

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this “Agreement”) is made as of February 7, 2019 among Alpha Media LLC and Alpha Media Licensee LLC, each a Delaware limited liability company (collectively, “Seller”) and Educational Media Foundation, a California non-profit religious corporation (“Buyer”).

Recitals

A. Concurrently with the execution of this Agreement, Seller (as buyer), Matrix Broadcasting, LLC and Matrix Broadcasting Holdings, LLC, each a debtor-in-possession (as seller) (“Matrix”) and certain other parties are entering into an asset purchase agreement for Seller’s acquisition of WFXF(FM), Dundee, Illinois (FCC Facility ID #3135) (the “Station”) and WZSR(FM), Woodstock, Illinois (“WZSR”) (the “Matrix APA”).

B. Pursuant to the terms and subject to the conditions set forth in this Agreement, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, the Station Assets (defined below).

Agreement

NOW, THEREFORE, taking the foregoing into account, and in consideration of the mutual covenants and agreements set forth herein, the parties, intending to be legally bound, hereby agree as follows:

ARTICLE 1: PURCHASE OF ASSETS

1.1 Station Assets. On the terms and subject to the conditions hereof, at Closing (defined below), except for the Excluded Assets (defined below), Seller shall sell, assign, transfer, convey and deliver to Buyer, and Buyer shall purchase and acquire from Seller, all right, title and interest of Seller or Matrix (as applicable) in and to the following assets and properties that are used or held for use in the operation of the Station (the “Station Assets”):

(a) all licenses, permits and other authorizations issued by the Federal Communications Commission (the “FCC”) with respect to the Station (the “FCC Licenses”), including those described on *Schedule 1.1(a)*, including any renewals or modifications thereof between the date hereof and Closing;

(b) all equipment and other tangible personal property of every kind and description that is located at the Station’s transmitter site (the “Tangible Personal Property”);

(c) all of Seller’s right, title and interest in the owned real property described on *Schedule 1.1(c)* (“Owned Real Property”), the easement described on *Schedule 1.1(c)* (the “Easement Agreement”) and the real property lease listed on *Schedule 1.1(c)* (the “Real Property Lease”);

(d) all of Seller’s rights in and to the Station’s call letters; and

(e) Seller's rights in and to all the files, documents, records, and books of account (or copies thereof) primarily relating to the Station Assets, including the Station's local public file, real estate surveys, title insurance policies, environmental reports and engineering data and logs for the Owned Real Property, but excluding records relating to Excluded Assets (defined below).

The Station Assets shall be transferred to Buyer free and clear of liens, claims and encumbrances ("Liens") except for Permitted Liens. "Permitted Liens" means (i) Assumed Obligations (defined in Section 1.3), (ii) liens for taxes not yet due and payable, (iii) liens that will be released at or prior to Closing, (iv) encroachments that do not in any material respect impair the use of the Owned Real Property as a communications site, and (v) with respect to the Owned Real Property, encumbrances on title for (A) rights of the grantee under the Easement Agreement, (B) any liens, encumbrances or other matters caused by or placed upon the Owned Real Property in compliance with the Easement Agreement, (C) Seller's and Matrix's right in possession of the Owned Real Property under the Real Property Lease, (D) easements, rights of way or similar grants of rights to a third party for access to or access across, over or beneath the Owned Real Property or granted to any utility company or similar entity in connection with electricity, water, sewage, telephone, gas or similar services which do not in any material respect impair the use of the Owned Real Property as a communications site, and (E) those matters listed on *Schedule 5.8*.

1.2 Excluded Assets. Notwithstanding anything to the contrary contained herein, the Station Assets shall not include the following assets or any rights, title and interest therein (the "Excluded Assets"):

(a) all cash and cash equivalents of Seller, including without limitation certificates of deposit, commercial paper, treasury bills, marketable securities, money market accounts and all such similar accounts or investments;

(b) all tangible and intangible personal property retired or disposed of between the date of this Agreement and Closing;

(c) all agreements for the sale of advertising time on the Station and all other contracts, agreements and leases other than the Real Property Lease;

(d) Seller's corporate names, any trade names not exclusive to the operation of the Station (including the name "Alpha Media"), charter documents, business records, and books and records relating to the organization, existence or ownership of Seller, duplicate copies of the records of the Station, and all records exclusively not relating to the Station Assets;

(e) all contracts of insurance, all coverages and proceeds thereunder and all rights in connection therewith, including without limitation rights arising from any refunds due with respect to insurance premium payments to the extent related to such insurance policies;

(f) all pension, profit sharing plans and trusts and the assets thereof and any other employee benefit plan or arrangement and the assets thereof, if any, maintained by Seller;

(g) the Station's accounts receivable and any other rights to payment of cash consideration for goods or services sold or provided prior to the Closing or otherwise arising during or attributable to any period prior to Closing (the "A/R");

(h) any non-transferable shrinkwrapped computer software and any other computer licenses;

(i) all rights and claims, whether mature, contingent or otherwise, against third parties with respect to the Station and the Station Assets, to the extent arising during or attributable to any period prior to Closing;

(j) all deposits and prepaid expenses (and rights arising therefrom or related thereto), except to the extent Seller receives a credit therefor under Section 1.6;

(k) computers and other similar assets and any other operating systems and related assets that are used in the operation of multiple stations;

(l) all trademarks, trade names, service marks, internet domain names, copyrights, programs and programming material, jingles, slogans, logos and other intangible property, programming information and studies, marketing and demographic data, advertising studies, sales correspondence, lists of advertisers and credit and sales reports; and

(m) the Station's studio site and all equipment located therein, together with all other assets used or held for use in the operation of any other station.

