

## **ASSET PURCHASE AGREEMENT**

**THIS ASSET PURCHASE AGREEMENT** (this “Agreement”) is made as of this 3<sup>rd</sup> day of June 2024 (the “Effective Date”), by and between **LAURELWOOD ACADEMY. INC.**, an Oregon nonprofit corporation (“Seller”), and **EUGENE-SPRINGFIELD CHRISTIAN RADIO**, an Oregon nonprofit corporation (“Buyer”).

**WHEREAS**, Seller is the holder of certain broadcast authorizations (the “FCC Authorizations”) issued by the Federal Communications Commission (“FCC”) for Low Power FM station KGEL-LP, Jasper, Oregon (FCC Facility ID #196167) (the “Station”); and

**WHEREAS**, Seller desires to assign the FCC Authorizations and certain related assets of the Station to Buyer, and Buyer desires to acquire the FCC Authorizations and certain related assets of the Station from Seller upon the terms and conditions set forth herein, and

**WHEREAS**, the FCC Authorizations cannot be sold or assigned without the prior consent of the FCC;

**NOW, THEREFORE**, in consideration of the mutual promises and covenants contained herein, Buyer and Seller, intending to be legally bound, hereby agree as follows:

1. Assets Sold. Subject to the approval of the FCC and to the terms and conditions of this Agreement, Seller agrees to assign and Buyer agrees to accept the following assets (collectively the “Assets”). Seller shall convey and transfer to Buyer good and marketable title to the Assets free and clear of liens or encumbrances.

(a) FCC Authorizations. The FCC Authorizations issued by the FCC to Seller in connection with the operation of the Station, as listed in Schedule 1(a) hereto, together with any additional authorizations or licenses issued by the FCC with respect to the Station between the date hereof and the Closing Date (the “FCC Authorizations”).

(b) Tangible Personal Property. The tangible personal property used or useful in the operation of the Station, all as listed in Schedule 1(b) hereto, together with any replacements thereof acquired between the date of this Agreement and the Closing Date (the “Tangible Personal Property”).

(c) Assumed Business Name. Seller’s interest the assumed business name, KGEL RADIO, as listed in Oregon Assumed Business Name Registry No. 992502-93 (the “Assumed Business Name”).

(d) Tower Site Lease Agreement. Seller’s leasehold interest in the Station’s antenna site, a copy of which is attached as Exhibit 1(d) (“Tower Site Lease Agreement”).

(e) Records. All records required by the FCC to be created and retained by the Station, software, warranties, engineering studies, business records, correspondence and email, whether in paper or electronic format, that relate to or affect the Assets or the operation of the Station and that are within Seller’s possession and control.

(f) Restricted Funds. All cash maintained in bank accounts, certificates of deposit, or other financial instruments that hold or represent funds or other assets that have been contributed to Seller for the purpose of instituting, maintaining, and operating the Station. A complete list of such accounts and instruments, and the value of each as of the date hereof, is attached as Schedule 1(f).

(g) Contracts and Licenses. All of Seller's interests and rights under certain contracts and licenses ("Contracts and Licenses"), including music performance licenses with ASCAP, BMI, and SESAC All such Contracts and Licensees are identified in Schedule 1(g) .

2. Excluded Assets. Without limiting the foregoing, the Assets shall not include the following excluded assets ("Excluded Assets"):

(a) Contracts of insurance or insurance proceeds and insurance claims made by Seller relating to property or equipment repaired, replaced or restored by Seller prior to the Closing Date; and

(b) All Seller's assets and other property, contractual rights, or leasehold interests not referenced in Section 1 above.

3. Consideration. In consideration for the assignment of the Assets, Buyer agrees to assume Seller's obligations and responsibilities pursuant to the Tower Site Lease Agreement and the Contracts and Licenses, and to faithfully fulfill those obligations and responsibilities. Prepaid expenses shall be prorated between Buyer and Seller as of 12:01 a.m. on the Closing Date.

4. No Assumed Liabilities. Upon the Closing, Buyer shall assume none of Seller's obligations or liabilities with respect to the Station except as may be allocated pursuant to Section 3.

5. FCC Approval.

(a) FCC Approval Required. Consummation of the sale (the "Closing") is conditioned upon the FCC having given its consent in writing to the assignment from Seller to Buyer of all FCC Authorizations (the "FCC Approval").

(b) Filing of Assignment Application. The parties shall cooperate in good faith and jointly prepare and file an application for FCC Approval (the "Assignment Application") not later than five (5) business days after execution of this Agreement.

