

AMENDMENT TO SETTLEMENT AGREEMENT AND RELEASE

This Amendment is made and entered into this 24 day of July, 2020 by and between THE WIRELESS GROUP, INC., a Tennessee Corporation ("Wireless"), Grace Broadcasting Services, Inc., a Tennessee Corporation ("Grace") and Dan Reaves ("Reaves").

WHEREAS, the parties entered into a certain Settlement Agreement and Release (the "Agreement") on July 6, 2020 which contemplates Wireless selling substantially all of its assets used in the operation of the WNWS 101.5 radio station to Grace; and

WHEREAS, the Agreement further provides that Grace will pay a portion of the Purchase Price by giving Wireless a promissory note in the amount of \$1,625,000.00 as a portion of the Purchase price; and

WHEREAS, the parties desire to amend the Agreement as set forth herein.

NOW, FOR IN CONSIDERATION of the mutual promises and benefits to be realized by the parties, the parties agree to amend as follows.

1. **Amendment.**

A. **Paragraph 2.** Paragraph 2 of the Agreement is deleted in its entirety and the following provisions are inserted and incorporated therein as if verbatim:

"2. PAYMENT OF PURCHASE PRICE; FINANCING. Grace agrees to pay Two Hundred Thousand Dollars (\$200,000.00) of the Purchase Price to Wireless at closing. Grace agrees to execute a promissory note at closing payable to Wireless for the balance of the Purchase Price (\$1,625,000.00) on the following terms: ten (10) year promissory note; fifteen (15) year amortization; interest rate of prime plus one percent (1%); balloon payment due after ten (10) years; interest rate shall be adjusted every six months beginning six months after the date of closing using the prime rate as reported that day by the Wall Street Journal; monthly payments of principal and interest beginning October 7, 2020, and with each subsequent monthly payment due on the seventh (7th) of each month thereafter. Lacy Ennis and Charles Ennis shall execute personal guaranties for the promissory note. Charles Ennis will secure his obligations under his personal guaranty by pledging all of his shares of _____ shares of stock in Grace constituting ____% of the outstanding and issued shares to be evidenced by Stock Pledge and Assignment along with executed Stock Powers. Grace will pledge the real and personal property assets of WNWS-FM 101.5 acquired from Wireless as collateral security for the promissory note. Additionally, and as additional consideration for the execution and delivery of a non-compete agreement from Wireless, Carlton Viers and Lyle Reid, Grace will further secure the promissory note by granting a mortgage lien on its real property located in Crockett County, Tennessee (Tax Map 83 Parcels 021.02) and a security interest in all of the tangible and intangible personal property and assets of Grace including, but not limited to the assets utilized in the operations of Station WTBS- Alamo, TN, Station WTJK- Humboldt, TN, Station WKBQ-Covington, TN and Station WPOT-Covington, but excluding its FCC licenses.

B. **Noncompete.** Paragraph 21 is added to the Agreement to read as follows:

" 21. **NONCOMPETE AGREEMENT.** Wireless , Carlton Viers and Lyle Reid each agree to enter into a non -compete agreement with Grace to cover any AM and FM terrestrial traditional over the air radio broadcasting as part of any radio station licensed to Jackson, TN for a period of Thirty (30) months from the Closing Date. "

2. **Limited Amendment.** Except as specifically set forth in this Amendment, the terms, conditions, and provisions of the Agreement shall not be effected, modified, altered or impaired in any manner. It is the express intention of the parties that except as specifically set forth herein, the original terms of the Agreement shall continue in full force and effect and that nothing herein constitute a novation of the Agreement.

3. **Principals/Shareholders.** In consideration of the benefits to be derived in entering into this Amendment, Carlton Veirs, Lyle Reid, Charles Ennis, and Lacy Ennis join in the execution of the Amendment for the purpose of evidencing their intent to be bound by the agreements set forth herein.

THE WIRELESS GROUP, INC.

By: 

Title: President

Date" 7-24-2020


CARLTON VIERS

Date: 7-24-2020


LYLE REID

Date: 07/24/20

GRACE BROADCASTING SERVICES, INC.

By: 

Title: President/CEO

Date: 7/24/20


CHARLES ENNIS

Date: 7/24/20


LACY ENNIS

Date: 7/24/20



DAN REAVES

Date: 8/4/20