1.3 Assumption of Obligations. On the Closing Date (defined below), Buyer shall assume the obligations of Seller arising during, or attributable to, any period of time on or after the Closing Date under the Real Property Lease and the Easement Agreement and any other liabilities of Seller for which Buyer receives a credit therefor under Section 1.6 (collectively, the "Assumed Obligations"). Except for the Assumed Obligations, Buyer does not assume, and will not be deemed by the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby to have assumed, any other liabilities or obligations of Seller or Matrix (the "Retained Obligations").

1.4 Purchase Price. In consideration for the sale of the Station Assets to Buyer, at Closing Buyer shall pay Seller, by wire transfer of immediately available funds, the sum of Nine Hundred Thousand Dollars (\$900,000) subject to adjustment pursuant to Section 1.6 (the "Purchase Price").

1.5 Deposit. Within one (1) business day after the date of this Agreement, Buyer shall deposit an amount equal to 5% of the Purchase Price (the "Deposit") with Seller to be held in escrow by Seller. At Closing, the Deposit shall be retained by Seller and applied to the Purchase Price. If this Agreement is terminated by Seller pursuant to Section 10.1(c), then the Deposit shall be retained by Seller as liquidated damages. If this Agreement is terminated for any other reason, the Deposit shall be disbursed to Buyer. Any failure by Buyer to make the Deposit within the time required pursuant to this Section constitutes a material default as to which the Cure Period under Section 10.1 does not apply entitling Seller to immediately terminate this Agreement.

1.6 Prorations and Adjustments. All prepaid and deferred expenses relating to the Station Assets and arising from the operation of the Station Assets shall be prorated and adjusted between Buyer and Seller in accordance with generally accepted accounting principles (“GAAP”) as of 11:59 p.m. on the day immediately preceding the Closing Date (the “Adjustment Time”). Such prorations shall include without limitation all ad valorem, real estate and other property taxes (except transfer taxes as provided by Section 11.1), utility expenses, FCC regulatory fees, rent and other amounts under Real Property Lease and similar prepaid and deferred expenses. Buyer shall be responsible for all of the Station’s expenses attributable to the period from and after the Adjustment Time. Prorations and adjustments shall be made no later than sixty (60) calendar days after Closing.

1.7 Allocation. After Closing, Buyer and Seller shall allocate the Purchase Price among Station Assets and the goodwill being purchased and sold in accordance with the requirements of Section 1060 of the Internal Revenue Code of 1986, as amended (the “Code”). The allocation shall be determined by mutual agreement of the parties. Buyer and Seller each further agrees to file its federal income tax returns and its other tax returns reflecting such allocation as and when required under the Code. If the parties cannot agree on an allocation of the Purchase Price, the parties shall hire a mutually agreed upon appraisal firm to determine such allocation, which shall be binding on the parties. The parties shall instruct the appraiser to deliver his report within ninety (90) days after his appointment. Buyer and Seller shall each be responsible for one-half of the cost of such appraisal.

1.8 Closing. The consummation of the sale and purchase of the Station Assets provided for in this Agreement (the “Closing”) shall take place on the date of closing under the Matrix APA, subject to the satisfaction or waiver of the conditions set forth in Articles 6 and 7 below. The date on which the Closing is to occur is referred to herein as the “Closing Date.”

1.9 FCC Consent. Within one (1) business day after the date of this Agreement, Buyer and Seller shall file an application with the FCC (the “FCC Application”) requesting FCC consent to the assignment of the FCC Licenses to Buyer. FCC consent to the FCC Application pursuant to the FCC’s initial order without any material adverse conditions other than those of general applicability is referred to herein as the “FCC Consent”. Buyer and Seller shall diligently prosecute the FCC Application and otherwise use their commercially reasonable efforts to obtain the FCC Consent as soon as possible. Buyer and Seller shall notify each other of all documents filed with or received from any governmental agency with respect to this Agreement or the transactions contemplated hereby. Buyer and Seller shall furnish each other with such information and assistance as the other may reasonably request in connection with their preparation of any governmental filing hereunder.

1.10 Non-Commercial Station. Seller agrees to reasonably cooperate with Buyer in connection with the filing of an application by Buyer for the Station to become a non-commercial educational station with such conversion to be effective on or after the Closing Date, so long as any such application may be filed on a basis that is contingent and effective only upon a prior Closing and does not adversely affect any operations of Seller or its affiliates. The grant of any such application shall not be a condition to Closing hereunder. Any such application shall be made and prosecution thereof shall be conducted solely at Buyer’s expense. Seller shall be deemed to have cooperated with Buyer by prompt delivery of the signed statement required under Section 73.3517 of the FCC rules.

1.11 Matrix APA. Buyer acknowledges that (i) all of Seller's representations and warranties in this Agreement with respect to the Station or the Station Assets are based solely on Matrix making such representations and warranties to Seller and not upon any independent investigation by or knowledge of Seller, are all made to Seller's knowledge (whether or not such qualifier is set forth in a representation or warranty), and accordingly are subject to the Matrix APA, (ii) Matrix is currently a debtor in a bankruptcy proceeding in Texas, and (iii) notwithstanding anything to the contrary herein or in any document delivered pursuant hereto, Buyer shall have no rights against Matrix, and Matrix shall have no liability to Buyer, under this Agreement or any documents delivered pursuant to this Agreement.

