

## ASSET PURCHASE AGREEMENT

This **ASSET PURCHASE AGREEMENT** (the "**Agreement**") is made as of this ~~7<sup>th</sup>~~<sup>6<sup>th</sup></sup> day of March, 2014, by and between **YOUR CHRISTIAN COMPANION NETWORK, INC.**, (the "**Seller**"), and **BICOASTAL MEDIA LICENSES II, LLC**, (the "**Buyer**").

### **W I T N E S S E T H:**

**WHEREAS**, the Seller is the owner and holder of the Construction Permit for the FM Radio Translator Station K224ER, Eureka, California (Facility ID 156215) ("the **Translator**"), issued by the Federal Communications Commission (the "**FCC**"); and

**WHEREAS**, the parties have agreed upon, and now wish to memorialize by execution of this Agreement, the terms and conditions under which Seller will assign and transfer the Construction Permit and Buyer will acquire the Construction Permit for the Translator.

**NOW, THEREFORE**, in consideration of the mutual covenants, agreements and representations and warranties set forth herein, intending to be legally bound hereby, the parties agree as follows:

1. **Purchase and Sale of Acquired Construction Permit.** At the Closing (as defined below), upon the terms and subject to the conditions set forth in this Agreement, and in reliance on the representations, warranties, covenants and agreements made in this Agreement, Seller shall sell or assign and transfer to Buyer and Buyer shall purchase from Seller the following Construction Permit (the "**Construction Permit**"), free and clear of debts, liens, and other encumbrances except as specifically provided:

1.1. **Construction Permit.** All Construction Permits, permits and other authorizations issued by the FCC in connection with the conduct of the business and operation of the Translator, and all pending applications therefore (the "**Construction Permit**").

2. **Excluded Assets.** Notwithstanding anything to the contrary contained herein, the Construction Permit shall not include the following ("**Excluded Assets**"):

- (a) **Cash.** All cash and cash equivalents.
- (b) **Accounts Receivables.** All accounts receivables, if any, existing as of the Closing Date.
- (c) **Securities.** All publicly traded securities.

(d) Other. All insurance policies, pension, profit sharing and all other employee benefit plans.

3. **Purchase Price**. The total purchase price for the Construction Permit shall be the sum of Seventeen Thousand Five Hundred Dollars (\$17,500.00) (the "Purchase Price").

3.1. **Escrow Deposit**. Concurrently with the execution of this Agreement, Buyer shall deliver to, Sherman Silverstein, attorneys at law, the Escrow Agent, the sum of One Thousand Dollars (\$1,000.00) to be held as the Escrow Deposit pursuant to an escrow agreement, the form of which is attached as **Exhibit E**.

3.2. **Payment of Purchase Price**. Subject to the adjustments and prorations set forth in Section 3.3, at the Closing, Buyer and Seller shall direct the Escrow Agent to deliver the Escrow Deposit to Seller by wire transfer or delivery of other immediately available funds. The Escrow Deposit shall constitute partial payment of the Purchase Price. Buyer shall deliver to Seller by wire transfer or delivery of other immediately available funds Sixteen Thousand Five Hundred Dollars (\$16,500.00) as of the Closing Date.

4. **Closing Date**. The closing of the transactions contemplated by this Agreement (the "**Closing**") shall take place at such time and place mutually agreed upon by the parties on a date that is no later than ten (10) days following the date on which the FCC's grant of the Assignment Application (as defined below) becomes a Final Order (as defined below). The term "**Closing Date**" shall mean the date of the Closing.

5. **Assumption of Obligations**. Buyer expressly does not, and shall not, assume or be deemed to assume, under this Agreement or otherwise by reason of the transactions contemplated hereby, any liabilities, obligations, claim, duty, lien, encumbrance or commitments of Seller of any nature whatsoever (including but not limited to any liability owed by Seller for past due withholding or other taxes due to any governmental agency or for any existing environmental condition) except for Seller's obligations under the Construction Permit arising on or after the Closing Date.

