

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made this 15th day of July 2013 (the "effective date") by and between WAY Media, Inc., a Florida non-profit corporation (hereinafter "WAY" the "Seller"), and FRC of Alabama, LLC, an Alabama Limited Liability Corporation (hereinafter "FRC" the "Buyer"), each a "Party" and collectively the "Parties".

RECITALS:

- A. WAY holds the license for translator W225AH Huntsville Alabama with Facility ID #142692 (hereinafter "WAY Translator").
- B. With FCC Consent, WAY desires to assign to FRC, and FRC desires to acquire from WAY the license for the WAY 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:

"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;

"Closing" shall mean the conference to be held at 10:00 AM Eastern Time, and at such a place as WAY selects on the Closing Date at which time the transactions contemplated by this Agreement shall be consummated as indicated herein;

"Closing Date" shall mean (1) the date designated by WAY upon at least (5) five days prior written notice to FRC which is no later than (10) ten business days after the last of the FCC approvals of the assignments as contemplated by the Agreement have become a Final Order; or (2) such other date as the Parties shall agree upon in writing. The Closing shall be deemed effective at 12:01AM on the first day subsequent to the Closing Date;

"FCC" shall mean the Federal Communications Commission;

"FCC Consent" for or related to the WAY translator license shall be action by the FCC granting its consent to the assignment of the licenses from WAY to FRC.

"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;

"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 Colorado or comparable law of any jurisdiction;

"Person" shall mean any natural person, general or limited partnership, corporation, limited liability company, or other entity;

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

"WAY License" shall mean the permit or authorizations issued by the FCC to WAY for the operation of the WAY Translators as listed in Schedule A;

"WAY Equipment" shall mean any item listed in Schedule B.

"WAY Purchased Assets" shall mean the right, title and interest of WAY in and to certain assets used or usable in the operation of the WAY Translators, limited to (a) the WAY License, (b) any WAY Equipment, and (c) the WAY Records, excluding all of WAY's cash and accounts receivable; and

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

- 1.2 **Singular / Plural – Gender:** Where the context so requires or permits, the use of the singular form 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, WAY shall sell, assign, convey, transfer and deliver to FRC, and FRC shall purchase all of WAY's right, title and interest, legal and equitable, in and to the WAY Purchased assets which shall be subject to no Lien or other encumbrance.
- 2.2 **Consideration:** FRC will have completed payments to WAY in the amount of \$55,281.00 (Fifty-five thousand, two hundred eighty-one dollars) by bank draft, transfer or certified check as completion of a separate Time Brokerage Agreement dated March 2010 and the buyout option therefor.
- 2.3 **Closing Date Deliveries for WAY:** At the Closing on the Closing Date, WAY shall deliver, or cause to be delivered, to FRC properly executed and delivered as of the Closing Date: (i) an FCC assignment of the WAY License, (ii) FCC Consummation notice(s), (iii) transfer of the association of the FCC FRN from WAY to FRC and (iv) assignment of tower leases, if any.
- 2.4 **Adjustments to Purchase Price: Prorations:** At the Closing the parties shall make all necessary prorations included but not limited to taxes, rent and utility charges
- 2.5 **Non-Assumption of Liabilities of WAY:** FRC does not and shall not assume or become obligated to pay any debt, obligation of any kind or nature of WAY or the WAY Translators, except for the assumed liabilities or other such obligations, debts or charges as are specifically allocated to FRC 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 practicable but in no event later than (5) five 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.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF FRC

FRC represents and warrants to WAY (which representations and warranties shall survive the Closing for a period of (12) twelve months from the Closing Date) as follows:

- 4.1. **Organization:** FRC is a Limited Liability Company in the State of Alabama. FRC has the power and authority to own, lease and operate the WAY Purchased Assets and to conduct business as it is now being conducted. FRC has the full corporate power to purchase the WAY 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 FRC are within the power of FRC. This Agreement is, and the other documents and instruments required hereby will be, when executed and delivered by FRC, the valid and binding obligations of FRC, enforceable against FRC 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:** FRC'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 WAY

WAY represents and warrants to FRC (which representations and warranties shall survive the Closing for a period of (12) twelve months from the Closing Date) as follows:

- 5.1 **Organization:** WAY is incorporated in the State of Florida. WAY has the power and authority to own, lease and operate the WAY Purchased Assets and to conduct the business of the WAY License 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 WAY are within the power of WAY. This Agreement is, and the other documents and instruments required hereby will be, when executed and delivered by WAY, the

valid and binding obligations of WAY, enforceable against WAY 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:** WAY owns good and marketable title in all of the WAY Purchased Assets free and clear of any and all Liens and liabilities.

