

## **ASSET EXCHANGE AGREEMENT**

**THIS ASSET EXCHANGE AGREEMENT** (this “Agreement”) is dated as of April 2, 2020 (the “Effective Date”), by and between **LOWCOUNTRY 34 MEDIA, LLC**, a South Carolina limited liability company (“Lowcountry”), and **MARQUEE BROADCASTING, INC.**, a Maryland corporation (“Marquee”).

### **WITNESSETH:**

**WHEREAS**, Lowcountry is the licensee of low power television stations WHDC-LD Charleston, SC (Facility ID 10548), WSCG-LD, Beaufort, Etc., SC (Facility ID 69449), and WGCB-LD, Savannah, GA (Facility ID 69450) (together, the “Lowcountry Stations”), and the owner of certain tangible personal property used in the operation of the Lowcountry Stations pursuant to authorizations (collectively, the “Lowcountry Authorizations”) issued by the Federal Communications Commission (the “FCC”);

**WHEREAS**, Marquee is the licensee of low power television station WEVD-LP, Dover, DE (Facility ID 16456) (the “Marquee Station”), and the owner of certain tangible personal property used in the operation of the Marquee Station pursuant to authorizations issued by the FCC (collectively, the “Marquee Authorizations”);

**WHEREAS**, on the terms and conditions described herein and subject to the approval of the FCC, Lowcountry and Marquee desire to exchange certain assets and FCC licenses associated with the Lowcountry Stations for consideration and certain assets and FCC licenses associated with the Marquee Station;

**NOW, THEREFORE**, in consideration of the foregoing and of the mutual promises herein, the parties hereto hereby agree as follows:

1. **Assets and Liabilities.**

(a) **Lowcountry Assets.**

(i) On the Closing Date (defined below), Lowcountry shall assign and transfer to Marquee, and Marquee shall assume and receive from Lowcountry, those certain assets, properties, interests and rights of Lowcountry that are held by Lowcountry and used in connection with the Lowcountry Stations, but excluding the Lowcountry Excluded Assets (defined below), which are identified below (collectively, the “Lowcountry Assets”):

(A) all equipment, machinery, furniture, and other tangible personal property, together with any and all improvements and additions thereto and replacements thereof between the date hereof and the Closing Date, used in the operations of the Lowcountry Stations (collectively, the “Lowcountry Equipment”), as identified on Schedule 1(a)(i)(A) hereto;

(B) all of the licenses, permits and other authorizations issued by the FCC (including, but not limited to, the Lowcountry Authorizations), the Federal Aviation Administration (the “FAA”), if any, and any other federal, state or local governmental authorities, to

Lowcountry in connection with the conduct of the business and operations of the Lowcountry Stations, as identified on Schedule 1(a)(i)(B) hereto (collectively, the “Lowcountry Licenses”);

(C) all of Lowcountry’s right, title and interest in and to the tower leases for the Lowcountry Stations (the “Lowcountry Tower Leases”), as further identified and described on Schedule 1(a)(i)(C) hereto and referred to herein;

(D) all of Lowcountry’s logs, books, files, data, software, FCC and other governmental applications, equipment manuals and assignable warranties, and other records relating to the operation of the Lowcountry Stations, including, without limitation, all electronic data processing files and systems related thereto, FCC filings and all records required by the FCC to be kept by the Station; and

(E) those existing network affiliation agreements for programming on the Lowcountry Stations (the “Affiliation Agreements”) identified and described on Schedule 1(a)(i)(E) hereto and referred to herein;

(ii) The Lowcountry Stations Assets shall be transferred to Marquee free and clear of all debts, security interests, mortgages, trusts, claims, pledges, conditional sales agreements and other liens, liabilities and encumbrances of every kind and nature (collectively, “Liens”), except (A) liens for taxes not due and payable or, that are being contested in good faith by appropriate proceedings; and (B) liens or mortgages, in each case that will be released on or before the Closing or otherwise satisfied by Lowcountry with Marquee’s consent.

(iii) Marquee is not agreeing to, and shall not, assume any liability, obligation, undertaking, expense or agreement of Lowcountry of any kind, absolute or contingent, known or unknown, and the execution and performance of this Agreement shall not render Marquee liable for any such liability, obligation, undertaking, expense or agreement, except for the obligations of Lowcountry arising after Closing under the Lowcountry Tower Leases and the Affiliation Agreements or any other liabilities of Lowcountry for which Marquee receives a credit under Section 2(b) of this Agreement (collectively, the “Marquee Assumed Liabilities”). All liabilities, except for the Marquee Assumed Liabilities, shall be retained by Lowcountry. Without limiting the generality of the foregoing, it is understood and agreed that Marquee is not agreeing to, and shall not, assume (A) any liability or obligation of Lowcountry to Lowcountry’s employees under any existing written or oral agreements with Lowcountry, including any such liability or obligation in respect of wages, salaries, bonuses, accrued vacation, sick pay, or any other matter, (B) any liability arising out of any termination by Lowcountry of the employment of any employee of Lowcountry or any liability for any employee benefit plan or arrangement of Lowcountry for employees, (C) any liability or obligation of Lowcountry arising under the Lowcountry Tower Leases at or prior to Closing, or (D) any liability or obligation of Lowcountry arising under any contracts (other than the Lowcountry Tower Leases) related to the Lowcountry Stations.

