

## ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT ("Agreement") is dated as of the 28<sup>th</sup> day of January, 2016 ("Effective Date"), by and between POLNET COMMUNICATIONS, LTD., an Illinois corporation ("Buyer"), and COUNTRYSIDE BROADCASTING, INC., an Illinois corporation ("Seller").

### RECITALS

WHEREAS, Seller is the permittee of W300CP Channel 300D 107.9 MHz, Pana, Illinois and licensee of W300CQ Channel 300D 107.9 MHz, Taylorville, Illinois (the "Stations") and owns the assets used in the business and operation of the Stations.

WHEREAS, Seller desires to sell, and Buyer desires to buy certain assets owned by Seller and used in the business and operation of the Stations, for the price and on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the above recitals and of the mutual agreements and covenants contained in this Agreement, Buyer and Seller, intending to be bound legally, agree as follows:

### SECTION 1 - DEFINITIONS

The following terms, as used in this Agreement, shall have the meanings set forth in this Section:

"Assets" shall mean: (i) the FCC Licenses, (ii) Licenses, (iii) a transmitter, and the other assets more particularly described on Schedule 1, attached hereto.

"Assumed Contracts" shall mean all contracts listed in Schedule 2, that Buyer agrees in writing to assume.

"Closing" shall mean the consummation of the purchase and sale of the Assets pursuant to this Agreement in accordance with the provisions of Section 5.

"Consents" shall mean the consents, permits, or approvals of government authorities and other third parties necessary to transfer the Assets to Buyer or otherwise to consummate the transactions contemplated by this Agreement, including, but not limited to, the FCC Consent (as defined in Section 3.2).

"Excluded Assets" shall mean all other assets owned or leased by Seller other than the listed assets under the term "Assets" in this Section.

"FCC" shall mean the Federal Communications Commission.

"FCC Licenses" shall mean all Licenses (including modifications, amendments, renewals and extensions thereof) issued by the FCC to Seller in connection with the business or operations of the Station.

"Licenses" shall mean all licenses, permits, and other authorizations issued by the FCC, the Federal Aviation Administration, or any other federal, state, or local governmental authorities to Seller in connection with the conduct of the business or operations of the Stations, together with any additions thereto between the date of this Agreement and the Closing Date (as defined in Section 5.1).

## SECTION 2. PURCHASE AND SALE OF ASSETS

2.1 Agreement to Sell and Buy. Subject to the terms and conditions set forth in this Agreement, Seller hereby agrees to sell, transfer, and deliver to Buyer on the Closing Date, and Buyer agrees to purchase, the Assets, specifically excluding the Excluded Assets, free and clear of any Liens and liabilities.

2.2 Purchase Price. The purchase price for the Assets shall be Ninety Thousand Dollars (\$90,000.00), less a credit for the Earnest Money (hereinafter defined in Section 2.3 below), plus or minus any other adjustments for all expenses arising from the business and operation of the Station, including business and license fees, utility charges, taxes, FCC annual regulatory fees, ASCAP, BMI and SESAC license fees and similar prepaid and deferred items.

2.3 Deposit. Upon the execution of this Agreement, Buyer shall make a cash deposit to Seller in immediately available funds in an amount equal to Nine Thousand Dollars (\$9,000.00) (the "Deposit"). At Closing, the Deposit shall be applied to the Purchase Price. If this Agreement is terminated by Seller due to a Buyer Default pursuant to Sections 5.4 and 5.6, the Deposit shall be disbursed to Seller. If this Agreement is terminated by Buyer due to a Seller Default pursuant to Sections 5.4 and 5.5, the Deposit shall be disbursed to Buyer. The parties shall not, by any act or omission, delay or prevent such disbursement unless contested by a party in good faith in writing within five (5) business days of a disbursement request, in which event the Deposit shall remain with Seller until the parties' dispute is resolved.

2.4. Modification Applications. Seller acknowledges that prior to Closing, Buyer may prepare and file in its own name, or request Seller to file in its name, applications with the FCC for authority to modify the proposed facilities of the Translators to specifications determined by Buyer (a "Modification Application"). As and when requested by Buyer, Seller shall cooperate in the filing of the Modification Applications, including but not limited to (a) filing the Modification Applications on a date determined by Buyer or (b) providing to Buyer the written consent of Seller to Buyer's filing of the Modification Applications. Buyer shall bear all expenses in connection with the preparation and filing of the Modification Applications. FCC grant of the Modification Applications shall not be a condition to Closing.

