

ASSET PURCHASE AGREEMENT

ASSET PURCHASE AGREEMENT, dated as of May 9, 2016 (this "Agreement"), by and among Clear Channel Broadcasting Licenses, Inc., a Nevada Corporation ("CCBL"), iHeartMedia Entertainment, Inc., a Nevada corporation ("iHME" and together with CCBL, "Buyer"), and Reach Communications, Inc., a non-profit Florida corporation ("Seller").

WITNESSETH:

WHEREAS, Seller is the licensee of FM translator station W295AZ, Jacksonville Beach, Florida (106.9 MHz, FCC Facility ID Number 152950) (the "Station"), pursuant to authorization(s) (the "FCC Authorizations") issued by the Federal Communications Commission (the "FCC"); and

WHEREAS, on the terms and conditions described herein, Seller desires to sell and Buyer desires to acquire the Station's FCC Authorizations and certain of the assets held or owned by Seller and used in connection with the operation of the Station.

NOW, THEREFORE, in consideration of the foregoing and of the mutual promises herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. **Sale of Assets.**

(a) Upon the terms and subject to the conditions in this Agreement, on the Closing Date (as hereinafter defined), Seller shall sell, assign and transfer to Buyer, and Buyer shall purchase and assume from Seller, the right, title and interest of the Seller in and to the following assets used in connection with the operation of the Station (the "Assets") (but excluding the Excluded Assets described in subparagraph (b) below):

(i) Certain of Seller's equipment and other tangible personal property used in the transmission operations of the Station (the "Tangible Personal Property"), as set forth on Schedule 1 hereto;

(ii) Licenses, permits and other authorizations, including the FCC Authorizations (collectively, the "Licenses"), issued by the FCC to Seller in connection with the operations of the Station, as set forth on Schedule 2 hereto;

(iii) All of Seller's right, title, and interest in and to the Station Tower Lease as further identified and described on Schedule 3 hereto; and

(iv) the Station records maintained by Seller pursuant to 47 C.F.R. Section 74.1281.

(b) Seller shall not sell, assign or transfer to Buyer any assets, of whatever kind or nature, wherever located, which are held by Seller and used or useful in connection with the operations or ownership of any station(s) other than the Station, including any privileges, rights,

interests and claims associated therewith (the “Excluded Assets”) and specifically including, without limitation, the following:

- (i) Cash on hand and in banks (or their equivalents), and accounts receivable arising out of the operation of the Station prior to Closing;
- (ii) All rights of Seller under all contracts, leases and agreements, including contracts of insurance and insurance proceeds of settlement and insurance claims made by Seller relating to property or equipment repaired, replaced, or restored by Seller prior to the Closing Date;
- (iii) All pension, profit-sharing, retirement, stock purchase or savings plans or trusts and any assets thereof and all other employee benefit plans;
- (iv) All deposits and all prepaid expenses and taxes;
- (v) Seller’s corporate records;
- (vi) All tangible and intangible personal and real property used or useful in connection with any of Seller’s broadcast properties excluding the Station;
- (vii) Any leases, other contracts, liabilities, obligations, payables, of any kind, nature or description not listed on the Schedules hereto as assumed by Buyer; and
- (viii) Any assets used primarily in connection with of any of Seller’s other stations.

(c) The Assets shall be transferred to Buyer free and clear of liens, claims and encumbrances (“Liens”) except for liens for taxes not yet due and payable, and liens that will be released at or prior to Closing (collectively, “Permitted Liens”).

(d) All expenses relating to the Assets shall be prorated between Buyer and Seller in accordance with generally accepted accounting principles as of 12:01 a.m. on the day of Closing. Prorations and adjustments shall be made no later than sixty (60) calendar days after Closing.

(e) Seller shall bear the risk of any loss of or damage to any of the Assets at all times until the Closing, and Buyer shall bear the risk of any such loss or damage thereafter.

2. **Consideration.** Upon the terms and subject to the conditions contained in this Agreement, and in consideration of the sale of the Assets, on the Closing Date, Buyer shall pay to Seller the sum of TWO HUNDRED AND FIFTY THOUSAND DOLLARS (\$250,000.00) (the “Purchase Price”). The Purchase Price shall be payable to Seller at Closing by wire transfer of immediately available funds.

