

## ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT is entered into as of June 27, 2017 by and between Power Valley Communications, Inc. ("Seller") and Eagle Radio Network, Inc. ("Buyer"), referred to herein collectively as the Parties.

### Recitals

A. Seller owns and operates commercial radio broadcast station WADI(FM), 95.3 MHz, Corinth, Mississippi, Facility ID No. 31412 (the "Station"), and owns or leases certain Station Assets (defined below).

B. Pursuant to the terms and subject to the conditions set forth in this Agreement, Seller desires to sell to Buyer, and Buyer desires to acquire from Seller the Station Assets.

### Agreement

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

#### ARTICLE 1: SALE AND PURCHASE

1.1 Station Assets. Subject to the terms and conditions herein contained, Seller shall grant, convey, sell, assign, transfer and deliver to Buyer on the Closing Date (as hereinafter defined) all interests of Seller in the Station Assets as set forth below. Without limiting the foregoing, the Station Assets shall include the following:

(a) FCC Authorizations. All licenses, authorizations, permits and approvals issued by the Federal Communications Commission ("FCC"), that are related to the Station ("FCC Authorizations"), as listed in **Schedule 1.1(a)** attached hereto.

(b) Commercial Lease Agreement. Existing rights and responsibilities under the Lease from Biddle and Sons Communications, Inc., which has been renegotiated by Buyer to be memorialized in a real and personal property lease described in **Schedule 1.1(b)** (the "Commercial Lease Agreement").

(c) Assumed Contracts. All advertising, sales, and broadcast rights contracts and other agreements, to which Seller is a Party or that are binding upon Seller and that relate to or affect the Station Assets or the business or operations of the Station, that Buyer agrees to assume on the Closing Date (collectively, the "Assumed Contracts"). The Assumed Contracts are specifically listed in **Schedule 1.1(c)** and include without limitation, a lease with Biddle and Sons Communications, Inc., for antennas, tower space, transmitter, studio equipment, and other Station-related equipment.

(e) Files and Records. All FCC logs and other records that relate to the technical operation of the Station, including without limitation all blueprints, engineering studies and reports, and all documents contained in the Station's public inspection file.

(f) Prepaid Items. All deposits, reserves, prepaid expenses, prepaid accounts for the sale of advertising airing on the Station after Closing, and prepaid taxes relating to the Station or the Station Assets shall be pro-rated as of Closing.

(g) Goodwill. All of Seller's goodwill in, and going concern value of, the Station.

1.2 Excluded Assets. It is specifically agreed and understood that any cash on hand at the Station as of the Closing Date shall be retained by the Seller. In addition, Seller shall retain any bank accounts, cash equivalents and securities and other investments owned by Seller as of the Closing Date. All accounts receivable of the Station and notes receivable in favor of Seller in existence as of the Closing Date shall remain the property of the Seller, and Seller shall be solely responsible for collecting its own receivables. The Station Assets shall not include Seller's books and records pertaining to corporate organization, taxation, employee pension, and other benefit plans, or accounts receivable.

1.3 Purchase Price. The purchase price to be paid for the Station Assets shall be the sum of Three Hundred and Sixty Thousand Dollars (\$360,000.00) (the "Purchase Price"), payable by Buyer to Seller in the form of a Note together with a related Security Agreement, Stock Pledge Agreement, and a personal Guaranty executed by each of Buyer's principals, all substantially in the form set forth in Schedule 1.3.

1.4 FCC Application and Consent. Within ten (10) days following the execution of this Agreement, Buyer and Seller shall file an application (the "FCC Application") requesting FCC consent to the assignment of the FCC Authorizations from Seller to Buyer (the "FCC Consent"). Seller and Buyer shall diligently prosecute the FCC Application.

1.5 Closing. The consummation of the sale and purchase of the Station Assets pursuant to this Agreement (the "Closing") shall take place, either in person or via electronic circulation of documents, on a mutually acceptable date that is no more than ten (10) business days after the initial grant of the FCC Application (the "Closing Date"); provided, however, that if a timely petition to deny shall have been filed against the FCC Application either Party may defer Closing until ten (10) business days after the FCC grant is a Final Order. A Final Order is a grant that is no longer subject to administrative or judicial appeal, stay, review or reconsideration.

