

## ASSET EXCHANGE AGREEMENT

**THIS ASSET EXCHANGE AGREEMENT** (this "Agreement") is dated as of December 30<sup>th</sup> 2019 (the "Effective Date"), by and among **CEDAR COVE BROADCASTING, INC.**, a Colorado non-profit corporation ("Cedar") and **EDUCATIONAL MEDIA FOUNDATION**, a California non-profit, religious corporation ("EMF").

### WITNESSETH:

**WHEREAS**, Cedar is the licensee of non-commercial educational radio station KEZF(FM), Casper, Wyoming (Channel 202; 88.3 MHz; FCC Facility Id. 92997) ("KEZF") pursuant to authorizations (the "KEZF Authorizations") issued by the Federal Communications Commission (the "FCC"); and

**WHEREAS**, EMF is the licensee of FM translator station K214DI, Casper, Wyoming (FCC Facility Id. 92833) ("K214DI") pursuant to authorizations issued by the FCC (collectively, the "K214DI Authorizations"); and

**WHEREAS**, on the terms and conditions described herein and subject to the approval of the FCC, EMF and Cedar desire to exchange certain assets and FCC licenses associated with KEZF for cash and certain assets and FCC licenses associated with K214DI;

**NOW, THEREFORE**, in consideration of the foregoing and of the mutual promises herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. **Assets and Liabilities.**

(a) **KEZF Assets.**

(i) On the Closing Date (defined below), Cedar shall assign and transfer to EMF, and EMF shall assume and receive from Cedar, those certain assets, properties, interests and rights of Cedar that are held by Cedar and used in connection with the KEZF, but excluding the KEZF Excluded Assets (defined below) (collectively, the "KEZF 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, used in the operations of the transmitter site of KEZF (wherever located)(collectively, the "KEZF 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 KEZF Authorizations), the Federal Aviation Administration (the "FAA"), if any, and any other federal, state or local governmental authorities, to Cedar in connection with the conduct of the business and operations of KEZF, as identified on Schedule 1(a)(i)(B) hereto (collectively, the "KEZF Licenses");

(C) KEZF is currently silent as of November 8<sup>th</sup>, 2019. It currently has no valid tower site lease. Cedar and EMF have agreed to relocate KEZF to the current K214DI tower site, and K214DI will be relocated to a new site specified by Cedar.

(D) all of Cedar's logs, books, files, data, software, FCC and other governmental applications, equipment manuals and assignable warranties, and other records relating to the operation of Cedar, 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 Cedar, including, but not limited to, Cedar's public inspection file.

(ii) The KEZF Assets shall be transferred to EMF 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 the following (collectively, "Cedar Permitted Encumbrances"): (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 Cedar with EMF's consent.

(iii) EMF is not agreeing to, and shall not, assume any liability, obligation, undertaking, expense or agreement of Cedar of any kind, absolute or contingent, known or unknown, and the execution and performance of this Agreement shall not render EMF liable for any such liability, obligation, undertaking, expense or agreement, or any other liabilities of Cedar for which EMF receives a credit under Section 2(b) of this Agreement (collectively, the "EMF Assumed Liabilities"). All liabilities, except for the EMF Assumed Liabilities, shall be retained by Cedar. Without limiting the generality of the foregoing, it is understood and agreed that EMF is not agreeing to, and shall not, assume (A) any liability or obligation of Cedar to Cedar's employees under any existing written or oral agreements with Cedar, 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 Cedar of the employment of any employee of Cedar or any liability for any employee benefit plan or arrangement of Cedar for employees, (C) any liability or obligation of Cedar arising under the KEZF Site Lease, if any, at or prior to Closing, or (D) any liability or obligation of Cedar arising under any contracts related to Cedar.

(iv) The following assets and obligations relating to the business of Cedar shall be retained by Cedar and shall not be sold, assigned, transferred to, or assumed by EMF (the "KEZF Excluded Assets"):

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

(B) any and all claims of Cedar 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) Cedar's corporate records;
- (I) all commitments, contracts, leases and agreements except to the extent that they are specifically assumed in this Agreement; and
- (J) any other items identified on Schedule 1(a)(iv)(J) hereof.