3. **Deposit.** Seller acknowledges that Buyer has, prior to or concurrently with the execution of this Agreement, delivered to Seller by wire transfer the sum of TWELVE THOUSAND FIVE HUNDRED DOLLARS (\$12,500.00) (the “Deposit”). At Closing, the

Deposit shall be credited towards the Purchase Price. If this Agreement is terminated by Seller pursuant to Section 12(a)(1), or in the event a material condition to Closing cannot be met due to any action or inaction of Buyer required by this Agreement, the Deposit shall be retained by Seller as liquidated damages, provided that Seller is not in breach of any of its material obligations under this Agreement. If this Agreement is terminated for any other reason, the Deposit shall be returned by Seller to Buyer within five (5) business days.

4. **FCC Consent; Assignment Application.** Not later than five (5) business days after the date hereof, CCBL and Seller shall execute, file and use commercially reasonable efforts to prosecute an application with the FCC (the "**Assignment Application**") requesting FCC consent to the assignment, from Seller to CCBL, of all FCC Authorizations pertaining to the Station (the "**FCC Consent**"). CCBL and Seller shall take all commercially reasonable steps to cooperate with each other and with the FCC to secure such FCC Consent without delay, and to promptly consummate this Agreement in full.

5. **Closing Date; Closing Place.** The closing (the "**Closing**") of the transactions contemplated by this Agreement shall occur on a mutually agreeable date (the "**Closing Date**") which shall be after the FCC Consent has been granted and no later than ten (10) days following the date on which the FCC Consent shall have become a Final Order (as hereinafter defined) and the other conditions to closing set forth in Section 9 have either been waived or satisfied. For purposes of this Agreement, the term "**Final Order**" means action by the FCC consenting to an application that is not reversed, stayed, enjoined, set aside, annulled or suspended, and with respect to which action no timely request for stay, petition for rehearing or appeal is pending, and as to which the time for filing any such request, petition or appeal or reconsideration by the FCC on its own motion has expired. The Closing shall be held by mail, facsimile, or electronic mail, as the parties may agree.

6. **Representations and Warranties of Seller.** Seller hereby makes the following representations and warranties to Buyer:

(a) Seller is a non-profit corporation duly organized, validly existing and in good standing under the laws of the State of Florida. Seller has the power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Seller and constitutes the legal, valid and binding agreement of Seller enforceable in accordance with its terms, except as may be limited by bankruptcy, insolvency or other laws affecting generally the enforcement of creditors' rights or the application of principles of equity.

(b) **Schedule 1** hereto contains a list of the Tangible Personal Property owned by Seller that shall be assigned to **iHME** at Closing. Seller owns and has, and will have on the Closing Date, good and marketable title to the Tangible Personal Property, free and clear of Liens or other encumbrances of any kind or nature except for Permitted Liens. Seller represents and warrants that all items of Tangible Personal Property are in good operating condition, ordinary wear and tear excepted.

(c) **Schedule 2** hereto contains a true and complete list of the FCC Authorizations that are required by the FCC to operate the Station. Except as set forth on **Schedule 2**, the FCC

Authorizations are in full force and effect, unimpaired by any act or omission of Seller. There is not pending, or, to Seller's knowledge, threatened, any action by or before the FCC to revoke, suspend, cancel, rescind or materially adversely modify the FCC Authorizations (other than proceedings to amend FCC rules of general applicability). Seller lawfully holds each of the FCC Authorizations listed on Schedule 2, none of which is subject to any restrictions or conditions that would limit in any material respect the operations of the Station, except such conditions as are stated on the face thereof. There are no outstanding unsatisfied or threatened FCC notices of violation, citations or cease and desist orders against the Station, and any FCC citations or orders subsequently issued shall be satisfied prior to Closing. To Seller's knowledge, there is no ongoing investigation of Seller or the Station by the FCC or by any other federal or state governmental agency. All material reports and filings required to be filed with the FCC by Seller with respect to the Station have been timely filed. All such reports and filings are accurate and complete in all material respects. Seller is a non-profit corporation exempted from regulatory fees by 47 C.F.R. Section 1.1162(c). Seller maintains FM Translator station records in material compliance with 47 C.F.R. Section 74.1281.

(d) Schedule 3 hereto contains a true and complete copy of the Station Tower Lease for the Station. The Station Tower Lease constitutes all the real property and leasehold interests owned or held by Seller or any affiliate of Seller necessary for the operation of the Station as presently licensed by the FCC.

(e) Seller has, in respect of the Station's business, filed all foreign, federal, state, county and local income, excise, property, sales, use, franchise and other tax returns and reports which are required to have been filed by it under applicable law, and has paid all taxes which have become due pursuant to such returns or pursuant to any assessments which have become payable.