ARTICLE 2: SELLER REPRESENTATIONS AND WARRANTIES

Seller makes the following representations and warranties to Buyer:

2.1 Organization. Seller is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization. Seller has the requisite power and authority to execute, deliver and perform this Agreement and all of the other agreements and instruments to be made by Seller pursuant hereto (collectively, the "Seller Ancillary Agreements") and to consummate the transactions contemplated hereby.

2.2 Authorization. The execution, delivery and performance of this Agreement and the Seller Ancillary Agreements by Seller have been duly authorized and approved by all necessary action of Seller and do not require any further authorization or consent of Seller. This Agreement is, and each Seller Ancillary Agreement when made by Seller and the other parties thereto will be, a legal, valid and binding agreement of Seller enforceable in accordance with its terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

2.3 No Conflicts. Except for the FCC Consent, consent to assign the Real Property Lease and bankruptcy court and FCC approval of the Matrix APA, the execution, delivery and performance by Seller of this Agreement and the Seller Ancillary Agreements and the consummation by Seller of any of the transactions contemplated hereby does not conflict with any organizational documents of Seller or any contract or agreement to which Seller is a party or by which it is bound, or any law, judgment, order, or decree to which Seller is subject, or require the consent or approval of, or a filing by Seller with, any governmental or regulatory authority or any third party.

2.4 FCC Licenses.

(a) Matrix Broadcasting, LLC holds the FCC Licenses listed and described on *Schedule 1.1(a)*. The FCC Licenses are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired. There is not pending or, to Seller's knowledge, threatened any action by or before the FCC to revoke, suspend, cancel, rescind or modify any of the FCC Licenses (other than proceedings relating to FCC rules of general applicability), and to Seller's knowledge, there is no order to show cause, notice of

violation, notice of apparent liability, or notice of forfeiture or complaint pending or threatened against the Station by or before the FCC. The Station is in compliance in all material respects with the FCC Licenses, the Communications Act of 1934, as amended (the “Communications Act”), and the rules, regulations and written policies of the FCC. The Station is operating at full power in accordance with its FCC-licensed parameters.

(b) The Station Assets are in compliance in all material respects with all rules and regulations of the Federal Aviation Administration (“FAA”) applicable to the Station. All reports and filings required to be filed with, and all regulatory fees required to be paid to, the FCC with respect to the Station (including, without limitation, all required equal employment opportunity reports) have been timely filed and paid. Public files for the Station are maintained as required by FCC rules.

2.5 Taxes. Matrix has filed all foreign, federal, state, county and local income, excise, property, sales, use, franchise, employment and other tax returns and reports which are required to have been filed by it under applicable law in connection with the Station’s business, and has paid all taxes which have become due pursuant to such returns or pursuant to any assessments which have become payable.

2.6 Personal Property. At Closing, each material item of Tangible Personal Property will be in normal operating condition consistent with the Station’s past practices. None of the Tangible Personal Property is subject to any capitalized lease or similar conditional sales agreement.

2.7 Real Property. Matrix has good and marketable fee simple title to the Owned Real Property. The Owned Real Property and the Real Property Lease provides sufficient access to the Station’s facilities located thereon without need to obtain any other access rights. To Seller’s knowledge, no part of the Owned Real Property or any real property subject to the Real Property Lease is subject to any pending or threatened suit for condemnation or other taking by any public authority. Except for the rights held by the holder of the Easement Agreement and any tower or other tenants of such holder, Matrix has not granted any oral or written right to any person (other than Seller) to lease, sublease, license or otherwise occupy any of the Owned Real Property. Seller has delivered to Buyer copies of any deeds, title insurance policies, title insurance commitments and surveys in the same form as Matrix delivered to Seller that are applicable to the Owned Real Property. The Real Property Lease is in full force and effect, and is binding upon Matrix and, to Seller’s knowledge, the other party thereto (subject to bankruptcy, insolvency, reorganization or other similar laws relating to or affecting the enforcement of creditors’ rights generally) and as of the Closing will be in full force and effect (subject to expiration or termination in accordance with their terms). Matrix has performed its obligations under the Real Property Lease in all material respects and is not in material default thereunder, and to Seller’s knowledge, the other party to the Real Property Lease is not in default thereunder in any material respect. Seller’s interest under the Real Property Lease will, as of the Closing Date, be free and clear of all Liens other than Permitted Liens. Seller has delivered to Buyer a copy of the Real Property Lease, together with all amendments thereto, in the same form as Matrix delivered to Seller.

2.8 Environmental. Except as set forth on *Schedule 2.8*, to Seller’s knowledge, no hazardous or toxic substance or waste (including, without limitation, petroleum products) or

other material regulated under any applicable environmental, health or safety law has been generated, stored, transported or released on, in, from or to the Owned Real Property or the real property subject to the Real Property Lease. Matrix has complied and is in compliance in all material respects with all environmental, health and safety laws applicable to the Station or the Station Assets. Seller has not received from Matrix in respect of the Station or Station Assets any notice or claim to the effect that Matrix is or may be liable under any environmental, health or safety law. To Seller's knowledge, none of Matrix, the Station or any Station Assets are the subject of any investigation by any governmental authority with respect to a violation of any environmental, health or safety law.

2.9 Insurance. Matrix maintains insurance policies in commercially reasonable amounts with reputable insurance companies with respect to the Station and the Station Assets. Seller will use commercially reasonable efforts to cause Matrix to maintain such insurance policies in effect without modification until the Closing Date. Seller has reviewed Matrix's insurance policies for the Station as provided to it by Matrix and, as of the date hereof, represents and warrants to Buyer that they are commercially reasonable.