(iv) The following assets and obligations relating to the business of the Lowcountry Stations shall be retained by Lowcountry and shall not be sold, assigned, transferred to, or assumed by Marquee (the “Lowcountry Excluded Assets”):

(A) any and all cash, cash equivalents, cash deposits to secure contract obligations, all inter-company receivables from any affiliate of Lowcountry and all other accounts receivable, bank deposits and securities held by Lowcountry in respect of the Station at the Closing Date;

(B) any and all claims of Lowcountry with respect to transactions prior to the Closing;

(C) all prepaid expenses;

(D) all contracts of insurance and claims against insurers;

(E) all employee benefit plans and the assets thereof and all employment contracts;

(F) all contracts that are terminated in accordance with the terms and provisions of this Agreement or have expired prior to Closing in the ordinary course of business, and all loans and loan agreements;

(G) all tangible personal property disposed of or consumed between the date hereof and Closing in the ordinary course of business;

(H) Lowcountry's corporate records;

(I) all commitments, contracts, leases and agreements except to the extent that they are specifically assumed in this Agreement;

(J) any and all funds allocated and paid to Lowcountry for the Lowcountry Stations for reimbursement of repacking expenses pursuant to 2018 Reimbursement Expansion Act and the FCC rules; and

(K) any other items identified on Schedule 1(a)(iv)(K) hereof.

(b) **Marquee Station Assets.**

(i) On the Closing Date (defined below), Marquee shall assign and transfer to Lowcountry, and Lowcountry shall assume and receive from Marquee, those certain assets, properties, interests and rights of Marquee which are held by Marquee and used in connection with the Marquee Station, but excluding the Marquee Excluded Assets (defined below) (collectively, the "Marquee Assets"), which are identified below:

(A) all equipment, machinery, furniture, and other tangible personal property, together with any and all improvements and additions thereto and replacements thereof between the date hereof and the Closing Date, which will be used to build-out the W215CL Construction Permit (defined below) (collectively, the "Marquee Equipment"), as identified on Schedule 1(b)(i)(A) hereto;

(B) all of the licenses, permits and other authorizations issued by the FCC (including, but not limited to, the Marquee Authorizations), the FAA, if any, and any other federal, state or local governmental authorities to Marquee in connection with the conduct of the business and operations of the Marquee Station, as identified on Schedule 1(b)(i)(B) hereto (collectively, the “Marquee Licenses”); and

(C) all of Marquee’s logs, books, files, data, software, FCC and other governmental applications, equipment manuals and assignable warranties, and other records relating to the operation of the Marquee Station, including without limitation, all electronic data processing files and systems related thereto, FCC filings, and all records required by the FCC to be kept by the Station.

(ii) The Marquee Assets shall be transferred to Lowcountry free and clear of all Liens, except (A) liens for taxes not due and payable or that are being contested in good faith by appropriate proceedings; and (B) liens or mortgages, in each case that will be released on or before the Closing or otherwise satisfied by Lowcountry with Marquee’s consent.

(iii) Lowcountry is not agreeing to, and shall not, assume any liability, obligation, undertaking, expense or agreement of Marquee of any kind, absolute or contingent, known or unknown, specifically including, without limitation, any liability, obligation or agreement to retain any Marquee’s employee, or with respect to termination thereof, or any employee benefit or expense, and the execution and performance of this Agreement shall not render Lowcountry liable for any such liability, obligation, undertaking, expense or agreement, except for the obligations of Marquee arising after Closing under the Marquee Tower Lease or any other liabilities of Marquee for which Lowcountry receives a credit under Section 2(b) of this Agreement (collectively, the “Lowcountry Assumed Liabilities”). All liabilities, except for the Lowcountry Assumed Liabilities, shall be retained by Marquee. Without limiting the generality of the foregoing, it is understood and agreed that Lowcountry is not agreeing to, and shall not, assume (A) any liability or obligation of Marquee to Marquee’s employees under any existing written or oral agreements with Marquee, including any such liability or obligation in respect of wages, salaries, bonuses, accrued vacation, sick pay, or any other matter, (B) any liability arising out of any termination by Marquee of the employment of any employee of Marquee or any liability for any employee benefit plan or arrangement of Marquee for employees, (C) any liability or obligation of Marquee arising under the Marquee Tower Lease at or prior to Closing, or (D) any liability or obligation of Marquee arising under any contracts (other than the Marquee Tower Lease) related to the Marquee Station.

(iv) The following assets and obligations relating to the business of the Marquee Station shall be retained by Marquee and shall not be sold, assigned, or transferred to, or assumed by Lowcountry (the “Marquee Excluded Assets”):

(A) any and all cash, cash equivalents, cash deposits to secure contract obligations, all inter-company receivables from any affiliate of Marquee and all other accounts receivable, bank deposits, and securities held by Marquee in respect of the Station at the Closing Date;

- to the Closing;
- (B) any and all claims of Marquee with respect to transactions prior
  - (C) all prepaid expenses;
  - (D) all contracts of insurance and claims against insurers;
  - (E) all employee benefit plans and the assets thereof and all employment contracts;
  - (F) all contracts that are terminated in accordance with the terms and provisions of this Agreement or have expired prior to Closing in the ordinary course of business, and all loans and loan agreements;
  - (G) all tangible personal property disposed of or consumed between the date hereof and Closing in the ordinary course of business;
  - (H) Marquee's corporate records;
  - (I) all commitments, contracts, leases and agreements except to the extent that they are specifically assumed in this Agreement;
  - (J) any and all funds allocated and paid to Marquee for the Marquee Station for reimbursement of repacking expenses pursuant to 2018 Reimbursement Expansion Act and the FCC rules; and
  - (K) any other items identified on Schedule 1(a)(iv)(K) hereof.

