

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made and entered into as of the 18th day of September, 2012 by and between REACH COMMUNICATIONS, INC., a Florida corporation ("Seller"), and GLK CONSULTANTS, LLC, a Florida limited liability company ("Buyer").

Recitals

WHEREAS, Seller owns and operates FM translator station W205CD, St. Augustine, Florida (the "Station") pursuant to authorizations issued by the Federal Communications Commission ("FCC"); and

WHEREAS, pursuant to the terms and subject to the conditions set forth in this Agreement, Buyer desires to purchase from Seller the assets used or useful in the operations of the Station, subject to the prior approval of the FCC ("FCC Consent").

Agreement

NOW, THEREFORE, in consideration of the mutual promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound, do hereby agree as follows:

1. Purchase of Assets. On the terms and subject to the conditions set forth in this Agreement, on the Closing (as hereafter defined), Seller shall sell, assign, convey, transfer and deliver to Buyer, and Buyer shall purchase from Seller, all right, title and interest of the Seller in and to all of the assets that are used or useful in the operation of the Station, including the licenses, construction permits and other authorizations issued by the FCC, the Federal Aviation Administration (if any) and any other federal, state or local governmental authorities to Seller (collectively, the "Licenses"), as set forth on Schedule 1 hereto, and any other tangible and intangible assets described on Schedule 1 ~~relating to the equipment used to broadcast W205CD including transmitter, processor, etc.~~ The Licenses and broadcast equipment shall be conveyed free and clear of any and all liens, claims, charges, security interests, encumbrances or other restrictions or limitations of any nature whatsoever ("Liens") except liens for taxes not yet due and payable.
2. Assumption of Obligations. On the Closing Date, Buyer shall assume the obligations of Seller set forth in Schedule 2 with respect to the Assets arising during, or attributable to, any period of time on or after the Closing Date (collectively, the "Assumed Obligations"). Except as set forth herein, Buyer expressly does not, and shall not, assume or be deemed to assume, under this Agreement or otherwise by reason of the transactions contemplated hereby, any liabilities, obligations or commitments of Seller of any nature whatsoever.
3. Excluded Assets. Notwithstanding anything to the contrary herein, the assets to be conveyed shall not include: (a) Seller's transmitter site lease, underwriting or other programming contracts, (b) intellectual property, (c) accounts receivable, (d) cash, cash equivalents, or insurance policies, and (e) corporate records (collectively, the "Excluded Assets").
4. Purchase Price. Upon the terms and subject to the conditions contained in this Agreement, and in consideration of the assignment of the Licenses, on the Closing Date Buyer

shall pay to Seller the sum of Thirty Thousand Dollars (\$30,000) (the "Purchase Price") on the Closing Date (as hereafter defined) by wire transfer of immediately available funds. Concurrently with the execution of this Agreement, Buyer has delivered to Washington First Bank ("Escrow Agent") the sum of Ten Thousand Dollars (\$10,000) to be held as an earnest money deposit (the "Earnest Money Deposit") pursuant to an Escrow Agreement of even date herewith. The Earnest Money Deposit shall be paid to Seller as partial payment of the cash Purchase Price due at Closing to Seller, or shall otherwise be made available to Seller or released to Buyer in accordance with the provisions of this Agreement.

5. Prorations and Adjustments; Taxes. All prepaid and deferred income and expenses relating to the Assets and arising from the operation of the Station 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. Such prorations shall include, without limitation, FCC regulatory fees, if any. Any sales or use taxes, transfer taxes and similar fees associated with Closing, Buyer shall pay any costs of recordation, filing fees or similar fees.

6. FCC Assignment Application. Within ten (10) business days after the execution of this Agreement the parties shall jointly file an application for assignment with the FCC (the "Assignment Application"). Buyer shall pay the filing fees related to such Assignment Application. Each of Buyer and Seller shall use commercially reasonable efforts to take or cause to be taken all actions necessary or appropriate to be taken by such party to permit the FCC to issue the FCC Consent in a timely manner, shall cooperate with each other in the preparation, filing and prosecution of the Assignment Application and agree to furnish all information required by the FCC in connection with such Assignment Application; provided, however, that neither party shall be required to comply with any FCC request that would have a material adverse effect on the Station.

