

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (the “Agreement”) is made and entered into as of the 1st day of June 2017 and is by and between **Community Translator Network, LLC - Debtor-in-Possession** (hereinafter referred to as “Assignor”) and **William H. Traue** (hereinafter referred to as “Assignee”). Assignor and Assignee are collectively referred to herein as “the Parties”.

RECITALS

WHEREAS, the Federal Communications Commission (FCC) on November 2, 2015 granted a Broadcast License, File No. BLFT-20151021AIG for FM Translator Station K261EN, Greenville, UT (Facility No. 145194), (the “Translator”) to Community Translator Network, LLC, and

WHEREAS, on December 1, 2015, CTN filed a voluntary petition for bankruptcy protection with the United States Bankruptcy Court for the Central District of Utah (the “Bankruptcy Court”), and was assigned case no 15-31245;

WHEREAS, Assignor now desires to sell, assign and transfer the Broadcast License for the Translator on the terms and conditions specified herein; and

WHEREAS, Assignee desires to acquire the Broadcast License for the Translator on the terms and conditions specified herein; and

WHEREAS, consent of the Federal Communications Commission (“FCC”) for the transaction contemplated hereunder is required prior to consummation thereof;

AGREEMENT

IN CONSIDERATION OF THE MUTUAL PROMISES CONTAINED HEREIN, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound, do hereby agree as follows:

1. Assignment of Broadcast License and sale of other assets of the Translator. Subject to the terms and conditions herein set forth, Assignor agrees to assign and Assignee agrees to purchase and accept the assignment of the Broadcast License (“BL” or “Broadcast License”) for the Translator (the “Assets”).

2. Consideration. The Purchase Price for the Assets shall be Two Thousand Five-Hundred (\$2,500) in cash, cashier’s check or wire transfer at Closing.

3. FCC Application; Bankruptcy Court Approval. (a) No later than 5:59 PM Eastern time on Friday, June 2, 2017, the parties shall file an application (FCC Form 345) seeking FCC consent to the assignment (the "Assignment Application"). The parties shall each use best efforts to prosecute the Assignment Application diligently and in good faith so that it may be granted by the FCC as soon as practicable, provided, however, that in the event the Assignment Application is designated for hearing, then the party which is not the subject of the hearing (or which is not the party whose alleged actions or omissions resulted in the designation for hearing) may elect to terminate this Agreement upon written notice to the other party.

(b) If required by law, Assignor shall file the necessary motion seeking the Bankruptcy Court's approval of this Agreement. All costs of seeking and obtaining Bankruptcy Court approval shall be paid by Assignor.

4. Closing. On the Closing Date, the Assignee agrees to pay the Purchase Price, and the Assignor shall deliver clear title to the Assets, free of any claims, liabilities, liens or other encumbrances of any nature. The Assets are to be conveyed by Assignor to Assignee through an assignment and any other document of transfer (the "Closing Documents") customary for such purpose and satisfactory in form and substance to Assignor, Assignee, and their respective counsel. The Closing will occur within five (5) business days following the date on which the FCC approval of the assignment of the BL from the Assignor to the Assignee is granted and becomes a "Final Order". The parties shall not be obligated to proceed to Closing if (1) the Order includes conditions materially adverse to the Assignor or the Assignee; or (2) the conditions precedent to Closing have not been satisfied or waived. For purposes of this Agreement, the term "Final Order" shall mean an order of the FCC which is not reversed, stayed, enjoined or set aside; and as to which no timely request for stay, reconsideration, review, rehearing or notice of appeal or determination to reconsider or review is pending; and provided that the time for filing any such request, petition or notice of appeal or review by the FCC, and for any reconsideration, stay or setting aside by the FCC on its own motion or initiative, has expired. Notwithstanding the foregoing, Assignee may waive the requirement that the grant become a Final Order, in which case closing shall occur following initial grant of the Application.

5. Non-Closing. Should the FCC revoke or refuse to approve the transfer of the Broadcast License specified herein, Assignor agrees to refund the Deposit as described in Exhibit "A" within five (5) business days of such final denial by the FCC and there shall be no further obligation by either party. If the Closing has not occurred within twelve (12) months after the date of this Agreement, then either party may terminate this Agreement, provided, however, that the right to terminate this Agreement under this Section 5 shall not be available to any party whose failure to fulfill any obligation under this Agreement shall have been the principal cause of, or shall have resulted in unreasonable delay in the Closing. In the event of a termination of this Agreement under this Section 5, the Deposit shall be refunded to Assignee by Assignor

6. Representations, Warranties and Covenants.

(a) Assignor and Assignee represent that each has had the opportunity to have legal counsel review this Agreement and the action contemplated. The cost of legal representation shall be paid by the party which incurred the expense.

