

## ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made as of April ~~24th~~ 2018 between **Full Gospel Outreach, Inc.**, a Colorado Corporation ("Seller"), and **Mainstreet Broadcasting Company, Inc.**, a Colorado Corporation ("Buyer").

### Recitals

A. Seller is the Permittee of Low Power Television Stations K27MA, Boulder, CO, (Facility ID #22834); K43CG, Colorado Springs, CO, (Facility ID #22859); and K48CU, Pueblo, CO, (Facility ID #22840) ("Stations"), permitted by the Federal Communications Commission ("FCC" or "Commission").

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 purchase from Seller, the Station Assets (defined below).

### 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 OF ASSETS

1.1 Station Assets. On the terms and subject to the conditions hereof, at Closing (defined below), subject to Section 1.2, Seller shall sell, assign, transfer, convey and deliver to Buyer, and Buyer shall purchase and acquire from Seller the Station Assets (the "Station Assets"), which are limited to the following:

(a) The permits and other authorizations issued to Seller by the FCC with respect to the Stations (the "FCC Permits"), that are described on *Schedule 1.1(a)* attached hereto;

(b) Seller's public file for the Stations; and

(c) Any studio or tower leases in Seller's name associated solely with facilities used for the operation of the Stations ("Station Contracts"), that are described on *Schedule 1.1(c)* attached hereto.

1.2 Assumption of Obligations. On the Closing Date (defined below), Buyer shall assume the regulatory obligations associated with the Stations including but not limited to timely construction, licensing and operation of the Stations in accordance with the FCC Permits. At that time Buyer shall also assume the obligations of Seller arising during, or attributable to, any period of time on or after the Closing Date under the Station Contracts (if any) (collectively, the "Assumed Obligations"). Except for the Assumed Obligations, Buyer does not assume, and will not be deemed by the execution and delivery of this Agreement or any agreement, instrument or

document delivered pursuant to or in connection with this Agreement or otherwise by reason of the consummation of the transactions contemplated hereby to have assumed, any other liabilities, commitments or obligations of Seller of any kind, whether or not disclosed to Buyer, including, without limitation, any liability or obligation of Seller under any contracts not included in the Station Contracts (the "Retained Obligations"). Seller shall retain all of the Retained Obligations.

1.3 Purchase Price. The purchase price to be paid by Buyer to Seller for the Station Assets shall be the sum of **Seventy Five Thousand Dollars (\$75,000.00)**, subject to adjustment pursuant to Section 1.5 (the "Purchase Price").

1.4 Method of Payment. The Purchase Price shall be paid as follows:

(a) Deposit. On the date of this Agreement, Buyer shall deposit with Escrow Agent the amount of **Five Thousand Dollars (\$5,000.00)**, as a deposit toward the acquisition of the Station Assets (the "Deposit"). At Closing, the Deposit shall be applied to the Purchase Price. If this Agreement is terminated pursuant to Section 9.1(c) or (e), the Deposit shall be disbursed by wire to Seller. If this Agreement is terminated for any other reason, the Deposit shall be disbursed by wire to Buyer. The parties shall not, by any act or omission, delay or prevents any such disbursement.

(b) Cash at Closing. In addition to the release of the Deposit, at Closing, Buyer shall pay to Seller an additional cash sum of **Forty Five Thousand Dollars (\$45,000.00)** ("Upfront Cash"). The Upfront Cash shall be delivered to Seller *via* wire transfer (unless otherwise requested by Seller). Wire instructions shall be provided to Buyer by Seller at or before the Closing.

(c) Promissory Note. The balance of the purchase price, consisting of **Twenty Five Thousand Dollars (\$25,000.00)**, will take the form of a negotiable promissory note of Buyer delivered to Seller at Closing (the "Note"), substantially in the form of Exhibit 1 hereto, bearing interest at the rate of 6% per annum, payable in sixty (60) equal monthly installments. Interest shall run from the date of closing, but Monthly Payments shall begin on the first day of the calendar month following the Closing, and subsequent monthly payments shall be made on the first day of each month thereafter until the Note has been paid in full. In the event of uncured default by Buyer following notice as provided for in the Note, or upon sale of or assignment of the station by Buyer, all previously unpaid amounts due to Seller under this Agreement and the Note shall become immediately due and payable. The Note shall be secured by all of the personal property owned by Buyer and used in conjunction with the operation of the stations including but not limited to any owned tower site buildings, all equipment located at the tower site used for the stations, as well as the proceeds of any sale of the construction permit or License for the Station, as well as all revenues or accounts payable attributable to the operation of the Stations. At Closing the Buyer shall execute a Security Agreement Substantially in the form of Exhibit 2 hereto.