(b) **K214DI Assets.**

(i) On the Closing Date (defined below), EMF shall assign and transfer to Cedar, and Cedar shall assume and receive from EMF, those certain assets, properties, interests and rights of EMF which are held by EMF and used in connection with K214DI, but excluding the K214DI Excluded Assets (defined below) (collectively, the "K214DI Assets"), which are identified below:

(A) all towers, 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 K214DI (collectively, the "K214DI 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 K214DI Authorizations), the FAA, if any, and any other federal, state or local governmental authorities to EMF in connection with the conduct of the business and operations of K214DI, as identified on Schedule 1(b)(i)(B) hereto (collectively, the "K214DI Licenses");

(C) all of EMF's logs, books, files, data, software, FCC and other governmental applications, equipment manuals and assignable warranties, and other records relating to the operation of K214DI, 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 K214DI, including, but not limited to, K214DI's public inspection file.

(ii) The K214DI Assets shall be transferred to Cedar free and clear of all Liens, except the following (collectively, "K214DI Permitted Encumbrances"): (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 EMF with Cedar's consent.

(iii) Cedar is not agreeing to, and shall not, assume any liability, obligation, undertaking, expense or agreement of EMF of any kind, absolute or contingent, known or unknown, specifically including, without limitation, any liability, obligation or agreement to retain any EMF'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 Cedar liable for any such liability, obligation, undertaking, expense or agreement, except for any liabilities of EMF for which Cedar receives a credit under Section 2(b) of this Agreement (collectively, the "Cedar Assumed Liabilities"). All liabilities, except for the Cedar Assumed Liabilities, shall be retained by EMF. Without limiting the generality of the foregoing, it is understood and agreed that Cedar is not agreeing to, and shall not, assume (A) any liability or obligation of EMF to EMF's employees under any existing written or oral agreements with EMF, 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 EMF of the employment of any employee of EMF or any liability for any employee benefit plan or arrangement of EMF for employees, or (C) any liability or obligation of EMF arising under any contracts related to K214DI.

(iv) The following assets and obligations relating to the business of K214DI shall be retained by EMF and shall not be sold, assigned, or transferred to, or assumed by Cedar (the "K214DI Excluded Assets"):

(A) any and all cash, cash equivalents, cash deposits to secure contract obligations, donations, and all other accounts receivable, bank deposits, and securities held by EMF in respect of K214DI at the Closing Date;

(B) any and all claims of EMF 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) EMF's corporate records;

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

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

2. **Consideration.**

(a) Upon satisfaction of all conditions precedent set forth herein, at Closing, EMF and Cedar shall exchange the K214DI Assets and the KEZF Assets, respectively.

(b) In addition, and as additional consideration for this Agreement, EMF agrees to pay Cedar a cash payment at Closing in the amount of Fifty Thousand Dollars (\$50,000) (“Cash Payment”). Other than the exchange of assets and the Cash Payment, no additional consideration, will be due to or from either Party on the Closing Date, except to the extent of net prorations or reimbursement or payments required under subsection 2(c) below.

(c) The parties shall prorate all expenses arising out of the operation of the KEZF Assets and K214DI Assets which are incurred, accrued or payable, as of 11:59 p.m. local time of the day preceding the Closing. The items to be prorated shall include, but not be limited to, FCC regulatory fees (if any), utilities charges, real property and personal property taxes (based upon the most recent tax bills and or assessments), security deposits, and any other prepaid amounts. The prorations shall be determined and accounted for on the closing statement as of the Closing Date, with any reconciliation to such prorations to be made between the parties within sixty (60) days after the Closing Date.

3. **FCC Consent; FCC Applications.**

(a) At a date not later than ten (10) business days after the Effective Date, EMF and Cedar 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 Cedar to EMF of the KEZF Authorizations and (ii) from EMF to Cedar of the K214DI Authorizations. EMF and Cedar 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. EMF shall also request that the call sign of KEZF be changed to KAWY with such change to be effective at or shortly after Closing.

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 Cedar and EMF may agree in writing. Such Closing date shall be fixed by mutual agreement of the parties, but may be no sooner than ten (10) days following the latest date on which the FCC Consent for each of KEZF and K214DI shall have become a Final Order (defined below) and the other conditions to closing set forth in Section 9 of this Agreement have either been waived or satisfied (the “Closing Date”). For purposes of this Agreement, “Final Order” means an FCC Consent (a) that is no longer subject to review, set aside, or rehearing by the FCC or any court, and (b) that has received no timely requests for stay, petition for rehearing or appeal.