## ARTICLE 2: SELLER REPRESENTATIONS AND WARRANTIES

Seller represents and warrants to Buyer as follows:

2.1 Authorization. The execution and performance of this Agreement, and the documents to be delivered pursuant hereto, have been duly authorized and approved by all necessary action of Seller and do not require any further authorization or consent of Seller. This

Agreement and the documents to be delivered pursuant hereto are legal, valid and binding agreements of Seller, enforceable in accordance with their respective terms.

2.2 FCC Authorizations. The FCC Authorizations are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired. There is not pending or, to Seller's knowledge, threatened any action by or before the FCC to revoke, suspend, cancel, rescind or modify the FCC Authorizations (other than proceedings relating to FCC rules of general applicability).

2.3 Station Assets. Seller has good, valid and marketable title to all of the Station Assets, free and clear of liens except for liens for current taxes not yet due and payable. All items of Tangible Personal Property, including without limitation equipment and electrical devices are being conveyed to Buyer "As Is."

2.4 Compliance with Law. Seller has complied with all laws, regulations, rules, writs, injunctions, ordinances, franchises, decrees or orders of any court or of any foreign, federal, state, municipal or other governmental authority which are applicable to the Station or the FCC Authorizations in all material respects. There is no action, suit or proceeding pending or, to Seller's knowledge, threatened against Seller in respect of the Station or the FCC Authorizations. To Seller's knowledge, there are no claims or investigations pending or threatened against Seller in respect of the Station or the FCC Authorizations.

### ARTICLE 3: BUYER REPRESENTATIONS AND WARRANTIES

Buyer represents and warrants to Seller as follows:

3.1 Authority. The execution, delivery and performance of this Agreement, and the documents to be delivered pursuant hereto, have been duly authorized and approved by all necessary action of Buyer and does not require any further authorization or consent of Buyer. This Agreement and the documents to be delivered pursuant hereto are legal, valid and binding agreements of Buyer enforceable in accordance with their respective terms.

3.2 Qualification. Buyer is legally and financially qualified to hold the FCC Authorizations under the Communications Act and the rules, regulations and policies of the FCC as they exist on the date of this Agreement.

### ARTICLE 4: SELLER COVENANTS

4.1 Maintenance of Station Assets. From the date hereof until Closing, Seller shall maintain the Station Assets, including the FCC Authorizations, in full force and effect and shall not modify the FCC Authorizations nor sell, transfer or assign any Station Assets prior to Closing, without the written consent of Buyer.

4.2 Continuing Business. From the date hereof until Closing Seller will continue operating the Station in its usual manner, in full compliance with all applicable FCC requirements.

## ARTICLE 5: JOINT COVENANTS

5.1 Control. Consistent with FCC rules, control, supervision and direction of the operation of the Station prior to Closing shall remain the responsibility of Seller as the holder of the FCC Authorizations.

5.2 Lien Search. Prior to Closing, Buyer may, at its sole expense, obtain UCC, judgment, fixture, and state and federal tax lien search reports as appropriate to confirm whether liens are filed or recorded against the Station Assets in the public records of any applicable jurisdiction. In the event that Buyer obtains such reports, Buyer shall promptly forward them to Seller. Seller shall clear any such liens prior to or concurrently with Closing.

## ARTICLE 6: SELLER'S CLOSING CONDITIONS

The obligation of Seller to consummate the Closing is subject to satisfaction of the following conditions at or prior to Closing:

6.1 Proceedings. Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

6.2 FCC Consent. The FCC Consent shall have been granted without conditions materially adverse to Seller, and shall, if so elected by Seller, have become a Final Order.

6.3 Deliveries. Buyer shall have made the deliveries it is required to make at Closing under this Agreement.

6.4 Commercial Lease Agreement and Assumed Contracts. At Closing, Buyer shall deliver an executed Commercial Lease Agreement substantially in the form of Schedule 1.1(b) and an Assignment and Assumption Agreement related to any Assumed Contracts.