(f) No representation or warranty made by Seller in this Agreement, and no statement made in any certificate, document, exhibit or schedule furnished or to be furnished in connection with the transactions herein contemplated, contains or will contain any untrue statement of a material fact or omits or will omit to state any material fact necessary to make such representation or warranty or any such statement not misleading.

7. **Representations and Warranties of Buyer.** Buyer hereby makes the following representations and warranties to Seller:

(a) This Agreement has been duly and validly executed and delivered by Buyer and constitutes the legal, valid and binding agreement of Buyer enforceable in accordance with its terms, except as may be limited by bankruptcy, insolvency or other laws affecting generally the enforcement of creditors' rights or the application of principles of equity.

(b) Buyer is legally, financially and technically qualified to acquire and become the licensee of, acquire, own and operate the Station under the Communications Act of 1934, as amended (the "Communications Act") and the rules, regulations and policies of the FCC. There are no facts that would, under existing law and the existing rules, regulations, policies and procedures of the FCC, disqualify Buyer as an assignee of the FCC Authorizations or as the

owner and operator of the Station. Buyer has and will have available on the Closing Date sufficient funds to enable it to consummate the transactions contemplated hereby.

(c) No representation or warranty made by Buyer in this Agreement, and no statement made in any certificate, document, exhibit or schedule furnished or to be furnished in connection with the transactions herein contemplated, contains or will contain any untrue statement of a material fact or omits or will omit to state any material fact necessary to make such representation or warranty or any such statement not misleading to Seller to the best of Buyer's knowledge.

8. **Seller Covenants.** Seller covenants with Buyer that, between the date hereof and the Closing Date, Seller shall take all reasonable actions necessary to keep the FCC Authorizations valid and in full force and effect. Between the date hereof and Closing, except as permitted by this Agreement or with the prior written consent of Buyer, Seller shall not materially adversely modify, and in all material respects maintain in full force and effect, the FCC Authorizations. Seller shall use commercially reasonable efforts to prosecute any mutually agreeable application for the minor modification of the Station, and/or consent in writing to the filing of a contingent modification application by Buyer in accordance with the provisions of 47 C.F.R. Section 73.3517(a), provided that Buyer shall pay directly, or reimburse Seller for, the reasonable costs of preparing, filing, consenting to and/or prosecuting such application. Notwithstanding the foregoing, Buyer shall prepare, and pay directly all costs of, all necessary engineering for any minor modification application.

9. **Conditions Precedent to Obligation to Close.**

(a) The performance of the obligations of Seller hereunder is subject to the satisfaction of each of the following express conditions precedent, unless waived in writing by Seller:

(i) Buyer shall have performed and complied in all material respects with all of the agreements, obligations and covenants required by this Agreement to be performed or complied with by Buyer prior to or as of the Closing Date;

(ii) The representations and warranties of Buyer set forth in this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same effect as if made on and as of the Closing Date;

(iii) The FCC Consent contemplated by this Agreement shall have been granted;

(iv) Buyer shall have delivered to Seller, on the Closing Date, the documents and payments required to be delivered pursuant to Section 10(b); and

(v) Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

(b) The performance of the obligations of Buyer hereunder is subject to the satisfaction of each of the following express conditions precedent:

(i) Seller shall have performed and complied in all material respects with all the agreements, obligations and covenants required by this Agreement to be performed or complied with by Seller prior to or as of the Closing Date;

(ii) The representations and warranties of Seller set forth in this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same effect as if made on and as of the Closing Date;

(iii) The FCC Consent contemplated by this Agreement shall have been granted by Final Order;

(iv) The FCC Authorizations shall be in full force and effect and there shall be no proceedings pending before the FCC to revoke, cancel, rescind, adversely modify or refuse to renew any of such FCC Authorizations;

(v) Seller shall have delivered to Buyer, on the Closing Date, the documents required to be delivered pursuant to Section 10(a); and

(vi) Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

10. Closing Deliveries.

a) At the Closing, Seller will execute and deliver to Buyer the following, each of which shall be in form and substance satisfactory to Buyer and its counsel:

(i) A Bill of Sale;

(ii) An Assignment and Assumption of the Station's FCC Authorizations;

(iii) An Assignment and Assumption of the Station Tower Lease;

(iv) An Estoppel Certificate and Consent to Assignment of, or agreement of the site lessor consenting to the assignment of, the Station Tower Lease executed by the landlord thereunder, provided that Buyer shall cooperate in obtaining such consent at its own cost, including without limitation by providing the site lessor with such financial, credit or other information as site lessor may request;

(v) A Termination of that certain Amended and Restated SPS Channel(s) Use and Rebroadcast Agreement among CCBL, Citicasters Licenses, Inc. and Seller, made as of January 22, 2015 (the "SPS Agreement"), executed by the parties thereto; and

(vi) Any other instruments of conveyance, assignment and transfer that may be reasonably necessary to convey, transfer and assign the Assets from Seller to Buyer, free and clear of Liens, except for Permitted Liens.

