

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made as of April 1, 2015 by and between **Sun Broadcasting, Inc.**, ("Seller") and **WXKO, LLC.** ("Buyer").

Recitals

A. Seller owns and operates the following radio broadcast stations (the "Stations") pursuant to certain authorizations issued by the Federal Communications Commission (the "FCC"):

WXKO (AM), Fort Valley, Georgia (Facility I.D. 41988)
W290BD (FX), Montezuma, Georgia (Facility I.D. 153357)

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: PURCHASE OF ASSETS

1.1 Station Assets. On the terms and subject to the conditions hereof, at Closing (defined in Section 1.5), Seller shall sell, assign, transfer, convey and deliver to Buyer, and Buyer shall purchase and acquire from Seller, all right, title and interest of Seller in and to all assets and properties of Seller, real and personal, tangible and intangible, that are used in the operation of the Stations (the "Station Assets"), including without limitation the following:

(a) all licenses, permits and other authorizations issued to Seller by the FCC with respect to the Stations (the "FCC Licenses") including those described on *Schedule 1.1(a)*, including any renewals or modifications thereof between the date hereof and Closing;

(b) all of Seller's equipment Stations (including spare parts), transmitters, antennas, cables, towers and other tangible personal property that is located at the transmitter site, transmitter building and studio building (the "Tangible Personal Property");

(c) all of Seller's real property used or held for use in the operation of the Stations, including without limitation those listed on *Schedule 1.1(c)* (the "Real Property");

(d) all agreements for the sale of advertising time on the Stations entered into in the ordinary course of business, and all other contracts, agreements and leases entered into in the ordinary course of the Stations' business, including without limitation those listed on *Schedule 1.1(d)*, together with all contracts, agreements and leases made between the date hereof and Closing in accordance with Article 4 (the "Station Contracts");

(e) all of Seller's rights in and to certain intangible property which is used in the operation of the Stations, including without limitation those listed on *Schedule 1.1(e)* (the "Intangible Property"); and

(f) Seller's rights in and to the Stations' local public file and engineering data.

The Station Assets shall be transferred to Buyer **free and clear** of liens, claims and encumbrances.

1.2 Purchase Price. The purchase price to be paid by Buyer to Seller for all of the property, assets, contracts, rights, privileges and immunities to be acquired hereunder shall, subject to the adjustments provided for below, be the sum of **Fifty-Five Thousand Dollars (\$55,000.00)**, (the "Purchase Price").

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

(a) Down Payment. Buyer will provide Seller with a One Thousand Dollar (\$1,000.00) down payment with the execution of this Agreement.

(b) Promissory Note. At the closing, Buyer shall give to Seller a Promissory Note with the following terms: Fifty-Four Thousand Dollars (\$54,000.00) at three percent annual interest (3%) with equal payments of \$256.07 per month beginning in the 13th month after Closing based on a twenty five (25) year term with a balloon payment of \$46,172.96 due on the fifth (5th) anniversary date of the closing. A draft copy of the Promissory Note (the "Note") set forth in *Schedule 1.3(b)*.

1.4 Closing. 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 (10th) business day after the date the FCC Consent becomes a Final Order (defined below), or on such an earlier day after such consents as Buyer and Seller may mutually agree. The date on which the Closing is to occur is referred to herein as the "Closing Date." For purposes of this Agreement, the term "Final Order" shall mean that action shall have been taken by the FCC (including action duly taken by the FCC's staff, pursuant to delegated authority) which shall not have been reversed, stayed, enjoined, set aside, annulled or suspended; with respect to which no timely request for stay, petition for rehearing, appeal or certiorari or sua sponte action of the FCC with comparable effect shall be pending; and as to which the time for filing any such request, petition, appeal, certiorari or for the taking of any such sua sponte action by the FCC shall have expired or otherwise terminated..

1.5 FCC Consent. 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 Licenses 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".

