

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made this 18th day of July, 2012 (the "effective date") by and between Reach Communications, Inc. a non-profit Corporation (" the "SELLER"), and Phillips Broadcasting, LLC., a Florida limited liability company ("the "BUYER") each a "Party" and collectively the "Parties".

RECITALS:

A. SELLER holds the license issued by the FCC for authorizing its operation of FM translator W273BR, Palm Coast, Florida (FCC Facility ID No. 148291) (hereinafter "SELLER Translator").

B. With FCC Consent, SELLER desires to assign to BUYER, and BUYER desires to acquire from SELLER the license for the SELLER Translator in accordance with all the terms and subject to the conditions set forth in this agreement.

NOW THEREFORE, in consideration of the Recitals and mutual covenants, conditions and agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed as follows:

ARTICLE I DEFINITIONS

1.1 Definitions: Except as specified otherwise, when used in this agreement, the following terms shall have the meanings specified:

1.1.1. "Agreement" shall mean this Asset Purchase Agreement, together with the Schedules and Exhibits attached hereto, as the same shall be amended from time to time in accordance with the terms hereof.

1.1.2 "Business Day" shall mean any calendar day, excluding Saturdays and Sundays, on which federally chartered banks in the city of St. Augustine Beach, Florida, are regularly open for business.

1.1.3 "Closing" shall mean the conference to be held at 10:00 AM Eastern Time, and at such a place as SELLER selects on the Closing Date at which time the transactions contemplated by this Agreement shall be consummated as indicated herein. At the election of BUYER and SELLER, mutually agreed in writing, the Closing may be performed by mail, or electronically and/or courier service.

1.1.4 "Closing Date" shall mean the date on which Closing will take place within ten (10) business days of FCC initial approval. Notwithstanding the foregoing, in the event a petition to deny or an informal objection is filed with the FCC against the assignment of the Station license, the parties agree that the transaction closing date shall take place within ten (10) business days of FCC Final Order.

1.1.5 "FCC" shall mean the Federal Communications Commission.

1.1.6 "FCC Consent" for or related to the SELLER Translator license shall be action by the FCC granting its consent to the assignment of the license from SELLER to BUYER.

1.1.7 "Final Order" shall mean an FCC approval or grant of the assignments as contemplated in this Agreement with respect to which no action, request for stay, petition for rehearing or reconsideration, appeal or review by the FCC on its own motion is pending and as to which the time for filing or initiation of any such request, petition, appeal, or review has expired.

1.1.8 "Lien" shall mean any mortgage, deed of trust, pledge, hypothecation, security interest, encumbrance, claim, lien, lease (including any capitalized lease) or charge of any kind, whether voluntarily incurred or arising by operation of law or otherwise, including any agreement to give or grant any of the foregoing, any conditional sale or other title retention agreement and the filing of or agreement to give any financing statement under the Uniform Commercial Code of the State of Florida or comparable law of any jurisdiction;

1.1.9 "Person" shall mean any natural person, general or limited partnership, corporation, limited liability Company, or other entity.

1.1.10 "Schedules" shall mean those schedules referred to in this Agreement which have been delivered concurrently with the execution of this Agreement.

1.1.11 "SELLER License" shall mean the permit or authorizations issued by the FCC to SELLER respecting the SELLER Translator exclusively, and for the operation of the SELLER Translator as listed in **Schedule A**.

1.1.12 "SELLER Equipment" shall mean only those items listed in **Schedule B**.

1.1.13 "SELLER Purchased Assets" shall mean the right, title and interest of SELLER in and to certain assets used or held for use by SELLER in the operation of the SELLER Translator, limited to (a) the SELLER License, (b) any SELLER Equipment, and (c) the SELLER Records, excluding all of SELLER's cash and accounts receivable.

1.1.14 "SELLER Records" shall mean files and records, including technical information and engineering data and FCC logs relating to the SELLER Translator; provided, however, that the SELLER Records shall not include the financial records of SELLER or records of other businesses or activities of SELLER.

1.2 **Singular / Plural – Gender:** Where the context so requires or permits, the use of the singular from includes the plural, and the use of the plural form includes the singular, and the use of the gender includes any and all genders. Except as specifically set forth herein, all Section and Article references are to Sections and Articles of this agreement.