6. **FCC Consent**. The assignment of the Construction Permit contemplated by this Agreement is subject to the FCC having granted the Assignment Application (the "**FCC Consent**"). No later than five (5) days after the execution of this Agreement, Seller shall file the Assignment Application with the FCC for assignment of the Construction Permit for the Translator. Seller and Buyer shall prosecute the Assignment Application with all reasonable diligence and otherwise use their reasonable best efforts to obtain the grant by Final Order of the Assignment Application as expeditiously as practicable. If the FCC Consent imposes any condition on any party hereto, such party shall use reasonable efforts to comply with such condition; provided, however, that no party shall be required hereunder to comply with any condition that would have a material adverse effect as determined by the party affected in the exercise of its reasonable judgment. If reconsideration or judicial review is sought with respect to the FCC Consent, the party affected shall oppose such efforts for reconsideration or judicial review vigorously; provided, however, that nothing herein shall be construed to limit either party's right to terminate this Agreement pursuant to the terms of this Agreement. The written



consent to the FCC Application by initial order of the FCC is referred to herein as the “FCC Consent.” For purposes of this Agreement, the term “Final Order,” shall mean that action shall have been taken by the FCC (including action duly taken by the FCC’s staff pursuant to delegated authority) which shall not have been reversed, stayed, enjoined, set aside, annulled or suspended, as to which no timely request for stay, petition for rehearing, appeal or certiorari or *sua sponte* action of the FCC with comparable effect shall be pending, and as to which the time for filing any such request, petition, appeal, certiorari or for the taking of any such *sua sponte* action by the FCC shall have expired or otherwise terminated.

7. **Representations, Warranties, and Covenants of the Seller.** The Seller hereby represents, warrants, and covenants to the Buyer that the following are true and correct in all material respects as of the date of this Agreement and on the Closing Date:

7.1. **Corporate Status.** Seller is a non-profit corporation duly organized, validly existing and in good standing under the laws of the State of California. Seller has all requisite corporate power and authority to own and assign and transfer the Construction Permit and to carry on its business and the operation of the Translator as they may be conducted.

7.2. **Authorization of Agreement.** Seller has full corporate power and authority to execute, deliver and perform this Agreement and all other agreements and instruments entered into or delivered in connection with the transactions contemplated hereby. The execution, delivery and performance of this Agreement has been, and all other agreements and instruments entered into or delivered in connection with the transactions contemplated hereby have been, or prior to the Closing will have been, duly and validly authorized by all necessary corporate action of Seller.

7.3. **No Conflict.** The execution, delivery and performance of this Agreement do not violate: (a) any provision of the organizational documents of Seller; (b) any provision of, or result in any default under, any mortgage, lien, lease, contract, instrument, order or other judgment, or decision to which Seller is a party or by which the Construction Permit is bound; or (c) any law applicable to Seller.

7.4. **Binding Agreement.** This Agreement constitutes, and all other agreements and instruments entered into or delivered in connection with the transactions contemplated hereby will constitute, the valid and binding obligations of Seller and are enforceable against Seller (or upon execution and delivery will be enforceable against Seller), in accordance with their respective terms.

7.5. **Governmental Authorizations.** Seller is the authorized legal holder of the Construction Permit, which is not subject to any restrictions or conditions which would limit in any respect the full operation of the Translator. Seller has delivered to Buyer a true and complete copy of the Construction Permit, including any and all amendments and other modifications thereto. The Construction Permit is a validly existing authorization for the construction of the facilities described therein. There are no applications or proceedings pending (including, without limitation, any action,

proceeding, investigation or order to show cause, notice of violation, notice of apparent liability or complaint involving Seller or the Translator by or before the FCC) nor, to the knowledge of Seller are there any such applications, proceedings or complaints threatened which individually or in the aggregate may have an adverse effect on the business or operation of the Translator (other than rulemaking proceedings that apply to the radio broadcasting industry generally).

7.6. **No Undisclosed Liabilities.** There are no liabilities with respect to the Translator, other than the liabilities retained by Buyer under this Agreement.