2.5. Payment of Purchase Price. The Purchase Price, as adjusted in accordance with Section 2.2 above, shall be paid by Buyer to Seller at Closing.

## SECTION 3 - CLOSING CONTINGENCIES

The obligation of Seller, on the one hand, and Buyer, on the other hand, to consummate the transaction contemplated hereunder shall be contingent upon:

3.1 FCC Consent to Transfer Stations. The assignment of the FCC Licenses in connection with the purchase and sale of the Assets pursuant to this Agreement shall be subject to the prior consent and approval of the FCC (the "FCC Consent"). Seller and Buyer shall promptly prepare a required application for the FCC Consent and shall file the application with the FCC within five (5) business days after execution of this Agreement. The parties shall prosecute the application with all reasonable diligence and otherwise use their best efforts to obtain a grant of the application as expeditiously as practicable and shall oppose any objections to the grant of the application for the FCC Consent.

3.2 Confidentiality. Except as necessary for the consummation of the transactions contemplated by this Agreement and except as and to the extent required by law, including, without limitation, disclosure requirements of federal or state securities laws and the rules and regulations of securities markets, each party will keep confidential any information obtained from the other party in connection with the transactions contemplated by this Agreement. If this Agreement is terminated, each party will return to the other party all information obtained by such party from the other party in connection with the transactions contemplated by this Agreement.

#### SECTION 4 - REPRESENTATIONS AND WARRANTIES

4.1 Seller's. Seller represents and warrants to Buyer as follows:

(a) Organization. Seller is a corporation duly organized under the laws of the State of Illinois. Seller has all requisite power and authority (i) to own, lease, and use the Assets as now owned, leased, and used; (ii) to conduct the business and operation of the Station as now conducted; and (iii) to execute and deliver this Agreement and the documents contemplated hereby, and to perform and comply with all of the terms, covenants, and conditions to be performed and complied with by Seller hereunder.

(b) Authorization. The execution, delivery, and performance of this Agreement by Seller have been duly authorized by all necessary actions on the part of Seller and its shareholders. This Agreement has been duly executed and delivered by Seller and constitute the legal, valid, and binding obligations of Seller, enforceable against it in accordance with their respective terms except as the enforceability of this Agreement may be affected by bankruptcy, insolvency, or similar laws affecting creditors' rights generally, and by judicial discretion in the enforcement of equitable remedies.

(c) Conflicts. Subject to obtaining the Consents, the execution, delivery, and performance by Seller of this Agreement and the documents contemplated hereby (with or without the giving of notice, the lapse of time, or both): (i) do not require the consent of any third party; and (ii) will not conflict with any provision of the Articles of Incorporation or Bylaws of Seller or any agreement to which Seller is a party.

(d) Licenses. Seller has delivered to Buyer true and complete copies of the Licenses that have validly issued (including any amendments and other modifications thereto), and Seller is the authorized legal holder thereof. The Licenses are in full force and effect.

(e) Assumed Contracts. Seller has delivered to Buyer true and complete copies of all Assumed Contracts. Except for the need to obtain the Consents listed in Schedule 3, Seller has full legal power and authority to assign its rights under the Assumed Contracts to Buyer in accordance with this Agreement, and such assignment will not affect the validity, enforceability, or continuation of any of the Assumed Contracts.

(f) Consents. Except for the FCC Consent provided for in Section 3 above, and the Consents described in Schedule 3, no consent, approval, permit, or authorization of, or declaration to or filing with any governmental or regulatory authority, or any other third party is required (i) to consummate this Agreement and the transactions contemplated hereby, (ii) to permit Seller to assign or transfer the Assets to Buyer, or (iii) to enable Buyer to conduct the business and operations of the Station with the Assets in essentially the same manner as such business and operations are now conducted. Buyer shall cooperate with Seller in obtaining any Consent described in Schedule 3, including but not limited to furnishing any third party with information necessary for that third party to furnish such Consent.

(g) Title to Assets. Seller has good, absolute and marketable title to all the Assets being sold and transferred to Buyer under the terms of this Agreement, subject to no lien, obligation, security interest or encumbrance, and Seller will warrant and defend such title to the Assets. Seller has the right and ability to cause the Assets to be transferred to Buyer free and clear of all liens, obligations, security interests and encumbrances.