5.4 **Governmental Authorizations:** WAY holds, and on the Closing Date WAY will hold, all valid construction permits or licenses from the FCC to operate or construct the WAY Translator. Schedule B includes a true and complete list of the WAY License(s). The WAY License is in full force and effect and WAY 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 WAY License or other authorizations of the WAY Translator.

5.5 **Representations as of the Closing Date:** WAY'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 **WAY Operations Pending Closing:** WAY shall, after the date hereof and prior to Closing:

- (a) hold the WAY License in accordance with all applicable FCC requirements, rules and regulations; and
- (b) Not sell, lease, mortgage, pledge or otherwise dispose of any of the WAY Purchased Assets except for transactions in the ordinary and regular course of the operation of the WAY Translators

6.2 **Consents:** WAY shall obtain all consents and approvals required from third Persons, whose consent or approval is required in order to assign any lease for tower sites from WAY prior to the Closing Date.

- 6.3 **Cooperation:** FRC and WAY will 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 WAY Purchased Assets from WAY to FRC.

ARTICLE VII

CONDITIONS PRECEDENT TO THE OBLIGATIONS OF WAY

Each and every obligation of WAY 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:** FRC 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 FRC 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:** FRC shall have delivered or cause to be delivered to WAY 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, WAY 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 FRC

Each and every obligation of FRC 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:** WAY 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

WAY 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: WAY shall have delivered or cause to be delivered to FRC all 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 in equity, no arbitration proceedings, and no proceedings before or by any commission, agency or other administrative or regulatory body or authority pending to which WAY is a party and to which the WAY Translator or WAY Purchased Assets are subject, including any with respect to condemnation, zoning, use or occupancy, which would materially adversely affect the ability of FRC to operate the WAY Translators or to use or acquire the WAY Purchased Assets in the same manner as operated and used by WAY. 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 WAY License. No suit, action or other proceeding 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 shall, at Closing, be a Final Order, unless waived by FRC, and in full force and effect and shall contain no provision materially adverse to FRC. 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, FRC may in its sole discretion nevertheless, may elect to proceed with the consummation of the transactions contemplated hereby, or FRC may elect to terminate this Agreement and any remaining funds in the Deposit (after deductions pursuant to Section 6.1) shall be returned to Buyer.

ARTICLE IX

TERMINATIONS; MISCELLANEOUS

9.1 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.

9.2 **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.

9.3 **Benefit; Assignment:** This Agreement shall be binding upon and endure to the benefit of and shall be enforceable by WAY and FRC 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 wholly owned by such party, provided such party continues to be fully obligated hereunder.

9.4 **Notices:** All communications or notices required or permitted under this Agreement shall be in writing and deemed to have been given (i) on the date of personal delivery to an officer of the other party, or (ii) if sent by telecopy or facsimile machine to the number shown below, on the date of such confirmed telecopy or facsimile transmission, provided a copy is also sent by commercial overnight delivery service, prepaid, at the address and facsimile number below, unless such address or number is changed by written request:

If to WAY: Robert D. Augsburg, President
WAY Media Group, Inc
5540 Tech Center Drive, Suite 200
Colorado Springs, CO 80919

If to FRC: Fred Holland
2305 Holmes Ave NW
Huntsville, AL 35816

9.5 **Counterparts; Headings:** This Agreement may be executed in several counterparts, each of which shall be deemed an 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 Table of Contents and Article and Section headings in this Agreement are inserted for convenience of reference only and shall not constitute a part thereof.

- 9.6 **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.
- 9.7 **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.
- 9.8 **Governing Law:** This Agreement shall be construed and interpreted according to the laws of the State of Colorado, without regard to the conflict of law principles thereof.
- 9.9 **Cure Period:** No breach shall become a material breach unless the breaching party files to remedy such breach within (5) five days of written notice of breach.

- SIGNATURE PAGE FOLLOWS -

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

WAY MEDIA, INC.

By: _____

Robert D. Augsburg, President

FRC of ALABAMA, LLC

By: _____

Fred Holland, Managing Member


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

WAY MEDIA, INC.

By: _____

Robert D. Augsburg, President

FRC of ALABAMA, LLC

By:  _____

Fred Holland, Managing Member

Schedule A**WAY Translator License**

The license for translator W225AH, at Huntsville, Alabama

Schedule B**WAY Equipment**

All equipment in use for the translator facility.