2.10 Compliance with Law. The Station has materially complied and is in material compliance with all laws, regulations, rules, writs, injunctions, ordinances, franchises, decrees or orders of any court or of any foreign, federal, state, municipal or other governmental authority which are applicable to it or the Station Assets. Except in connection with Matrix's bankruptcy case pending in Texas, there is no action, suit or proceeding pending or, to Seller's knowledge, threatened against the Station, and to Seller's knowledge, there are no complaints, claims or investigations pending or threatened against the Station.

2.11 No Finder. No broker, finder or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Seller or any party acting on Seller's behalf.

2.12 Insolvency. Seller is not insolvent as of the date of this Agreement.

2.13 Matrix APA. Seller is not aware of any material breaches or defaults by Matrix under the Matrix APA with respect to the Station or Station Assets.

ARTICLE 3: BUYER REPRESENTATIONS AND WARRANTIES

Buyer hereby makes the following representations and warranties to Seller:

3.1 Organization. Buyer is duly incorporated, validly existing and in good standing under the laws of the jurisdiction of its organization, and is qualified to do business in the State of Illinois. Buyer has the requisite power and authority to execute, deliver and perform this Agreement and all of the other agreements and instruments to be executed and delivered by Buyer pursuant hereto (collectively, the "Buyer Ancillary Agreements") and to consummate the transactions contemplated hereby.

3.2 Authorization. The execution, delivery and performance of this Agreement and the Buyer Ancillary Agreements by Buyer have been duly authorized and approved by all necessary action of Buyer and do not require any further authorization or consent of Buyer. This

Agreement is, and each Buyer Ancillary Agreement when made by Buyer and the other parties thereto will be, a legal, valid and binding agreement of Buyer enforceable in accordance with its terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

3.3 No Conflicts. Except for the FCC Consent and consent to assign the Real Property Lease, the execution, delivery and performance by Buyer of this Agreement and the Buyer Ancillary Agreements and the consummation by Buyer of any of the transactions contemplated hereby does not conflict with any organizational documents of Buyer, any contract or agreement to which Buyer is a party or by which it is bound, or any law, judgment, order or decree to which Buyer is subject, or require the consent or approval of, or a filing by Buyer with, any governmental or regulatory authority or any third party.

3.4 Litigation. There is no action, suit or proceeding pending or, to Buyer's knowledge, threatened against Buyer which questions the legality or propriety of the transactions contemplated by this Agreement or could materially adversely affect the ability of Buyer to perform its obligations hereunder.

3.5 Qualification. Buyer is legally, financially and otherwise qualified to be the licensee of, acquire, own and operate the Station under the Communications Act and the rules, regulations and policies of the FCC. There are no facts about Buyer that would, under existing law and the existing rules, regulations, policies and procedures of the FCC, (a) disqualify Buyer as an assignee of the FCC Licenses or as the owner and operator of the Station or (b) cause the FCC to fail to grant the FCC Application in a timely manner. No waiver of or exemption from any FCC rule or policy is necessary to be obtained by Buyer in order for the FCC Consent to be granted.

3.6 Funds. Buyer has sufficient funds to pay the Purchase Price at Closing.

3.7 No Finder. No broker, finder or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Buyer or any party acting on Buyer's behalf. Payment of any broker engaged by Buyer shall be Buyer's sole cost and expense.

3.8 No Other Representations or Warranties. Buyer acknowledges and agrees that Seller is not making any representations or warranties whatsoever, express or implied, beyond those expressly given by Seller in Article 2 hereof (as modified by the Schedules hereto).

ARTICLE 4: SELLER COVENANTS

4.1 Seller's Covenants. From the date hereof until Closing, Seller agrees with Buyer that Seller shall:

(a) enforce its rights under the Matrix APA with respect to the Station and the Station Assets, and use commercially reasonable efforts to cause Matrix to comply with its

covenants set forth in the Matrix APA, including without limitation as to operation of the Station in the ordinary course of business and in compliance with FCC rules and regulations, maintenance of the FCC Licenses in full force and effect, maintenance of insurance on the Station Assets, risk of loss with respect to the Station Assets, maintenance of the Station Assets, broadcast interruption of the Station, and access to the Real Property;

(b) from time to time, at the request of Buyer, use commercially reasonable efforts to cause Matrix to give to the officers, employees, accountants, counsel, and representatives of Buyer: (i) access, upon reasonable prior notice, during normal business hours to the Station Assets, and (ii) all such other information concerning the Station Assets as Buyer may reasonably request, provided that the foregoing does not unreasonably disrupt or interfere with the business and operations of Seller, Matrix or the Station; and

(c) not enter into or consent to the entry into any new contracts that will be binding upon Buyer after Closing.

ARTICLE 5: JOINT COVENANTS

Buyer and Seller hereby covenant and agree as follows:

5.1 Confidentiality. Subject to the requirements of applicable law, all non-public information regarding the parties and Matrix and their respective business and properties that is disclosed in connection with the negotiation, preparation or performance of this Agreement shall be confidential and shall not be disclosed to any other person or entity, except the parties' representatives and lenders for the purpose of consummating the transaction contemplated by this Agreement.

5.2 Announcements. Prior to Closing, no party shall, without the prior written consent of the other, issue any press release or make any other public announcement concerning the transactions contemplated by this Agreement, except to the extent that such party is so obligated by law, in which case such party shall give advance notice to the other, and except as necessary to enforce rights under or in connection with this Agreement. Notwithstanding the foregoing, the parties acknowledge that this Agreement and the terms hereof will be filed with the FCC Application and thereby become public.