5. **Representations and Warranties of Cedar.** Cedar hereby represents and warrant to EMF:

(a) Cedar is a nonprofit corporation duly formed, validly existing and in good standing under the laws of the State of Colorado and qualified to do business in the State of Wyoming. Cedar 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 Cedar and no other proceedings on the part of Cedar are necessary to authorize this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Cedar and constitutes the legal, valid and binding obligation of Cedar, enforceable in accordance with its terms.

(b) The execution, delivery, and performance of this Agreement by Cedar will not (i) constitute a violation of or conflict with such Cedar'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 Cedar and to which Cedar or any of the KEZF 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 EMF, (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 either Cedar or any of the KEZF Assets, (iv) result in the creation or imposition of any Lien of any nature whatsoever on any of the KEZF Assets, or (v) require the consent or approval of any governmental authority or other third party, other than the FCC Consent;

(c) Schedule 1(a)(i)(A) hereto contains a complete and accurate list of the KEZF Equipment that is necessary to conduct the operation of Cedar. (other than those assets which are KEZF Excluded Assets) and will be acquired by EMF. Cedar owns and has, and will have on the Closing Date, good and marketable title to the KEZF Equipment. Each item of KEZF 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 KEZF Licenses, including, but not limited to, the KEZF 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 KEZF Authorizations and all other KEZF Licenses that are required for the lawful conduct of the business and operations of Cedar in the manner and to the full extent it is presently operated. Cedar lawfully holds each of the KEZF Authorizations and KEZF Licenses listed on Schedule 1(a)(i)(B). Cedar has operated Cedar in all material respects in accordance with the KEZF Authorizations, and all applicable rules, regulations and policies of the FCC (collectively, the "Communications Laws"). To the best of Cedar's knowledge, when in operation KEZF does 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 Cedar's knowledge, threatened any action by or before the FCC to revoke, cancel, rescind, modify, or refuse to renew any of the KEZF Authorizations, and

Cedar 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 Cedar with respect to Cedar. Except as set forth in Schedule 1(a)(i)(B), all material reports and filings required to be filed with the FCC by Cedar with respect to the operation of KEZF have been timely filed, and all such reports and filings are accurate;

(e) With respect to KEZF, Cedar has complied and currently is in material compliance with all applicable environmental laws relating to the discharge of air pollutants, water pollutants or process waste water, hazardous materials, or toxic substances, or otherwise relating to the environment, including, but not limited to, the Federal Solid Waste Disposal Act, the Federal Clean Air Act, the Federal Clean Water Act, the Federal Resource Conservation and Recovery Act of 1976, the Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, regulations of the Environmental Protection Agency, regulations of the Nuclear Regulatory Commission, and environmental laws. Notwithstanding anything contained herein to the contrary, this Section shall survive indefinitely beyond the expiration or earlier termination of this Agreement;

(f) To Cedar's knowledge, the Cedar Tower is obstruction-marked, lighted and registered to the extent required by, and in accordance with, the rules and regulations of the FAA and the FCC. Cedar has complied in all material respects with all requirements of the FCC and the FAA with respect to the construction and/or alteration of Cedar's antenna structures, and "no hazard" determinations for each antenna structure have been obtained, where required. The operations of KEZF do not exceed permissible levels of exposure to RF radiation specified in the FCC's rules, regulations, and policies concerning RF radiation or any other applicable environmental laws. There is no broker or finder or other person who would have any valid claim against EMF 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 Cedar;

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

(h) Cedar 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 EMF any liability for any taxes, penalties or interest due or to become due from Cedar 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 EMF or Cedar that could result from Cedar's breach of this Section;

(i) EMF shall have no obligation to offer employment to any employee of Cedar, 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 Cedar's breach of this Section;

(j) On or before the Closing Date, Cedar shall furnish to EMF revised Schedules to this Agreement as may be necessary to render such Schedules accurate and complete as of the Closing Date. Cedar shall give detailed written notice to EMF 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 Cedar prior to the date hereof, of any of Cedar's representations or warranties contained in this Agreement or in any Schedule. Cedar shall promptly disclose to EMF any significant problems or developments with respect to the KEZF Assets; and

(k) No representation or warranty made by Cedar 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 EMF.