(b) Each party represents to the other that it has full legal authority and power to enter into this Agreement and to timely perform all of its obligations set forth herein, and that this Agreement constitutes the legal, valid and binding obligation of that party, enforceable in accordance with its terms.

(c) Assignor covenants that it will use all reasonable efforts to avoid any act that might have a material adverse effect upon the Assets, the BL, or the transaction contemplated hereby pending the Closing.

(d) Assignor warrants that the BL is valid and in full force and effect and constitutes all of the authorizations issued by the FCC in connection with the construction and/or operation of the new FM translator as provided in the BL. Other than as set forth in the publicly available FCC records, the BL is not subject to any restriction or condition that would limit in any respect the construction and/or operation of the FM translator as now intended. There is not pending or threatened any action by or before the FCC to revoke, suspend, cancel, rescind or modify the BL (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, or notice of forfeiture or complaint by or before the FCC, pending or threatened, against Assignor regarding the BL.

(e) Assignor warrants that it has complied in all material respects with all requirements to file reports, applications and other documents with the FCC with respect to the BL, and all such reports, applications and documents are complete and correct in all material respects.

(f) Assignor warrants that it has, and on the Closing Date will have, good and marketable title to all of the Assets, free and clear of all claims and liens.

(g) Assignor warrants that there are no leases or contracts pertaining to the Assets, and between now and the date of Closing, Assignor shall not, without the consent of Assignee, enter into any leases or contracts pertaining to the Assets or dispose of or agree to sell any of the Assets.

(h) Assignor warrants that it has filed all federal, state and local tax returns which are required to be filed, and has paid all taxes and all assessments to the extent that such taxes and assessments have become due, other than such returns, taxes and assessments, the failure to file or pay would not, individually or in the aggregate, materially adversely affect the Assets.

(i) Assignor and Assignee each warrant that none of the representations or warranties made by it, nor any statement made in any document or certificate furnished by it pursuant to this Agreement contains or will contain at the Closing, any untrue statement of a material fact, or omits or will omit at the Closing, to state any material fact necessary in order to make the statements contained herein or therein, in the light of the circumstances under which they were made, not misleading.

7. Exclusivity and Confidentiality. The parties agree that from the date hereof, the Assignor will not seek to transfer, sell or entertain any offers to buy from third-parties the BL. Further, the parties agree to keep confidential the terms of this Agreement, except with respect to any disclosure required by law or the FCC rules.

8. FCC and Financial Qualifications. Assignee represents warrants and covenants that the Assignee is qualified to be an FCC licensee and to hold the Broadcast Authorization which is the subject of this Agreement; and that the Assignee is and will be financially qualified to perform all obligations of this Agreement at all relevant times.

9. Consents. Except for FCC consent, no consent, waiver, authorization or approval from, or filing of any notice or report with, any Governmental Authority or other Person is necessary in connection with the execution, delivery or performance by Assignor of this Agreement or any of the documents or transactions contemplated hereby.

10. Equipment. Assignor is not conveying any equipment under this Agreement.

11. Fees. The Parties agree that the legal fees shall be paid by the party which incurred the expense, and further that the FCC Assignment application fee shall be paid one-half by the Assignee and one-half by the Assignor (i.e. 50/50).

12. Brokerage Fees. Neither party has a broker.

13. Control of BL. Between the date of this Agreement and the Closing Date, Assignee shall not control the BL, which shall remain the sole responsibility and under the control of Assignor, subject to Assignor's compliance with this Agreement.

14. Public Notice. Upon filing the Assignment Application, the Assignor shall be responsible for, and shall take the necessary steps, to provide such legal public notice concerning the Assignment as is or may be required under the FCC Rules and provide Assignee with evidence of compliance with the local public notice requirement.

15. Seller's Closing Conditions. All obligations of Seller to consummate the transactions contemplated by this Agreement are subject to the fulfillment, on or prior to the Closing Date, of each of the following conditions which, except for the initial consent of the FCC to the assignment, may be waived in whole or in part by Seller:

a. the FCC shall have consented to the assignment of the BL to Buyer without any condition materially adverse to Seller; and

b. Buyer shall have delivered the balance of the Purchase Price in the manner specified in Section 3 hereof.