5.3 Control. Buyer shall not, directly or indirectly, control, supervise or direct the operation of the Station prior to Closing. Matrix shall retain control of the Station prior to Closing as holder of the FCC Licenses.

5.4 Risk of Loss.

(a) As between Seller and Buyer, Seller shall bear the risk of any loss of or damage to any of the Station Assets at all times until the Closing, and Buyer shall bear the risk of any such loss or damage thereafter. Prior to Closing, Seller shall promptly consult with Matrix concerning the repair or replacement of a lost or damaged Station Asset and shall use commercially reasonable efforts to cause Matrix to promptly make and thereafter diligently pursue any applicable insurance claims, and shall coordinate with and keep Buyer informed with respect thereto. In the event that any repair or replacement is not completed prior to Closing, the Closing shall proceed with such Station Assets in their damaged or lost condition (with Seller's

representations and warranties deemed modified to take into account any such condition), in which case Seller shall (or shall use commercially reasonable efforts to cause Matrix to) assign to Buyer all of Seller's rights in proceeds of insurance on such damaged or lost Station Assets, and Seller shall have no responsibility to repair or replace such damaged or lost Station Assets following the Closing.

(b) If prior to Closing the Station is off the air or operating at a power level that results in a material reduction in coverage (a "Broadcast Interruption"), then Seller shall use commercially reasonable efforts to cause Matrix to return the Station to the air and restore prior coverage as promptly as possible in the ordinary course of business. Seller shall use commercially reasonable efforts to cause Matrix to promptly make and thereafter diligently pursue any applicable insurance claims, and shall coordinate with and keep Buyer informed with respect thereto. Notwithstanding anything herein to the contrary, if prior to Closing there is a Broadcast Interruption in excess of forty-eight (48) hours, then Buyer may postpone Closing until the date five (5) business days after the Station returns to the air and prior coverage is restored in all material respects, provided that Buyer shall not have the right to postpone Closing past the Outside Date set forth in Section 10.1(d) and shall be required to proceed to Closing on or prior to such date (if all other Closing conditions are satisfied or waived, and with Seller's representations and warranties deemed modified to take into account any such condition), in which case Seller shall (or shall use commercially reasonable efforts to cause Matrix to) assign to Buyer at Closing all proceeds of insurance with respect to such Broadcast Interruption. In the event a Broadcast Interruption occurs within five (5) business days prior to the Outside Date (as defined in Section 10.1(d)) and the parties are targeting Closing on such date, then Seller shall use commercially reasonable efforts to cause Matrix to assign its broadcast interruption insurance policies to Buyer at Closing.

5.5 Consents. Seller shall use commercially reasonable efforts to obtain the third party consent for the assignment of the Real Property Lease (which shall not require any payment to any such third party) and execution of a reasonable estoppel certificate by the lessor under the Real Property Lease and the counterparty to the Easement Agreement, but no consent or estoppel certificate is a condition to Closing.

5.6 Accounts Receivable. Buyer shall not collect any A/R, and Buyer shall promptly pay over to Seller any A/R it receives, without offset.

5.7 Actions. After Closing, if reasonably requested by Seller, Buyer shall cooperate with Seller in the investigation, defense or prosecution of any action which is pending or threatened against Seller or its affiliates with respect to the Station, whether or not any party has notified the other of a claim for indemnification with respect to such matter. Without limiting the generality of the foregoing, Buyer shall make available its employees to give depositions or testimony and shall preserve and furnish all documentary or other evidence that Seller may reasonably request.

5.8 Real Property.

(a) Within thirty (30) days after the date of this Agreement, Buyer may, at its expense, obtain customary title commitments, Phase I site assessments, and surveys with respect to the Owned Real Property. Seller shall, and shall use commercially reasonable efforts to cause

Matrix to, cooperate with any reasonable requests by the title company or environmental consultant and, subject to the Easement Agreement, shall provide access for such surveys or site assessments upon reasonable prior notice. Buyer shall notify Seller of any Lien or encroachment disclosed on the survey or title commitment for the Owned Real Property that is not a Permitted Lien promptly after Buyer becomes aware of such fact, and Seller shall use commercially reasonable efforts to cause Matrix to remedy such Lien or material encroachment (that is not a Permitted Lien) prior to Closing. Seller shall use commercially reasonable efforts to cause Matrix to promptly make and thereafter diligently pursue any applicable insurance claims related to such Lien or material encroachment (that is not a Permitted Lien), and shall coordinate with and keep Buyer informed with respect thereto.

(b) Buyer shall promptly provide Seller with complete copies of all draft and final Phase I assessments of the Real Property promptly after receipt by Buyer. Buyer acknowledges and agrees that Matrix has no obligation to remediate any matters disclosed by any Phase I site assessments procured by Buyer. Buyer shall be responsible for payment of all costs and expenses to remedy all recognized environmental conditions requiring current remediation pursuant to its Phase I site assessments at the Owned Real Property (“Remediation Expenses”) up to Thirty Thousand Dollars (\$30,000) in the aggregate. Seller shall be responsible for payment of all Remediation Expenses in excess of Thirty Thousand Dollars (\$30,000). Any pre-Closing remediation work shall be done with Matrix’s prior consent, and commencement or completion of remediation shall not be a condition to Closing hereunder. If applicable, Buyer and Seller shall proceed to Closing (if all other Closing conditions are satisfied or waived, and with Seller’s representations and warranties deemed modified to take into account any such condition), and Buyer shall complete such remediation work after Closing at its expense, with the Purchase Price being adjusted at Closing as to any Remediation Expenses owed by Seller to Buyer in accordance with this Section. Notwithstanding anything herein to the contrary, if the reasonably estimated Remediation Expenses exceed \$100,000, then either Buyer or Seller shall have the right to terminate this Agreement upon written notice to the other.