7.7. **Legal Proceedings.** There are no suits, actions, condemnation actions, claims, administrative, arbitrations, or other proceedings or governmental investigations (collectively, "***Litigation***") pending or threatened against or affecting the Construction Permit, nor is Seller subject to any writ, judgment, award, decree or order of any court or governmental authority that would adversely affect Buyer's ability to acquire the Construction Permit. There is no Litigation pending or, to Seller's knowledge, threatened against or affecting the Seller that could adversely affect or prevent the consummation of the transactions contemplated hereby, nor is Seller subject to any order of any court or governmental entity that could adversely affect or prevent consummation of the transactions contemplated hereby.

7.8. **Compliance with Laws.** The Seller has complied and is complying in all material respects with all laws applicable to the Construction Permit. Seller has not received notice of, nor is Seller in default under or in breach or violation of, any statute, law, ordinance, decree, order, rule or regulation, or the provisions of any franchise, license or permit, including the Construction Permit. The execution, delivery and performance of this Agreement by the Seller, and the consummation of the transactions contemplated hereby, will not result in any such default or violation or in the creation of any lien, charge or encumbrance upon the Construction Permit.

8. **Representations, Warranties and Covenants of the Buyer.** The Buyer hereby represents, warrants and covenants to the Seller that the following are true and correct in all material respects as of the date of this Agreement and on the Closing Date:

8.1. **LCC Status.** Buyer is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware. Buyer has all requisite corporate power and authority to own the Construction Permit and to carry on its business and the operation of the Translator as they may be conducted. Buyer is duly qualified to do business and is in good standing in such other jurisdictions, if any, where the nature of the business and operation of the Translator would require such qualification.

8.2. **Binding Agreement.** This Agreement constitutes, and all other agreements and instruments entered into or delivered in connection with the transactions contemplated hereby will constitute, the valid and binding obligations of the Buyer and



are enforceable against the Buyer (or upon execution and delivery will be enforceable against the Buyer) in accordance with their respective terms.

8.3. **Consents.** No consent or approval of any third party or governmental body (other than the FCC) is required for the consummation by the Buyer of the transactions contemplated by this Agreement.

8.4. **Qualification.** Buyer is legally, financially and otherwise qualified to purchase the Construction Permit in accordance with the provisions of the Communications Act of 1934, as amended, and the rules, regulations and policies of the FCC. Between the date hereof and the Closing, Buyer will not take any action or fail to take any action that would disqualify it from becoming the licensee of the Construction Permit without the need to request a waiver of the FCC rules, regulation and policies.

9. **Covenants of Seller.** The Seller covenants and agrees with the Buyer as follows:

9.1. **Interim Period Events.** During the period between the execution of the Agreement and the Closing (the "*Interim Period*"), Seller shall inform the Buyer of any material change in the Construction Permit and of any event that could result in a material adverse effect in Seller's ability to transfer the Construction Permit to Buyer. The Seller also shall inform the Buyer of any material changes in its representations and warranties under this Agreement.

9.2. **FCC.** During the Interim Period, Seller will maintain its good standing before the FCC and will not take any action or fail to take any action that would disqualify it from holding the Construction Permit without any conditions attached to the transfer of the Construction Permit to Buyer.

10. **Covenants of Buyer.** The Buyer covenants and agrees with the Seller as follows:

10.1. **Interim Period Events.** The Buyer shall inform the Seller of any changes in circumstances that could cause any of the Buyer's representations and warranties under the Agreement to be materially inaccurate or incomplete or that materially or adversely affect Buyer's ability to consummate the transactions in this Agreement.

10.2. **Confidentiality.** The Buyer shall, and shall cause its officers, counsel and other authorized representatives and affiliated parties to, hold in strict confidence, and not disclose to any other party, and not use to the detriment of the Seller or in any way except in connection with the transactions contemplated hereby, without the prior written consent of the Seller, all non-public information obtained from the Seller.

10.3. **No Control of Construction Permit.** Prior to the Closing Date, Buyer shall not, directly or indirectly, control, supervise or direct the operations of the Construction Permit and such control, supervision and direction shall remain and shall be the sole responsibility of Seller.