2. **Consideration.**

- (a) In exchange for the Lowcountry Stations Assets, Marquee shall convey and deliver to Lowcountry:
  - (i) the sum of One Hundred Eighty Thousand Dollars (\$180,000), with One Hundred Thousand Dollars (\$100,000) due to Lowcountry within three (3) business days of the execution hereof, and the balance due at Closing; and
  - (ii) upon satisfaction of all conditions precedent set forth herein, at Closing, the Marquee Assets.
- (b) Upon satisfaction of all conditions precedent set forth herein, at Closing, Lowcountry shall convey and deliver to Marquee the Lowcountry Assets.

3. **FCC Consent; FCC Applications.** At a date not later than ten (10) business days after the Effective Date, Marquee and Lowcountry shall execute, file and vigorously prosecute applications with the FCC (each an "Assignment Application;" collectively, the "Assignment Applications") requesting its consent (the "FCC Consent") to the assignment (i) from Lowcountry to Marquee of the Lowcountry Authorizations and (ii) from Marquee to Lowcountry of the Marquee

Authorizations. Marquee and Lowcountry shall take all reasonable steps to cooperate with each other and with the FCC to secure each such FCC Consent, without delay, and to promptly consummate this Agreement in full.

4. **Closing Date; Closing Place.** The closing of the transactions contemplated by this Agreement (the “Closing”) shall take place remotely by facsimile and email, or in such other manner and at such other place as Lowcountry and Marquee may agree in writing. Such Closing date shall be fixed by mutual agreement of the Parties, but may be no later than ten (10) business days following the latter date on which the Lowcountry Authorizations FCC Consent or the Marquee Authorizations FCC Consent are granted (the “Closing Date”).

5. **Representations and Warranties of Lowcountry.** Lowcountry hereby represents and warrant to Marquee:

(a) Lowcountry is a limited liability company duly formed, validly existing and in good standing under the laws of the State of South Carolina and qualified to do business in the State of Georgia. Lowcountry has the power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by Lowcountry and no other proceedings on the part of Lowcountry are necessary to authorize this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Lowcountry and constitutes the legal, valid and binding obligation of Lowcountry, enforceable in accordance with its terms;

(b) The execution, delivery, and performance of this Agreement by Lowcountry will not (i) constitute a violation of or conflict with Lowcountry’s organizational documents, (ii) result in a default (or give rise to any right of termination, cancellation or acceleration) under or conflict with any of the terms, conditions or provisions of any note, bond, mortgage, indenture, agreement, lease or other instrument or obligation relating to the business of the Lowcountry Stations and to which Lowcountry or any of the Lowcountry Assets may be subject, except for such defaults (or rights of termination, cancellation, or acceleration) as to which requisite waivers or consents have been obtained and delivered to Marquee, (iii) violate any law, statute, rule, regulation, order, writ, injunction, or decree of any federal, state or local governmental authority or agency and which is applicable to Lowcountry or any of the Lowcountry Assets, (iv) result in the creation or imposition of any Lien of any nature whatsoever on any of the Lowcountry Assets, or (v) require the consent or approval of any governmental authority or other third party, other than the FCC Consent or the lessors under the Lowcountry Tower Leases;

(c) **Schedule 1(a)(i)(A)** hereto contains a complete and accurate list of the Lowcountry Equipment that is necessary to conduct the operation of the Lowcountry Stations in the manner in which it is currently operated (other than those assets which are Lowcountry Excluded Assets) and will be acquired by Marquee. Lowcountry owns and has, and will have on the Closing Date, good and marketable title to the Lowcountry Equipment. Each item of Lowcountry Equipment (i) is in good condition and repair, ordinary wear and tear excepted, (ii) has been maintained in a manner consistent with generally accepted standards of good engineering practice, and (iii) is capable of operating in substantial compliance with all Lowcountry Licenses, including, but not limited to,

the Lowcountry Authorizations and rules and regulations of all relevant federal and state governments, agencies, or departments, including, but not limited to, the FCC and FAA.

(d) Schedule 1(a)(i)(B) contains a true and complete list of the Lowcountry Authorizations and all other Lowcountry Licenses that are required for the lawful conduct of the business and operations of the Lowcountry Stations in the manner and to the full extent it is presently operated. Lowcountry lawfully holds each of the Lowcountry Authorizations and Lowcountry Licenses listed on Schedule 1(a)(i)(B). Lowcountry has operated the Lowcountry Stations in all material respects in accordance with the Lowcountry Authorizations, and all applicable rules, regulations and policies of the FCC (collectively, the “Communications Laws”). On the Closing Date the Lowcountry Stations will be transmitting at no less than ninety percent (90%) of their authorized power. To the best of Lowcountry’s knowledge, when in operation the Lowcountry Stations do not transmit or receive any objectionable interference to or from any other station, and is not short-spaced to any other station. There is not now pending or, to the best of Lowcountry’s knowledge, threatened any action by or before the FCC to revoke, cancel, rescind, modify, or refuse to renew any of the Lowcountry Authorizations, and Lowcountry has not received any notice of and has no knowledge of any pending, issued, or outstanding order by or before the FCC, or of any investigation, order to show cause, notice of violation, notice of apparent liability, notice of forfeiture, or material complaint against either the Lowcountry Stations or Lowcountry with respect to the Lowcountry Stations. Except as set forth in Schedule 1(a)(i)(B), all material reports and filings required to be filed with the FCC by Lowcountry with respect to the operation of the Lowcountry Stations have been timely filed, and all such reports and filings are accurate;

