

ASSIGNMENT AGREEMENT

THIS ASSIGNMENT AGREEMENT (this "Agreement") is made and entered into as of the 15th day of May, 2018 by and between Sunnylands Broadcasting, LLC ("Buyer"), and Penfold Communications, Inc., ("Seller").

WHEREAS, Seller currently holds a license ("License") issued by the Federal Communications Commission ("FCC" or "Commission") for an FM Translator Station, K226BT, Indio, California (FAC# 140886) ("Station");

WHEREAS, the Station is currently silent per File No.: BLSTA-20180503 and Seller has been granted a Construction Permit to modify the Station's transmission location to a new site per File No.: BPFT-20180402ABV ("Permit");

WHEREAS, Buyer would like to obtain from the Seller its rights and interest in the License and the Permit; and

WHEREAS, the Parties agree and understand that prior FCC approval for this transaction is required.

IN CONSIDERATION OF THE MUTUAL PROMISES CONTAINED HEREIN, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound, do hereby agree as follows:

1. The Assignment. Subject to the conditions contained herein. Seller agrees to assign and Buyer agrees to purchase the rights to the FCC License for the Station as indicated on the attached Attachment A, as follows:

(a) Purchase Price. The Purchase Price for the License shall be as indicated on the attached Attachment A. The Purchase Price shall be payable in immediately available funds in the form of cashier's check or wire transfer (whichever Seller instructs to Buyer).

(b) Deposit. Concurrently with the execution of this Agreement, Buyer shall place in Escrow the sum of Five Thousand Dollars (\$5,000.00) ("Escrow Deposit"). This Escrow Deposit shall be held by John C. Trent, Esq., in the Putbrese Hunsaker & Trent, P.C. Attorney Trust Account. Upon the closing of this transaction, the Escrow Deposit shall be promptly released to Seller. Failure by Buyer to close this transaction due to its default, this Escrow Deposit shall constitute "Liquidated Damages" and be forfeited and the Agreement terminated. If, however the transaction fails to close due to the fault of Seller, or by the termination the FCC, then the Deposit shall be returned to Buyer within ten (10) business days of such final denial or failure. Buyer shall have the right to specific performance in the event of Seller's failure to close.

(c) Closing. Buyer will close the transaction and pay the Purchase Price within ten (10) business days of *initial* FCC approval (the "Closing Date"). Seller will prepare and file the necessary FCC Form 345 License assignment application and exhibits to seek FCC approval for the assignment of the License within five (5) days of the execution of this agreement. Buyer will fully cooperate with Seller in the preparation and filing of the application.

2. Exclusivity and Confidentiality. The Parties agree that from the date hereof neither Party will seek to transfer or sell to, or entertain any offers to buy from, third parties, respectively, the License. Further, the Parties agree to keep confidential the terms of this Agreement, except with respect to any disclosure required by law or the rules and regulations of the FCC.

3. FCC Qualifications. Seller and Buyer represent warrants and covenants that they are qualified to be a Commission Licensee and to hold the FCC authorizations which is the subject of this Agreement and that the station that the Buyer proposes to rebroadcast in connection with the FCC Form 345 application may be rebroadcast under the rules and regulations of the FCC without the need for a waiver request or other extraordinary request for FCC approval. The Buyer represents and warrants that it knows of no reason any party would petition the FCC to deny the proposed License assignment application.

4. Attorney Fees, Transfer Fees, Taxes and Broker Fees. Buyer shall be responsible for the timely and immediate payment of any FCC filing fees associated with the purchase of the License. The Parties acknowledge the brokerage services of MCH Enterprises, Inc, the fees of which shall be paid one-half (1/2) by Seller and one-half by Buyer, One Thousand Five Hundred Dollars (\$1,500.00) each, in cash at closing.

5. Covenants of the Parties.

(a) The Parties agree at such time that Buyer has a perfected tower lease at the authorized coordinates contained in the Permit, Buyer shall have the option but not obligation to proceed on Seller's behalf and at Buyer's expense to re-construct the Station per the authorized Permit parameters prior to consummation.