7. Closing; Deliveries. The consummation of the transactions contemplated by this Agreement (the "Closing") shall take place on a date and at a time and place as mutually agreed upon by Buyer and Seller that is within ten (10) business days of the date of the FCC's initial grant of its consent to the assignment of the FCC License to Buyer, subject to satisfaction or waiver of the conditions to Closing contained in this Agreement. At Closing, Seller and Buyer shall jointly execute an Assignment and Assumption of Licenses, an Assignment and Assumption of the Assumed Obligations, and such other documents, instruments and agreements necessary to consummate the transactions contemplated by this Agreement, and Buyer shall deliver to Seller the Purchase Price.

8. Representations and Warranties. As of the date hereof and as of the Closing:

(a) Each of Buyer and Seller represents, warrants, and covenants that (i) it has the full right and legal authority to enter into and fully perform this Agreement in accordance with the terms and conditions hereof; (ii) the execution, delivery and performance of this Agreement does not and will not violate or cause a breach of any other agreements or obligations to which it is a party or by which it is bound; and (iii) there is no broker, finder or other person who would have any valid claim for a commission or brokerage in connection with this Agreement or the transaction contemplated hereby as a result of any agreement, understanding or action by it.

(b) Seller represents, warrants and covenants that Schedule 1 hereto sets forth the Licenses held by Seller with respect to the Station. The Licenses constitute all of the licenses, permits and authorizations from the FCC that are necessary or required for the operation of the Station as now

operated. The Licenses are in full force and effect. Seller has operated the Station in all material respects in accordance with the terms of the FCC Licenses, the Communications Act of 1934, as amended, and the rules, regulations and policies of the FCC.

(c) Buyer represents, warrants and covenants that it is legally, financially and otherwise qualified to become the licensee of the Station, and Buyer knows of no reason why the FCC would not approve its acquisition of the Licenses.

9. Closing Conditions:

(a) Of Seller. The obligation of Seller to consummate the transactions contemplated herein is subject to the satisfaction, at or prior to Closing, of each of the following conditions: (i) the representations and warranties of Buyer made in this Agreement shall be true and correct in all material respects as of the Closing Date except for changes permitted or contemplated by the terms of this Agreement, and the covenants and agreements to be complied with and performed by Buyer at or prior to Closing shall have been complied with or performed in all material respects; (ii) 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; (iii) the FCC Consent shall have been granted; and (iv) Buyer shall have complied with its obligations set forth in Section 7.

(b) Of Buyer. The obligation of Buyer to consummate the transactions contemplated herein is subject to the satisfaction, at or prior to Closing, of each of the following conditions: (i) the representations and warranties of Seller made in this Agreement shall be true and correct in all material respects as of the Closing Date except for changes permitted or contemplated by the terms of this Agreement, and the covenants and agreements to be complied with and performed by Seller at or prior to Closing shall have been complied with or performed in all material respects; (ii) 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; and (iii) the FCC Consent shall have been granted.

10. Additional Agreements:

(a) Control of the Station. Prior to the Closing, Buyer shall not, directly or indirectly, control, supervise or direct, or attempt to control, supervise or direct, the operations of the Station. Such operations, including control and supervision of all of the Station's employees and policies, shall be the responsibility of Seller.

(b) Operation of the Business. Between the date hereof until the Closing or the termination of this Agreement, except as permitted by this Agreement or with the prior written consent of Buyer, Seller shall comply in all material respects with FCC rules and regulations and with all other applicable laws, regulations, rules and orders with respect to the Station's operations and equipment.

(c) Termination or assumption of Tower Site Lease. Between the date hereof until the Closing, Buyer shall negotiate the transfer or termination of tower lease requirements effective as of the Closing Date.

