

## OPTION AGREEMENT

THIS OPTION AGREEMENT (the “Option Agreement”) is entered into as of February 2, 2024, by and between Beacon Broadcasting, LLC, an Oklahoma limited liability company (the “Licensee”), and Beacon Broadcast, LLC, a Colorado limited liability company (the “Broker”).

### R E C I T A L S

A. Licensee owns, licenses or leases certain assets (the “Assets”) which are used or useful in the business and operations of radio broadcast station KWAY(FM), Lamar, Colorado (FCC Facility ID No. 31531) (the “Station”), including, without limitation, the licenses issued by the Federal Communications Commission (“FCC”) for the Station (the “FCC Licenses”).

B. Broker and Licensee have entered into a Local Marketing Agreement dated of even date herewith, pursuant to which Broker shall provide programming for broadcast on the Station.

C. Licensee desires to grant to Broker an exclusive, irrevocable and assignable option to purchase the Assets, including the FCC Licenses, on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of these premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

1. Grant of Option.

(a)

(b) Broker may deliver to Licensee written notice of Broker’s intention to exercise the Option (the “Option Exercise Notice”) at any time during the period commencing on the date hereof and ending on the date that is 24 months after the date hereof (the “Option Termination Date”). In the event that Broker fails to give Licensee the Option Exercise Notice on or prior to the Option Termination Date, the Option shall expire.

(c) Within five (5) business days following demand, Licensee shall immediately return to Broker the Option Payment following (i) a termination by Broker of this Option Agreement in accordance with the terms of Section 11(b) hereof as a result of a breach by Licensee of any material representation, warranty, agreement or obligation of Licensee contained herein, or (ii) subsequent to the delivery of an Option Exercise Notice, a termination by Broker of the Asset Purchase Agreement as a result of a breach by Licensee of any material representation, warranty, agreement or obligation of Licensee contained in the Asset Purchase Agreement. Except as provided in this Section 2(c), Licensee shall not be obligated to return the Option Payment to Broker.

3. Asset Purchase Agreement.

(a) Within five (5) business days following Licensee's receipt of the Option Exercise Notice Licensee and Broker shall commence negotiation of an Asset Purchase Agreement reflecting the business points set forth in Exhibit A hereto and otherwise incorporating standard terms and conditions for broadcast radio transactions of this nature (the "Asset Purchase Agreement"). Broker and Licensee shall execute the Asset Purchase Agreement within thirty (30) days of Licensee's receipt of the Option Exercise Notice or as soon as is practicable thereafter. Upon the execution and delivery of the Asset Purchase Agreement, Licensee and Broker shall perform their respective obligations thereunder, including, without limitation, filing and prosecuting an appropriate application for FCC consent to the assignment of the FCC Licenses from Licensee to Broker (the "FCC Consent"). Except as expressly set forth in the Local Marketing Agreement or the Asset Purchase Agreement, Broker shall not assume any obligations or liabilities of Licensee under any contract, agreement, license, permit or other instrument or arrangement.

4. Survival of Option. In the event that the exercise of the Option is not consummated for any reason whatsoever, and in the further event that this Option Agreement is not terminated by Licensee or Broker pursuant to Section 11 hereof, the Option shall nevertheless remain exercisable by Broker through the Option Termination Date, and Broker may at any time, and from time to time, prior to such expiration again exercise the Option as set forth in this Option Agreement and, upon such exercise, Licensee and Broker shall enter into another Asset Purchase Agreement and thereafter diligently proceed to perform their obligations thereunder.

5. Control of the Station. Subject to the Local Marketing Agreement, prior to the closing of the transactions contemplated by the Asset Purchase Agreement Broker shall not, directly or indirectly, control, supervise, direct, or attempt to control, supervise, or direct, the operations of the Station; such operations, including complete control and supervision of all of the Station programs, employees, and policies, shall be the sole responsibility of Licensee until the closing of the transactions contemplated by the Asset Purchase Agreement.

6. Representations and Warranties of Licensee. Licensee represents and warrants to Broker as follows:

(a) Licensee is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Oklahoma. Licensee has full organizational power and authority to execute and deliver this Option Agreement, the Asset Purchase Agreement and the Local Marketing Agreement and to consummate the transactions contemplated hereby and thereby. The execution and delivery of this Option Agreement and the Local Marketing Agreement and the consummation of the transactions contemplated hereby and thereby by Licensee have been duly and validly authorized by all necessary action on the part of Licensee. This Option Agreement has been duly and validly executed and delivered by Licensee and constitutes a legal, valid and binding agreement of Licensee enforceable against Licensee in accordance with its terms, except as such enforceability may be affected by bankruptcy, insolvency or similar laws affecting creditors' rights generally and by judicial discretion in the enforcement of equitable remedies. The Local Marketing Agreement has been duly and validly executed and delivered by Licensee and constitutes a legal, valid and binding agreement of Licensee enforceable against Licensee in accordance with its terms, except as such enforceability may be affected by bankruptcy, insolvency or similar laws affecting creditors' rights generally and by judicial discretion in the enforcement of equitable remedies.