ARTICLE 2: SELLER REPRESENTATIONS AND WARRANTIES

Seller makes the following representations and warranties to Buyer, subject to the Trust:

2.1 Organization. Seller is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization.

2.2 Authorization. The execution, delivery and performance of this Agreement and the Seller Ancillary Agreements by Seller have been duly authorized and approved by all necessary action of Seller and do not require any further authorization or consent of Seller.

2.3 No Conflicts. Except for the FCC Consent and consents to assign the Tower Site Lease, 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 does not conflict with any organizational documents of Seller or any other 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.

2.4 FCC Licenses and Applications.

Seller is the holder of the FCC Licenses described on *Schedule 1.1(a)*, which are all of the licenses, permits and authorizations required for the present operation of the Station. The FCC Licenses are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired.

2.5 Taxes and Regulatory Fees. Seller has, in respect of the Station's business, filed all federal, state, county and local income, excise, property, sales, use, franchise and other tax returns and reports which are required to have been filed by it under applicable law, and has paid all taxes which have become due pursuant to such returns or pursuant to any assessments which have become payable. The Seller is currently on "Red-Light" status with respect to past due FCC Regulatory Fees for year 2014. Seller agrees to pay said past due Regulatory Fees within thirty (30) days of the execution of this Agreement.

2.6 Personal Property. *Schedule 1.1(b)* contains a list of the items of Tangible Personal Property included in the Station Assets. Seller has good and marketable title to the Tangible Personal Property free and clear of Liens other than Permitted Liens.

2.7 Real Property. *Schedule 1.1(c)* includes a copies of any Deeds and Real Property Leases.

2.8 Contracts. *Schedule 1.1(d)* contains a list of all contracts that are used in the operation of the Stations. The Station Contracts requiring the consent of a third party to assignment are identified with an asterisk on *Schedule 1.1(d)*.

2.9 Environmental. To Seller's knowledge, no hazardous or toxic substance or waste regulated under any applicable environmental, health or safety law has been generated, stored, transported or released on, in, from or to the Real Property included in the Station Assets. To Seller's knowledge, Seller has complied in all material respects with all environmental, health and safety laws applicable to the Stations.

2.10 Intangible Property. *Schedule 1.1(e)* contains a description of the Intangible Property included in the Station Assets.

2.11 Compliance with Law. Except as set forth on *Schedule 2.11*, (a) Seller has materially complied with all rules and regulations of the FCC, and (b) to Seller's knowledge, there are no claims or investigations pending or threatened against Seller in respect of the Station except those affecting the industry generally.

2.12 Litigation. Except as set forth on *Schedule 2.12*, there is no action, suit or proceeding pending or, to Seller's knowledge, threatened against Seller in respect of the Station that will subject Buyer to liability or which will affect Seller's ability to perform its obligations under this Agreement. Seller are not operating under or subject to any order, writ, injunction or decree relating to the Station or the Station Assets of any court or governmental authority which would have a material adverse effect on the condition of the Station or any of the Station Assets or on the ability of Seller to enter into this Agreement or consummate the transactions contemplated hereby, other than those of general applicability.

ARTICLE 3: BUYER REPRESENTATIONS AND WARRANTIES

Buyer hereby makes the following representations and warranties to Seller:

3.1 Organization. Buyer is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization.

3.2 Authorization. The execution, delivery and performance of this Agreement and the Buyer Ancillary Agreements by Buyer have been duly authorized and approved by all necessary action of Buyer and do not require any further authorization or consent of Buyer.

3.3 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 does not conflict

with any organizational documents of Buyer, any contract or agreement to which Buyer is a party or is 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.

3.4 Qualification. Buyer is legally, financially and otherwise qualified to be the licensee of, acquire, own and operate the Station under the Communications Act and the rules, regulations and policies of the FCC.