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

(a) EMF is a non-profit, religious corporation duly formed, validly existing and in good standing under the laws of the State of California. EMF 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 EMF and no other proceedings on the part of EMF are necessary to authorize this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by EMF and constitutes the legal, valid and binding obligation of EMF, enforceable in accordance with its terms;

(b) The execution, delivery, and performance of this Agreement by EMF will not (i) constitute a violation of or conflict with EMF'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 K214DI and to which EMF or any of the K214DI 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 Cedar, (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 EMF or any of the K214DI Assets, (iv)

result in the creation or imposition of any Lien of any nature whatsoever on any of the K214DI 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 K214DI Equipment that is necessary to conduct the operation of K214DI in the manner in which it is currently operated (other than those assets which are K214DI Excluded Assets) and will be acquired by Cedar. EMF owns and has, and will have on the Closing Date, good and marketable title to the K214DI Equipment. Each item of K214DI 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 K214DI Licenses, including, but not limited to, the K214DI 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 K214DI Authorizations and all other K214DI Licenses that are required for the lawful conduct of the business and operations of each of the K214DI in the manner and to the full extent it is presently operated. EMF lawfully holds each of the K214DI Authorizations and K214DI Licenses listed on Schedule 1(b)(i)(B). EMF has operated K214DI in all material respects in accordance with the K214DI Authorizations, and all applicable Communications Laws. On the Closing Date K214DI will be transmitting at no less than ninety percent (90%) of its authorized power. To the best of EMF's knowledge, when in operation K214DI does 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 EMF's knowledge, threatened any action by or before the FCC to revoke, cancel, rescind, modify or refuse to renew any of the K214DI Authorizations, and EMF 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 K214DI or EMF with respect to K214DI. Except as set forth in Schedule 1(b)(i)(B), all material reports and filings required to be filed with the FCC by EMF with respect to the operation of each the K214DI have been timely filed, and all such reports and filings are accurate and currently are in material compliance;

(e) There is no broker or finder or other person who would have any valid claim against Cedar 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 EMF;

(f) EMF is not subject to any order, writ, injunction, judgment, arbitration decision or decree having binding effect and affecting the business of K214DI or the K214DI 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 EMF's knowledge of EMF, threatened against EMF. To the best of EMF's knowledge, with respect to the K214DI, EMF has complied in all material respects with all applicable laws, regulations, orders or decrees. The present uses by EMF of the K214DI Assets do not violate any such laws, regulations, orders or decrees in any material respect, and EMF 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 K214DI Equipment in commercially reasonable amounts sufficient to repair or replace the applicable K214DI Equipment;

(h) EMF 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 Cedar any liability for any taxes, penalties or interest due or to become due from EMF 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 Cedar or EMF that could result from EMF's breach of this Section;

(i) Cedar shall have no obligation to offer employment to any employee of EMF, 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 EMF's breach of this Section;

(j) On or before the Closing Date, EMF shall furnish to Cedar revised Schedules to this Agreement as may be necessary to render such Schedules accurate and complete as of the Closing Date. EMF shall give detailed written notice to Cedar 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 EMF prior to the date hereof, of any of EMF's representations or warranties contained in this Agreement or in any Schedule. EMF shall promptly disclose to Cedar any significant problems or developments with respect to the K214DI Assets; and

(k) No representation or warranty made by EMF 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 Cedar.

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

(a) Cedar shall maintain the KEZF 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) Cedar, with respect to KEZF, shall remain in material compliance with all applicable laws, rules, and regulations. Cedar shall deliver to EMF, 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 KEZF which are filed between the Effective Date and the Closing Date. Cedar shall not file any application to modify KEZF's facilities except such modifications as are required by the public interest as determined in the sole discretion of Cedar, exercised in good faith after consultation with EMF, and Cedar shall take all actions necessary to keep the KEZF Licenses valid and in full force and effect;

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

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

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

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

(g) Cedar shall use commercially reasonable 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. **EMF Covenants.** EMF covenants with Cedar that, between the date hereof and the Closing Date, EMF shall act in accordance with the following:

(a) EMF shall maintain the K214DI 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) EMF shall maintain K214DI in accordance with the terms of the K214DI Licenses and in material compliance with all applicable laws, rules, and regulations. EMF shall deliver to Cedar, 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 K214DI which are filed between the Effective Date and the Closing Date. EMF shall not file any application to modify the K214DI facilities except such modifications as are required by the public interest as determined in the sole discretion of EMF, exercised in good faith after consultation with Cedar, and EMF shall take all actions necessary to keep the K214DI Licenses valid and in full force and effect;