(b) Except for the FCC Consent, there is no requirement applicable to Licensee to make any filing with, or to obtain any permit, authorization, consent or approval of, any governmental or regulatory authority as a condition to the execution and delivery by Licensee of this Option Agreement, the Asset Purchase Agreement or the Local Marketing Agreement or the performance by Licensee of its obligations thereunder.

(c) Subject to obtaining the FCC Consent and obtaining the consents of any third parties that may be identified in the Asset Purchase Agreement, the execution, delivery and performance of this Option Agreement, the Asset Purchase Agreement and the Local Marketing Agreement by Licensee will not (i) conflict with Licensee's organizational documents or agreements, (ii) result in a default (or give rise to any right of termination, cancellation or acceleration) under any of the terms, conditions or provisions of any note, bond, mortgage, agreement, or lease to which Licensee is a party or by which any of the FCC Licenses or the other Assets are bound, or (iii) to Licensee's knowledge, violate any statute, law, rule, regulation, order, writ, injunction or decree applicable to Licensee, the FCC Licenses or the other Assets.

Licensee acknowledges and agrees that Licensee's representations and warranties contained in this Section 6 are a material inducement to Broker's agreement to enter into and perform this Option Agreement and make the Option Payment.

7. Representations and Warranties of Broker. Broker represents and warrants to Licensee as follows:

(a) Broker is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Colorado. Broker has full corporate power and authority to execute and deliver this Option Agreement, the Asset

Purchase Agreement and the Local Marketing Agreement and to consummate the transactions contemplated hereby and thereby. The execution and delivery of this Option Agreement and the Local Marketing Agreement and the consummation of the transactions contemplated hereby and thereby by Broker have been duly and validly authorized by all necessary corporate action on the part of Broker. This Option Agreement has been duly and validly executed and delivered by Broker and constitutes a legal, valid and binding agreement of Broker enforceable against Broker in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally and by judicial discretion in the enforcement of equitable remedies. The Local Marketing Agreement constitutes a legal, valid and binding agreement of Broker enforceable against Broker in accordance with its terms, except as such enforceability may be affected by bankruptcy, insolvency or similar laws affecting creditors' rights generally and by judicial discretion in the enforcement of equitable remedies.

(b) Except for the FCC Consent, there is no requirement applicable to Broker to make any filing with, or to obtain any permit, authorization, consent or approval of, any governmental or regulatory authority as a condition to the execution and delivery by Broker of this Option Agreement, the Asset Purchase Agreement or the Local Marketing Agreement or the performance by Broker of its obligations thereunder.

(c) Subject to obtaining the FCC Consent and obtaining the consents of third parties identified in the Asset Purchase Agreement, the execution, delivery and performance of this Option Agreement, the Asset Purchase Agreement and the Local Marketing Agreement by Broker will not (i) conflict with Broker's organizational documents, (ii) result in a default (or give rise to any right of termination, cancellation or acceleration) under any of the terms, conditions or provisions of any note, bond, mortgage, agreement, or lease to which Broker is a party or by which any of its assets are bound, or (iii) to Broker's knowledge, violate any statute, law, rule, regulation, order, writ, injunction or decree applicable to Broker.

Broker acknowledges and agrees that Broker's representations and warranties contained in this Section 7 are a material inducement to Licensee's agreement to enter into and perform this Option Agreement.

8. Covenants of Licensee. From the date hereof until termination of this Option Agreement, Licensee will not commit any act that is inconsistent with the grant of the Option to Broker or the transactions contemplated by this Option Agreement and the Asset Purchase Agreement.

9. Cooperation. Licensee and Broker shall cooperate fully with each other and their respective counsel and accountants in connection with any steps required to be taken as part of their respective obligations under this Option Agreement and the Asset Purchase Agreement and will each use their respective best efforts to perform or fulfill all conditions and obligations to be performed or fulfilled by them under this Option Agreement and the Asset Purchase Agreement so that the transactions contemplated hereby and thereby shall be consummated.