ARTICLE 6: SELLER CLOSING CONDITIONS

The obligation of Seller to consummate the Closing hereunder is subject to satisfaction, at or prior to Closing, of each of the following conditions (unless waived in writing by Seller):

6.1 Representations and Covenants.

(a) The representations and warranties of Buyer made in this Agreement shall be true and correct in all material respects as of the Closing Date (without regard to any materiality qualifications therein) except for changes permitted or contemplated by the terms of this Agreement and except for such representations and warranties made as of a certain date, which shall be true and correct in all material respects as of such date.

(b) 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.

(c) Seller shall have received a certificate dated as of the Closing Date from Buyer executed by an authorized officer of Buyer to the effect that the conditions set forth in Sections 6.1(a) and (b) have been satisfied.

6.2 Proceedings. 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.

6.3 FCC Authorization. The FCC Consent shall have been obtained.

6.4 Deliveries. Buyer shall have complied with its obligations set forth in Section 8.2.

6.5 Matrix APA. Seller and Matrix shall be ready, willing and able to consummate the Matrix APA simultaneously with Closing.

ARTICLE 7: BUYER CLOSING CONDITIONS

The obligation of Buyer to consummate the Closing hereunder is subject to satisfaction, at or prior to Closing, of each of the following conditions (unless waived in writing by Buyer):

7.1 Representations and Covenants.

(a) The representations and warranties of Seller made in this Agreement shall be true and correct in all material respects as of the Closing Date (without regard to any materiality qualifications therein) except for changes permitted or contemplated by the terms of this Agreement and except for such representations and warranties made as of a certain date, which shall be true and correct in all material respects as of such date.

(b) 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.

(c) Buyer shall have received a certificate dated as of the Closing Date from Seller executed by an authorized officer of Seller to the effect that the conditions set forth in Sections 7.1(a) and (b) have been satisfied.

7.2 Proceedings. 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.

7.3 FCC Authorization. The FCC Consent shall have been obtained.

7.4 Deliveries. Seller shall have complied with its obligations set forth in Section 8.1.

ARTICLE 8: CLOSING DELIVERIES

8.1 Seller Documents. At Closing, Seller shall deliver or cause to be delivered to Buyer:

(i) a good standing certificate issued by the Secretary of State of Seller's jurisdiction of formation;

(ii) a certificate executed by Seller certifying the due authorization of this Agreement and the Seller Ancillary Agreements, together with copies of Seller's authorizing resolutions;

(iii) the certificate described in Section 7.1(c);

(iv) an assignment of FCC authorizations assigning the FCC Licenses (which may be a direct assignment from Matrix to Buyer);

(v) a special warranty deed conveying the Owned Real Property to Buyer (which may be a direct conveyance from Matrix to Buyer), together with a customary owner's affidavit and a certificate of non-foreign status;

(vi) an assignment and assumption of leases assigning the Real Property Lease from Seller to Buyer;

(vii) a bill of sale conveying the Tangible Personal Property and other Station Assets to Buyer;

(viii) appropriate documents necessary to release all Liens on the Station Assets except for Permitted Liens;

(ix) to the extent obtained, a copy of any consent or estoppel certificate from the lessor of the Real Property Lease or counterparty to the Easement Agreement; and

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

8.2 Buyer Documents. At Closing, Buyer shall deliver or cause to be delivered to Seller:

(i) the Purchase Price in accordance with Section 1.4 hereof;

(ii) a good standing certificate issued by the Secretary of State of Buyer's jurisdiction of formation;

(iii) a certificate executed by Buyer certifying the due authorization of this Agreement and the Buyer Ancillary Agreements, together with copies of Buyer's authorizing resolutions;

(iv) the certificate described in Section 6.1(c);

(v) an assignment and assumption of leases assuming the Real Property Lease; and

(vi) such other documents and instruments of assumption that may be necessary to assume the Assumed Obligations.

ARTICLE 9: SURVIVAL; INDEMNIFICATION

9.1 Survival. The representations and warranties set forth in Sections 2.1, 2.2, 2.3, 2.11, 2.12 and 2.13 and in Article 3 of this Agreement shall survive Closing for a period of twelve (12) months from the Closing Date whereupon they shall expire and be of no further force or effect, except that if within such period the indemnified party gives the indemnifying party written notice of a claim for breach thereof describing in reasonable detail the nature and basis of such claim, then such claim shall survive until the earlier of resolution of such claim or expiration of the applicable statute of limitations. No other Seller representations or warranties shall survive Closing. The post-Closing covenants and agreements in this Agreement shall survive Closing until performed.

9.2 Indemnification.

(a) Subject to Section 9.2(b), from and after Closing, 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 ("Damages") incurred by Buyer arising out of or resulting from:

(i) any breach by Seller of its representations and warranties made in Section 2.1, 2.2, 2.3, 2.11, 2.12 or 2.13 of this Agreement; or

(ii) any default by Seller of any covenant or agreement made under this Agreement related to the performance of this Agreement (but not related to the operation of the Station); or

(iii) the Retained Obligations.