(c) EMF shall maintain insurance on all of the K214DI Equipment in such amounts as necessary to repair or rebuild the applicable K214DI Equipment;

(d) EMF shall not, without the prior written consent of Cedar, sell, lease, transfer or agree to sell, lease or transfer any of the K214DI Assets;

(e) EMF shall afford, and shall cause its respective officers, directors, employees and agents to afford, to Cedar, its prospective financing sources and its and their respective officers, employees, advisors and agents reasonable access during regular business hours to EMF's officers, employees, independent contractors, agents, properties, records and contracts relating to the K214DI Assets, and shall furnish Cedar all operating and other data and information with respect to the K214DI Assets as Cedar, through its respective officers, employees, advisors or agents, may reasonably request;

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

(g) EMF shall use commercially reasonable 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 EMF hereunder is subject to the satisfaction of each of the following express conditions precedent:

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

(ii) The representations and warranties of Cedar 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 for KEZF shall have become a Final Order;

(iv) The FCC Consent for K214DI shall have become a Final Order;

(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 KEZF Assets, other than any Cedar Permitted Encumbrances; and

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

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

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

(ii) The representations and warranties of EMF 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 for K214DI shall have become a Final Order;

(iv) The FCC Consent for KEZF shall have become a Final Order;

(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 K214DI Assets, other than K214DI Permitted Encumbrances; and

(vii) EMF shall have delivered to Cedar, on the Closing Date, the documents required to be delivered pursuant to Section 10(b).

10. **Closing Deliveries.**

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

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

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

(iii) An Assignment and Assumption of the K214DI Authorizations, duly executed by Cedar;

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

(v) Certified copies of the resolutions of the Board of Directors, or other governing body, of Cedar, authorizing and approving the execution and delivery of this Agreement and authorizing the consummation of the transactions contemplated hereby and thereby; and

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

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

- (i) The Cash Payment, in readily available funds;
- (ii) A Bill of Sale to transfer the K214DI Equipment, duly executed by EMF;
- (iii) An Assignment and Assumption of the K214DI Authorizations, duly executed by EMF;
- (iv) An Assignment and Assumption of the KEZF Authorizations, duly executed by EMF;
- (v) A certificate, dated the Closing Date, executed by an officer of EMF, certifying the fulfillment of the conditions set forth in Sections 9(b)(i) and 9(b)(ii) hereof;

(vi) If required by the organizational documents of EMF, certified copies of the resolutions of the Board of Directors of EMF, authorizing and approving the execution and delivery of this Agreement and authorizing the consummation of the transactions contemplated hereby and thereby; and

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

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

(a) Cedar shall indemnify, defend and hold harmless EMF 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 EMF directly or indirectly relating to or arising out of: (i) either the breach by Cedar of any of its representations or warranties or the failure by Cedar 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 KEZF prior to the Closing or K214DI subsequent to Closing.

(b) EMF shall indemnify, defend and hold Cedar harmless with respect to any and all Damages asserted against, resulting from, imposed upon or incurred by Cedar directly or indirectly relating to or arising out of: (i) either the breach by EMF of any of its material representations or warranties or the failure by EMF 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 K214DI prior to Closing or KEZF 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 EMF or Cedar, 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 Final Order; (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 twelve (12) months after the Effective Date.

(b) This Agreement may be terminated as provided by Section 7 or Section 8 or by mutual written consent of Cedar and EMF.

(c) If after the cure period provided in Section 12(a) above, EMF terminates this Agreement due to an uncured breach by Cedar of any of its material obligations under this Agreement, EMF shall be entitled to liquidated damages in the amount of Twenty Thousand Dollars (\$20,000.00) unless EMF elects, in its sole discretion, to consummate the transactions contemplated hereby via specific performance.

(d) If after the cure period provided in Section 12(a) above, Cedar terminates this Agreement due to an uncured breach by EMF of any of its material obligations under this Agreement, Cedar's sole remedy shall be liquidated damages in the amount of Twenty Thousand Dollars (\$20,000.00) unless Cedar elects in its sole discretion, to consummate the transactions contemplated hereby via specific performance.