10. Specific Performance. The parties recognize that if Licensee breaches this Option Agreement and refuses to perform under the provisions of this Option Agreement, monetary damages alone would not be adequate to compensate Broker for its injury. Broker shall therefore be entitled, in addition to any other remedies that may be available, including money damages, to obtain specific performance of the terms of this Option Agreement. If any action is brought by Broker to enforce this Option Agreement, Licensee shall waive the defense that there is an adequate remedy at law.

11. Termination.

(a) This Option Agreement may be terminated by Licensee and the purchase and sale of the Assets abandoned, so long as Licensee is not in breach of any of its material representations, warranties, agreements or obligations contained in this Option Agreement or the Local Marketing Agreement, upon written notice to Broker, if (i) Broker has failed to cure a breach of any of its material representations, warranties, agreements or obligations contained in this Option Agreement within 30 days after Broker has received written notice from Licensee of such breach; or (ii) the Local Marketing Agreement is terminated for any reason.

(b) This Option Agreement may be terminated by Broker and the purchase and sale of the Assets abandoned, so long as Broker is not in breach of any of its material representations, warranties, agreements or obligations contained in this Option Agreement or the Local Marketing Agreement, upon written notice to Licensee, if Licensee has failed to cure a breach of any of its material representations, warranties, agreements or obligations contained in this Option Agreement or the Local Marketing Agreement within 30 days after Licensee has received written notice from Broker of such breach.

(c) The notice and cure period set forth in this Section 11 shall be the only notice and cure period required in connection with any termination of this Option Agreement by Licensee or Broker and shall not be in addition to any notice and cure rights contained in any other agreement between Broker and Licensee.

(d) This Option Agreement shall terminate automatically if the Option Termination Date has passed and the Option has not been exercised.

12. Notices. All notices, demands, and requests required or permitted to be given under the provisions of this Option Agreement shall be (a) in writing, (b) delivered by personal delivery, or sent by commercial delivery service or registered or certified mail, return receipt requested, (c) deemed to have been given on the date of personal delivery or the date set forth in the records of the delivery service or on the return receipt, and (d) addressed as follows:

If to Licensee: Beacon Broadcasting, LLC  
7 Forrest St.  
Lamar, CO 81052  
Attention: Bob DeLancey  
Telephone: 719/336-8734  
Email: [bob@kvay.com](mailto:bob@kvay.com)

With a copy (which shall not constitute notice) to: Lerman Senter PLLC  
2001 L Street, NW, Suite 400  
Washington, DC 20036  
Attention: Nancy A. Ory  
Telephone: 202/416-6791  
Email: [nory@lermansenter.com](mailto:nory@lermansenter.com)

If to Broker : Beacon Broadcast, LLC  
7 Forrest St.  
Lamar, CO 81052  
Attention: Jose Ramos  
Telephone: 719/336-8734  
Email: [jose@kvay.com](mailto:jose@kvay.com)

With a copy (which shall not constitute notice) to: Gray Miller Persh LLP  
2233 Wisconsin Avenue, NW  
Suite 226  
Washington, DC 20007  
Attention: Derek Teslik  
Telephone: 202-559-7489  
Email: [dteslik@graymillerpersh.com](mailto:dteslik@graymillerpersh.com)

or to any other or additional persons and addresses as the parties may from time to time designate in a writing delivered in accordance with this Section 12.

13. Entire Agreement; Amendment. This Option Agreement supersedes all prior agreements and understandings of the parties, oral and written, with respect to its subject matter. This Option Agreement may be modified only by an agreement in writing executed by all of the parties thereto. No waiver of compliance with any provision of this Option Agreement will be effective unless evidenced by an instrument evidenced in writing and signed by the parties thereto.

14. Further Assurances. From time to time after the date of execution hereof, the parties shall take such further action and execute such further documents, assurances and certificates as either party reasonably may request of the other to effectuate the purposes of this Option Agreement.

15. Counterparts. This Option Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument, and shall become effective when each of the parties hereto shall have delivered to it this Option Agreement duly executed by the other parties hereto.

16. Headings. The headings in this Option Agreement are for the sole purpose of convenience of reference and shall not in any way limit or affect the meaning or interpretation of any of the terms or provisions of this Option Agreement.

