

## **ASSET PURCHASE AGREEMENT**

THIS ASSET PURCHASE AGREEMENT, dated as of December 4th, 2018 (this "**Agreement**"), is entered into by and between Perry Broadcasting of Southwest Oklahoma, Perry Broadcasting of Lawton and Perry Broadcasting of Apache, are Corporations ("**Seller**"), and Mollman Media, Inc., an Oklahoma corporation ("**Buyer**").

### **RECITALS**

A. Seller is the licensee of radio stations KJMZ FM, Cache, Oklahoma, Facility Identifier 35031; KXCA AM, Lawton, Oklahoma, Facility Identifier 61593; KKRX AM, Lawton, Oklahoma, Facility Identifier 50213, KACO FM, Apache, Oklahoma, Facility Identifier 70015; KDDQ FM, Comanche, Oklahoma, Facility Identifier 37687; KKEN FM, Duncan, Oklahoma, Facility Identifier 17729, KPNS AM, Duncan, Oklahoma, Facility Identifier 17730 and FM translators, K291CT, Duncan, Oklahoma, Identifier 200286; K229DG, Lawton, Oklahoma, Identifier 156448; K244FU, Lawton, Oklahoma, Identifier 202253 (the "**Stations**"), pursuant to authorizations (the "**FCC Authorizations**") issued by the Federal Communications Commission (the "**FCC**").

B. On the terms and conditions described in this Agreement, Seller desires to sell and Buyer desires to acquire certain of the assets owned by Seller and used or held for use exclusively in connection with the operation of the Station.

### **AGREEMENT**

NOW, THEREFORE, in consideration of the foregoing and of the mutual promises set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Buyer and Seller agree as follows:

1. **Sale of Assets.** On the Closing Date (as hereinafter defined), Seller shall sell, assign and transfer to Buyer, and Buyer shall purchase and assume from Seller, the following assets owned by Seller and used or held for use exclusively in connection with the operation of the Station (the "**Assets**"):

(a) The licenses, permits, applications and other authorizations, including the FCC Authorizations (collectively, the "**Licenses**"), issued by the FCC, to Seller in connection with the operation of the Station, including without limitation those set forth on **Schedule 1.1 (a)** attached to this Agreement; and

(b) The real estate and equipment (the "**Tangible Property**"), if any, set forth on **Schedule 1.1 (b) and 1.1 (c)** attached to this Agreement.

(c) Seller shall transfer the Assets to Buyer at the Closing free and clear of all liens, claims or encumbrances of every kind and nature. Except for assets listed in **Schedule 1.2 (a)** that are Excluded Assets from this sale.

2. **Consideration.** At the Closing, upon the terms and subject to the conditions contained in this Agreement, and in consideration of the sale of the Assets, Buyer shall pay to Seller Three Million Dollars (\$3,000,000.00)(the "**Purchase Price**"), payable as follows:

(a) concurrently with the execution of this Agreement, Buyer shall deliver to the Escrow Agent (as identified at Section 9 below) a deposit of One Hundred Fifty Thousand Dollars (\$150,000.00) (the "**Escrow Deposit**"), which deposit shall be nonrefundable to Buyer other than upon the termination of this Agreement (i) by Buyer pursuant to Section 8(a), or (ii) pursuant to Sections 8(b) or (c); and

(b) the balance of the Purchase Price on the Closing Date.

(c) Regardless of any change in value in the Escrow Deposit while in the hands of the Escrow Agent, Buyer shall be credited the amount of the Escrow Deposit as wired (\$150,000.00) upon Closing.

(d) All Purchase Price amounts shall be payable in US Dollars by wire transfer of immediately available funds to an account, or accounts, designated in writing by Seller.

3. **FCC Consent to Assignment.** Buyer and Seller shall execute, file and prosecute an application with the FCC (the "**Assignment Application**") requesting its consent to the assignment, from Seller to Buyer, of all FCC Authorizations pertaining to the Station (the "**FCC Consent**") at a date not later than ten (10) business days after the execution of this Agreement.