(e) Lowcountry has a valid leasehold interest in each of the Lowcountry Tower Leases as described on Schedule 1(a)(i)(C), free and clear of all Liens, and no party is in material breach or default with respect to the same. There is full legal and practical access to the Tower Site Property and all utilities necessary for Lowcountry’s three towers. The equipment is installed and is in good working order. The buildings, towers, guys and other fixtures situated are free of structural defects and, suitable for their intended uses, and are in good state of maintenance and repair, ordinary wear and tear excepted and comply in all material respects with applicable zoning, health and safety laws and codes. The Lowcountry Tower Leases are in effect and are binding upon Lowcountry and, to Lowcountry’s knowledge, the other parties thereto (subject to bankruptcy, insolvency, reorganization or other similar laws relating to or affecting the enforcement of creditors’ rights generally). Complete and correct copies of the Lowcountry Tower Leases, together with all amendments thereto, have been delivered to Marquee by Lowcountry;

(f) Except for Greg Guy, Patrick Communications, whose commission shall be the sole responsibility of Lowcountry, 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 transactions contemplated hereby as a result of any agreement, understanding or action by Lowcountry;

(g) Lowcountry is not subject to any order, writ, injunction, judgment, arbitration decision or decree having binding effect and affecting the business of the Lowcountry Stations of the Lowcountry Assets or which restrains or enjoins the transactions contemplated hereby, and no such proceeding is pending. There is no material litigation pending by or against, or to the best of Lowcountry’s knowledge, threatened against Lowcountry. To the best of Lowcountry’s knowledge,

with respect to the Lowcountry Assets, Lowcountry has complied in all material respects with all applicable laws, regulations, orders or decrees. The present uses by Lowcountry of the Lowcountry Assets do not violate any such laws, regulations, orders or decrees in any material respect, and Lowcountry has no knowledge of any basis for any claim for compensation or damage or other relief from any violation of the foregoing;

(h) There is now, and through the Closing there shall be, in full force and effect with reputable insurance companies fire and property insurance with respect to all Lowcountry Equipment in commercially reasonable amounts sufficient to repair or replace the applicable Lowcountry Equipment;

(i) Lowcountry has duly, timely, and in the required manner filed all federal, state, and local income, franchise, sales, use, property, excise, payroll and other tax returns and forms required to be filed, and has paid in full or discharged all taxes, assessments, excises, interest, penalties, deficiencies and losses required to be paid prior to the Closing Date. No event has occurred which imposes on Marquee any liability for any taxes, penalties or interest due or to become due from Lowcountry from any taxing authority. Notwithstanding anything contained herein to the contrary, this Section shall survive the expiration or earlier termination of this Agreement, until the expiration of any applicable statute of limitations relating to any claim against either Marquee or Lowcountry that could result from Lowcountry's breach of this Section;

(j) Marquee shall have no obligation to offer employment to any employee of Lowcountry, and shall have no liability with respect to any such employee or for benefits of any kind or nature. Notwithstanding anything contained herein to the contrary, this Section shall survive the expiration or earlier termination of this Agreement, until the expiration of any applicable statute of limitations relating to any claim that could result from Lowcountry's breach of this Section;

(k) On or before the Closing Date, Lowcountry shall furnish to Marquee revised Schedules to this Agreement as may be necessary to render such Schedules accurate and complete as of the Closing Date. Lowcountry shall give detailed written notice to Marquee promptly upon the occurrence of or becoming aware of the impending or threatened occurrence of, any event which would cause or constitute a breach or would have caused a breach had such event occurred or been known to Lowcountry prior to the date hereof, of any of Lowcountry's representations or warranties contained in this Agreement or in any Schedule. Lowcountry shall promptly disclose to Marquee any significant problems or developments with respect to the Lowcountry Assets; and

(l) No representation or warranty made by Lowcountry 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 such statement not misleading to Marquee.



6. **Representations and Warranties of Marquee.** Marquee hereby makes the following representations and warranties to Lowcountry which shall be true as of the date hereof and on the Closing Date:

(a) Marquee is a corporation duly formed, validly existing and in good standing under the laws of the State of Maryland and is, or will be as of the Closing, qualified to business in Georgia and South Carolina. Marquee has the power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by Marquee and no other proceedings on the part of Marquee are necessary to authorize this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Marquee and constitutes the legal, valid and binding obligation of Marquee, enforceable in accordance with its terms;

(b) The execution, delivery, and performance of this Agreement by Marquee will not (i) constitute a violation of or conflict with Marquee's organizational documents, (ii) result in a default (or give rise to any right of termination, cancellation or acceleration) under or conflict with any of the terms, conditions or provisions of any note, bond, mortgage, indenture, agreement, lease or other instrument or obligation relating to the business of Marquee and to which Marquee or any of the Marquee Assets may be subject, except for such defaults (or rights of termination, cancellation or acceleration) as to which requisite waivers or consents have been obtained and delivered to Lowcountry, (iii) violate any law, statute, rule, regulation, order, writ, injunction or decree of any federal, state or local governmental authority or agency and which is applicable to Marquee or any of the Marquee Assets, (iv) result in the creation or imposition of any Lien of any nature whatsoever on any of the Marquee Assets, or (v) require the consent or approval of any governmental authority or other third party, other than the FCC Consent;

(c) Schedule 1(b)(i)(A) hereto contains a complete and accurate list of the Marquee Equipment that will be acquired by Lowcountry. Marquee owns and has, and will have on the Closing Date, good and marketable title to the Marquee Equipment. Each item of Marquee Equipment (i) is in good condition and repair, ordinary wear and tear excepted, (ii) has been maintained in a manner consistent with generally accepted standards of good engineering practice, and (iii) is currently or at Closing will be operating in substantial compliance with all Marquee Licenses, including, but not limited to, the Marquee Authorizations and rules and regulations of all relevant federal and state governments, agencies, or departments, including, but not limited to, the FCC and FAA.