1.5 Prorations and Adjustments. All prepaid and deferred income and expenses relating to the Station Assets (if any) involving the Station shall be prorated between Buyer and Seller in accordance with generally accepted accounting principles ("GAAP") as of 12:01 a.m.



on the day of Closing (the "Effective Time"). Prorations and adjustments shall be made no later than sixty (60) calendar days after Closing.

1.6 Closing. Subject to any prior termination of this Agreement subject to Section 9.1, the consummation of the sale and purchase of the Station Assets provided for in this Agreement (the "Closing") shall take place on or before the tenth (10<sup>th</sup>) business day after the date of the initial FCC Consent.

1.7 FCC Consents.

(a) Within five (5) business days of the date of this Agreement, Buyer and Seller shall file an application with the FCC (the "FCC Application") requesting FCC consent to the assignment of the FCC Permits to Buyer. FCC consent to the FCC Application without any material adverse conditions other than those of general applicability is referred to herein as the "FCC Consent." Buyer and Seller shall diligently prosecute the FCC Application and otherwise use their commercially reasonable efforts to obtain the FCC Consent as soon as possible.

(b) Buyer and Seller shall promptly notify each other and provide copies of all documents filed with or received from any governmental agency or otherwise served on it with respect to the FCC Application, this Agreement or the transactions contemplated hereby. Buyer and Seller shall furnish each other with such information and assistance as the other may reasonably request in connection with their preparation of any governmental filing hereunder. Buyer and Seller each shall oppose any petitions to deny or other objections filed with respect to the FCC Application to the extent such petition or objection relates to such party.

SELLER REPRESENTATIONS AND WARRANTIES

Seller makes the following representations and warranties to Buyer:

1.8 Organization. Seller is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization. Seller has the requisite power and authority to own and operate the Stations, to carry on the Stations' business as now conducted by it, to execute, deliver and perform this Agreement and all of the other agreements and instruments to be made by Seller pursuant hereto (collectively, the "Seller Ancillary Agreements") and to consummate the transactions contemplated hereby.

1.9 Authorization. The execution, delivery and performance of this Agreement and the Seller Ancillary Agreements and the consummation by Seller of the transactions contemplated hereby and thereby 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 is, and each Seller Ancillary Agreement when made by Seller and the other parties thereto will be, legal, valid and binding agreements of Seller enforceable in accordance with their respective terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).



1.10 No Conflicts. Except as set forth on *Schedule 1.10* and except for the FCC Consent and consents to assign certain of the Station Contracts, the execution, delivery and performance by Seller of this Agreement and the Seller Ancillary Agreements and the consummation by Seller of any of the transactions contemplated hereby or thereby does not conflict with any organizational documents of Seller, any contract or agreement to which Seller is a party or by which it is bound, or any law, judgment, order, or decree to which Seller is subject, or require the consent or approval of, or a filing by Seller with, any governmental or regulatory authority or any third party.

1.11 FCC Permits. Seller is the holder of the FCC Permits described on *Schedule 1.1(a)*. The FCC Permits 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 or any event that has occurred which is likely to result in the FCC taking action to revoke, suspend, cancel, rescind or materially adversely modify any of the FCC Permits (other than proceedings to amend FCC rules of general applicability). There is not issued or outstanding, by or before the FCC, any order to show cause, notice of violation, notice of apparent liability, or order of forfeiture against the Station or against Seller with respect to the Station that could result in any such action.

1.12 Compliance with Law and Regulations. Except as set forth on *Schedule 1.12*, Seller has complied in all material respects with all laws, rules and regulations pertaining to the Station, as well as with the FCC Permits, the Communications Act of 1934, as amended (the "Communications Act"), and the rules, regulations and policies of the FCC.

1.13 Litigation. Except as set forth on *Schedule 1.13*, there is no action, suit or proceeding pending or, to Seller's knowledge, threatened against Seller in respect of the Station or the Station Assets.

1.14 Station Assets. The Station Assets are not encumbered.

## ARTICLE 2: BUYER REPRESENTATIONS AND WARRANTIES

Buyer hereby makes the following representations and warranties to Seller:

2.1 Organization. Buyer is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and is qualified to do business in the jurisdiction in which the Station Assets are located. Buyer has the requisite power and authority to execute, deliver and perform this Agreement and all of the other agreements and instruments to be executed and delivered by Buyer pursuant hereto (collectively, the "Buyer Ancillary Agreements") and to consummate the transactions contemplated hereby.