17. Governing Law; Disputes. This Option Agreement shall be construed under and in accordance with the laws of the State of Colorado, without giving effect to the principles of conflicts of law. Except as otherwise provided to the contrary below, any dispute arising out of or related to this Option Agreement that Licensee and Broker are unable to resolve by themselves shall be settled by arbitration by a panel of three (3) neutral arbitrators who shall be selected in accordance with the procedures set forth in the commercial arbitration rules of the American Arbitration Association. The persons selected as arbitrators shall have prior experience in the broadcasting industry but need not be professional arbitrators, and persons such as lawyers, accountants, brokers and bankers shall be acceptable. Before undertaking to resolve the dispute, each arbitrator shall be duly sworn faithfully and fairly to hear and examine the matters in controversy and to make a just award according to the best of his or her understanding. The arbitration hearing shall be conducted in accordance with the commercial arbitration rules of the American Arbitration Association in Washington, D.C. The written decision of a majority of the arbitrators shall be final and binding on Licensee and Broker. The costs and expenses of the arbitration proceeding shall be assessed between Licensee and Broker in a manner to be decided by a majority of the arbitrators, and the assessment shall be set forth in the decision and award of the arbitrators. Judgment on the award, if it is not paid within thirty days, may be entered in any court having jurisdiction over the matter. No action at law or suit in equity based upon any claim arising out of or related to this Option Agreement shall be instituted in any court by Licensee or Broker against the other except (i) an action to compel arbitration pursuant to this Section, (ii) an action to enforce the award of the arbitration panel rendered in accordance with this Section, or (iii) a suit for specific performance pursuant to Section 10 of this Option Agreement.

18. Benefit and Binding Effect; Assignability. This Option Agreement shall inure to the benefit of and be binding upon Licensee, Broker and their respective successors and permitted assigns. Neither Broker nor Licensee may assign this Option Agreement without the prior written consent of the other, except that (a) Broker may assign its rights and obligations under this Option Agreement without Licensee's consent to any entity controlled by or under common control with Broker (b) Licensee may assign its rights and obligations under this Option Agreement without Broker's consent to any entity controlled by or under common control with Licensee; provided, however, in the case of any assignment permitted under clause (a) or (b) above, as a condition precedent to the effectiveness of any such assignment, Broker or Licensee, as the case may be, shall, concurrent with such assignment, enter into an agreement with the other pursuant to which Broker or Licensee shall guarantee the performance of all obligations assumed by

such party's assignee. Upon any permitted assignment by a party in accordance with this Section 18, all references to "Broker" herein shall be deemed to be references to Broker's assignee and all references to "Licensee" herein shall be deemed to be references to Licensee's assignee, as the case may be. Notwithstanding the foregoing, either Broker or Licensee may assign its rights, benefits, duties or obligations hereunder to its lenders as collateral security for its obligations to such lenders.

19. Confidentiality. Except as necessary for the consummation of the transaction contemplated by this Option Agreement, and except as and to the extent required by law, each party will keep confidential any information obtained from the other party in connection with the transactions contemplated by this Option Agreement. If this Option Agreement is terminated, each party will return to the other party all information obtained by the such party from the other party in connection with the transactions contemplated by this Option Agreement.

20. Press Release. Neither party shall publish any press release, make any other public announcement or otherwise communicate with any news media concerning this Option Agreement or the transactions contemplated hereby without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed; provided, however, that nothing contained herein shall prevent either party from (a) making such public announcements as may be required under federal or state securities laws or (b) promptly making all filings with governmental authorities as may, in its judgement be required or advisable in connection with the execution and delivery of this Option Agreement or the consummation of the transactions contemplated hereby.

21. Attorneys' Fees. In the event of a default by either party which results in a lawsuit or other proceeding for any remedy available under this Option Agreement, the prevailing party shall be entitled to reimbursement from the other party of its reasonable legal fees and expenses.

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IN WITNESS WHEREOF the parties hereto have executed this Option Agreement as of the date first above written.

**BEACON BROADCASTING, LLC**

*Robert H DeLaney*

By:

Name: Robert H DeLaney

Title: Managing Partner

**BEACON BROADCAST, LLC**

By: *Jose Ramos*

Name: Jose Ramos

Title: Managing Partner

## Exhibit A – APA Business Points

- The Purchase Price shall be paid at closing by (i) delivery of \$100,000 in cash (by check or by wire) and (ii) either the assumption by Buyer of the obligations of Seller pursuant to the following two notes (the “Notes”):

[List of Notes]

or the delivery by Buyer of sufficient funds to satisfy Seller’s outstanding obligations under the Notes.

- The Assets shall include the tangible and intangible assets and liabilities that are used and useful solely in the operation of the Station (including, without limitation, the station’s FCC license, its transmission equipment, the lease(s) associated with its tower site, agreements with program suppliers and other vendors, agreements with employees, [is the studio/office owned or leased?]).
- The following assets will not be included in the Assets to be acquired by Broker:
  - [Anything specific to exclude from the assets to be acquired?]
- Either party shall have the right to terminate the APA if the FCC has not granted an application for approval of the assignment of the Station’s license within twenty four months of the effective date of the APA.