(c) Prosecution of Assignment Application. Buyer and Seller shall diligently prosecute the Assignment Application and otherwise use their commercially reasonable efforts to obtain the FCC Approval as soon as possible; provided however, neither Buyer nor Seller shall be required to pay consideration to any third party to obtain the FCC Approval. Buyer and Seller each shall oppose any petition to deny or other objections filed with respect to the Assignment Application to the extent such petition or objection relates to such party. Buyer and Seller shall oppose any requests for reconsideration or judicial review of the FCC Approval. If the Closing

shall not have occurred for any reason within the original effective period of the FCC Approval, and neither party shall have terminated this Agreement, the parties shall jointly request an extension of the effective period of the FCC Approval.

(d) Closing Date. The Closing shall take place on a mutually agreed upon date (the “Closing Date”) that is not later than ten (10) business days following the date on which the FCC Approval becomes a Final Order. For purposes of this Agreement, “Final Order” means an action by the FCC for which the time for any appeal, request for reconsideration, or request to vacate or set it aside, has expired and no such appeal or request is pending.

(e) Closing Method. The Closing will take place by the exchange of documents by email or facsimile or by such other method as Buyer and Seller may select by mutual agreement.

6. Risk of Loss. Risk of loss, damage, or destruction to the Assets to be sold and conveyed hereunder shall be upon the Seller until the Closing Date. After Closing, the risk of loss shall be solely upon Buyer. In the event that any such loss, amage or destruction occurring prior to Closing shall be sufficiently substantial so that any representation of Seller shall not be true and correct in all material respects at Closing (after giving consideration to any repairs, restoration or replacement to occur prior to Closing), Seller shall promptly notify Buyer in writing of the circumstances. Buyer, at any time within ten (10) days after receipt of such notice, may elect by written notice to Seller either to (i) proceed toward consummation of the transactions contemplated by this Agreement in accordance with the terms hereof, and subject to the occurrence of Closing, complete the restoration and replacement of the Assets after Closing, in which event Seller shall deliver to Buyer all insurance proceeds received in connection with such damage, destruction or other event, or (ii) to terminate this Agreement.

7. Conditions Precedent to Buyer’s Obligation to Close. The obligations of Buyer to purchase the Assets and to otherwise consummate the transactions contemplated by this Agreement are subject to the satisfaction or waiver by Buyer, on or prior to the Closing Date, of each of the following conditions:

(a) The FCC Approval shall have been granted by Final Order, and Seller shall have complied with any conditions imposed on it by the FCC Approval that Seller is obligated to satisfy under the terms of this Agreement.

(b) Seller shall have performed and complied with in all material respects all agreements, obligations, and conditions required by this Agreement to be performed or complied with by Seller prior to or at the Closing Date.

(c) Seller shall hold valid, current, and unexpired FCC Authorizations for the Station.

(d) The Assets shall be free and clear of all liens and encumbrances as of Closing, other than Permitted Liens.

(e) No injunction, restraining order or decree of any nature of any court or governmental authority of competent jurisdiction shall be in effect that restrains or prohibits Buyer from consummating the transactions contemplated by this Agreement.

(f) Buyer shall have received from Seller the documents and other items to be delivered by Seller pursuant to Section 10 of this Agreement.

8. Conditions Precedent to Seller's Obligation to Close. The obligations of Seller to sell the Assets and to otherwise consummate the transactions contemplated by this Agreement are subject to the satisfaction or waiver by Seller, on or prior to the Closing Date, of each of the following conditions:

(a) The FCC Approval shall have been granted by Final Order and Buyer shall have complied with any conditions imposed on it by the FCC Approval that Buyer is obligated to satisfy under the terms of this Agreement.

(b) Buyer shall have performed and complied with, in all material respects, all agreements, obligations, and conditions required by this Agreement to be performed or complied with by Buyer prior to or at the Closing Date.

(c) No injunction, restraining order or decree of any nature of any court or governmental authority of competent jurisdiction shall be in effect that restrains or prohibits Seller from consummating the transactions contemplated by this Agreement.

(d) Seller shall have received from Buyer the documents and other items to be delivered by Buyer pursuant to Section 9 of this Agreement.

9. Buyer's Performance at Closing. At the Closing, Buyer will deliver or will have delivered to Seller, duly executed as may be appropriate:

(a) An Assignment and Assumption of FCC Authorizations.

(b) An Assignment and Assumption of the Tower Site Lease Agreement.

(c) Such additional instruments as Seller may reasonably require to effectuate the assignment from Seller to Buyer of the Station and Assets, and the objectives of this Agreement.

10. Seller's Performance at Closing. At the Closing, Seller shall deliver or have delivered to Buyer, duly executed:

(a) An Assignment and Assumption of FCC Authorizations.