4. **Closing Date; Closing Place.** The closing (the "**Closing**") of the transactions contemplated by this Agreement shall occur, unless otherwise agreed to by Buyer and Seller, not later than ten (10) days following the date on the issuance of FCC Consent is a Final Order. The Closing shall be held by mail, facsimile, or electronic mail, as the parties may agree.

5. **Representations and Warranties.**

(a) Seller hereby makes the following representations and warranties to Buyer:

(i) Seller is an Corporation, validly existing and in good standing under the laws of the State of Oklahoma.

(ii) Seller has the power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby, and the execution, delivery and performance of this Agreement by Seller have been duly authorized and approved by all necessary corporate action of Seller;

(iii) Seller lawfully holds each of the FCC Authorizations listed on Schedule I(a).

(iv) **First Security Bank** the firm identified as Escrow Agent in Section 9 hereof.

(v) The Licenses are held by Seller, and have been issued for the full terms customarily issued to radio stations and radio translators in the State of Oklahoma. 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 radio stations or Translators. Seller has operated and is operating in material compliance with all laws, regulations and governmental orders applicable to the operation of the Translator.

(vi) 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 Stations or Translators 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. 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.

(vii) Seller has good and valid title to all Assets 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, and except for the security interests, if any, which will be released on or before Closing. All of Assets are of types, kinds and/or designs in accordance with standard industry practices and are in good operating condition and repair.

(b) Buyer hereby makes the following representations and warranties to Seller:

(i) Is a for-profit corporation duly organized, validly existing and in good standing under the laws of the State of Oklahoma.

(ii) Buyer has the power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby and the execution, delivery and performance of this Agreement by Buyer have been duly authorized and approved by all necessary corporate action of Buyer.

(iii) Buyer is qualified to be an FCC licensee and to hold the FCC Authorizations that constitute part of the Assets; and

(iv) Buyer has engaged with Seller with respect to the purchase of the Station.

(v) No insolvency proceedings of any character, including without limitation, bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, affecting Buyer, are pending or, to Buyer's knowledge, threatened, and Buyer 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. There are no suits, arbitration, administrative charges or other legal proceedings, claims or governmental

investigations pending, or, to Buyer's knowledge, threatened against Buyer relating to or affecting this Agreement or the transactions contemplated hereby

(c) The representations and warranties set forth in this Section 5 shall survive for one (1) year following the termination of this Agreement.

#### **6. Conditions Precedent to Obligation to Close.**

(a) The performance of the obligations of the parties under this Agreement is subject to the satisfaction of each of the following express conditions precedent, unless waived in writing by the opposing party:

(i) Buyer and Seller 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 and Seller prior to or as of the Closing Date, including those related to the Station Assets;

(ii) Buyer shall have delivered to Seller and Seller shall have delivered to Buyer, on the Closing Date, the documents and/or payments required to be delivered pursuant to Section 7.

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

(i) the FCC Authorizations shall be in full force and effect; and

(ii) Seller shall be prepared to have all liens on the Assets, if any, released at Closing.

#### **7. Closing Deliveries.**

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

(i) a Bill of Sale; and

(ii) an Assignment and Assumption of the FCC Authorizations.

(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 required by Section 2(b); and

(ii) an Assignment and Assumption of the FCC Authorizations.

(c) Buyer and Seller shall also deliver such other documents at Closing as reasonably requested by the other to more fully effect or evidence the transactions contemplated by this Agreement.

8. **Termination.** This Agreement may be terminated by either Buyer or Seller, if the party seeking to terminate is not in breach of any of its material obligations under this Agreement, upon written notice to the other of any of the following: (a) if, on or prior to the Closing Date, the other party breaches any of its material obligations contained herein, and such breach is not cured by the earlier of the Closing Date or thirty (30) days after receipt of the notice of breach from the non-breaching party (provided that Buyer's failure to pay the Purchase Price required by Section 2(a) shall be grounds for Seller to terminate this Agreement by written notice to Buyer, with a cure period of only five (5) days); (b) if the Assignment Application is denied by the FCC and such denial shall have become a final order.