(d) Schedule 1(b)(i)(B) contains a true and complete list of the Marquee Authorizations and all other Marquee Licenses that are required for the lawful conduct of the business and operations of each of the Marquee in the manner and to the full extent it is presently operated. Marquee lawfully holds each of the Marquee Authorizations and Marquee Licenses listed on Schedule 1(b)(i)(B). On the Closing Date Marquee will be transmitting at no less than ninety percent (90%) of its authorized power. Operating from the location specified in the Marquee Tower Lease, Marquee will not transmit or receive any objectionable interference to or from any other station. There is not now pending or, to the best of Marquee's knowledge, threatened any action by or before the FCC to revoke, cancel, rescind, modify or refuse to renew any of the Marquee

Authorizations, and Marquee has not received any notice of and has no knowledge of any pending, issued or outstanding order by or before the FCC, or of any investigation, order to show cause, notice of violation, notice of apparent liability, notice of forfeiture, or material complaint against Marquee or Marquee with respect to Marquee. Except as set forth in Schedule 1(b)(i)(B), all material reports and filings required to be filed with the FCC by Marquee with respect to the operation of each the Marquee have been timely filed, and all such reports and filings are accurate and currently are in material compliance;

(e) Other than Greg Guy, Patrick Communications, whose commission shall be the sole responsibility of Lowcountry, there is no broker or finder or other person who would have any valid claim against Lowcountry for a commission or brokerage in connection with this Agreement or the transactions contemplated hereby as a result of any agreement, understanding or action by Marquee;

(f) Marquee is not subject to any order, writ, injunction, judgment, arbitration decision or decree having binding effect and affecting the business of Marquee or the Marquee Assets or which restrains or enjoins the transactions contemplated hereby, and no such proceeding is pending. There is no material litigation pending by or against, or to the best of Marquee's knowledge of Marquee, threatened against Marquee. To the best of Marquee's knowledge, with respect to the Marquee, Marquee has complied in all material respects with all applicable laws, regulations, orders or decrees. The present uses by Marquee of the Marquee Assets do not violate any such laws, regulations, orders or decrees in any material respect, and Marquee has no knowledge of any basis for any claim for compensation or damage or other relief from any violation of the foregoing;

(g) There is now, and through the Closing there shall be, in full force and effect with reputable insurance companies fire and property insurance with respect to all Marquee Equipment in commercially reasonable amounts sufficient to repair or replace the applicable Marquee Equipment;

(h) Marquee has duly, timely, and in the required manner filed all federal, state, and local income, franchise, sales, use, property, excise, payroll and other tax returns and forms required to be filed, and has paid in full or discharged all taxes, assessments, excises, interest, penalties, deficiencies and losses required to be paid prior to the Closing Date. No event has occurred which imposes on Lowcountry any liability for any taxes, penalties or interest due or to become due from Marquee from any taxing authority. Notwithstanding anything contained herein to the contrary, this Section shall survive the expiration or earlier termination of this Agreement, until the expiration of any applicable statute of limitations relating to any claim against either Lowcountry or Marquee that could result from Marquee's breach of this Section;

(i) Lowcountry shall have no obligation to offer employment to any employee of Marquee, and shall have no liability with respect to any such employee or for benefits of any kind or nature. Notwithstanding anything contained herein to the contrary, this Section shall survive the expiration or earlier termination of this Agreement, until the expiration of any applicable statute of limitations relating to any claim that could result from Marquee's breach of this Section;

(j) On or before the Closing Date, Marquee shall furnish to Lowcountry revised Schedules to this Agreement as may be necessary to render such Schedules accurate and complete as of the Closing Date. Marquee shall give detailed written notice to Lowcountry promptly upon the occurrence of or becoming aware of the impending or threatened occurrence of, any event which would cause or constitute a breach or would have caused a breach had such event occurred or been known to Marquee prior to the date hereof, of any of Marquee's representations or warranties contained in this Agreement or in any Schedule. Marquee shall promptly disclose to Lowcountry any significant problems or developments with respect to the Marquee Assets; and

(k) No representation or warranty made by Marquee 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 such statement not misleading to Lowcountry.

7. **Lowcountry Covenants.** Lowcountry covenants with Marquee that, between the date hereof and the Closing Date, it shall act in accordance with the following:

(a) Lowcountry shall maintain the Lowcountry Equipment in accordance with standards of good engineering practice and replace any of such property, which shall be worn out, lost, stolen or destroyed with like property of substantially equivalent kind and value;

(b) Lowcountry, with respect to Lowcountry, shall remain in material compliance with all applicable laws, rules, and regulations. Lowcountry shall deliver to Marquee, promptly after filing, copies of any reports, applications or responses to the FCC or any communications from the FCC or any other party directed to the FCC related to Lowcountry which are filed between the Effective Date and the Closing Date. Lowcountry shall not file any application to modify Lowcountry's facilities except such modifications as are required by the public interest as determined in the sole discretion of Lowcountry, exercised in good faith after consultation with Marquee, and Lowcountry shall take all actions necessary to keep the Lowcountry Licenses valid and in full force and effect;

(c) Lowcountry shall maintain insurance on all of the Lowcountry Equipment in such amounts as necessary to repair or rebuild the applicable Lowcountry Equipment;