11. **Conditions of Closing.**

11.1. **Seller's Obligations.** The obligations of the Buyer under this Agreement are, at Buyer's option, subject to the fulfillment, at the Closing on the Closing Date, of all of the conditions precedent set forth in this Section 11.1:

11.1.1. **FCC Consent.** The FCC shall have granted the Assignment Application, which grant shall have become a Final Order.

11.1.2. **Instruments of Conveyance.** Seller shall have delivered to Buyer the following instruments, all of which shall be in a form customary in the State of California and reasonably satisfactory to Buyer:

- (b) Assignments and other appropriate instruments assigning the Construction Permit;
- (c) Certified copies of the resolutions of Seller authorizing and approving the execution and delivery of this Agreement by an authorized officer of Seller, and each of the other documents to be delivered in connection herewith, and authorizing the consummation of the transactions contemplated hereby;
- (d) Such other documents as Buyer shall reasonably request and which are necessary to place Buyer in actual possession and operating control of the Construction Permit being transferred hereunder.

11.1.3. **Accuracy of Representations – Compliance with Covenants.** The representations, warranties and covenants of Seller contained in this Agreement shall be true and correct in all material respects as of the Closing Date with the same force and effect as if made on that date, except to the extent otherwise contemplated herein, and Seller shall have complied in all material respects with all its covenants herein.

11.1.4. **Consents.** Seller shall have obtained the required written consents to the assignment of the Construction Permit and delivered such consents to Buyer along with true copies of all of the Construction Permit.

11.1.5. **Other Acts.** Seller shall, within reason, have done any other acts which are necessary to effectuate the transactions contemplated herein.

11.2. **Buyer's Obligations.** The obligations of the Seller under this Agreement are, at Seller's option, subject to the fulfillment, at the Closing on the Closing Date, of all of the conditions precedent set forth in this Section 11.2:

11.2.1. **FCC Consent.** The FCC shall have granted the Assignment



Application, which grant shall have become a Final Order.

11.2.2. **Purchase Price.** Buyer shall have delivered to Seller the Closing Payment as provided in Section 3.2.

11.2.3. **Accuracy of Representations – Compliance with Covenants.** The representations, warranties and covenants of Buyer contained in this Agreement shall be true and correct in all material respects as of the Closing Date with the same force and effect as if made on that date, except to the extent otherwise contemplated herein, and Buyer shall have complied with all its covenants herein in all material respects.

12.. **Termination.**

12.1. **Termination for FCC Inaction.** If the FCC Consent shall not become a Final Order within twelve (12) months of the date hereof, either Buyer or Seller may terminate this Agreement upon written notice to the other, provided that the party seeking to terminate is not in default hereunder.

12.2. **Termination for Default.** Either party may terminate this Agreement if the other shall be in material breach hereof and if the said breach (other than a payment default under Section 3 of the Agreement) shall not have been cured within ten (10) days of receipt of written notice thereof by the party seeking to terminate, provided, however, that if any such breach is not reasonably susceptible of being cured within ten days, then the party in breach shall have undertaken to cure the breach with all reasonable diligence and shall have cured the breach as promptly as is reasonably practicable.

13. **Indemnification.**

13.1. **Indemnification of Buyer.** Seller shall indemnify, defend and hold Buyer, its members, officers, affiliates, successors and assigns, harmless from and against any claim, liability, loss, damage, judgment or expense (including reasonable attorneys fees) of any kind or nature arising out of or attributable to: (i) any material inaccuracy in any representation or breach or failure of any warranty, covenant or agreement of Seller contained herein, or (ii) any failure by Seller to perform or observe, or to have performed or observed, in any material respect any agreement or condition to be performed or observed by Seller hereunder.

13.2. **Indemnification of Seller.** Buyer shall indemnify, defend and hold the Seller, its officers, shareholders, directors, affiliates, successors and assigns, harmless from and against any claim, liability, loss, damage, judgment or expense (including without limitation reasonable attorney's fees) of any kind or nature arising out of or attributable to (i) any material inaccuracy in any representation or breach or failure of any warranty, covenant or agreement of the Buyer contained herein, or (ii) any failure by the Buyer to perform or observe, or to have performed or observed, in any material respect any agreement or condition to be performed or observed by Buyer under this Agreement.