ARTICLE II PURCHASE AND SALE

2.1 **Purchase and Sale:** At the Closing on the Closing Date, and upon all of the terms and subject to all of the conditions of this Agreement, SELLER shall sell, assign, convey, transfer and deliver to BUYER, and BUYER shall purchase all of SELLER's right, title and interest, legal and equitable, in and to the SELLER Purchased assets.

2.2 **Consideration:** The monetary consideration for the assets (the "Purchase Price") shall be as follows:

(a) BUYER Upon the Asset Purchase Agreement signing by both parties, the BUYER will then provide an escrow in the amount of **Six Thousand Five Hundred Dollars (\$6,500.00)** ("Deposit"). This Deposit will be placed with Patrick Communications as escrow agent in an escrow account until the Closing occurs. At Closing, the Deposit shall be disbursed to Seller and applied to the Purchase Price.

(b) On the Closing Date, BUYER will pay to SELLER the total sum of **Sixty Five Thousand Dollars (\$65,000.00)** cash. This amount shall be paid via wire to an account designated by SELLER.

2.3 **Closing Date Deliveries for SELLER:** At the Closing on the Closing Date, SELLER shall deliver, or cause to be delivered, to BUYER properly executed and delivered as of the Closing Date: (i) an FCC assignment of the SELLER License; (ii) a bill of sale for the Seller Equipment; (iii)

an assignment of tower lease in **Schedule C** (if not cancelled); and (iv) such other reasonable documentation as BUYER reasonably may request.

2.4 Adjustments to Purchase Price:

(a) Prorations: At the Closing the parties shall make all necessary prorations included but not limited to taxes, rent, FCC annual regulatory fees and utility charges. Income and expenses arising from the operation of the SELLER Translator until 11:59 p.m. on the day of Closing shall be for the account of Seller and thereafter for the account of BUYER.

(b) Disputes: In the event of any disputes between the parties as to any adjustments under this Section, the amounts not in dispute will be paid at the time provided herein and the dispute will be resolved by an independent Certified Public Accountant ("CPA") who shall be jointly selected by the parties within thirty (30) days after the Closing or after the final settlement on prorations, as the case may be. The decision of the CPA will be binding on each of the parties and enforceable by a court of competent jurisdiction. The fees and expenses of the CPA will be paid one-half by BUYER and one-half by SELLER.

2.5 Non-Assumption of Liabilities of SELLER: BUYER does not and shall not assume or become obligated to pay any debt, obligation of any kind or nature of SELLER or the SELLER Translator, except for the assumed liabilities or other such obligations, debts or charges as are specifically allocated to BUYER elsewhere in this Agreement.

ARTICLE III GOVERNMENTAL APPROVALS AND CONTROL OF STATION

3.1 FCC Consent: It is specifically understood and agreed by the Parties that the Closing shall be in all respects subject to, and conditioned upon, the receipt of prior FCC Consent. The Parties shall prepare and file with the FCC as soon as is reasonably practicable but in no event later than five (5) Business Days after the execution of this Agreement, all requisite applications and other necessary instruments and documents to request the FCC Consent. The Parties shall prosecute such applications with all reasonable diligence and take all steps necessary to obtain the requisite FCC Consent. For the purposes of this Agreement, the term "Business Day" shall mean any calendar day, excluding Saturdays and Sundays, on which federally chartered banks in the city of St. Augustine, Florida, are regularly open for business.

ARTICLE IV REPRESENTATIONS AND WARRANTIES OF BUYER

BUYER represents and warrants to SELLER (as of the date hereof and as of the Closing Date) as follows:

4.1. Organization: BUYER is a Florida limited liability company under the laws of its state of incorporation. BUYER has the power and authority to own, lease and operate the SELLER Purchased Assets and to conduct business as it is now being conducted. BUYER has the full corporate power to purchase the SELLER Purchased Assets pursuant to this agreement.

4.2. Authorization; Enforceability: The execution, delivery and performance of this Agreement and all of the documents and instruments required hereby by BUYER are within the power of BUYER. This Agreement is, and the other documents and instruments required hereby will be, when executed and delivered by BUYER, the valid and binding obligations of BUYER, enforceable against BUYER in accordance with their respective terms, subject only to bankruptcy, insolvency, reorganization, moratoriums or similar laws at the time in effect effecting the enforceability or rights of creditors generally and by general equitable principles which may limit the right to obtain equitable remedies.

4.3. Representations as of the Closing Date: BUYER's representations and warranties set forth in this Agreement shall be true and correct on and as of the Closing Date, as though such representation and warranties were made as of a specific date, which need only be true as of such date or as otherwise provided by this Agreement.