(d) Lowcountry shall not, without the prior written consent of Marquee, sell, lease, transfer or agree to sell, lease or transfer any of the Lowcountry Assets;

(e) Lowcountry shall afford, and shall cause its respective officers, directors, employees and agents to afford, to Marquee, its prospective financing sources and its and their respective officers, employees, advisors and agents reasonable access during regular business hours to Lowcountry's officers, employees, independent contractors, agents, properties, records and contracts relating to the Lowcountry Assets, and shall furnish Marquee all operating and other data and information with respect to the Lowcountry Assets as Marquee, through its respective officers, employees, advisors or agents, may reasonably request;

(f) Lowcountry shall be in material compliance with all federal, state and local laws, rules and regulations;

(g) Lowcountry shall not amend, terminate or fail to renew any of the Lowcountry Tower Leases; and

(h) Lowcountry shall use commercially reasonable efforts to take all action and to do all things necessary, proper or advisable to satisfy any condition to the parties' obligations hereunder in its power to satisfy and to consummate and make effective as soon as practicable the transactions contemplated by this Agreement.

8. **Marquee Covenants.** Marquee covenants with Lowcountry that, between the date hereof and the Closing Date, Marquee shall act in accordance with the following:

(a) Marquee shall maintain the Marquee Equipment in accordance with standards of good engineering practice and replace any of such property, which shall be worn out, lost, stolen or destroyed with like property of substantially equivalent kind and value;

(b) Marquee, with respect to Marquee, shall remain in material compliance with all applicable laws, rules, and regulations. Marquee shall deliver to Lowcountry, promptly after filing, copies of any reports, applications or responses to the FCC or any communications from the FCC or any other party directed to the FCC related to Marquee which are filed between the Effective Date and the Closing Date. Marquee shall not file any application to modify the Marquee Station facilities except such modifications as are required by the public interest as determined in the sole discretion of Marquee, exercised in good faith after consultation with Lowcountry, and Marquee shall take all actions necessary to keep the Marquee Licenses valid and in full force and effect;

(c) Marquee shall maintain insurance on all of the Marquee Equipment in such amounts as necessary to repair or rebuild the applicable Marquee Equipment;

(d) Marquee shall not, without the prior written consent of Lowcountry, sell, lease, transfer or agree to sell, lease or transfer any of the Marquee Assets;

(e) Marquee shall afford, and shall cause its respective officers, directors, employees and agents to afford, to Lowcountry, its prospective financing sources and its and their respective officers, employees, advisors and agents reasonable access during regular business hours to Marquee's officers, employees, independent contractors, agents, properties, records and contracts relating to the Marquee Assets, and shall furnish Lowcountry all operating and other data and information with respect to the Marquee Assets as Lowcountry, through its respective officers, employees, advisors or agents, may reasonably request;

(f) Marquee shall be in material compliance with all federal, state and local laws, rules and regulations; and

(g) Marquee shall use commercially reasonable efforts to take all action and to do all things necessary, proper or advisable to satisfy any condition to the parties' obligations hereunder

in its power to satisfy and to consummate and make effective as soon as practicable the transactions contemplated by this Agreement.

9. **Conditions Precedent to Obligation to Close.**

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

(i) Lowcountry 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 Lowcountry prior to or as of the Closing Date;

(ii) The representations and warranties of Lowcountry 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 the assignment of the Lowcountry Authorizations shall have been granted;

(iv) The FCC Consent for the Marquee Authorizations shall have been granted;

(v) No suit, action, claim or governmental proceeding shall be pending, and no order, decree or judgment of any court, agency or other governmental authority shall have been rendered, against any party hereto which: (A) would render it unlawful, as of the Closing Date, to effect the transactions contemplated by this Agreement in accordance with its terms; (B) questions the validity or legality of any transaction contemplated hereby; or (C) seeks to enjoin any transaction contemplated hereby;

(vi) There shall not be any Liens on the Lowcountry Assets, other than any financing statements of record to be satisfied by Lowcountry on or before the Closing Date; and

(vii) Lowcountry shall have delivered to Marquee, on the Closing Date, the documents required to be delivered pursuant to Section 10(a).

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

(i) Marquee 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 Marquee prior to or as of the Closing Date;

(ii) The representations and warranties of Marquee 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 the assignment of the Lowcountry Authorizations shall have been granted;

(iv) The FCC Consent for the Marquee Authorizations shall have been granted;

(v) No suit, action, claim or governmental proceeding shall be pending, and no order, decree or judgment of any court, agency or other governmental authority shall have been rendered, against any party hereto which: (A) would render it unlawful, as of the Closing Date, to effect the transactions contemplated by this Agreement in accordance with its terms; (B) questions the validity or legality of any transaction contemplated hereby; or (C) seeks to enjoin any transaction contemplated hereby;

(vi) There shall not be any Liens on the Marquee Assets, other than any financing statements of record to be satisfied by Marquee on or before the Closing Date;

(vii) Marquee shall have delivered to Lowcountry, on the Closing Date, the balance of the Purchase Price; and

(viii) Marquee shall have delivered to Lowcountry, on the Closing Date, the documents required to be delivered pursuant to Section 10(b).