(h) Legal Proceeding. There is no action, suit, investigation or other proceedings pending, or, to Seller's best knowledge, threatened which may adversely affect Seller's ability to perform in accordance with the terms of this Agreement, and Seller is unaware of any facts which could reasonably result in any such proceeding.

4.2 Buyer. Buyer represents and warrants to Seller as follows:

(a) Organization. Buyer is a corporation duly organized, validly existing, and in good standing under the laws of the State of Illinois. Buyer has all requisite power and authority to execute and deliver this Agreement and the documents contemplated hereby, and to perform and comply with all of the terms, covenants, and conditions to be performed and complied with by Buyer hereunder and thereunder.

(b) Authorization. The execution, delivery, and performance of this Agreement by Buyer have been duly authorized by all necessary actions on the part of Buyer. This Agreement have been duly executed and delivered by Buyer and constitute the legal, valid, and binding obligations of Buyer, enforceable against Buyer in accordance with their respective terms except as the enforceability of this Agreement may be affected by bankruptcy, insolvency, or similar laws affecting creditors' rights generally and by judicial discretion in the enforcement of equitable remedies.

(c) Qualifications. Buyer is legally and financially qualified to become licensee of the Station under the Communications Act of 1934, as amended, the rules and regulations of the FCC and Section 5301 of the Anti-Drug Act of 1988, as amended.

4.3 Survival of Representations and Warranties. The representations and warranties of Seller and Buyer as set forth in this Agreement shall survive the Closing Date for ninety (90) days ("Survival Period").

## SECTION 5- CLOSING

5.1 Closing Terms. The Closing shall take place at 10:00 a.m. on the tenth (10<sup>th</sup>) business day after the date upon which FCC consent becomes a Final Order ("Closing Date") at any place that is agreed by Buyer and Seller. "Final Order" shall mean an action by the FCC to which no requests are pending for administrative or judicial review, reconsideration, appeal, or stay and the time for filing any such requests and the time for the FCC to set aside the action on its own motion have been expired.

5.2. Seller's Deliveries. Prior to or on the Closing Date, Seller shall deliver to Buyer all documents which shall be sufficient to vest or assign good and marketable title to the name of Buyer, free and clear, or all claims, liabilities, and liens, including, but not limited to:

- (a) Bill of Sale.
- (b) Assignments of Licenses.
- (c) Assignments of Assumed Contracts.

(d) An executed copy of any instrument evidencing receipt of any Consent.

(e) A certificate, dated as of the Closing Date, executed on behalf of Seller, by an officer of Seller, certifying (1) that the representations and warranties of Seller contained in this Agreement are true and complete in all material respects as of the Closing Date as though made on and as of that date; and (2) that Seller has in all material respects performed and complied with all of its obligations, covenants, and agreements set forth in this Agreement to be performed and complied with on or prior to the Closing Date.

(f) Copies of all Licenses and Assumed Contracts used by Seller solely in connection with the business and operation of the Station.

5.3. Buyer Deliveries. Prior to or on the Closing Date, Buyer shall deliver to Seller the following, in form and substance reasonably satisfactory to Seller and its counsel the Purchase Price.

(a) The Purchase Price as provided in Section 2.2.

(b) Appropriate assumption agreements pursuant to which Buyer shall assume and undertake to perform Seller's obligations under the Licenses and Assumed Contracts insofar as they relate to the time on and after the Closing Date or arise out of events occurring on or after the Closing Date.

(c) A certificate, dated as of the Closing Date, executed on behalf of Buyer by an officer of Buyer, certifying (1) that the representations and warranties of Buyer contained in this Agreement are true and complete in all material respects as of the Closing Date as though made on and as of that date, and (2) that Buyer has in all material respects performed and complied with all of its obligations, covenants, and agreements set forth in this Agreement to be performed and complied with on or prior to the Closing Date.

## SECTION 6- MISCELLANEOUS

5.1 Seller's Indemnities. Seller, from and after the Closing Date, agrees to indemnify and hold Buyer harmless from and against all losses, costs, expenses, and damages which were incurred by Seller prior to the Closing Date provided that Buyer notifies Seller of such losses, costs, expenses and damages within the one (1) year period commencing on the Closing Date.

