

## **ASSET PURCHASE AGREEMENT**

**THIS ASSET PURCHASE AGREEMENT** (this “**Agreement**”) is made on this 2<sup>nd</sup> day of April, 2019, by and between Great Virginia Ventures, Inc., a Virginia corporation (“**Seller**”), and Robert E. Phillips II (“**Buyer**”) and G-Square, Inc. (“**G-Square**”) (collectively, the “**Parties**”).

### **RECITALS**

**WHEREAS**, Seller desires to convey all rights, title, and interest in and to certain assets used in the operation of AM broadcast station, WPAK, Farmville, Virginia (Facility ID No. 24456) and the construction permit for unconstructed FM translator, W260DJ, Farmville, Virginia (Facility ID No. 201069) (collectively, the “**Stations**”), subject to the terms and conditions stated herein

**WHEREAS**, under the terms and conditions stated herein, Buyer desires to receive and own the Stations and certain assets used in the operation of the Stations;

**WHEREAS**, G-Square owns the real property on which the WPAK transmitter is located, (446 Plank Road, Farmville, Virginia) and the building and tower used in the operation of the WPAK (collectively, the “**Transmitter Site**”); and

**WHEREAS**, the consummation of this Agreement is subject to the prior approval of the Federal Communications Commission (the “**FCC**”).

### **AGREEMENT**

**NOW, THEREFORE**, in consideration of the mutual covenants and conditions herein contained, it is hereby agreed as follows:

1. **ASSETS**. Subject to the prior approval of the FCC, Seller agrees to transfer, assign, convey, and deliver to Buyer, and Buyer agrees to receive and accept, free and clear of all liabilities, debts, liens, charges, assessments, and encumbrances of any kind, the following:

(a) all licenses, construction permits, authorizations, or other rights of any kind issued or granted by the FCC to Seller with respect to the Stations (collectively the “**FCC Authorizations**”) listed in **Schedule 1(a)**;

(b) the broadcast equipment of the Stations (the “**Equipment**”) listed in **Schedule 1(b)**;  
and

(c) all FCC files and records pertaining to the Stations (“**FCC Records**”).

The schedules as identified in the foregoing are attached hereto and made a part hereof. The FCC Authorizations, Equipment, and FCC Records are sometimes collectively referred to in this Agreement as the “**Assets**.” Seller will retain its accounts receivable, cash, deposits, and prepaid items, and any asset not specifically identified on **Schedules 1(a)** and **(b)**. Buyer assumes no liabilities, debts, or obligations, including without limitation, for Stations’ personnel or

employment contracts, retirement obligations, or any contracts, obligations, or leases of Seller. Buyer assumes no liability for periods on or before the Closing Date (as defined below) under any lease or contract or for any other liability, debt, or obligation of Seller, including without limitation, any which may have accumulated or accrued on any contracts, leases, or agreements on or before the Closing Date.

**2. PURCHASE PRICE.** The purchase price for the Assets is ONE THOUSAND ONE HUNDRED DOLLARS (\$1,100.00) (the "Purchase Price"). Buyer shall pay Seller the Purchase Price at Closing in the form of a cashier's check.

**3. SELLER'S COVENANTS AND WARRANTIES.** Seller hereby covenants and warrants as follows:

- (a) The FCC Authorizations are in full force and effect.
- (b) Seller has good and marketable title to all owned Assets.
- (c) Seller will convey said Assets to Buyer in "AS IS, WHERE IS" condition on the Closing Date and, except as expressly set forth in this Agreement, makes no warranty whatsoever with regard to the condition of said Assets.
- (d) Seller will deliver the Assets at Closing free and clear of all liabilities, debts, liens, claims, charges, assessments, or other encumbrances of any kind.
- (e) Seller has full power and authority to enter into and perform this Agreement and this Agreement constitutes a valid and binding Agreement of Seller enforceable in accordance with its terms.
- (f) Seller is responsible for all liabilities and other obligations to all current employees of the Stations and any employees hired by Seller up to the Closing Date. It is understood and agreed by the Parties that Buyer may hire new employees to operate the Stations for dates after the Closing Date, assumes no liabilities or obligations whatsoever for the Stations' current employees, and is under no obligation to hire any such employees.
- (g) As of the Closing Date, Seller will have paid all taxes and assessments, rent, water, sewer, and other utility charges or assessments relating to the Assets, if any.
- (h) The warranties, representations, and covenants contained in this **Section 3** shall survive Closing for a period of one (1) year.

**4. BUYER'S COVENANTS AND WARRANTIES.** Buyer hereby covenants and warrants as follows:

- (a) Buyer has full power and authority to enter into and perform this Agreement, and this Agreement constitutes a valid and binding Agreement of Buyer enforceable in accordance with its terms.

(b) Buyer knows of no reason why it should not be approved to become a holder of the FCC Authorizations.