16. Buyer's Closing Conditions. All obligations of Buyer to consummate the transactions contemplated by this Agreement are subject to the fulfillment, on or prior to the Closing Date, of each of the following conditions which, except for the initial consent of the FCC to the assignment, may be waived in whole or in part by Buyer:

a. the FCC shall have consented to the assignment of the BL to Buyer without any condition materially adverse to Buyer, and such consent shall have become a Final Order;

b. if required by law, the Seller shall request the Bankruptcy Court approval of this Agreement;

c. Seller shall have executed and delivered to Buyer the Closing Documents and conveyed the Assets to Buyer in accordance with this Agreement;

d. all representations and warranties of Seller made herein shall be true and correct in all material respects as of the Closing Date; and

e. as of the Closing Date, Seller shall have complied in all material respects with all covenants and conditions of this Agreement.

17. Notices. All correspondence or notice required or desired to be given under this Agreement shall be deemed given when delivered to the US Postal Service, pre-paid First Class mail, to the address listed below:

To Assignor: Community Translator Network, LLC-Debtor-in-Possession
520 North Main Street C318
Heber City Utah 84032
ATTN: J. Christian Barlow, Esq.

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

Barlow Law, PLLC
520 North Main Street C318
Heber City Utah 84032
Attention: J. Christian Barlow
jcb@JohnChristianBarlow.com

To Assignee: William H. Traue
133 Fairhills Circle
Idaho Falls, ID 83401
ATTN: Bill Traue
bill@eiradio.com

18. Liquidated Damages. If any party performs any act or omission that adversely affects the terms of this agreement resulting in a material breach of the agreement and termination of the Agreement prior to Closing, actual damages would be difficult to ascertain and so the parties agree that the amount of \$2,500 is a reasonable approximation of the damage they would suffer were the other party to default.

19. Specific Performance. In the event of a material breach of this Agreement by Assignor, instead of termination of this Agreement and seeking damages from Assignor, Assignee shall alternatively have the right to seek and obtain specific performance of the terms of this Agreement, it being agreed by Assignor that the Assets are unique assets. If any action is brought by Assignee pursuant to this subsection to enforce this Agreement, Assignor shall waive the defense that there is an adequate remedy at law.

20. Indemnification. Assignor indemnifies and holds Buyer harmless from any loss, liability, damage or expense (including legal and other expenses incident thereto) arising from or pertaining to (a) ownership of the Assets prior to the date of Closing or (b) breach of any covenants, representations or warranties of this Agreement, by Assignor. Assignee indemnifies and holds Assignor harmless from any loss, liability, damage or expense (including legal and other expenses incident thereto) arising from or pertaining to (a) ownership or operation of the Assets subsequent to the date of Closing or (b) breach of any covenants, representations or warranties in this Agreement, by Assignee. No claims may be brought under this Agreement unless written notice describing in reasonable detail the nature and basis of such claim is given within a reasonable time after the party seeking indemnification becomes aware of the claim. The indemnifying party shall be entitled at its own expense to compromise or defend against the claim with counsel reasonably satisfactory to the indemnified party; provided, that once the defense thereof is assumed by the indemnifying party, the indemnifying party shall keep the indemnified party advised of all developments in the defense thereof and any related litigation, and the indemnified party shall be entitled at all times to participate in the defense thereof at its own expense.

21. No Liabilities Assumed. Assignee shall not assume or in any manner be liable for any debts, liens, obligations or liabilities of Assignor, whether express or implied, known or unknown, contingent or absolute.

22. Allocation of the Purchase Price. Assignor and Assignee shall agree to an allocation of the Purchase Price as reasonably established by Assignee. Assignor and Assignee shall use such allocation for all reporting purposes in connection with federal, state and local income and, to the extent permitted under applicable law, franchise taxes. Assignor and Assignee agree to report such allocation to the Internal Revenue Service in the form required by Treasury Regulation § 1.1060-1T.

23. Miscellaneous. This Agreement represents the entire agreement of the parties with respect to the subject matter herein and supersedes any prior agreement whether in writing or otherwise. This Agreement may be amended only in writing by an instrument duly executed by both parties and may be executed in counterparts. This Agreement may be executed in counterparts. The Agreement is to be construed and enforced under the laws of Utah with venue for any action brought to enforce this Agreement in the state or federal courts of competent jurisdiction of the State of Utah.

The undersigned represent and warrant that, respectively, they have authority to sign this Agreement and to legally bind themselves to perform all of the terms hereof.

WHEREFORE, the parties whose names and addresses appear below have caused this Agreement to be executed by them as of the date first above written.

COMMUNITY TRANSLATOR NETWORK LLC – DIP - “ASSIGNOR”

ss/ J. Christian Barlow

By: J. Christian Barlow, Esq.

Its: Manager/Trustee

WILLIAM H. TRAUE - “ASSIGNEE”

ss/Bill Traue

By: William H. Traue, an Individual