5.2 Buyer's Indemnities. Buyer, from and after the Closing Date, agrees to indemnify and hold Seller harmless from and against all losses, costs, expenses, and damages which were incurred by Buyer prior to the Closing Date provided that Seller notifies Buyer of such losses, costs, expenses and damages within the one (1) year period commencing on the Closing Date.

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

If to Buyer:

Polnet Communications, Ltd.  
Attn: Walter K. Kotaba, President

3656 West Belmont Ave.  
Chicago, Illinois 60618  
Telefax: (773) 685-6999

With a copy to:

Stahl Cowen Crowley Addis, LLC  
Lauane C. Addis  
55 West Monroe Street, Suite 1200  
Chicago, Illinois 60603  
Telefax: (312)641-6959  
Email: laddis@stahlcowen.com

If to Seller:

Countryside Broadcasting, Inc.  
Attn: Dick Wheeler  
2963 N 800 St.  
Ramsey, IL 62080

With a copy to:

Mark Lipp  
Wiley Rein LLP  
1776 K St. NW  
Washington, DC 20006

or to any other or additional persons and addresses as the parties may from time to time designate in a writing.

5.4 Termination. This Agreement may be terminated by either party and the purchase and sale of the Station abandoned, if the party requesting termination is not then in default (the "Requesting Party"), upon written notice by the Requesting Party, upon the occurrence of any of the following: the non-Requesting Party has failed to cure or commenced to cure any breach of any of its representations, warranties or covenants under this Agreement within fifteen (15) days after the non-Requesting Party received written notice of such breach from the Requesting Party.

5.5 Seller Defaults. In the event that Seller, on or prior to the Closing Date, shall default in the performance of its obligations hereunder, Buyer, as its sole and exclusive remedy, may terminate this Agreement and receive a refund of the Earnest Money, whereupon neither party shall have any further obligation to the other party hereunder.

5.6 Buyer Defaults. In the event that Buyer, on or prior to the Closing Date, shall default in the performance of its obligations under this Agreement, then Seller, as its sole and exclusive remedy, may terminate this Agreement by notifying Buyer thereof and receive and retain the Earnest Money as liquidated damages.

5.7 Cooperation. The parties shall take any reasonable actions and execute any other documents that may be necessary or desirable to the implementation and consummation of this Agreement.

5.8 Assignment. Seller shall not assign this Agreement without Buyer's prior written consent, which consent may be withheld for any reason or no reason in Buyer's sole discretion. Subject

to the prior sentence, this Agreement shall inure to the benefit of and be binding on and enforceable against the parties hereto and their respective heirs, personal representatives, successor and assigns.

5.9 Entire Agreement. This Agreement, the schedules, hereto, and all documents, certificates, and other documents to be delivered by the parties pursuant hereto, collectively represent the entire understanding and agreement between Buyer and Seller with respect to the subject matter hereof and supersedes all prior written or oral negotiations, commitments, and writings.


5.10 Venue. THIS AGREEMENT SHALL BE GOVERNED, CONSTRUED, AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF ILLINOIS (WITHOUT REGARD TO THE CHOICE OF LAW PROVISIONS THEREOF). **ANY LITIGATION ARISING OUT OF THIS AGREEMENT SHALL BE FILED IN A FEDERAL OR STATE COURT OF COMPETENT JURISDICTION IN ILLINOIS.**

5.11 Counterpart : Telefaxed Signatures. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument. The use of telefaxed signatures in place of original signatures on this Agreement is expressly allowed.

IN WITNESS WHEREOF, the parties hereto have duly executed this Asset Purchase Agreement as of the Effective Date.

BUYER:  
POLNET COMMUNICATIONS, LTD.

SELLER:  
COUNTRYSIDE BROADCASTING, INC.

By:   
Name: Walter Kotaba  
Title: President

By: \_\_\_\_\_  
Name: Richard Wheeler  
Title: President

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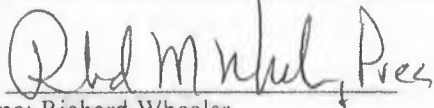
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BUYER:  
POLNET COMMUNICATIONS, LTD.

SELLER:  
COUNTRYSIDE BROADCASTING, INC.

By: \_\_\_\_\_  
Name: Walter Kotaba  
Title: President

By:   
Name: Richard Wheeler  
Title: President