

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (the "Agreement") is made this 27th day of March, 2017 by and between KMYA, LLC, dba KTV Media, LLC, ("Buyer") an Arkansas Limited Liability Company and KTV Licensing, LLC, ("Seller"), an Arkansas Limited Liability Company.

WITNESSETH:

WHEREAS, Seller is the licensee of low power digital television stations:

CALL SIGN	FACILITY ID	CITY OF LICENSE
KUFS-LP	58281	Fort Smith, AR
KWFT-LP	58282	Fort Smith, AR
K33HE	58284	Fort Smith, AR
KRAH-CD	52423	Paris, AR
KEGW-LD	48534	Fayetteville, AR
KHMF-CD	52420	Bentonville, AR
KKAF-CD	52432	Siloam Springs, AR
KKYK-CD	57548	Little Rock, AR
KSJF-CD	52425	Poteau, OK
K48FL-D	14387	Sallisaw, OK

(Collectively, the "Stations").

WHEREAS, in accordance with applicable Federal Communications Commission ("FCC") requirements, Seller wishes to sell the assets of the Stations and assign the License to Buyer and Buyer wishes to buy the assets of the Stations and acquire the License from Seller;

WHEREAS, the Buyer has agreed to continue to broadcast Seller's local programming in the Fort Smith, Fayetteville and Little Rock market areas on a mutually agreeable digital sub-channel under the terms of an industry standard Time Brokerage Agreement beginning on the Closing Date; and

NOW THEREFORE, in consideration of the foregoing and of the mutual agreements and covenants contained herein, the parties, intending to be legally bound, agree as follows:

1. **Purchase and Sale of Assets.** Subject to the terms and conditions set forth below, Seller agrees to assign, sell and transfer to Buyer, and Buyer agrees to purchase from Seller, the following assets, all of which Seller agrees are now, and on the Transfer Date (as defined) shall be, unless previously disclosed to Buyer, free and clear of any and all liens, claims, petitions, charges and encumbrances of any nature whatsoever ("Liens"):

(a) all of Seller's books and records relating to the sales operations of the Stations, copies of which have already been provided to Buyer or will be provided to Buyer upon reasonable request by Seller;

(b) copies of all of Seller's proprietary information, technical information, demographic and market data, coverage maps, diagrams and the like which relate to the License or to the future business of the Stations;

(c) copies of all of the Seller's leases listed in Schedule 1(c);

(d) assignment of all of Seller's network affiliation agreements listed in Schedule 1(d); and,

(e) all of the Seller's service contracts, supplies, accounts receivable, equipment, inventories and other property purchased but not installed.

Hereafter, all such assets shall be referred to as the "Stations' Assets."

2. **Purchase Price, Payment and Earnest Money.**

a. **Purchase Price and Payment.** The purchase price shall consist of cash payments at closing, the assumption of Kaleidoscope debt including the debt to the Bank of Little Rock as listed in Exhibit 2.

b. **Additional Compensation.** At closing Buyer shall enter in to a Time Brokerage Agreement that complies with all FCC Rules and Regulations with Seller to continue to carry Seller's Kaleidoscope Programming on a digital sub-channel on the stations in the Fayetteville, AR; Fort Smith, AR and Little Rock, AR Markets.

c. **Earnest Money.** Upon the execution of this agreement, Buyer will pay Twenty Thousand Dollars to Seller as Earnest Money, which shall be applied to the payment due at closing. Seller shall return the Earnest Money to Buyer, if Closing does not occur for any reason other than the sole default of Buyer.

3. **Buyer Qualified.** Buyer is legally, financially and otherwise qualified to acquire and operate the Stations' Assets consistent with the Communications Act of 1934, as amended, and the rules and regulations of the Federal Communications Commission ("FCC"). To the best of Buyer's knowledge, no circumstances exist which reasonably could support a conclusion by the FCC that Buyer lacks the requisite qualifications to acquire and operate the Stations.

4. **Deliveries at Transfer.** At Transfer, Seller shall deliver or cause to be delivered (the "Transfer") to Buyer the following:

(a) Written evidence satisfactory to Buyer of the transfer of title to the Stations' License;

(b) A Bill of Sale, and other such documents or instruments as Buyer may reasonably request to carry out the transaction contemplated by this Agreement. For purposes of this Agreement, all such documents are defined as the "Transaction Documents"; and,

5. **Transfer.** Upon full payment of the Purchase Price, including the assumption of debt and FCC authorization Seller will transfer the Stations' Assets from Seller to Buyer (the "Transfer"). The Transfer will take place within 15 business days following the FCC approval, but in no event later than April 1, 2021 at such a time and place as the parties may mutually agree (such date, the "Transfer Date"). Transfer may occur via facsimile. The transfer of the Telemundo Stations (KEGW-LD and KSJF-CD) will not occur until Telemundo agrees to an assumption of the Telemundo Affiliation Agreement by KTV Media, LLC.

6. **Benefit and Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

7. **Governing Law.** This Agreement shall be governed, construed and enforced in accordance with the laws of the State of Arkansas, without regard to the choice of law provisions thereof. Any litigation arising from the Agreement shall be brought in the Arkansas State Courts or Federal Courts located in Arkansas.

8. **Joint Sales Agreement.** Buyer and Seller may, at Seller's option, enter into an industry standard joint sales agreement following the execution of this agreement.

9. **Digital Conversion.** Buyer shall be responsible for the costs for the digital conversion of the analog stations. Seller shall be responsible for the costs associated with any channel change requirements related to the FCC repacking plan for KSJF-CD and KKAF-CD. Seller is also responsible for any costs incurred related to eliminating any digital interference related to KHMF-CD and obtaining a new channel for KEGW-LD that is required due to the FCC repacking plan.