## ARTICLE 7: BUYER'S CLOSING CONDITIONS

The obligation of Buyer to consummate the Closing is subject to satisfaction of the following conditions at or prior to the Closing:

7.1 Proceedings. Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

7.2 FCC Consent. The FCC Consent shall have been granted without conditions materially adverse to Buyer and shall, if so elected by Buyer, have become a Final Order.

7.3 Deliveries. Seller shall have made the deliveries it is required to make at Closing under this Agreement.

## ARTICLE 8: CLOSING DELIVERIES

8.1 Seller Deliveries. At Closing, Seller shall deliver or cause to be delivered to Buyer an Assignment of FCC Authorizations, an Assignment and Assumption of Assumed Contracts and any other documents Buyer shall reasonably require.

8.2 Buyer Deliveries. At Closing, Buyer shall deliver to Seller the Purchase Price in the form of a Note and a related Security Agreement, the personal Guaranty of stockholders of Buyer, a Stock Pledge Agreement, an Assignment and Assumption of Assumed Contracts, and an executed Commercial Lease Agreement.

## ARTICLE 9: SURVIVAL AND INDEMNIFICATION

9.1 Survival. The representations and warranties in this Agreement shall expire and be of no further force or effect after Closing.

### 9.2 Indemnification

(a) From and after Closing, Seller shall defend, indemnify and hold harmless Buyer from and against any and all losses, costs, damages, liabilities and expenses, including reasonable attorneys' fees and expenses ("Damages") incurred by Buyer arising out of or resulting from: (i) any breach or default by Seller under this Agreement; or (ii) without limiting the foregoing, the business or operation of the Station prior to Closing (including any third party claim arising from such operations).

(b) From and after Closing, Buyer shall defend, indemnify and hold harmless Seller from and against any and all Damages incurred by Seller arising out of or resulting from: (i) any breach or default by Buyer under this Agreement; or (ii) without limiting the foregoing, the business or operation of the Station after Closing (including any third party claim arising from such operations).

## ARTICLE 10: TERMINATION AND REMEDIES

10.1 Termination. This Agreement may be terminated prior to Closing as follows:

by mutual written consent of Buyer and Seller;

by written notice of Buyer to Seller if Seller: (i) does not perform the obligations to be performed by it under this Agreement on the Closing Date; or (ii) otherwise breaches in any material respect any of its representations or warranties or defaults in any material respect in the performance of any of its covenants or agreements contained in this Agreement and such breach or default is not cured within the Cure Period (defined below);

by written notice of Seller to Buyer if Buyer: (i) does not perform the obligations to be performed by it under this Agreement on the Closing Date; or (ii) otherwise breaches in any material respect any of its representations or warranties or defaults in any material respect in the performance of any of its covenants or agreements contained in this Agreement and such breach or default is not cured within the Cure Period;

by written notice of Buyer to Seller, or by Seller to Buyer, if the FCC denies the FCC Application; or

by written notice of Buyer to Seller, or by Seller to Buyer, if the Closing does not occur by the date twelve (12) months from the date this Agreement is entered into.

The term "Cure Period" as used herein means a period commencing the date Buyer or Seller receives from the other written notice of breach or default hereunder and continuing until the earlier of (i) fifteen (15) calendar days thereafter or (ii) the Closing Date.

10.2 Specific Performance. In the event of a breach, or threatened breach, of any representation, warranty, covenant or agreement under this Agreement by either party, the other party, at its election, shall, in addition to any other remedy available to it, be entitled to an injunction to restrain any such breach or threatened breach and to enforce this Agreement by a decree of specific performance which requires the breaching party to fulfill its obligations under this Agreement, without the necessity of showing economic loss or other actual damage and without any bond or other security being required.

#### ARTICLE 11: MISCELLANEOUS.

11.1 Expenses. Buyer and Seller shall each be responsible for their costs and expenses incurred in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement. The FCC Filing Fee associated with the FCC Application shall be evenly split between the Parties.