9. **Notice.** All notices, demands, requests or other communications that may be or are required to be given, served or sent by either party to the other party pursuant to this Agreement shall be in writing and shall be mailed by first-class, registered or certified mail, return receipt requested, postage prepaid, or transmitted by overnight courier or hand delivery, **addressed as set forth below in this Section 9.** Each party may designate by notice in writing a new address to which any notice, demand, request or communication may thereafter be so given, served or sent. Each notice, demand, request or communication that is mailed or delivered in the manner described above shall be deemed sufficiently given, served, sent and received for all purposes at such time as it is delivered to the addressee with the return receipt, the delivery receipt, or the affidavit of messenger being deemed conclusive evidence of such delivery or at such time as delivery is refused by the addressee upon presentation.

If to Seller, to:	If to Buyer, to:
Perry Publishing & Broadcasting Company Russell M. Perry 1457 NE 23 <sup>rd</sup> Oklahoma City, OK 73111	Mollman Media, Inc. Attn: Matthew Mollman 627 W. Chickasha Avenue Chickasha, OK 73018
with a copy (which shall not constitute notice) to:	with a copy (which shall not constitute notice) to:
Kevin S. Perry 1528 NE 23 <sup>rd</sup> Oklahoma City, OK 73111	



If to Escrow Agent, to:	
TBD	

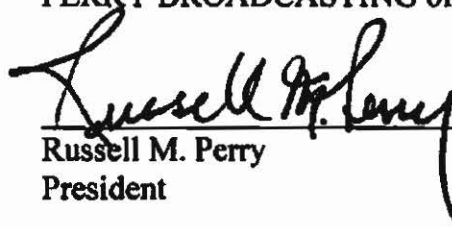
10. **Confidentiality.** Buyer agrees to keep confidential the terms of this Agreement, except with respect to any disclosure required by law or the rules and regulations of the FCC.
11. **Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the State of Oklahoma, without giving effect to the choice of law principles thereof.
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.
13. **Expenses.** Except as otherwise set forth in this Section, each party hereto 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. Buyer shall be solely responsible for any and all bulk transfer fees, transfer taxes, sales taxes or other taxes, or assessments, associated with the purchase of the Assets. Seller and Buyer will split any FCC application fees relating to the filing of the Assignment Application.
14. **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 or involuntarily assign its interest or delegate its duties under this Agreement without the prior written consent of the other party.
15. **MISCELLANEOUS.** This Agreement represents the entire agreement of the parties with respect to the subject matter hereof and supersedes any prior agreement with respect thereto whether it is in writing or otherwise. This Agreement may be amended only in writing by an instrument duly executed by both parties. This Agreement may be executed in counterparts. The undersigned represent and warrant that, respectively, they have received authority to sign this Agreement and to legally bind their respective corporations to perform all of the terms hereof. 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 or evidence the consummation of the transactions contemplated hereby.

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

Seller:

PERRY BROADCASTING of SOUTHWEST OKLAHOMA  
PERRY BROADCASTING of LAWTON  
PERRY BROADCASTING of APACHE

By:

  
\_\_\_\_\_  
Russell M. Perry  
President

Buyer:

By:

  
Mollman Media, Inc.

\_\_\_\_\_  
Matthew Mollman, President

**Schedule 1.1 (a)**

**FCC Authorizations**

**FCC License**

**Perry Broadcasting of Apache**

<b>Type of Authorization</b>	<b>Call Sign</b>	<b>FCC File Number</b>	<b>City of License</b>	<b>State</b>
Broadcast License	KACO FM	70015	Apache	Oklahoma

**Perry Broadcasting of Lawton**

<b>Type of Authorization</b>	<b>Call Sign</b>	<b>FCC File Number</b>	<b>City of License</b>	<b>State</b>
Broadcast License	KJMZ FM	35031	Cache	Oklahoma
Broadcast License	KXCA AM	61593	Lawton	Oklahoma

**Perry Broadcasting Southwest Oklahoma**

Broadcast License	KDDQ FM	37687	Comanche	Oklahoma
Broadcast License	KKEN FM	17729	Duncan	Oklahoma
Broadcast License	KPNS AM	17730	Duncan	Oklahoma
Broadcast License	KKRX AM	50212	Lawton	Oklahoma
Broadcast License	K291CT	200286	Duncan	Oklahoma
Broadcast License	K229DG	156448	Lawton	Oklahoma
Broadcast License	K244FU	202253	Lawton	Oklahoma