2.2 Authorization. The execution, delivery and performance of this Agreement and the Buyer Ancillary Agreements and the consummation by Buyer of the transactions contemplated hereby and thereby have been duly authorized and approved by all necessary action of Buyer and do not require any further authorization or consent of Buyer. This Agreement is, and each Buyer Ancillary Agreement when made by Buyer and the other parties thereto will be, the legal, valid and binding agreements of Buyer enforceable in accordance with their respective terms, except in each case as such enforceability may be limited by bankruptcy,

moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

2.3 No Conflicts. Except for the FCC Consent, the execution, delivery and performance by Buyer of this Agreement and the Buyer Ancillary Agreements and the consummation by Buyer of any of the transactions contemplated hereby or thereby does not conflict with any organizational documents of Buyer, any contract or agreement to which Buyer is a party or by which it is bound, or any law, judgment, order or decree to which Buyer is subject, or require the consent or approval of, or a filing by Buyer with, any governmental or regulatory authority or any third party.

2.4 Litigation. There is no action, suit or proceeding pending or, to Buyer's knowledge, threatened against Buyer which questions the legality or propriety of the transactions contemplated by this Agreement or could materially adversely affect the ability of Buyer to perform its obligations hereunder.

2.5 Qualification. To Buyer's knowledge, Buyer is legally, financially and otherwise qualified to be the permittee of, acquire, own and operate the Station under the Communications Act and the rules, regulations and policies of the FCC. To Buyer's knowledge, there are no facts that would, under existing law and the existing rules, regulations, policies and procedures of the FCC, disqualify Buyer as an assignee of the FCC Permits or as the owner and operator of the Station. To Buyer's knowledge, no waiver of or exemption from any FCC rule or policy is necessary for the FCC Consent to be obtained. To Buyer's knowledge, there are no matters which might reasonably be expected to result in the FCC's denial or delay of approval of the FCC Application.

### ARTICLE 3: SELLER COVENANTS

3.1 Seller's Covenants. Between the date hereof and Closing, except as permitted by this Agreement or with the prior written consent of Buyer, which shall not be unreasonably withheld, delayed or conditioned, Seller shall:

(a) keep the Station in compliance with FCC rules and regulations and the Communications Act, except that Seller may, but shall not be required to, construct the station prior to the expiration of its current authorization to maintain compliance if the closing has not occurred prior to such expiration; and

(b) not adversely modify or apply for any construction permit to modify the FCC Permits, and in all respects maintain in full force and effect, the FCC Permits, and all other permits and authorizations relating to the Station Assets and except as provided in 3.1(a), take any action necessary before the FCC to preserve such licenses in full force and effect without material adverse changes and timely file and prosecute any necessary applications for the Station.

### ARTICLE 4: JOINT COVENANTS



Buyer and Seller hereby covenant and agree as follows:

4.1 Confidentiality. Subject to the requirements of applicable law, and the required filing of this agreement to the FCC, all non-public information regarding the parties and their business and properties that is disclosed in connection with the negotiation, preparation or performance of this Agreement (including, without limitation, all financial information provided by Seller to Buyer) shall be confidential and shall not be disclosed to any other person or entity, except on a confidential basis to the parties' attorneys, accountants, investment bankers, investors and lenders, and their respective attorneys for the purpose of consummating the transaction contemplated by this Agreement, except where such information is known through other lawful sources or where its disclosure is required in accordance with applicable law.

4.2 Announcements. Prior to Closing, no party shall, without the prior written consent of the other (such consent not to be unreasonably withheld or delayed), issue any press release or make any other public announcement concerning the transactions contemplated by this Agreement, except to the extent that such party is so obligated by law, in which case such party shall give advance notice to the other, and except that the parties shall cooperate to make a mutually agreeable announcement.

4.3 Control. Buyer shall not, directly or indirectly, control, supervise or direct the operation of the Station prior to Closing. Consistent with the Communications Act and the FCC rules and regulations, 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 Permit.

4.4 Developments. Between the date hereof and Closing, each of Seller and Buyer shall promptly notify the other party of becoming aware of any material variance to, or material breach of, any such party's representations, warranties or covenants hereunder, or any order or decree or any material written complaint which requests an order or decree restraining or enjoining the consummation of this Agreement or the transactions contemplated hereby.

#### ARTICLE 5: SELLER CLOSING CONDITIONS

The obligation of Seller to consummate the Closing hereunder is subject to satisfaction, at or prior to Closing, of each of the following conditions (unless waived in writing by Seller):

##### 5.1 Representations and Covenants.

(a) The representations and warranties of Buyer made in this Agreement shall be true and correct in all material respects as of the Closing Date except for changes permitted or contemplated by the terms of this Agreement.