ARTICLE V REPRESENTATIONS AND WARRANTIES OF SELLER

SELLER represents and warrants to BUYER (as of the date hereof and as of the Closing Date) as follows:

5.1 Organization: SELLER is incorporated in the state of its incorporation. SELLER has the power and authority to own, lease and operate the SELLER Purchased Assets and to conduct the business of the SELLER Licensed as it is now being conducted.

5.2 Authorization; Enforceability: The execution, delivery and performance of this Agreement and all of the documents and instruments required hereby by SELLER are within the power of SELLER. This Agreement is, and the other documents and instruments required hereby will be, when executed and delivered by SELLER, the valid and binding obligations of SELLER, enforceable against SELLER in accordance with their respective terms, subject only to bankruptcy, insolvency, reorganization, moratoriums or similar laws at the time in effect effecting the enforceability or rights of creditors generally and by general equitable principles which may limit the right to obtain equitable remedies.

5.3 Title to Purchased Assets; Liens and Encumbrances: SELLER owns good and marketable title in all of the SELLER Purchased Assets free and clear of any and all liens and liabilities.

5.4 Governmental Authorizations: SELLER holds, and on the Closing Date SELLER will hold, a valid SELLER License or Licenses from the FCC to operate or construct the SELLER Translator. **Schedule A** includes a true and complete list of the SELLER License(s). The SELLER License is in full force and effect and SELLER is the authorized legal holder thereof. As of the date hereof, no action or proceeding is pending or threatened before the FCC or any other governmental authority to revoke, refuse to renew or modify such SELLER License or other authorizations of the SELLER Translator.

5.5 Representations as of the Closing Date: SELLER's representations and warranties set forth in this Agreement shall be true and correct on and as of the Closing Date, as though such representation and warranties were made as of a specific date, which need only be true as of such date or as otherwise provided by this Agreement.

ARTICLE VI CERTAIN MATTERS PENDING THE CLOSING

From and after the date of this Agreement and until the Closing (unless otherwise provided herein):

6.1 SELLER Operations Pending Closing: SELLER shall, after the date hereof and prior to Closing:

- (a) Hold the SELLER License in material compliance in accordance with all applicable FCC requirements, rules and regulations;

(b) Not sell, lease, mortgage, pledge or otherwise dispose of any of the SELLER Purchased Assets except for transactions in the ordinary and regular course of the operation of the SELLER Translator; and

(c) Reasonably cooperate with BUYER, at BUYER's sole expense, in any FCC applications to modify the SELLER License for BUYER's future benefit and use. BUYER will create on the FCC's Consolidated Data Base System (CDBS) a special account and password. From time to time, and as often as required prior to the Closing, BUYER will upload to the account an application or applications on FCC Form 349 to modify the SELLER Translator facilities and provide the account number and password to SELLER. SELLER will review the application and file it. Should the application be granted prior to the Closing, the (i) BUYER will assist SELLER in the construction of the facility described in the FCC Form 349, such construction to be at BUYER's sole expense and without any expense whatsoever to Seller; (ii) upon completion of the construction, BUYER will prepare and upload to CDBS FCC Form 350, and (iii) SELLER, at no expense to SELLER but at BUYER's sole expense, will file the form upon the reasonable request of BUYER. BUYER will assume and pay all costs associated with preparation of the application or applications.

6.2 Antenna Use Agreement. Seller shall grant to Buyer use of its antenna and transmission line for a time period up until the Buyer relocates off Seller's leasehold. During such time of Buyer's use, Buyer shall reimburse to Seller, Seller's monthly leasehold payment. Such reimbursement shall be made within five (5) business days of Seller's written request for payment.

6.3 Cooperation: BUYER and SELLER will reasonably cooperate in all respects in connection with: (a) securing any non-governmental approvals, consents and waivers required of third Parties, and (b) giving notices to any governmental authority, or securing the permission, approval, determination, consent or waiver of any governmental authority, required by law in connection with the transfer of the SELLER Purchased Assets from SELLER to BUYER.

ARTICLE VII CONDITIONS PRECEDENT TO THE OBLIGATIONS OF SELLER

Each and every obligation of SELLER to be performed on the Closing Date shall be subject to the satisfaction prior to or at the Closing of the following express condition precedent:

7.1 Compliance with Agreement: BUYER shall have performed and complied in all material respects with all of its obligations under this Agreement which are to be performed or complied with prior to or at the Closing.