10. **Closing Deliveries.**

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

(i) A Bill of Sale to transfer Lowcountry Equipment, duly executed by Lowcountry;

(ii) An Assignment and Assumption of the Lowcountry Authorizations, duly executed by Lowcountry;

(iii) One or more Assignment and Assumption documents to assign to Marquee the Lowcountry Tower Leases, duly executed by Lowcountry;

(iv) Lessor consents to assignment of Lowcountry Tower Leases, duly executed by the lessors thereunder;

(v) One or more Assignment and Assumption documents to assign to Marquee the Affiliation Agreements, duly executed by Lowcountry;

(vi) Any required third-party consents necessary to effectively assign the Affiliation Agreements to Marquee, duly executed by such third parties;

(vii) An Operating Agreement whereby Lowcountry will operate the Lowcountry Stations for Marquee for a period of two (2) years after the Closing Date;

(viii) A certificate, dated the Closing Date, executed by an officer of Lowcountry, certifying the fulfillment of the conditions set forth in Sections 9(a)(i) and 9(a)(ii) hereof; and

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

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

(i) A Bill of Sale to transfer the Marquee Equipment, duly executed by Marquee;

(ii) An Assignment and Assumption of the Marquee Authorizations, duly executed by Marquee;

(iii) One or more Assignment and Assumption documents to assume from Lowcountry the Affiliation Agreements, duly executed by Marquee;

(iv) An Operating Agreement whereby Lowcountry will operate the Lowcountry Stations for Marquee for a period of two (2) years after the Closing Date;

(v) A certificate, dated the Closing Date, executed by an officer of Marquee, certifying the fulfillment of the conditions set forth in Sections 9(b)(i) and 9(b)(ii) hereof; and

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

#### 11. **Indemnification; Survival.**

(a) Lowcountry shall indemnify, defend and hold harmless Marquee with respect to any and all demands, claims, actions, suits, proceedings, assessments, judgments, costs, losses, damages, liabilities and expenses (including, without limitation, interest, penalties, court costs and reasonable attorneys' fees) ("Damages") asserted against, resulting from, imposed upon or incurred by Marquee directly or indirectly relating to or arising out of: (i) either the breach by Lowcountry of any of its representations or warranties or the failure by Lowcountry to perform any of its covenants, conditions or agreements set forth in this Agreement; and (ii) any and all claims, liabilities and obligations of any nature, absolute or contingent, relating to the ownership and operation of the Lowcountry Stations prior to the Closing or the Marquee Station subsequent to Closing.

(b) Marquee shall indemnify, defend and hold Lowcountry harmless with respect to any and all Damages asserted against, resulting from, imposed upon or incurred by Lowcountry directly or indirectly relating to or arising out of: (i) either the breach by Marquee of any of its material representations or warranties or the failure by Marquee to perform any of its material

covenants, conditions or agreements set forth in this Agreement; and (ii) any and all claims, liabilities and obligations of any nature, absolute or contingent, relating to the ownership and operation of the Marquee Station prior to Closing or the Lowcountry Stations subsequent to Closing.

(c) If either party hereto (the “Indemnatee”) receives notice or otherwise obtains knowledge of any matter with respect to which another party hereto (the “Indemnifying Party”) may be obligated to indemnify the Indemnatee under this Section 11(c), then the Indemnatee shall promptly deliver to the Indemnifying Party written notice describing such matter in reasonable detail and specifying the estimated amount of the Damages or liability that may be incurred by the Indemnatee in connection therewith. The Indemnifying Party shall have the right, at its option, to assume the complete defense of such matter at its own expense and with its own counsel, provided such counsel is reasonably satisfactory to the Indemnatee. If the Indemnifying Party elects to assume the defense of such matter, then (i) notwithstanding anything to the contrary contained herein, the Indemnifying Party shall not be required to pay or otherwise indemnify the Indemnatee against any such matter following the Indemnifying Party’s election to assume the defense of such matter, (ii) the Indemnatee shall fully cooperate as reasonably requested by the Indemnifying Party in the defense or settlement of such matter, (iii) the Indemnifying Party shall keep the Indemnatee informed of all material developments and events relating to such matter, and (iv) the Indemnatee shall have the right to participate, at its own expense, in the defense of such matter. In no event shall the Indemnifying Party be liable for any settlement or admission of liability with respect to such matter without its prior written consent.

(d) The representations and warranties in this Agreement shall survive Closing for a period of twelve (12) months from the Closing Date whereupon they shall expire and be of no further force or effect, except (i) as otherwise expressly stated herein and (ii) that if within such applicable period, the indemnified party gives the indemnifying party written notice of a claim for breach thereof, describing in reasonable detail the nature and basis of such claim, then such claim shall survive until the earlier of resolution of such claim or expiration of the applicable statute of limitations. The covenants and agreements in this Agreement shall survive Closing until performed.

## 12. Termination.

(a) This Agreement may be terminated by either Marquee or Lowcountry, if the party seeking to terminate is not in default or breach of any of its material obligations under this Agreement, upon written notice to the other upon the occurrence of any of the following: (i) 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 however that such opportunity to cure shall not apply to the failure of a party to perform its obligations set forth in Section 4 or Section 9 of this Agreement, hereof; (ii) if either Assignment Application is denied by the FCC; (iii) if there shall be in effect any judgment, final decree or order that would prevent or make unlawful the Closing of this Agreement; or (iv) if the Closing has not occurred within six (6) months after the Effective Date.

(b) This Agreement may be terminated by mutual written consent of Lowcountry and Marquee.



(c) If after the cure period provided in Section 12(a) above, Marquee terminates this Agreement due to an uncured breach by Lowcountry of any of its material obligations under this Agreement, Marquee shall be entitled to return of its One Hundred Thousand Dollars (\$100,000) earnest money and any actual or consequential damages suffered from such breach.

(d) If after the cure period provided in Section 12(a) above, Lowcountry terminates this Agreement due to an uncured breach by Marquee of any of its material obligations under this Agreement, Lowcountry's sole remedy shall be specific performance.