11.2 Further Assurances. After Closing, each Party hereto shall execute all such instruments and take all such actions as the other Party may reasonably request, without payment of further consideration, to effectuate the transactions contemplated by this Agreement, including without limitation the execution and delivery of confirmatory and other transfer documents in addition to those to be delivered at Closing.

11.3 Assignment. This Agreement shall be binding upon and inure to the benefit of the Parties hereto, and their respective successors and permitted assigns. Seller may not assign any of its rights or delegate any of its obligations hereunder, and any such attempted assignment or delegation without such consent shall be void. Buyer may assign its right to acquire the Station (in whole or in part) with Seller's consent, but any such assignment shall not relieve Buyer of any obligations under this Agreement.

11.4 Notices. Any notice pursuant to this Agreement shall be in writing and shall be deemed delivered on the date of personal delivery or confirmed delivery by a nationally recognized overnight courier service, and shall be addressed as follows (or to such other address as the Party may request by written notice):

if to Seller, then to:

Dianne C. Biddle, Vice-President  
Power Valley Communications, Inc.  
121 Front Street  
Iuka, MS 38852

with copy to:

R. H. Burress, III, Esq.  
123 South Fulton Street  
Iuka, MS 38852

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

Garvey Schubert Barer  
1000 Potomac Street, NW  
Suite 200  
Washington, DC 20007  
Attention: John Crigler, Esq.

if to Buyer, then to:

Larry Melton, President  
Eagle Radio Network, Inc.  
2810 Hwy 69A  
Camden, TN 38320

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

John S. Neely, Esq.  
Miller and Neely, P.C.  
3750 University Blvd W Ste 203  
Kensington, MD 20895-2136

11.5 Severability. If any court or governmental authority holds any provision in this Agreement invalid, illegal or unenforceable under any applicable law, then, so long as no Party is deprived of the benefits of this Agreement in any material respect, this Agreement shall be construed with the invalid, illegal or unenforceable provision deleted and the validity, legality and enforceability of the remaining provisions contained herein shall not be affected or impaired thereby.

11.6 Miscellaneous. No amendment or waiver of compliance with any provision hereof or consent pursuant to this Agreement shall be effective unless in a writing signed by the Party against whom enforcement of such amendment, waiver, or consent is sought. This Agreement constitutes the entire agreement and understanding of the Parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings with respect to the subject matter hereof. Nothing in this Agreement expressed or implied is intended or shall be construed to give any rights to any person or entity other than the Parties hereto and their respective successors and permitted assigns. The construction and performance of this Agreement shall be governed by the laws of the State of Mississippi without giving effect to the choice of law provisions thereof. This Agreement may be executed in separate counterparts, each of which shall be deemed to be an original and all of which together constitute one and the same agreement. Facsimile signatures shall have the same force and effect as original signatures.

[SIGNATURE PAGE FOLLOWS]

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

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

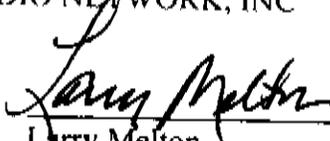
BUYER:

EAGLE RADIO NETWORK, INC

By:

Name:

Title:

  
Larry Melton  
President

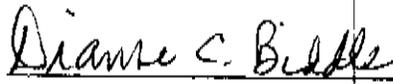
SELLER:

POWER VALLEY COMMUNICATIONS, INC.

By:

Name:

Title:

  
Dianne C. Biddle  
Vice-President

Schedule 1.1(a)

FCC Authorizations

WADI(FM), Corinth, Mississippi, FCC Facility ID No. 31412

Schedule 1.1(b)

Commercial Lease Agreement

### Schedule 1.1(c)

#### Assumed Contracts

All advertising, sales, and broadcast rights contracts and other agreements, to which Seller is a Party or that are binding upon Seller and that relate to or affect the Station Assets or the business or operations of the Station, and include without limitation, a lease with Biddle and Sons Communications, Inc., for antennas, tower space, transmitter, studio equipment, and other Station-related equipment.

Schedule 1.3

Promissory Note and Security Agreement

GSB:8621918.5