7.2 Representations and Warranties: The representations and warranties made by BUYER in this Agreement shall be true and correct in all material respects as of the closing date with the same force and effect as though such warranties and representations were made on the Closing Date, except for changes permitted or contemplated by this Agreement.

7.3 Deliveries at Closing: BUYER shall have delivered or cause to be delivered to SELLER any closing documents, each properly executed and dated as of the Closing Date as required pursuant to Section 2.3 (as applicable).

If any of the conditions set forth in this Article VII have not been satisfied, SELLER may in its sole discretion nevertheless, may elect to proceed with the consummation of the transactions contemplated hereby.

ARTICLE VIII
CONDITIONS PRECEDENT TO THE OBLIGATIONS OF BUYER

Each and every obligation of BUYER to be performed on the Closing Date shall be subject to the satisfaction prior to or at the Closing of the following express condition precedent:

8.1 Compliance with Agreement: SELLER shall have performed and complied in all material respects with all of its obligations under this Agreement which are to be performed or complied with prior to or at the Closing.

8.2 Representations and Warranties: The representations and warranties made by SELLER in this Agreement shall be true and correct in all material respects as of the closing date with the same force and effect as though such warranties and representations were made on the Closing Date, except for changes permitted or contemplated by this Agreement.

8.3 Deliveries at Closing: SELLER shall have delivered or cause to be delivered to BUYER any closing documents, each properly executed and dated as of the Closing Date as required pursuant to Section 2.3.

8.4 Absence of Investigations and Proceedings: Except for governmental investigations relating to the broadcast industry, generally there shall be no decree, judgment, order, or litigation at law or inequity, no arbitration proceedings, and no proceedings before or by any commission, agency or other administrative or regulatory body or authority pending to which relate to the (a) SELLER Translator or SELLER Purchased Assets and (b) SELLER, including any with respect to condemnation, zoning, use or occupancy, which would materially adversely affect the ability of BUYER to operate the SELLER Translator or to use or acquire the SELLER Purchased Assets in the same manner as operated and used by SELLER. Without limiting the generality of the foregoing, no action or proceeding shall be pending before the FCC or any governmental authority to revoke, modify in any material respect or refuse to renew the SELLER License. No suit, action or other proceedings shall be pending before any court or governmental authority in which it is sought to restrain or prohibit, or obtain any damages or other relief in connection with, this Agreement or the consummation of the transactions contemplated hereby.

8.5 Governmental Consents: The FCC Consent shall have been issued, and subject to the conditions of Section 1.1.4, shall be in full force and effect and contain no provision materially adverse to BUYER. All other authorizations, consents and approvals of any kind and all governmental regulatory authorities necessary in conjunction with the consummation of the transactions contemplated by this Agreement shall have been obtained and be in full force and effect. If any of the conditions set forth in this Article VIII have not been satisfied, BUYER may in its sole discretion nevertheless, may elect to proceed with the consummation of the transactions contemplated hereby.

ARTICLE IX
SURVIVAL; INDEMNIFICATION; TERMINATIONS

9.1 Survival. The respective representations and warranties of each of the parties to this Agreement shall survive the closing for a period of nine (9) months from the Closing Date.

9.2 Indemnification. Neither party shall be entitled to indemnification pursuant to this Agreement.

9.3 Termination. Either party may terminate this Agreement if the Closing has not occurred within 180 days 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. Termination of this Agreement shall not relieve any party of any liability it would otherwise have for a breach or default under this Agreement. Notwithstanding the foregoing, in

the event a petition to deny or an informal objection is filed with the FCC against the assignment of the Station license, the parties agree that the transaction termination date shall be extended to a period ten (10) business days after FCC Final Order.

9.4. **Cure Period:** 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.

9.5 **Remedies.** (a) SELLER agrees and acknowledges that in the event of SELLER's failure to perform its obligation to consummate the transaction contemplated hereby, BUYER shall be entitled to specific performance of the terms of this Agreement and of SELLER's obligation to consummate the transaction contemplated hereby.

(b) Upon termination of this Agreement by SELLER due to 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, to SELLER as liquidated damages.