(c) No broker, finder, or other person is entitled to a commission, brokerage fee, or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Buyer.

(d) Warranties, covenants, and representations contained in this **Section 4** shall survive the Closing Date for a period of one (1) year.

**5. FCC ASSIGNMENT APPLICATION.** Seller and Buyer shall file an application ("FCC Assignment Application") with the FCC for consent to the assignment of the FCC Authorizations to Buyer within one (1) business day after executing this Agreement and to cooperate fully and diligently in seeking FCC's consent (the "FCC Consent") to assignment of the FCC Authorizations from Seller to Buyer.

**6. CLOSING.** The closing of the sale of the Assets to Buyer (the "Closing") shall take place within one (1) day of the FCC Consent (the "Closing Date"), and in no event later than June 3, 2019.

**7. CLOSING DOCUMENTS.** Seller will at Closing execute and deliver to Buyer customary assignments, deeds, instruments, and other documents sufficient to grant to Buyer title to the Assets, free and clear of liabilities, debts, claims, assessments, liens, and other encumbrances of any kind. Buyer will at Closing execute and deliver to Seller such documents and instruments of assumption as may reasonably be requested by Seller for Buyer to assume the assignment of the Assets. Buyer shall also deliver the Purchase Price as provided in **Section 2** above.

**8. TERMINATION.** This Agreement may be terminated at any time prior to the Closing as follows:

(a) by mutual written consent of Seller and Buyer;

(b) by written notice of Seller to Buyer if Buyer breaches in any material respect any of its representations or warranties or other terms of this Agreement, or defaults in any material respect in the performance of any of its covenants or agreements herein contained, and such breach or default is not cured within the Cure Period (as defined below);

(c) by written notice of Buyer to Seller if Seller breaches in any material respect any of its representations or warranties or other terms of this Agreement, or defaults in any material respect in the performance of any of its covenants or agreements herein contained, and such breach or default is not cured within the Cure Period; or

(d) by written notice of Seller to Buyer, if the Closing shall not have been consummated on or before June 3, 2019.

The term "Cure Period" as used herein means a period commencing on the date that a party

receives from the other party written notice of breach or default hereunder and continuing for twenty (20) days thereafter.

9. **CONTROL OF STATIONS.** Prior to Closing, Seller shall have complete control over the Assets and operation of the Stations. Buyer shall have the right to reasonable access to the Stations' logs and other records as to the operation of the Stations prior to Closing and to inspect the Assets upon prior reasonable written notice to Seller. Upon Closing and the transfer and assignment of the Assets, as contemplated herein, Buyer shall have complete control over the Assets and operation of Stations.

10. **FEES AND EXPENSES.** Buyer shall be responsible for: (i) all filing fees associated with the FCC Assignment Application; and (ii) for Seller's attorneys' fees not to exceed ONE THOUSAND DOLLARS (\$1,000.00) arising from legal services rendered related to the preparation of this Agreement and the FCC Assignment Application.

11. **RIGHT TO PURCHASE.** Buyer shall have the exclusive right to purchase the Transmitter Site from G-Square. This right to purchase shall be in effect for ninety (90) days after the Closing Date. The purchase price shall be the current assessed value of the real property and improvements thereon. All improvements will be sold in "AS IS, WHERE IS" condition. If Buyer exercises the right to purchase set forth herein, Buyer and G-Square will enter into a separate contract for the sale of the Transmitter Site to facilitate that transaction, however this **Section 11** represents the spirit of said transaction.

12. **RIGHT TO LEASE.** Buyer shall have the right to lease the Transmitter Site from G-Square for the operation of the Stations for up to one (1) year from the Closing Date at a rate of ONE HUNDRED DOLLARS (\$100.00) per month. Buyer will be responsible for all property taxes, utilities and maintenance of the Transmitter Site, including the improvements thereon. If Buyer exercises this right, Buyer and G-Square will enter into a separate lease to facilitate that transaction; however, this **Section 12** represents the spirit of said transaction.

13. **NOTICES.** All notices required or permitted to be given under the provisions of this Agreement shall be in writing, delivered by personal delivery, or sent by commercial delivery service or certified mail, return-receipt requested. Properly made notices shall be deemed to have been given on the date of personal delivery, or the date set forth in the records of the delivery service or on the return-receipt. Notices shall be addressed as follows:

**If to Seller:** Great Virginia Ventures, Inc. or G-Square, Inc.  
1005 Richmond Road  
Williamsburg, Virginia 23185  
Attn: Gregory H. Granger

With a copy (which shall not constitute notice) to:  
Fletcher, Heald & Hildreth, PLC  
1300 N. 17th Street, Suite 1100  
Arlington, Virginia 22209  
Attn: Matthew H. McCormick, Esq.

