision of this Agreement require judicial interpretation, the Parties hereto agree that the court interpreting or construing the same shall not apply a presumption that the terms hereof shall be more strictly construed against one Party by the reason of the rule of construction that a document is to be construed more strictly against the party which itself or through its agent prepared the same, it is being agreed that the agents of each Party have participated in the preparation hereof.

10.7 Saturdays, Sundays and Legal Holidays: If the time period by which any acts or payments required hereunder must be performed or paid expenses on a Saturday, Sunday or legal holiday, then such time period shall be automatically extended to the close of business on the next regularly scheduled Business Day.

10.8 Governing Law: This Agreement shall be construed and interpreted according to the laws of the State of Arizona, without regard to the conflict of law principles thereof.

--SIGNATURE PAGE FOLLOWS--

SIGNATURE PAGE TO K241BQ ASSET PURCHASE AGREEMENT

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

SELLER:

ITV.COM, INC.

By: 

Name: John Low

Title: President

BUYER:

mkhangroup, LLC

By: 

Name: Mushahid Khan

Title: Managing member, mkhangroup, LLC

Schedule A
FCC Licenses

K241BQ, 96.1 MHz, McDowell, AZ, Facility ID Number 33804
License File No. BLFT-20130314ABN
Unbuilt Construction Permit File No. BPFT-20151211ABI

**Schedule B
Station Assets**

Intangible Property:

Call Sign K241BQ