(b) The covenants and agreements to be complied with and performed by Buyer at or prior to Closing shall have been complied with or performed in all material respects.

(c) Seller shall have received a certificate dated as of the Closing Date from Buyer executed by an authorized officer of Buyer to the effect that the conditions set forth in Sections 5.1(a) and (b) have been satisfied.

5.2 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.

5.3 FCC Authorization. The FCC Consent shall have been obtained.

5.4 Deliveries. Buyer shall have complied with its obligations set forth in Section 7.2.

#### ARTICLE 6: BUYER CLOSING CONDITIONS

The obligation of Buyer to consummate the Closing hereunder is subject to satisfaction, at or prior to Closing, of each of the following conditions (unless waived in writing by Buyer):

##### 6.1 Representations and Covenants.

(a) The representations and warranties of Seller made in this Agreement shall be true and correct in all material respects as of the Closing Date except for changes permitted or contemplated by the terms of this Agreement.

(b) The covenants and agreements to be complied with and performed by Seller at or prior to Closing shall have been complied with or performed in all material respects.

(c) Buyer shall have received a certificate dated as of the Closing Date from Seller executed by an authorized officer of Seller to the effect that the conditions set forth in Sections 6.1(a) and (b) have been satisfied.

6.2 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.

6.3. FCC Authorizations. The FCC Consent shall have been obtained for the Assignment, and The FCC Licenses and Permits shall be in effect.

6.4 Deliveries. Seller shall have complied with its obligations set forth in Section 7.1.

#### ARTICLE 7: CLOSING DELIVERIES

7.1 Seller Documents. At Closing, Seller shall deliver or cause to be delivered to Buyer:

(i) a certificate executed by Seller certifying authorization by the Seller's board of directors for the execution, delivery and performance of this Agreement, including the consummation of the transactions contemplated hereby, together with a copy of Seller's authorizing resolutions;

(ii) the certificate described in Section 6.1(c);



(iii) A bill of sale evidencing the assignment of the FCC Permits from Seller to Buyer;

(iv) The Station Assets described in Section 1.1 (a), (b) and (c); and

(v) any other instruments of conveyance, assignment and transfer reasonably requested by Buyer that may be reasonably necessary to convey, transfer and assign the Station Assets from Seller to Buyer.

7.2 Buyer Documents and Deliverables. At Closing, Buyer shall deliver or cause to be delivered to Seller:

(i) the Deposit and Upfront Cash in accordance with Section 1.4 (a) and (b) hereof;

(ii) the Note in accordance with Section 1.4 (c) substantially in the form of Exhibit 1 hereto, executed by Buyer;

(iii) the Security Agreement in accordance with Section 1.4 (c) substantially in the form of Exhibit 2 hereto, executed by Buyer;

(iv) a certificate executed by Buyer certifying authorization by the Buyer's board of directors for the execution, delivery and performance of this Agreement, including the consummation of the transactions contemplated hereby, Issuance of the Note, and the Security Agreement contemplated hereby together with a copy of Buyer's authorizing resolutions;

(v) the certificate described in Section 5.1(c); and

(vi) any other instruments of assumption reasonably requested by Seller that may be reasonably necessary to assume the Station Assets from Seller, free and clear of Liens, except for Permitted Liens, or to more fully evidence or effect the transactions contemplated hereby.

## ARTICLE 8: SURVIVAL; INDEMNIFICATION

8.1 Survival. The representations and warranties in this Agreement shall survive Closing for a period of six (6) months from the Closing Date.

### 8.2 Indemnification.

(a) Subject to Section 8.2(b), from and after Closing, Seller shall defend, indemnify and hold harmless Buyer from and against any and all material 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 by Seller of its representations and warranties made under this Agreement; or



(ii) any default by Seller of any covenant or agreement made under this Agreement.

(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 by Buyer of its representations and warranties made under this Agreement; or

(ii) any default by Buyer of any covenant or agreement made under this Agreement.

### 8.3 Procedures.

(a) The indemnified party shall give prompt written notice to the indemnifying party of any demand, suit, claim or assertion of liability by third parties that is subject to indemnification hereunder (a "Claim"), but a failure to give such notice or delaying such notice shall not affect the indemnified party's rights or the indemnifying party's obligations except to the extent the indemnifying party's ability to remedy, contest, defend or settle with respect to such Claim is thereby prejudiced and provided that such notice is given within the time period described in Section 8.1.