ARTICLE 4: SELLER COVENANTS

4.1 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) not materially adversely modify, and in all material respects maintain in full force and effect, the FCC Licenses;
- (b) not other than in the ordinary course of business, sell, lease or dispose of or agree to sell, lease or dispose of any of the Station Assets unless replaced with similar items of substantially equal or greater value and utility, or create, assume or permit to exist any Liens upon the Station Assets, except for Permitted Liens, and not dissolve, liquidate, merge or consolidate with any other entity;
- (c) maintain the Tangible Personal Property in the ordinary course of business; and
- (d) not enter into new Station contracts that will be binding upon Buyer after Closing or amend any existing Station contracts, except for new time sales agreements and other Station contracts made in the ordinary course of business that are terminable on thirty days notice or less without penalty.

ARTICLE 5: JOINT COVENANTS

Buyer and Seller hereby covenant and agree as follows,

5.1 Announcements. Prior to Closing, no party shall, without the prior written consent of the other, 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 as necessary to enforce rights under or in connection with this Agreement. Notwithstanding the foregoing, the parties acknowledge that this Agreement and the terms hereof will be filed with the FCC Application and thereby become public.

5.2 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 the holder of the FCC Licenses.

5.3 Risk of Loss. Seller shall bear the risk of any loss of or damage to any of the Station Assets at all times until the Effective Time, and Buyer shall bear the risk of any such loss or damage thereafter.

5.4 Consents.

(a) The parties shall use all commercially reasonable efforts to obtain (i) any third party consents necessary for the assignment of any Station Contract.

(b) To the extent that any Station Contract may not be assigned without the consent of any third party, and such consent is not obtained prior to Closing, this Agreement and any assignment executed pursuant to this Agreement shall not constitute an assignment of such Station Contract; provided, however, with respect to each such Station Contract, Seller and Buyer shall cooperate to the extent feasible in effecting a lawful and commercially reasonable arrangement under which Buyer shall receive the benefits under the Station Contract from and after Closing, and to the extent of the benefits received, Buyer shall pay and perform Seller's obligations arising under the Station Contract from and after Closing in accordance with its terms.

5.5 Actions. After Closing, Buyer shall cooperate with Seller in the investigation, defense or prosecution of any action which is pending or threatened against Seller or their affiliates with respect to the Station, whether or not any party has notified the other of a claim for indemnification with respect to such matter. Without limiting the generality of the foregoing, Buyer shall make available its employees to give depositions or testimony and shall preserve and furnish all documentary or other evidence that Seller may reasonably request.

ARTICLE 6: 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):

6.1 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

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 Authorization. The FCC Consent pursuant to the FCC's initial order shall have been obtained.

ARTICLE 7: 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):

7.1 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.

7.2 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.

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

ARTICLE 8: CLOSING DELIVERIES

8.1

(a) a certificate executed by Seller's evidencing 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;

(b) an assignment of FCC authorizations assigning the FCC Licenses from Seller to Buyer;

(c) an assignment and assumption of contracts assigning the Stations Contracts from Seller to Buyer;

(d) a General Warranty Deed[s]

(e) an assignment and assumption of any Real Property Leases;

(f) a bill of sale conveying the other Station Assets from the Seller to Buyer; and

(g) any other instruments of conveyance, assignment and transfer that may be reasonably necessary to convey, transfer and assign the Stations Assets from the respective Seller to Buyer, free and clear of Liens, except for Permitted Liens.

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

- (a) a Promissory Note;
- (b) certified copies of resolutions authorizing the execution, delivery and performance of this Agreement, including the consummation of the transactions contemplated hereby;
- (c) an assignment and assumption of contracts assigning the Stations Contracts from Seller to Buyer;
- (d) an assignment and assumption of Transmitter Site Lease; and
- (e) any other instruments of conveyance, assignment and transfer that may be reasonably necessary to convey, transfer and assign the Stations Assets from the respective Seller to Buyer.

ARTICLE 9: SURVIVAL; INDEMNIFICATION

9.1 Survival. The representations and warranties in this Agreement shall survive Closing for a period of one (1) year from the Closing Date.

9.2 Indemnification.

(a) Subject to Section 9.2(b), 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 by Seller of their representations and warranties made under this Agreement; or

(ii) any default by either or both of Seller of any covenant or agreement made under this Agreement; or

(iii) the Retained Obligations; or

(iv) the business or operation of the Station before the Effective Time, except for the Assumed Obligations.