(b) Notwithstanding the foregoing or anything else herein to the contrary, after Closing, (i) Seller shall have no liability to Buyer under Section 9.2(a)(i) until Buyer's aggregate Damages exceed \$30,000, after which such threshold amount shall be included in, not excluded from, any calculation of Damages, and (ii) the maximum aggregate liability of Seller under Section 9.2(a)(i) shall be an amount equal to 20% of the Purchase Price.

(c) Subject to Section 9.2(d), from and after Closing, Buyer shall defend, indemnify and hold harmless Seller from and against any and all Damages 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) the Assumed Obligations; or

(iv) the business or operation of the Station after the Closing.

(d) Notwithstanding the foregoing or anything else herein to the contrary, after Closing, (i) Buyer shall have no liability to Seller under Section 9.2(c)(i) until Seller's aggregate Damages exceed \$30,000, after which such threshold amount shall be included in, not

excluded from, any calculation of Damages, and (ii) the maximum aggregate liability of Buyer under Section 9.2(c)(i) shall be an amount equal to 20% of the Purchase Price.

9.3 Procedures.

(a) The indemnified party shall give prompt written notice to the indemnifying party of any demand, suit, claim or assertion of liability by third parties that is subject to indemnification hereunder (a “Claim”), but a failure to give such notice or delaying such notice shall not affect the indemnified party’s rights or the indemnifying party’s obligations except to the extent the indemnifying party’s ability to remedy, contest, defend or settle with respect to such Claim is thereby prejudiced and provided that such notice is given within the time period described in Section 9.1.

(b) The indemnifying party shall have the right to undertake the defense or opposition to such Claim with counsel selected by it. In the event that the indemnifying party does not undertake such defense or opposition in a timely manner, the indemnified party may undertake the defense, opposition, compromise or settlement of such Claim with counsel selected by it at the indemnifying party’s cost (subject to the right of the indemnifying party to assume defense of or opposition to such Claim at any time prior to settlement, compromise or final determination thereof).

(c) Anything herein to the contrary notwithstanding:

(i) the indemnified party shall have the right, at its own cost and expense, to participate in the defense, opposition, compromise or settlement of the Claim;

(ii) the indemnifying party shall not, without the indemnified party’s written consent, settle or compromise any Claim or consent to entry of any judgment which does not include the giving by the claimant to the indemnified party of a release from all liability in respect of such Claim;

(iii) in the event that the indemnifying party undertakes defense of or opposition to any Claim, the indemnified party, by counsel or other representative of its own choosing and at its sole cost and expense, shall have the right to consult with the indemnifying party and its counsel concerning such Claim and the indemnifying party and the indemnified party and their respective counsel shall cooperate in good faith with respect to such Claim; and

(iv) neither party shall have any liability to the other under any circumstances for special, indirect, consequential, punitive or exemplary damages or lost profits or similar damages of any kind, whether or not foreseeable.

ARTICLE 10: TERMINATION AND REMEDIES

10.1 Termination. Subject to Section 10.3, this Agreement may be terminated prior to Closing as follows:

(a) by mutual written consent of Buyer and Seller;

(b) by written notice of Buyer to Seller if Seller breaches its representations or warranties or defaults in the performance of its covenants contained in this Agreement and such breach or default is material in the context of the transactions contemplated hereby and is not cured within the Cure Period (defined below);

(c) by written notice of Seller to Buyer if Buyer breaches its representations or warranties or defaults in the performance of its covenants contained in this Agreement and such breach or default is material in the context of the transactions contemplated hereby and is not cured within the Cure Period; provided, however, that the Cure Period shall not apply to Buyer's obligation to make the Deposit when due or to pay the Purchase Price at Closing;

(d) by written notice of Seller to Buyer or Buyer to Seller if Closing does not occur on or before January 28, 2020 (the "Outside Date");

(e) in accordance with Section 5.8; or

(f) by written notice of Seller to Buyer if the Matrix APA is terminated for any reason or expires without a Closing.

10.2 Cure Period. Each party shall give the other party prompt written notice upon learning of any breach or default by the other party under this Agreement. The term "Cure Period" as used herein means a period commencing on the date Buyer or Seller receives from the other written notice of breach or default hereunder and continuing until the earlier of (i) twenty (20) calendar days thereafter or (ii) the Closing Date determined under Section 1.8; provided, however, that if the breach or default is non-monetary and cannot reasonably be cured within such period but can be cured before the Closing Date determined under Section 1.8, and if diligent efforts to cure promptly commence, then the Cure Period shall continue as long as such diligent efforts to cure continue, but not beyond the Closing Date determined under Section 1.8.

10.3 Survival Rights Upon Termination. Except as provided by Section 10.5, 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, Sections 1.5 (Deposit) (and Section 10.5 with respect to the Deposit), 5.1 (Confidentiality) and 11.1 (Expenses) shall survive any termination of this Agreement.

10.4 Specific Performance. In the event of breach or failure or threatened breach or failure by either party to comply with the terms of this Agreement, the other party shall be entitled to an injunction restraining such breach, failure or threatened breach or 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. Notwithstanding the foregoing, if prior to Closing the condition described in Section 10.1(c) exists, then Seller's sole remedy for Buyer's breach of this Agreement shall be termination of this Agreement and receipt of the liquidated damages amount pursuant to Section 10.5, except for any failure by Buyer to comply with its obligations related to the Deposit or Sections 1.9, 5.1 or 5.2, as to which Seller shall be entitled to all available rights and remedies, including without limitation specific performance.