(e) THE DELIVERY OF THE LIQUIDATED DAMAGES AMOUNT SHALL BE CONSIDERED LIQUIDATED DAMAGES AND NOT A PENALTY AND SHALL BE THE RECIPIENT'S SOLE REMEDY AT LAW OR IN EQUITY FOR A BREACH HEREUNDER IF CLOSING DOES NOT OCCUR. EMF AND CEDAR EACH ACKNOWLEDGE AND AGREE THAT THE LIQUIDATED DAMAGE AMOUNTS SET FORTH HEREIN ARE REASONABLE IN LIGHT OF THE ANTICIPATED HARM THAT WILL BE CAUSED BY A BREACH OF THIS AGREEMENT, THE DIFFICULTY OF PROOF OF LOSS, THE INCONVENIENCE AND NON-FEASIBILITY OF OTHERWISE OBTAINING AN ADEQUATE REMEDY, AND THE VALUE OF THE TRANSACTION TO BE CONSUMMATED HEREUNDER.

(f) 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.

13. **Specific Performance.** The parties acknowledge that the KEZF Assets and the K214DI Assets each are unique sets of assets not readily available on the open market and that in the event that either EMF, with respect to the K214DI, or Cedar, with respect to KEZF, 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 EMF or Cedar 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. 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 Cedar, to:**

Cedar Cove Broadcasting, Inc.  
87 Jasper Lake Road  
Loveland, CO 80537  
Attn: Vic Michael

**If to EMF, to:**

Educational Media Foundation  
5700 West Oaks Boulevard  
Rocklin, CA 95765  
Attn: Shaine Grieshaber  
General Counsel

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

Paige K. Fronabarger, Esq.  
Wilkinson Barker Knuauer, LLP  
1800 M Street, N.W.  
Suite 800N  
Washington, D.C. 20036

16. **Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the State of California, 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 and any other federal, state, local and other transfer and sales taxes applicable to, imposed upon or arising out of the transactions hereby shall be paid by the party responsible for such amounts under applicable law.

20. **Risk of Loss.**

(a) The risk of any loss, taking, condemnation, damage or destruction of or to (each, an "Event of Loss") any of the KEZF Equipment on or prior to the Closing Date shall be upon

Cedar. Cedar shall use all commercially reasonable efforts to repair or replace any damaged or lost KEZF Equipment, provided, however, that in the event that the assets with a value of greater than Twenty Thousand Dollars (\$20,000.00) are damaged or lost on the date otherwise scheduled for Closing, EMF may, at its option, either (i) postpone Closing for a period of up to sixty (60) days while such assets are repaired or replaced, or (ii) elect to close with the assets in their current condition, in which all proceeds from insurance on such lost or damaged assets shall be assigned to EMF, and EMF shall have the responsibility to repair or replace the assets. Cedar shall have no responsibility to repair or replace damaged or destroyed assets not covered by insurance if the cost of such repair exceeds Twenty Thousand Dollars (\$20,000.00), provided, however, in that event, EMF may terminate this Agreement without penalty upon written notice to Cedar.

(b) The risk of any Event of Loss to any of the K214DI Equipment on or prior to the Closing Date shall be upon EMF. EMF shall use all commercially reasonable efforts to repair or replace any damaged or lost K214DI Equipment, provided, however, that in the event that the assets with a value of greater than Twenty Thousand Dollars (\$20,000.00) are damaged or lost on the date otherwise scheduled for Closing, Cedar may, at its option, either (i) postpone Closing for a period of up to sixty (60) days while such assets are repaired or replaced, or (ii) elect to close with the assets in their current condition, in which all proceeds from insurance on such lost or damaged assets shall be assigned to Cedar, and Cedar shall have the responsibility to repair or replace the K214DI Equipment. EMF shall have no responsibility to repair or replace damaged or destroyed assets not covered by insurance if the cost of such repair exceeds Twenty Thousand Dollars (\$20,000.00), provided, however, in that event, Cedar may terminate this Agreement without penalty upon written notice to EMF.

21. **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.

22. **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.

23. **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.

24. **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.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

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

**CEDAR COVE BROADCASTING, INC.**

**EDUCATIONAL MEDIA FOUNDATION**

By: \_\_\_\_\_

Name: Victor A Michael, Jr.

Title: President/Director

Date: 12-30-2019

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_