**If to Buyer:** Robert E. Phillips II  
8357 New Chapel Road  
Spout Spring, Virginia 24593

14. **ASSIGNMENT.** Neither Party shall assign any right under this Agreement nor delegate any duty under this Agreement unless the other Party has consented to any such assignment or delegation in writing. This document shall be binding on the heirs, successors, and assigns of the Parties hereto.

15. **SEVERABILITY AND INDEPENDENT COVENANTS.** If any covenant or other provision of this Agreement is invalid, illegal, or incapable of being enforced by reason of any law, administrative order, judicial decision, or public policy, all other conditions and provisions shall remain in full force and effect. No covenant shall be deemed dependent upon any other covenant or provision unless so expressed in this Agreement.

16. **GOVERNING LAW.** This Agreement shall be governed, construed, and enforced in accordance with the laws of the Commonwealth of Virginia, without regards, however, to the choice of law provisions thereof which may direct the application of the laws of another jurisdiction.

17. **ENTIRE AGREEMENT.** This Agreement, the Schedules hereto, and all documents, certificates, and other documents to be delivered by the Parties pursuant hereto collectively represent the entire understanding and agreement between Seller and Buyer with respect to the subject matter of this Agreement. This Agreement supersedes all prior negotiations among the Parties and cannot be amended, supplemented, or changed except by an agreement in writing that makes specific reference to this Agreement and that is signed by the Party against which enforcement of any such amendment, supplement, or modification is sought.

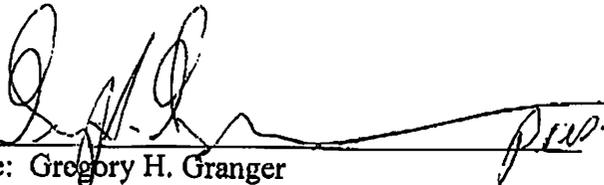
18. **WAIVER OF COMPLIANCE; CONSENTS.** Except as otherwise provided in this Agreement, any failure of any of the Parties to comply with any obligation, representation, warranty, covenant, agreement, or condition herein may be waived by the Party entitled to the benefits thereof only by a written instrument signed by the Party granting such waiver, but such waiver of failure to insist upon strict compliance with such obligation, representation, warranty, covenant, agreement, or condition shall not operate as a waiver of or estoppel with respect to any subsequent or other failure. Whenever this Agreement requires or permits consent by or on behalf of any Party hereto, such consent shall be given in writing in a manner consistent with the requirements for a waiver of compliance set forth in this Agreement.

19. **COUNTERPARTS.** This Agreement may be signed in counterparts with the same effect as if the signature on each counterpart were upon the same instrument. Executed copies of this Agreement transmitted by facsimile or other electronic means shall be valid and binding.

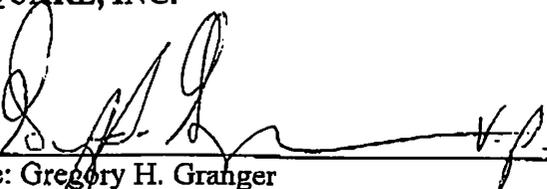
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BLANK – SIGNATURES APPEAR ON FOLLOWING PAGE]**

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

SELLER: GREAT VIRGINIA VENTURES, INC.

By:   
Name: Gregory H. Granger  
Title: President

LANDLORD: G-SQUARE, INC.

By:   
Name: Gregory H. Granger  
Title: Vice President

BUYER: ROBERT E. PHILLIPS II

By: \_\_\_\_\_  
Name: Robert E. Phillips II

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

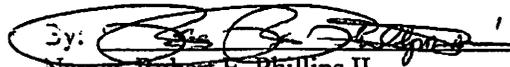
**SELLER: GREAT VIRGINIA VENTURES, INC.**

By: \_\_\_\_\_  
Name: Gregory H. Granger  
Title: President

**LANDLORD: G-SQUARE, INC.**

By: \_\_\_\_\_  
Name: Gregory H. Granger  
Title: Vice President

**BUYER: ROBERT E. PHILLIPS II**

By:  \_\_\_\_\_  
Name: Robert E. Phillips II

**Table of Schedules**

**1.1(a) FCC Authorizations**

**1.1(b) Inventory of Equipment**

**Schedule 1.1(a)**

**FCC Authorizations**

WPAK(AM), Farmville, Virginia (Facility ID No. 24456)

FCC License: File No. BL-19790919AE (Granted: December 14, 1979)

License Renewal: File No. BR-20110519ACJ (Granted: September 27, 2011/  
Expiration: October 1, 2019)

FM Translator, W260DJ, Farmville, Virginia (Facility ID No. 201069)

Construction Permit: File No. BNPFT-20171211ACY (Granted: January 11, 2018/  
Expiration: January 11, 2021)

**Schedule 1.1(b)**

**Inventory of Equipment**

**[To be supplied]**