14. **Miscellaneous Provisions.**

14.1. **Survival of Representations, Warranties, and Covenants.** The representations, warranties, and covenants of the Buyer and the Seller contained in this Agreement shall survive and be enforceable for six (6) months after the Closing Date.

14.2. **Fees and Expenses.** Except as expressly set forth in this Agreement, each of the parties will bear its own expenses in connection with the negotiation and the consummation of the transactions contemplated by this Agreement.

14.3. **Entire Agreement.** This Agreement and the Exhibits hereto embody the entire agreement and understanding of the parties hereto and supersedes any and all prior agreements, arrangements and understandings relating to the matters provided for herein. No amendment, waiver of compliance with any provision or condition 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 any waiver, amendment, change, extension or discharge is sought.

14.4. **Headings.** The headings set forth in this Agreement are for convenience only and will not control or affect the meaning or construction of the provisions of this Agreement.

14.5. **Notices.** Any notice, demand or request required or permitted to be given under the provisions of this Agreement shall be in writing, addressed to the following addresses, or to such other address as any party may request.

If to Seller:

Shirley Garner, Executive Vice President  
Your Christian Companion Network, Inc.  
9019 West Lane  
Stockton, CA 95210

With a copy to:

Richard A. Helmick, Esq  
Cohn and Marks LLP  
1920 N Street, N.W., Suite 300  
Washington, DC 20036-1622

If to Buyer:



Michael Wilson  
President and COO  
Bicoastal Media Licenses II, LLC  
140 N Main Street  
Lakeport, CA 95453

With a copy to:

Robert E. Schwartz, Esq.  
Sherman, Silverstein, Kohl, Rose & Podolsky, P.A.  
308 Harper Drive, Suite 200  
Moorestown, New Jersey 08057

Any such notice, demand or request shall be deemed to have been duly delivered and received (a) on the date of personal delivery, or (b) on the date of receipt, if mailed by certified mail, postage prepaid and return receipt requested, or (c) on the date of a signed receipt, if sent by an overnight delivery service, but only if sent in the same manner to all persons entitled to receive notice or a copy.

14.6. **Benefit and Assignment.** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. Neither party may assign its rights, interest or obligations under this Agreement without the prior written consent of the other party.

14.7. **Governing Law.** The construction and performance of this Agreement shall be governed by the laws of the State of California, applicable to agreements made and to be performed in the State of California, without regard to its principles of conflicts of law.

14.8. **Severability.** In the event that any of the provisions of this Agreement shall be held unenforceable, the remaining provisions shall be construed as if such unenforceable provisions were not contained herein. Any provision of this Agreement which is unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such unenforceability without invalidating the remaining provisions hereof, and any such unenforceability in any jurisdiction shall not invalidate or render unenforceable such provisions in any other jurisdiction. To the extent permitted by applicable law, the parties hereto hereby waive any provision of law now or hereafter in effect which renders any provision hereof unenforceable in any respect.

14.9. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which will be deemed an original and all of which together will constitute one and the same instrument.

14.10. **Attorney's Fees**. Should any party hereto institute any action or proceeding at law or in equity to enforce any provision of this Agreement, including an action for declaratory relief, or for damages by reason of an alleged breach of any provision of this Agreement, or otherwise in connection with this Agreement, or any provision hereof, the prevailing party shall be entitled to recover from the losing party reasonable attorneys' fees and costs for services rendered to the prevailing party in such action or proceeding.

[signature page follows]



IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date herein first above-written.

**SELLER:**

**YOUR CHRISTIAN COMPANION NETWORK, INC.**

By Shirley Garner 3/18/14  
Name: Shirley Garner  
Title: Executive Vice President

**BUYER:**

**BICOASTAL MEDIA LICENSES II, LLC**

By Michael R. Wilson 3/13/14  
Name: Michael R. Wilson  
Title: President and C