(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; or
- (iii) the Assumed Obligations; or
- (iv) the business or operation of the Station after the Effective Time.

9.3 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 9.1.

(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) neither party shall have any liability to the other under any circumstances for special, indirect, consequential, punitive or exemplary damages or lost profits or similar damages of any kind, whether or not foreseeable.

ARTICLE 10: TERMINATION AND REMEDIES

10.1 Termination. Subject to Section 10.2, 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 breach their 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 in Section 10.2);
- (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; provided, however, that the Cure Period shall not apply to Buyer's obligations to make the Deposit and to pay the Purchase Price at Closing; or
- (d) by written notice of Seller to Buyer or Buyer to Seller if Closing does not occur by the date one (1) year after the date of this Agreement.

10.2 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 receive from the other written notice of breach or default hereunder and continuing until the earlier of (a) ten (10) calendar days thereafter, or (b) the Closing Date determined under Section 1.4; provided, however, that if the breach or default is non-monetary and cannot reasonably be cured within such period but can be cured before the Closing Date determined under Section 1.4, and if diligent efforts to cure promptly commence, then the Cure Period shall continue as long as such diligent efforts to cure continue, but not beyond the Closing Date determined under Section 1.4.

10.3 Specific Performance. 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.

10.4 Liquidated Damages. If Seller terminates this Agreement pursuant to Section 10.1(c), then the Equipment Investment shall constitute liquidated damages and be the sole remedy of Seller under this Agreement. Buyer acknowledges and agrees that Seller's recovery of such amount shall constitute payment of liquidated damages and not a penalty and that Seller's liquidated damages amount is reasonable in light of the

substantial but indeterminate harm anticipated to be caused by Buyer's material breach or default under this Agreement, the difficulty of proof of loss and damages, the inconvenience and non-feasibility of otherwise obtaining an adequate remedy, and the value of the transactions to be consummated hereunder.

ARTICLE 11: MISCELLANEOUS

11.1 Expenses. Buyer shall be responsible for prudent costs and expenses incurred by it in connection with the negotiation, preparation, filing and performance of and compliance with the terms of this Agreement.

11.2 Further Assurances. After Closing, each party shall from time to time, at the request of and without further cost or expense to the other, execute and deliver such other instruments of conveyance and assumption and take such other actions as may reasonably be requested in order to more effectively consummate the transactions contemplated hereby.

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

If to Seller: Sun Broadcasting, Inc.,
P.O. Box 1410
Perry, GA 31069
Attention: Danny Evans, President

If to Buyer: WXKO, LLC.
2235 Plantation Drive
Macon, GA 31211
Attention: John Timms, President

11.4 Amendments. No amendment or waiver of compliance with any provision hereof or consent pursuant to this Agreement shall be effective unless evidenced by an instrument in writing signed by the party against whom enforcement of such amendment, waiver, or consent is sought.

11.5 Entire Agreement. This Agreement (including the Schedules hereto) constitutes the entire agreement and understanding among the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings with respect to the subject matter hereof, except any confidentiality agreement among the parties with respect to the Stations, which shall remain in full force and effect.

11.6 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.

11.7 No Beneficiaries. 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 successors and permitted assigns.

11.8 Governing Law. The construction and performance of this Agreement shall be governed by the laws of the Georgia.

11.9 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.

11.10 Conflict Waiver. The Parties have requested John C. Trent, Esquire to prepare and file all of the necessary documents with the FCC to transfer the Stations to Buyer. The Parties recognize that by doing that he will be working for each side. Notwithstanding that fact, the Parties agree that it is in their best interest to have Mr. Trent do this work and as such the Parties do hereby agree and waive any conflict of interest claim associated with Mr. Trent's work in this matter.

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

SELLER:

Sun Broadcasting, Inc.

By: 

Danny Evans
President

BUYER:

WXKO, LLC.

By: 

John Timms
President