(b) In the event Buyer has re-constructed the Station prior to consummation and for whatever reason the FCC denies the Assignment Application, Buyer agrees that it shall not remove nor dismantle any of the Station's transmission facilities at the Permit site; Seller shall be able to insure that the Station's request for license is timely filed and continue to operate the Station using Buyer's equipment and site lease at no expense other than power for a period of time not less than one (1) year during which Seller may decide whether or not to leave the Station where-is; obtain an assignment of the site lease; and purchase the transmission equipment from Buyer for an amount equal to Buyer's original cost excluding any related engineering, application fees, or construction expenses.

(c) In the event the Assignment Application has not been acted upon by the FCC within six (6) months from the date written above and/or Buyer has taken no action toward re-constructing the Station during such timeframe, Seller shall have the option but not the obligation of proceeding on its own behalf to re-construct the Station at the Permit site thus ensuring the Station's FCC License does not become expunged per the FCC's Rules pertaining to silent Stations.

(d) In the event the Station has been re-constructed prior to consummation and Buyer consents to the rebroadcast of one of its commercial stations, the Parties agree that they will enter

into an FM Translator Rebroadcast Agreement containing those terms and condition customarily found in such agreements until such time that the transaction represented hereby has consummated or has terminated for whatever reason subject to the terms in this Section 5 sub-paragraphs (a) through (c) hereinabove.

6. Upset Date. If the assignment application contemplated herein has not been approved by the FCC nine (9) months from the date written above, then Seller may, so long as it is not in material default, terminate this Agreement. The Parties may, however, agree to an extension upon further written notice signed by both Parties.

7. Miscellaneous. This Agreement represents the entire agreement of the parties with respect to the subject matter hereof and supersedes any prior agreement with respect thereto whether it is in writing or otherwise. This Agreement may be amended only in writing by an instrument duly executed by both parties. This Agreement is to be construed and enforced under the laws of California. Venue for any action brought to enforce this Agreement is exclusively in the federal or state courts located in the State of California. This Agreement may be executed in counterparts. The undersigned represent and warrant that, respectively, they have received authority to sign this Agreement and to legally bind their respective companies to perform all of the terms hereof.

WHEREFORE, the parties whose names and addresses appear below have caused this Agreement to be executed by them as of the date first above written.

Penfold Communications, Inc.

P.O. Box 890820

Temecula, CA 92589

By: 

Jeff Smith, President

Sunnylands Broadcasting, LLC

P.O. Box 53248

Bellevue, WA 98015

By: _____

Gregory Smith, Manager

into an FM Translator Rebroadcast Agreement containing those terms and condition customarily found in such agreements until such time that the transaction represented hereby has consummated or has terminated for whatever reason subject to the terms in this Section 5 sub-paragraphs (a) through (c) hereinabove.

6. Upset Date. If the assignment application contemplated herein has not been approved by the FCC nine (9) months from the date written above, then Seller may, so long as it is not in material default, terminate this Agreement. The Parties may, however, agree to an extension upon further written notice signed by both Parties.

7. Miscellaneous. This Agreement represents the entire agreement of the parties with respect to the subject matter hereof and supersedes any prior agreement with respect thereto whether it is in writing or otherwise. This Agreement may be amended only in writing by an instrument duly executed by both parties. This Agreement is to be construed and enforced under the laws of California. Venue for any action brought to enforce this Agreement is exclusively in the federal or state courts located in the State of California. This Agreement may be executed in counterparts. The undersigned represent and warrant that, respectively, they have received authority to sign this Agreement and to legally bind their respective companies to perform all of the terms hereof.

WHEREFORE, the parties whose names and addresses appear below have caused this Agreement to be executed by them as of the date first above written.

Penfold Communications, Inc.
P.O. Box 890820
Temecula, CA 92589

By: _____
Jeff Smith, President

Sunnylands Broadcasting, LLC
P.O. Box 53248
Bellevue, WA 98015

By: _____
Gregory Smith, Manager

ATTACHMENT A

License

Location, Facility U) Number	Total	Escrow Deposit	At Closing	License Status
K226BT (FX), Indio, CA (FAC# 140886)	\$50,000.0	\$5,000.00	\$45,000.00 (for total of \$50,000.00 with Escrow Deposit)	License Granted Expires 12/1/2021
BPFT-20180402ABV				Granted 4.17.18
				Expires 4.17.21