(b) A Bill of Sale conveying title to the Tangible Personal Property.

(c) An Assignment and Assumption of the Tower Site Lease Agreement.

(d) Assignment of the Assumed Business Name.

(e) Remittance or assignment of the Restricted Funds or the instruments representing them.

(f) Assignment of the Contracts and Licenses

(e) Such additional instruments as Buyer may reasonably require to effectuate the assignment from Seller to Buyer of the Station and Assets, and the objectives of this Agreement.

11. No Assignment. This Agreement may not be assigned by either party without the other party's prior written consent.

12. Specific Performance. The parties recognize the uniqueness of the Station and the Assets, authorizations, and attributes that are associated with their operation, and for that reason agree that Buyer shall have the right to a decree of specific performance of this Agreement upon default of Seller. If any action is brought by Buyer to enforce this Agreement, Seller shall waive the defense that there is an adequate remedy at law.

13. Termination. This Agreement may be terminated by either party, if the terminating party is not then in material default, upon written notice,

(a) pursuant to Section 6 if the Assets are substantially damaged;

(b) if the other party defaults;

(c) if the FCC has not granted the Assignment Application by Final Order by the date twelve (12) months after it was filed with the FCC;

(d) if the FCC, by Final Order, dismisses, denies or designates for an evidentiary hearing the Assignment Application, provided that the right to terminate this Agreement under this Section shall not apply to any party whose action or inaction in fulfilling a material obligation under this Agreement shall have been a cause for the Closing to fail to occur within the time period set forth herein; or the FCC to dismiss, deny or designate for hearing the FCC Application;

(e) if there is in effect on the date that would otherwise be the Closing Date any judgment, decree, or order that would prevent or make unlawful the Closing.

14. Notices. All notices, demands, and requests required or permitted to be given under the provisions of this Agreement shall be (i) in writing, may be delivered by personal delivery, sent by commercial delivery service or certified mail, return receipt requested, (ii) deemed to have been given on the date of actual receipt, which may be presumptively evidenced by the date set forth in the records of any commercial delivery service or on the return receipt, and (iii) addressed to the recipient at the address specified below, or with respect to any party, to any other address that such party may from time to time designate in a writing delivered in accordance with this Section.

If to Buyer:

Dennis Painter  
PO Box 7516  
Springfield, Oregon 97475-0020

(541) 520-6295  
[kgel.radio.station.manager@gmail.com](mailto:kgel.radio.station.manager@gmail.com)

If to Seller:

Stephen Henton, President  
Laurelwood Academy, Inc.  
P.O. Box 384  
Veronia, Oregon 97064  
(541) 968-6056  
[stephenhenton@gmail.com](mailto:stephenhenton@gmail.com)

15. Further Assurances. Each of the parties hereto shall execute and deliver to the other party hereto such other instruments as may be reasonably required in connection with the performance of this Agreement.

16. Choice of Law. Except where preempted by Federal law, this Agreement shall be construed, performed and enforced in accordance with the laws of the State of Oregon, without regard to conflict of law rules adopted by that state.

17. Headings. The headings of sections in this Agreement are for convenience only and will not control or affect the meaning or construction of the provisions of this Agreement.

18. Entire Agreement. This Agreement and the schedules hereto supersedes all prior agreements and understandings between the parties with respect to the sale and purchase of the Assets to be sold and purchased hereunder. All schedules attached to this Agreement shall be deemed part of this Agreement and are incorporated herein, where applicable, as if fully set forth herein. This Agreement cannot be amended, supplemented, or modified except by an agreement in writing that makes specific reference to this Agreement or an agreement delivered pursuant hereto, as the case may be, and which is signed by both parties.

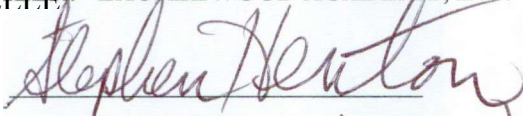
19. Severability. In the event that any one or more of the provisions contained in this Agreement or in any other instrument referred to herein, shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement or any other such instrument and this Agreement shall be construed in a manner that, as nearly as possible, reflects the original intent of the parties.

20. Counterparts. This Agreement may be executed in several counterparts, all of which when taken together shall constitute one Agreement. Delivery of counterpart signature pages may be effected by email of scanned copies of executed signature pages.

[SIGNATURES FOLLOW ON NEXT PAGE.]