(e) Upon a termination of this Agreement for any reason other than as a result of a breach by either party of any of its material obligations under this Agreement, thereafter neither party shall have any further obligation to the other under this Agreement other than Lowcountry will return the earnest money of \$100,000 or equivalent consideration acceptable to Marquee.

13. **Specific Performance.** The parties acknowledge that the Lowcountry Assets and the Marquee Assets each are unique sets of assets not readily available on the open market and that in the event that either Marquee, with respect to the Marquee Station, or Lowcountry, with respect to the Lowcountry Stations, fails to perform its obligation to consummate the transaction contemplated hereby, irreparable harm may occur to the other party as to which money damages alone will not be adequate to compensate such party for its injury. The parties therefore agree and acknowledge that in the event of a failure by either Marquee or Lowcountry to perform its obligation to convey their respective assets in connection with the consummation of the transactions contemplated hereby, the opposing party shall be entitled to specific performance of the terms of this Agreement.

14. **Confidentiality.**

(a) Neither party (the "Receiving Party") shall disclose the Confidential Information of the other (the "Disclosing Party") to any third party; provided, however, that Confidential Information related to the Affiliation Agreements may be disclosed in the context of the Receiving Party's renegotiation of such agreements, including as part of the assignment and assumption of those agreements. Subject to the foregoing exception, the Receiving Party shall also limit access to the Confidential Information of the Disclosing Party within its own organization only to those employees who need to know such Confidential Information in order to implement this Agreement and who are expressly obligated to maintain such Confidential Information in confidence and in accordance with the restrictions set forth herein. These obligations shall not apply to any Confidential Information received by the Receiving Party which the Receiving Party can reasonably demonstrate (i) was in the public domain at the time of receipt by the Receiving Party; (ii) entered the public domain after receipt by the Receiving Party, but through no fault of the Receiving Party; (iii) was known by the Receiving Party prior to its receipt; (iv) is lawfully disclosed to the Receiving Party by a third party that was not under an obligation of confidence to the Disclosing Party; or (v) which the Receiving Party is compelled to disclose by law or legal process, provided the Disclosing Party is given prompt written notice of any such requirement and an opportunity to contest such disclosure. This confidentiality provision shall survive the expiration or earlier termination of this Agreement, until all Confidential Information disclosed hereunder becomes publicly known or made generally available through no action or inaction of the Receiving Party.

(b) “Confidential Information” means the confidential information of the Disclosing Party, which has not been released to the public by the Disclosing Party, including, but not limited to, this Agreement, technical information, designs, procedures, processes, configurations, formulas, discoveries, inventions, improvements, concepts, ideas, techniques, know-how, pricing and sales information, or any other non-public information, whether disclosed through written, oral or visual means.

(c) In the event that either party determines in good faith that a press release or other public announcement is desirable under any circumstances, the parties shall consult with each other to determine the appropriate timing, form and content of such release or announcement. Notwithstanding anything contained herein to the contrary, prior to either party distributing any press release or announcement regarding this Agreement or any of the transactions contemplated hereby, such party shall obtain the other party’s written consent to distribute such press release or announcement.

15. **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 Lowcountry, to:**

Lowcountry 34 Media, LLC  
1 Tuxedo Drive  
Beaufort, SC 29907  
Attention: Jeffrey Winemiller

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

Fletcher, Heald & Hildreth, PLC  
1300 North 17<sup>th</sup> Street, Suite 1100  
Arlington, VA 22209  
Attention: Davina Sashkin, Esq.

**If to Marquee, to:**

Marquee Broadcasting , Inc  
1001 White Sails Way  
Corona del mar, CA 92625  
Attention: Brian Lane

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

Fletcher, Heald & Hildreth, PLC  
1300 North 17<sup>th</sup> Street, Suite 1100  
Arlington, VA 22209  
Attention: Dan Kirkpatrick, Esq.

16. **Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the State of South Carolina, without giving effect to the State's choice or conflicts of law provisions.

17. **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.

18. **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 or other electronic transmission, with the same legal effect as if the signatures had appeared in original handwriting on the same physical document. At the request of any party hereto or to any such agreement or instrument, each other party hereto or thereto shall re-execute original forms thereof and deliver them to all other parties. No party hereto or to any such agreement or instrument shall raise the use of a facsimile machine to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of a facsimile machine as a defense to the formation of a contract and each such party forever waives any such defense.

19. **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. The FCC filing fees relating to the Assignment Applications shall be shared equally between Marquee and Lowcountry. All federal, state, local and other transfer and sales taxes applicable to, imposed upon or arising out of the transfer to Marquee of the Assets as contemplated hereby shall be paid by the party responsible for such amounts under applicable law.

20. **No Strict Construction.** The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise from favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

21. **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, which consent shall not be unreasonably withheld or delayed.


22. **Entire Agreement.** This Agreement, and the Exhibits and Schedules 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 both parties.

23. **Schedules and Exhibits.** Unless otherwise specified herein, each Schedule or Exhibit referred to in this Agreement is attached hereto, and each such Schedule and Exhibit (if any) is hereby incorporated herein by this reference.


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IN WITNESS WHEREOF, the parties hereto have executed this Asset Exchange Agreement as of the Effective Date.

**LOWCOUNTRY 34 MEDIA, LLC**

By:   
Name: JEFFREY W. WENEMILLER  
Title: MANAGER  
Date: 4/2/2020

**MARQUEE BROADCASTING INC.**

By:   
Name: Brian J. Lane  
Title: CFO  
Date: 4/2/20