(b) Prior to or at the Closing, CCBL and/or iHME, as appropriate, will execute and deliver to Seller the following, each of which shall be in form and substance satisfactory to Seller and its counsel:

- (i) The Purchase Price in accordance with Sections 2 and 3;
- (ii) An Assignment and Assumption by CCBL of the Station's FCC Authorizations;
- (iii) An Assignment and Assumption by iHME of the Station Tower Lease;
- (iv) A Termination of the SPS Agreement, executed by the parties thereto; and

(v) Any other instruments of conveyance, assignment and transfer that may be reasonably necessary to convey, transfer and assign the Assets from Seller to Buyer, free and clear of Liens, except for Permitted Liens.

11. **Indemnification.**

(a) Seller shall defend, indemnify and hold harmless Buyer from and against any and all losses, costs, damages, liabilities and expenses, including reasonable attorneys' fees and expenses incurred by Buyer arising out of or resulting from (i) any breach by Seller of its representations and warranties made under this Agreement; or (ii) any default by Seller of any covenant or agreement made under this Agreement; or (iii) Seller's operation of the Station prior to Closing.

(b) Buyer shall defend, indemnify and hold harmless seller from and against any and all losses, costs, damages, liabilities and expenses, including reasonable attorneys' fees and expenses incurred by Seller arising out of or resulting from (i) any breach by Buyer of its representations and warranties made under this Agreement; or (ii) any default by Buyer of any covenant or agreement made under this Agreement; or (iii) Buyer's operation of the Station from and after Closing.

12. **Termination.**

(a) This Agreement may be terminated by either Buyer or Seller, if the party seeking to terminate is not in default or breach of any of its material obligations under this Agreement upon written notice to the other upon the occurrence of any of the following: (i) if, on or prior to the Closing Date, the other party breaches any of its material obligations contained herein, and such breach is not cured by the earlier of the Closing Date or thirty (30) days after receipt of the notice of breach from the non-breaching party; or (ii) if the Assignment Application is denied by the FCC and such denial shall have become a Final Order; or (iii) if

there shall be in effect any judgment, final decree or order that would prevent or make unlawful the Closing of this Agreement, or (iv) if the Closing has not occurred within 12 months of the date hereof; or (v) by Buyer, if the FCC Authorizations for the Station are revoked or otherwise terminated or materially adversely modified by the FCC.

(b) Specific Performance. In the event of failure or threatened failure by Seller to comply with the terms of this Agreement, provided that Buyer is not then in breach of this Agreement, Buyer shall be entitled to an injunction restraining such failure or threatened failure and, subject to obtaining any necessary FCC consent, to enforcement of this Agreement by a decree of specific performance requiring compliance with this Agreement, as its sole remedy.

(c) Liquidated Damages. If Seller terminates this Agreement pursuant to Section 12(a)(1) for Buyer's uncured breach of this Agreement, provided Seller is not in breach of this Agreement, Seller will be entitled to retain the Deposit as liquidated damages, which payment shall be the sole remedy of Seller under this Agreement. Buyer acknowledges and agrees that Seller's recovery of such amount shall constitute payment of liquidated damages and not a penalty and that Seller's liquidated damages amount is reasonable in light of the substantial but indeterminate harm anticipated to be caused by Buyer's material breach or default under this Agreement, the difficulty of proof of loss and damages, the inconvenience and non-feasibility of otherwise obtaining an adequate remedy, and the value of the transactions to be consummated hereunder.

(d) Survival. Except as provided by Section 12(c), the termination of this Agreement shall not relieve any party of any liability for breach or default under this Agreement prior to the date of termination. Notwithstanding anything contained herein to the contrary, Section 3 (Deposit) (and Section 12(c) with respect to the Deposit) and Section 17 (Expenses) shall survive any termination of this Agreement.

13. Notices. All notices, elections and other communications permitted or required under this Agreement shall be in writing and shall be deemed effectively given or delivered upon personal delivery (or refusal thereof), or twenty-four (24) hours after delivery to a courier service which guarantees overnight delivery, or five (5) days after deposit with the U.S. Post Office, by registered or certified mail, postage prepaid, and, in the case of courier or mail delivery, addressed as follows (or at such other address for a party as shall be specified by like notice):

If to Seller, to:

Reach Communications, Inc.
2701 West Cypress Creek Road
Fort Lauderdale, FL 33309
Attn: Douglas R. Sauder, Pres.

with a copy (which shall not constitute notice) to:

Calvary Chapel of Fort Lauderdale
2401 West Cypress Creek Road
Fort Lauderdale, FL 33309
Attn: Paul R. Alfieri, Esq.