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

SELLER: LAURELWOOD ACADEMY, INC.

  
ne: STEPHEN HENTON  
e: President

By:

Name:

Title:

BUYER: EUGENE-SPRINGFIELD CHRISTIAN RADIO

By: 

Name: Dennis S. Painter

Title: Station Manager & Treasurer

**SCHEDULE 1(a)**

**FCC Authorizations**

Low Power FM Station KGEL-LP, Jasper, Oregon, Facility ID #196167, as authorized in FCC license File No. BLL-20150820AAB, and renewed in FCC File No. 0000160455, expiring February 1, 2030.

**SCHEDULE 1(b)**

**Tangible Personal Property**

| <b><u>Device</u></b>                                | <b><u>Serial Number</u></b> |
|-----------------------------------------------------|-----------------------------|
| Air1 Broadcast Computer                             | BSI 14086                   |
| Computer Monitor – DELL ~ 30"                       | CN-OTPDTP-74261-3BR-2E6U    |
| Studio Monitor ACER – 24"                           | MMT1KAA002511069F14203      |
| DASDEC EAS – DASLPFMR                               | DAS6030-25                  |
| DBX 166XS Compressor                                | 12001135985                 |
| DBX 231S Graphic Equalizer                          | 12001239108                 |
| Gemini CDMF-1500 CD Deck                            | 1421102979                  |
| Allen & Heath XB-14 Studio Mixer                    | XB214X-526754               |
| JK Audio - Broadcast Host Phone System              | BH08777                     |
| Broadcast Tools GPI-16 Plus                         | 150740                      |
| Mackie CR3 Studio Monitor Speakers                  | 204442500DBG00577           |
| Sony MDR-7506 Pro Headphones                        | N/A                         |
| Heil PR40 Broadcast/Studio Microphone               | 85936 79401                 |
| DVD Writer Portable – GP65NB60                      | B8JUBL1050696               |
| WD My Cloud EX2 Ultra                               | WUBM32490276                |
| Studio Printer – CANON MX870                        | K10348                      |
| Barix Extremer                                      | 00-08-E1-03-E1-22           |
| Barix Extremer                                      | 00-08-E1 03-E1-AB           |
| Barix Extremer                                      | 00-08-E1-06-14-EF           |
| Barix Instreamer                                    | 00-08-E1-06-0C-88           |
| FortiGate F-40F Studio                              | FGT40FTK22074600            |
| FortiGate F-40F Transmitter                         | FGT40FTK22073932            |
| Transmitter – ECRECO FM 300W                        | 000064                      |
| Transmitter – ECRESO FM 100W                        | E0105009                    |
| Telewave Cavity Filter –TWPC-1005-1                 | 13721                       |
| Telewave Cavity Filter –TWPC-1005-1                 | 16518                       |
| Telewave Cavity Filter –TWPC/TPRC1008-2             | 395                         |
| Eupen EC4-50 ½" Dielectric Coax Cable 170'          | N/A                         |
| Polyphaser Lighting Protector                       | N/A                         |
| Antenna – BKG88 NICOM FM                            | N/A                         |
| UPS Studio – APC                                    | AS1502215086                |
| UPS Studio – Liebert – Studio                       | GXT2-700RT120               |
| UPS Transmitter – APC                               | AS1502215378                |
| Netgear GS105 – 5 Port Ethernet Switch<br>Spare     | 3TL15356007AF               |
| Netgear GS106 - 6 Port Network Switch<br>Tower Site | 40B1565N00904               |

|                                                                                     |                |
|-------------------------------------------------------------------------------------|----------------|
| Netgear GS108 - 8 Port Network Switch<br>Studio Site                                | 3TX211710522A  |
| Netgear GS608 - 8 Port Network Switch<br>Spare                                      | 40A15C5D00D63  |
| Netgear N750 Wireless Router<br>Spare                                               | 3XB14C56066F7  |
| Netgear N750 Wireless Router<br>Studio Site                                         | 3XB14C5R06A27  |
| Linksys N300 Wi-Fi Range Extender                                                   | B4750E8928A9   |
| Satellite Dish System                                                               | N/A            |
| GEO SATpro SL2PLL LNBF                                                              | N/A            |
| GEO SATpro DSR-160 Receiver                                                         | 17122182022158 |
| GEO SATpro DSR-R100 Receiver                                                        | 2014070014     |
| HP Pavilion 17 171-1000 Notebook PC                                                 | 5CD5195KMV     |
| HP Pavilion 17 171-1000 Notebook PC                                                 | 5CD5195KMY     |
| HP Laptop 17 17-cn1063cl PC                                                         | 5CG223OP63     |
| Equipment Rack 19" Studio                                                           | N/A            |
| Equipment Rack 19" Tower Site                                                       | N/A            |
| Misc. and Sundry Cables and Connectors<br>used to interconnect above listed devices |                |