10. **Construction.** The parties acknowledge and agree that this Agreement has been fully negotiated between them and shall not be interpreted or construed against the drafting party.

11. **Multiple Counterparts.** This Agreement may be signed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

12. **Entire Agreement.** This Agreement along with documents referenced herein collectively represent the entire understanding and agreement between Buyer and Seller with respect to the subject matter hereof. This Agreement supersedes all prior memoranda and agreements between the parties hereto, and may not be modified, supplemented or amended, except by a written instrument signed by each of the parties hereto designating specifically the terms and provisions so modified, supplemented or amended.

13. **Captions.** The section captions and headings in this Agreement are for convenience and reference purposes only and should not affect in any way the meaning or interpretation of his Agreement.

14. **Further Assurances.** After the signing of this, Buyer will use its best efforts, and Seller will reasonably cooperate with Buyer, to secure FCC authorization for the transfer of the License and the other Stations Assets and any related authorizations or fulfillment of any conditions hereto. The parties acknowledge that FCC consent is required to transfer the License, and agree not to affect such transfer before such consent has been obtained. At and after the Transfer, Buyer and Seller will, without further consideration, execute and deliver such further instruments and documents and do such other acts and things that the other party may reasonably request in order to effect or confirm the transactions contemplated by this Agreement.

15. **Brokers and Financial Advisors.** No Person has acted, directly or indirectly, as a broker, finder or financial advisor for Seller or Buyer or any of their Affiliates in connection with the transactions contemplated by this Agreement.

16. **Notices.** Any notice, demand or request required or permitted to be given under the provisions of this Agreement shall be in writing, including by facsimile, and shall be deemed to have been duly delivered and received on the date of personal delivery, on the third day after deposit in the U.S. mail if mailed by registered or certified mail, postage prepaid and return receipt requested, on the day after delivery to a nationally recognized overnight courier service if sent by an overnight delivery service for next morning delivery or when dispatched by facsimile transmission (with the facsimile transmission confirmation being deemed conclusive evidence of such dispatch) and shall be addressed to the following addresses, or to such other address as any party may request, in the case of Seller, by notifying Buyer, and in the case of Buyer, by notifying Seller:

To Buyer: KTV Media, LLC
Attention: Larry E. Morton
P.O. Box 23808
Little Rock, AR 72221
(866)-598-9466 (Facsimile)

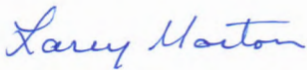
Little Rock, AR 72221
(866)-598-9466 (Facsimile)

To Seller: KTV Licensing, Inc.
Attention: Gregory W. Fess
11610 Pleasant Ridge Road
Suite 103 - PMB 222
Little Rock, AR 72223

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and first year above written.

BUYER:

**KMYA, LLC
dba KTV MEDIA, LLC**

By: 

Larry Morton, President

SELLER:

KTV LICENSING, LLC

By: 

Greg Fess, Secretary

Schedule 1(c)

Buyer shall assume the obligations for the following leases:

- Insite Tower Lease #OK019 – Beaver, OK.
- Insite Tower Lease #AR003 – Beverly, AR
- Insite Tower Lease #AR005 – Paris, AR.
- Insite Tower Lease #OK023 – Cavanal, OK
- Arklahoma Towers – KEGW-LD – Springdale, AR
- Arklahoma Towers –KHMF-CD – Bentonville, AR
- Arklahoma Towers – KKAF-CD – Siloam Springs, AR

Schedule 1(d)

Buyer shall assume the following broadcast obligations:

- Telemundo Affiliation Agreement dated July 15, 2016.
- HSN Affiliation Agreement dated March 19, 2017.
- Jewelry TV Affiliation Agreement dated December 22, 2016.
- QVC Affiliation Agreement dated November 1, 2016.
- Lifehacks/DRTV Affiliation Agreement dated September 1, 2016.
- QVC Plus Affiliation Agreement dated February 22, 2017.

EXHIBIT 2
PURCHASE PRICE & PAYMENT

The Purchase Price for the stations shall be as follows:

CALL SIGN	FACILITY ID
KHMF-CD	52420
KKAF-CD	52432
K48FL-D	14387
KRAH-CD	52423
KUFS-LP	58281
KWFT-LP	58282
K33HE	58284
KKYK-CD	57548

Collectively the “Non-Telemundo Stations”

The Purchase Price for the Non-Telemundo stations shall be Seven Thousand Five Hundred Dollars (\$7,500.00) cash at closing, assumption of mutually agreed upon Kaleidoscope Foundation debts not to exceed One Million Dollars (\$1,000,000) in the form of a fifteen-year promissory note at 4% interest and the Time brokerage agreement to show Kaleidoscope programming in Little Rock.

CALL SIGN	FACILITY ID
KEGW-LD	48534
KSJF-CD	52425

Collectively the “Telemundo Stations”

The Purchase Price for the Telemundo stations shall be Twelve Thousand Five Hundred Dollars (\$12,500) cash at closing, assumption of the Bank of Little Rock Note for Two Hundred Thousand Dollars (\$200,000); assumption of mutually agreed upon Kaleidoscope Foundation debts not to exceed Five Hundred Thousand Dollars (\$500,000) in the form of a fifteen-year promissory note at 4% interest and the Time Brokerage Agreement to show Kaleidoscope Programming in Fort Smith and Fayetteville.