

## ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made as of this 27<sup>th</sup> day of July, 2016, by **PROGRESSIVE BROADCASTING SYSTEM, INC.** ("Seller") and **GOODRICH RADIO, LLC** ("Buyer").

### Recitals

A. Seller holds a License (the "License") issued by the Federal Communications Commission ("FCC") for FM Translator Station W292DO [with FCC Facility ID No. 145316] (the "Station").

B. Buyer desires to acquire the Station only if it can be relocated to a location selected by Buyer within the Grand Rapids, Michigan radio market, as described in the FCC's order, *Revitalization of the AM Service*, FCC 15-142, released October 23, 2015, and the FCC's related *Public Notice, Media Bureau Initiates AM Revitalization Outreach Efforts; Modification Window Procedures and Requirements Announced*, DA 15-1215, released October 26, 2015 (herein, collectively, "*Revitalization Order and PN*").

C. 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 (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 STATION

1.1. Station. On the terms and subject to the conditions hereof, at the Closing (defined below), 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 the Station License, including any renewals or modifications thereof between the date hereof and Closing. The Station shall be transferred to Buyer free and clear of liens, claims and encumbrances. The Station's broadcast equipment is not included in assets to be conveyed pursuant to this Agreement.

1.2. No Assumption of Obligations. Buyer is not assuming any obligations of Seller.

1.3. Purchase Price. In consideration for the sale of the Station to Buyer, under the conditions set forth herein, Buyer shall pay to Seller the total sum of Thirty-Four Thousand Dollars (\$34,000.00) (the "Purchase Price"). The Purchase Price shall be paid as follows:

(a) Within one business day following the execution of this Agreement, Buyer shall pay Seller the sum of Eleven Thousand (\$11,000.00) ("Down Payment"). The Down Payment is non-refundable unless Seller breaches its obligations under this Agreement. For the sake of clarity, the parties state that the Seller may retain the Down Payment even if Buyer

is unable relocate the Station to the Grand Rapids, Michigan radio market, provided that such inability is not the result of a breach by Seller of its obligations under this Agreement. The Down Payment will be credited to Buyer at the Closing.

(b) On the Closing Date, Buyer shall pay Seller the remainder of the Purchase Price by cashier's check or by wire transfer of immediately available funds. (For purposes of clarification, the remainder will be the sum of Twenty-Three Thousand Dollars (\$23,00000.00)).

1.4. Closing. The consummation of the sale and purchase of the Station provided for in this Agreement (the "Closing") shall take place on or before the tenth (10<sup>th</sup>) business day after the later of (a) the date of the FCC Assignment Consent pursuant to the FCC's initial order (or, in the event an adverse petition is filed against the Assignment Application, on such later day after FCC Assignment Consent as Buyer and Seller may mutually agree, subject to the satisfaction or waiver of the conditions set forth in Articles 3 or 4 below); and (b) the date on which the FCC has granted the Modification Application as described in Section 2.2 below and the grant of the Modification Application has become a Final Order. The date on which the Closing is to occur is referred to herein as the "Closing Date."

1.5. FCC Matters.

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

(b) Cooperation. Buyer and Seller shall notify each other of all documents filed with or received from any governmental agency with respect to 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.

## ARTICLE 2: REPRESENTATIONS, WARRANTIES AND COVENANTS

2.1 Joint Covenants. Each of Buyer and Seller represents, warrants, and covenants that (a) it has the full right and legal authority to enter into and fully perform this Agreement in accordance with the terms and conditions hereof; and (b) the execution, delivery and performance of this Agreement does not and will not violate or cause a breach of any other agreements or obligations to which it is a party or by which it is bound.

2.2 Seller's Covenant. 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 not materially adversely modify, and shall in all material respects maintain in full force and effect, the Station's License. Seller shall permit

Buyer to file a “contingent” application (“Modification Application”) pursuant to Title 47 CFR §73.3517 to relocate the Station to a location of Buyer's choice in the Grand Rapids, Michigan radio market in accordance with the *Revitalization Order and PN*. Seller shall execute and deliver to Buyer, simultaneously with this Agreement, Seller’s permission for Buyer to file with the FCC the Modification Application.

2.3 Buyer’s Covenant. Buyer is legally qualified to enter into this Agreement, to become an FCC licensee of the Station, and consummate the transaction contemplated herein.

### ARTICLE 3: 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):

3.1. Representations and Covenants. 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, and 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.

3.2. 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.