ARTICLE X

MISCELLANEOUS

10.1 Entire Agreement; Amendment; and Waiver: This Agreement and the documents required to be delivered pursuant hereto constitute the entire agreement between the Parties pertaining to the subject matter hereof, and supersede all prior and contemporaneous agreements, understandings, negotiations and discussions of the parties, whether oral or written, and there are no warranties, representations or other agreements between the parties in connection with the subject matter hereof, except as specifically set forth or referenced herein. No amendment, supplement, modification, waiver or termination of this Agreement shall be binding unless executed in writing by the party to be bound thereby. No waiver of any of the provisions of this Agreement shall be deemed or constitute a waiver of any other provision of this Agreement, whether or not similar, unless expressly provided.

10.2 Expenses: Except as otherwise specifically provided herein, whether or not the transactions contemplated by this Agreement are consummated, each of the Parties shall pay the fees and expenses of its respective counsel, accountants and other experts incident to the negotiation, drafting and execution of this Agreement and consummation of the transactions contemplated hereby.

10.3 Benefit; Assignment: This Agreement shall be binding upon and endure to the benefit of and shall be enforceable by SELLER and BUYER and their respective proper successors and assigns. This Agreement (and any rights, obligations or liabilities hereunder) may not be assigned or delegated in whole or in part by any party without the prior written consent of the other party. Provided, however, either Party may assign this Agreement to an entity which is materially owned by or consists of essentially the same as such party, provided such party continues to be fully obligated hereunder.

10.4 Notices: All communications or notices required or permitted under this Agreement shall be in writing or by electronic means (*i.e.*, via e-mail and/or telephonic facsimile), or mailed by certified mail, postage prepaid, with return receipt requested, or delivered to FedEx (Federal Express), or any other nationally recognized overnight delivery service for next morning delivery or when dispatched by electronic means (with an electronic transmission receipt confirmation being deemed conclusive evidence of such dispatch), and shall be deemed to have been given (i) on the date of personal delivery to an officer or designated agent of the other party, or (ii) if sent by electronic transmission, on the date of such transmission receipt confirmation, and in each case

addressed to the parties, at the physical or e-mail address, or facsimile number, shown below, unless such address or number is changed by written request:

If to SELLER: Reach Communications, Inc.
2701 W. Cypress Creek Road
Ft. Lauderdale, FL 33309
Attn: James Taylor
Ph: 954-977-9673
Fax: 954-314-4300

And a copy to: Paul R. Alfieri, Esq.
Calvary Chapel Ft. Lauderdale
2401 W, Cypress creek Road
Ft. Lauderdale, Florida 33309
Ph: 954-315-4315
Fax: 954-301-2622
paul@calvaryftl.org

If to BUYER: Phillips Broadcasting, LLC.
567 Lewis Point Rd.
St. Augustine, FL 32086
Attn: Kristine Phillips, Member
Ph: 904-797-1955

10.5 Counterparts; Headings: This Agreement may be executed in several counterparts, each of which shall be deemed original, but such counterparts shall together constitute but one and the same Agreement. This agreement may be executed and delivered in counterpart signature pages executed and delivered by facsimile transmission, and any such counterpart executed and delivered via facsimile transmission shall be deemed an original for all intents and purposes. The Article and Section headings in this Agreement are inserted for convenience of reference only and shall not constitute a part thereof.

10.6 Judicial Interpretation: Should any provision of this Agreement require judicial interpretation, the parties hereto agree that the court interpreting or construing the same shall not apply a presumption that the terms hereof shall be more strictly construed against one party by the reason of the rule of construction that a document is to be construed more strictly against the party which itself or through its agent prepared the same, it is being agreed that the agents of each party have participated in the preparation hereof.

10.7 Saturdays, Sundays and Legal Holidays: If the time period by which any acts or payments required hereunder must be performed or paid expenses on a Saturday, Sunday or Legal Holiday, then such time period shall be automatically extended to the close of business on the next regularly scheduled Business Day.

10.8 Governing Law: This Agreement shall be construed and interpreted according to the laws of the State of Florida, without regard to the conflict of law principles thereof.

--SIGNATURE PAGE FOLLOWS --

IN WITNESS WHEREOF, the parties have executed this agreement as of the day and year first
abovewritten.

Reach Communications, Inc.

By: _____


James Taylor, Agent

Phillips Broadcasting, LLC.

By: _____

Kristine Phillips, Member

IN WITNESS WHEREOF, the parties have executed this agreement as of the day and year first
abovewritten.

Reach Communications, Inc.

By: _____
James Taylor, Agent

Phillips Broadcasting, LLC.

By: Kristine Phillips
Kristine Phillips, Member