(b) The indemnifying party shall have the right to undertake the defense or opposition to such Claim with counsel selected by it. In the event that the indemnifying party does not undertake such defense or opposition in a timely manner, the indemnified party may undertake the defense, opposition, compromise or settlement of such Claim with counsel selected by it at the indemnifying party's cost (subject to the right of the indemnifying party to assume defense of or opposition to such Claim at any time prior to settlement, compromise or final determination thereof).

(c) Anything herein to the contrary notwithstanding:

(i) the indemnified party shall have the right, at its own cost and expense, to participate in the defense, opposition, compromise or settlement of the Claim;

(ii) the indemnifying party shall not, without the indemnified party's written consent, settle or compromise any Claim or consent to entry of any judgment which does not include the giving by the claimant to the indemnified party of a release from all liability in respect of such Claim;

(iii) in the event that the indemnifying party undertakes defense of or opposition to any Claim, the indemnified party, by counsel or other representative of its own choosing and at its sole cost and expense, shall have the right to consult with the indemnifying party and its counsel concerning such Claim and the indemnifying party and the indemnified party and their respective counsel shall cooperate in good faith with respect to such Claim; and

(iv) except to the extent there is a third-party Claim for such damages, neither party shall have any liability to the other under any other circumstances for special,

indirect, consequential, punitive or exemplary damages or lost profits or similar damages of any kind, whether or not foreseeable.

#### ARTICLE 9: TERMINATION AND REMEDIES

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

- (a) by mutual written consent of Buyer and Seller;
- (b) by written notice of Buyer to Seller, if Seller breaches its representations or warranties or defaults in the performance of its covenants contained in this Agreement and such breach or default is material in the context of the transactions contemplated hereby and is not cured within the Cure Period (defined below);
- (c) by written notice of Seller to Buyer if Buyer breaches its representations or warranties or defaults in the performance of its covenants contained in this Agreement and such breach or default is material in the context of the transactions contemplated hereby and is not cured within the Cure Period;
- (d) by written notice of Seller to Buyer or Buyer to Seller if Closing does not occur by the date seven (7) months after the date of this Agreement;
- (e) by written notice of Seller to Buyer if the FCC denies the FCC Application for reason that Buyer is not qualified ; or
- (f) by written notice of Buyer to Seller, if the FCC denies the FCC Application for any reason other than the qualifications of Buyer, or the FCC Permits for the Station have expired or are ruled by the FCC to be no longer valid.

9.2 Cure Period. Each party shall give the other party prompt written notice upon learning of any breach or default by the other party under this Agreement. The term "Cure Period" as used herein means a period commencing on the date Buyer or Seller receives from the other written notice of breach or default hereunder and continuing for thirty (30) days.

9.3 Specific Performance and Damages. In the event of failure or threatened failure by Seller to comply with the terms of this Agreement, the Buyer shall be entitled to an injunction restraining such failure or threatened failure and, subject to obtaining any necessary FCC consent, to enforcement of this Agreement by a decree of specific performance requiring compliance with this Agreement. Monetary damages for Buyer will be capped at the escrow deposit. Monetary damages for the Seller will be capped at the Purchase Price.

#### ARTICLE 10: MISCELLANEOUS

10.1 Expenses and Filing Fees. Each party 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 and newspaper notice costs shall be split evenly between Buyer and Seller.





10.9 Governing Law. The construction and performance of this Agreement shall be governed by the laws of the State of Colorado without giving effect to the choice of law provisions thereof.

10.10 Counterparts. This Agreement may be executed in separate counterparts, each of which will be deemed an original and all of which together will constitute one and the same agreement.

[SIGNATURE PAGE FOLLOWS]

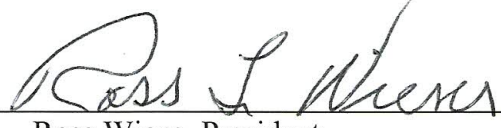


SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

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

**SELLER:**

**Full Gospel Outreach, Inc.**

By:   
Ross Wiens, President

**BUYER:**

**Mainstreet Broadcasting Company, Inc.**

  
Paul R. Bossert, President

Schedule 1.1(a) & 1.1(c)

FCC Permits

K27MA, Boulder, CO, (Facility ID #22834)

K43CG, Colorado Springs, CO, (Facility ID #22859)

K48CU, Pueblo, CO, (Facility ID #22840)

Station Agreements

NONE



Schedule 1.10

Conflicts

NONE

Schedule 1.12

Compliance with Law

N/A



Schedule 1.13

Litigation

NONE

EXHIBIT 1  
Form of Promissory Note



EXHIBIT 2  
Form of Security Agreement