3.3. FCC Authorization. The FCC Assignment Consent pursuant to the FCC’s initial order shall have been obtained unless an adverse petition has been filed against the FCC Assignment Application, in which case the Seller shall have the option of closing after the order granting the FCC Assignment Consent shall have become a Final Order. If the Closing occurs prior to receipt of a Final Order (*i.e.*, an order of the FCC which is not subject to or the subject of reconsideration or review by the FCC or any court), the parties shall, at closing execute and exchange an “Unwind Agreement,” whereby, upon rescission of the FCC Assignment Consent, the parties will take all reasonable steps to place themselves in the *status quo ante* to the Closing.

3.4. Deliveries. Buyer shall have complied with its obligations set forth in Section 5.2.

### ARTICLE 4: 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):

4.1. Representations and Covenants. 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, and 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.

4.2. 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.

4.3. FCC Authorizations. The FCC Assignment Consent pursuant to the FCC's initial order shall have been obtained, unless an adverse petition has been filed against the FCC Assignment Application, in which case the Buyer shall have the option of closing after the order granting the FCC Assignment Consent shall have become a Final Order. The Modification Application shall have become a Final Order, shall be in full force and effect, without any material adverse conditions, permitting the construction of Station at the location specified in the Modification Application.

4.4. Deliveries. Seller shall have complied with its obligations set forth in Section 5.1.

#### ARTICLE 5: CLOSING DELIVERIES

5.1. Seller Documents. At Closing, Seller shall deliver or cause to be delivered to Buyer a Bill of Sale Assignment of FCC Authorizations for Station assigning the Station (as it may have been modified) from Seller to Buyer.

5.2. Buyer Documents. At Closing, Buyer shall deliver or cause to be delivered to Seller the balance of the Purchase Price in accordance with Section 1.3 hereof.

#### ARTICLE 6: INDEMNIFICATION AND TERMINATION

6.1. Indemnification. Neither party shall be entitled to indemnification pursuant to this Agreement.

6.2. Termination. This Agreement may be terminated prior to Closing (a) by mutual written consent of Buyer and Seller or by written notice of Seller to Buyer or Buyer to Seller if Closing does not occur by the date twelve (12) months after the date of filing of the FCC Assignment Application.

#### ARTICLE 7: MISCELLANEOUS

7.1. Expenses. 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. All fees and charges applicable to any requests for modification pursuant to Section 2.2 hereof shall be paid by Buyer, if applicable. The filing fee for the FCC Assignment Consent pursuant to Section 1.5 hereof shall be divided equally between Buyer and Seller. Buyer shall be solely responsible for all engineering fees, governmental taxes, and/or fees and charges applicable to the transfer of the Station under this Agreement. Each party warrants and represents that no commission, brokerage fee, advisory fee or other similar payment is or will be due to any third party as a result of any agreement or action of it or any party acting on its behalf in connection with this Agreement or the transactions contemplated hereby. Seller shall provide to Buyer a copy of any adverse pleadings or comments filed concerning the applications contemplated in Section 1.5(a) and 2.2 hereof and permit Buyer's counsel to assist in the defense of such applications.

7.2. 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.

7.3. Assignment. Neither party may assign this Agreement without the prior written consent of the other party hereto, provided, however, that such consent shall not be unreasonably withheld, delayed or conditioned. The terms of this Agreement shall bind and inure to the benefit of the parties' respective successors and any permitted assigns, and no assignment shall relieve any party of any obligation or liability under this Agreement.

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

If to Seller: Ed Moore, President  
Progressive Broadcasting System, Inc.  
P.O. Box 307  
Elkhart, IN 46510

If to Buyer: Robert Emmett Goodrich, Managing Member  
Goodrich Radio, LLC  
4417 Broadmoor SE  
Kentwood, MI 49512

7.5. 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.

7.6. Entire Agreement. This Agreement 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 Station, which shall remain in full force and effect. No party makes any representation or warranty with respect to the transactions contemplated by this Agreement except as expressly set forth in this Agreement.

7.7. 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.

7.8. 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.

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

7.10 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.

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

BUYER:

**GOODRICH RADIO, LLC**

By:   
Name: Robert Goodrich  
Title: Its Managing Member

SELLER:

**PROGRESSIVE BROADCASTING SYSTEM, INC.**

By: \_\_\_\_\_  
Name: Edwin Moore  
Title: Its President

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

BUYER:

**GOODRICH RADIO, LLC**

By: \_\_\_\_\_  
Name: Robert Goodrich  
Title: Its Managing Member

SELLER:

**PROGRESSIVE BROADCASTING SYSTEM, INC.**

By:   
Name: Edwin Moore  
Title: Its President