(d) Confidentiality. Between the date hereof and the Closing Date, the parties agree to keep confidential the terms of this Agreement, except with respect to any disclosure required by law or the rules and regulations of the FCC.

11. Survival; Termination; Indemnification:

(a) Survival. The respective representations and warranties of each of the parties to this Agreement shall expire upon the Closing.

(b) Termination. Either party may terminate this Agreement if the Closing has not occurred within one (1) year following the date of this Agreement, provided that the party seeking termination shall not be in default or breach of any of its material obligations under this Agreement. In such case, the Earnest Money Deposit, including all interest earned thereon, shall be returned to Buyer. No breach shall become a material breach unless the breaching party files to remedy such breach within fifteen (15) business days of written notice of breach. Upon termination of this Agreement by Seller as a result of a breach by Buyer of any of its material obligations under this Agreement, Seller's sole remedy shall be payment of the Earnest Money Deposit, including all interest earned thereon, as liquidated damages. Upon termination of this Agreement by Buyer as a result of a breach by Seller of any of its material obligations under this Agreement, the Earnest Money Deposit, including all interest earned thereon, shall be returned to Buyer. Termination of this Agreement shall not relieve any party of any liability it would otherwise have for a breach or default under this Agreement.

(c) Indemnification. Neither party shall be entitled to indemnification pursuant to this Agreement.

12. Miscellaneous:

(a) Expenses. Except as otherwise specifically provided in this Agreement, each party to this Agreement shall bear its own expenses, including the fees of any attorneys, accountants or others engaged by such party in connection with this Agreement and the transactions contemplated hereby.

(b) Assignment; Binding Effect. No party to this Agreement may assign this Agreement or such party's rights, duties and obligations hereunder without the prior written consent of the other parties hereto. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their legal representatives, successors and assigns.

(c) Entire Agreement; Amendment. This Agreement, including the Schedules, sets forth the entire understanding of the parties. No modification, amendment, waiver or release of any provision of this Agreement or of any right, obligation, claim or cause of action arising under this Agreement shall be valid or binding for any purpose unless in writing and duly executed by the party against whom the same is sought to be asserted.

(d) Governing Law. Except to the extent preempted by federal law, this Agreement and all documents delivered or to be delivered in accordance with this Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida, without regard to principles of conflicts of law.

(e) Notices. Any notice made pursuant to this Agreement shall be in writing and shall be deemed delivered on the date of personal delivery or confirmed facsimile transmission or confirmed delivery by a nationally recognized overnight courier service, and shall be addressed as follows (or to such other address as any party may request by written notice):

If to Seller:

Mr. Robert J. Coy, President
Reach Communications, Inc.
2701 West Cypress Creek Road
Fort Lauderdale, FL 33309
Facsimile: 954.315.4375
Tel: 954.315.4329

with a copy, which shall not constitute notice to:

Paul R. Alfieri, Esq.
2401 West Cypress Creek Road
Fort Lauderdale, FL 33309
Tel: (954) 315-4315
Facsimile: (954) 301-2622

If to Buyer:

Mr. Kevin Geddings, President
GLK Consultants, LLC
128 Hagge Drive
Daytona Beach, FL 32124
Tel: 386.479.5544
Kevin@GLKconsultants.com

(f) Counterparts; Facsimiles. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument, and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other parties. The signature page to this Agreement and all other documents required to be executed at Closing may be delivered by facsimile or other electronic transmission and the signatures thereon shall be deemed effective upon receipt by the intended receiving party.

(g) Severability. If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction or as a result of legislative or administrative action, such holding or action shall be strictly construed and shall not affect the validity or affect any other provision of this Agreement.

[SIGNATURE PAGE FOLLOWS]

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

SELLER:

REACH COMMUNICATIONS, INC.

By: 

James Taylor
Agent

Date

9/17/12

BUYER:

GLK CONSULTANTS, LLC

By: 

Kevin Geddings
President

Date

9/17/12