And to:

Sciarrino & Shubert, PLLC
4601 N. Fairfax Drive, Suite 1200
Arlington, VA 22203
Attn: Dawn M. Sciarrino, Esq.

If to Buyer, to:

iHeartMedia
200 E. Basse Road
San Antonio, TX 78209
Attention: Richard J. Bressler

and

iHeartMedia
8044 Montgomery Road, Suite 650
Cincinnati, OH 45236
Attention: Jeff Littlejohn

with a copy (which shall not constitute notice) to:

iHeartMedia
Legal Department
200 E. Basse Road
San Antonio, TX 78209
Attention: Christopher M. Cain, Esq.

14. **Governing Law; Venue.** This Agreement shall be construed and enforced in accordance with the laws of the State of Florida, without giving effect to the choice of law principles thereof.

15. **Partial Invalidity.** Wherever possible, each provision hereof shall be interpreted in such manner as to be effective and valid under applicable law, but in case any provision contained herein shall, for any reason, be held to be invalid or unenforceable, such provision shall be ineffective to the extent of such invalidity or unenforceability without invalidating the

remainder of such provision or any other provisions hereof, unless such a construction would be unreasonable.

16. **Counterparts.** This Agreement may be executed in several counterparts, each of which will be deemed to be an original but all of which together will constitute one and the same instrument. This Agreement may be executed and exchanged by facsimile transmission or electronic mail, with the same legal effect as if the signatures had appeared in original handwriting on the same physical document.

17. **Expenses.** Except as otherwise set forth herein, each party hereto shall be solely responsible for all costs and expenses incurred by it in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement. All fees and charges applicable to any requests for the FCC Consent shall be paid by the party upon whom the applicable authority imposes the fee or charge (or shall be shared equally if not imposed upon either party). Seller and Buyer shall share equally any governmental taxes, fees and charges applicable to the transfer of the Assets under this Agreement. Each party is responsible for any commission, brokerage fee, advisory fee or other similar payment that arises as a result of any agreement or action of it or any party acting on its behalf in connection with this Agreement or the transactions contemplated hereby.

18. **Assignment.** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. No party may voluntarily or involuntarily assign its interest or delegate its duties under this Agreement without the prior written consent of the other party, provided, however, that Buyer may assign its rights hereunder, in whole or in part, to an affiliate of Buyer upon written notice to, but without consent of, Seller, provided that (i) any such assignment does not delay processing of the Assignment Application, grant of the FCC Consent or Closing, (ii) any such assignee delivers to Seller a written assumption of this Agreement, and (iii) Buyer shall remain liable for all of its obligations hereunder.

19. **Entire Agreement.** This Agreement, and the exhibits attached hereto, supersede all prior agreements and understandings between the parties with respect to the subject matter hereof and may not be changed or terminated orally, and no attempted change, amendment, or waiver of any of the provisions hereof shall be binding unless in writing and signed by both parties.

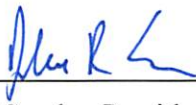
20. **Cooperation.** From time to time after the date of execution hereof, the parties shall take such further action and execute such further documents, assurances and certificates as either party reasonably may request of the other to effectuate the purposes of this Agreement.

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

Seller:

REACH COMMUNICATION, INC.

By: 
Douglas R. Sauder, President

Buyer:

**CLEAR CHANNEL BROADCASTING
LICENSES, INC.
iHEARTMEDIA ENTERTAINMENT, INC.**

By: _____
Jeff Littlejohn, Executive Vice President –
Engineering & Systems Integration

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

Seller:

REACH COMMUNICATION, INC.

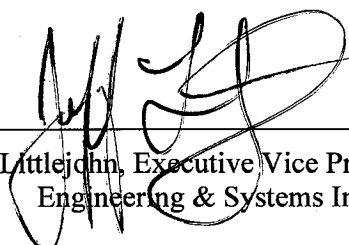
By: _____

Douglas R. Sauder, President

Buyer:

**CLEAR CHANNEL BROADCASTING
LICENSES, INC.
iHEARTMEDIA ENTERTAINMENT, INC.**

By: _____


Jeff Littlejohn, Executive Vice President –
Engineering & Systems Integration