10.5 Liquidated Damages. If Seller terminates this Agreement pursuant to Section 10.1(c), then Seller shall be entitled to receive the Deposit by wire transfer of immediately

available funds (which shall be satisfied by disbursement of the Deposit to Seller under Section 1.5), and such payment shall constitute liquidated damages and the sole remedy of Seller for a breach by Buyer of this Agreement. The parties acknowledge and agree that payment of such amount shall constitute payment of liquidated damages and is not a penalty and that the liquidated damages amount is reasonable in light of the substantial but indeterminate harm anticipated to be caused by 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.

ARTICLE 11: MISCELLANEOUS

11.1 Expenses. Each party 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. The filing fee applicable to the request for the FCC Consent shall be paid one-half by Buyer and one-half by Seller. Transfer or sales or use taxes, fees and charges applicable to the transfer of the Station Assets under this Agreement, if any, shall be paid by Buyer.

11.2 Commercially Reasonable Efforts; Further Assurances. Subject to the terms and conditions of this Agreement, Seller and Buyer shall each use their respective commercially reasonable efforts to take, or cause to be taken, all actions and to do, or cause to be done, and to assist and cooperate with each other in doing, all things necessary or desirable to consummate the transactions contemplated by this Agreement as expeditiously as practicable and to ensure that the conditions set forth in Articles 6 and 7 are satisfied. After Closing, each party hereto shall execute all such instruments and take all such actions as any other party may reasonably request, without payment of further consideration, to effectuate the transactions contemplated by this Agreement, including, without limitation, the execution and delivery of confirmatory and other transfer documents in addition to those to be delivered at Closing.

11.3 Assignment. Neither party may assign this Agreement without the prior written consent of the other party hereto. The terms of this Agreement shall bind and inure to the benefit of the parties' respective successors and any permitted assigns, and no assignment shall relieve any party of any obligation or liability under this Agreement.

11.4 Notices. Any notice pursuant to this Agreement shall be in writing and shall be deemed delivered on the date of personal delivery or electronic mail transmission or confirmed delivery by a nationally recognized overnight courier service, or on the third (3rd) day after prepaid mailing by certified U.S. mail, return receipt requested, and shall be addressed as follows (or to such other address as any party may request by written notice):

if to Seller, then to:

Alpha Media LLC
1211 SW 5th Avenue, Suite 750
Portland, OR 97204
Attention: Donna Heffner, CFO
E-mail: Donna.Heffner@alphamediausa.com

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

Wiley Rein LLP
1776 K Street, NW

Washington, DC 20006
Attention: Jessica Rosenthal
E-mail: JRosenthal@wileyrein.com

if to Buyer, then to:

Educational Media Foundation
5700 West Oaks Boulevard
Rocklin, CA 95765
Attention: Shaine Grieshaber
Email: SGrieshaber@kloveair1.com

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

Wilkinson Barker Knauer LLP
1800 M Street, NW
Suite 800N
Washington, DC 20036
Attention: Paige Fronabarger
E-mail: PFronabarger@wbklaw.com

11.5 Amendments. No amendment or waiver of compliance with any provision hereof or consent pursuant to this Agreement shall be effective unless evidenced by an instrument in writing signed by the party against whom enforcement of such amendment, waiver, or consent is sought.

11.6 Entire Agreement. This Agreement (including the Schedules hereto) constitutes the entire agreement and understanding among the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings with respect to the subject matter hereof, except any confidentiality agreement among the parties with respect to the Station, which shall remain in full force and effect. No party makes any representation or warranty with respect to the transactions contemplated by this Agreement except as expressly set forth in this Agreement. Without limiting the generality of the foregoing, Seller makes no representation or warranty to Buyer with respect to any projections, budgets or other estimates of the Station's revenues, expenses or results of operations, or, except as expressly set forth in Article 2, any other financial or other information made available to Buyer with respect to the Station.

11.7 Severability. If any court or governmental authority holds any provision in this Agreement invalid, illegal or unenforceable under any applicable law, then, so long as no party is deprived of the benefits of this Agreement in any material respect, this Agreement shall be construed with the invalid, illegal or unenforceable provision deleted and the validity, legality and enforceability of the remaining provisions contained herein shall not be affected or impaired thereby.

11.8 No Beneficiaries. Nothing in this Agreement expressed or implied is intended or shall be construed to give any rights to any person or entity other than the parties hereto and their successors and permitted assigns.

11.9 Governing Law. The construction and performance of this Agreement shall be governed by the laws of the State of Delaware without giving effect to the choice of law provisions thereof. The prevailing party in a lawsuit brought to enforce the performance or

compliance of any provision of this Agreement may recover reasonable attorneys' fees and costs from the non-prevailing party.

11.10 Counterparts. This Agreement may be executed in separate counterparts, each of which will be deemed an original and all of which together will constitute one and the same agreement.

[SIGNATURE PAGE FOLLOWS]

4810-8049-3447

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

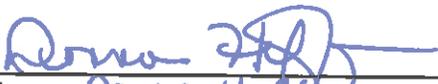
IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first set forth above.

SELLER:

ALPHA MEDIA LLC

By: 
Name: Donna Heister
Title: CSO

ALPHA MEDIA LICENSEE LLC

By: 
Name: Donna Heister
Title: CSO

BUYER:

EDUCATIONAL MEDIA FOUNDATION

By: _____
Name: Janet Cherry
Title: Chief Operating Officer

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

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

SELLER: ALPHA MEDIA LLC

By: _____

Name:

Title:

ALPHA MEDIA LICENSEE LLC

By: _____

Name:

Title:

BUYER: EDUCATIONAL MEDIA FOUNDATION

By: Janet Cherry _____

Name: Janet Cherry

Title: Chief Operating Officer