

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT, dated as of May 2, 2014 (this “Agreement”), is by and between EDUCATIONAL MEDIA FOUNDATION, a California non-profit religious corporation (“Seller”), and GREAT LAKES RADIO, INC., a Michigan for-profit corporation (“Buyer”),

WITNESSETH:

WHEREAS, Seller is the licensee of FM translator stations:

W291CJ, Marquette, MI (Channel 291, 106.1 MHz, FCC Facility ID Number 20620)
W254AG, Escanaba, MI (Channel 254, 98.7 MHz, FCC Facility ID Number 20619)
W260AG, Ishpeming, MI (Channel 260, 99.9 MHz, FCC Facility ID Number 20617)

(the “Stations”), pursuant to authorizations (the “FCC Authorizations”) issued by the Federal Communications Commission (the “FCC”); and

WHEREAS, on the terms and conditions described herein, Seller desires to sell and Buyer desires to acquire the Stations’ licenses and all equipment assets owned by Seller and located at the tower site used or useful in connection with the operation of the Stations; and

WHEREAS, Buyer is affiliated with ChristianRadioBroadcasting.org., Inc. (“CRB”) who is a party to that certain Network Affiliation Agreement being executed simultaneously herewith between Seller and CRB. The execution, prosecution and consummation of this Asset Purchase Agreement is a necessary inducement and precondition for CRB to enter into the aforesaid Network Affiliation Agreement.

NOW, THEREFORE, in consideration of the foregoing and of the mutual promises herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Sale of Assets.

(a) On the Closing Date (as hereinafter defined), Seller shall sell, assign and transfer to Buyer, and Buyer shall purchase and assume from Seller, the assets and rights of Seller used or useful in connection with the operation of the Stations (the “Assets”), including the equipment itemized on Schedule 1 hereto and the FCC Authorizations used in connection with the Stations’ operations, free and clear of all liens, liabilities and encumbrances of every kind and nature.

(b) The Assets shall be transferred by Seller to Buyer free and clear of all debts, security interests, mortgages, trusts, claims, pledges, conditional sales agreements and other liens, liabilities and encumbrances of every kind and nature (“Liens”), other than for taxes not yet due and payable (“Permitted Liens”). Buyer is not agreeing to, and shall not, assume any liability, obligation, undertaking, expense or agreement of Seller of any kind, absolute or contingent, known or unknown, and the execution and performance of this Agreement shall not

render Buyer liable for any such liability, obligation, undertaking, expense or agreement. All of such liabilities and obligations shall be referred to herein as the “Retained Liabilities.”

(c) The following assets and obligations relating to the business of the Stations shall be retained by Seller and shall not be sold, assigned or transferred to or assumed by Buyer (the “Excluded Assets”):

- (i) Cash on hand and in banks (or their equivalents), and accounts receivable arising out of the operation of the Stations prior to Closing;
- (ii) All rights of Seller under all contracts, leases, and agreements, including tower leases, contracts of insurance and insurance proceeds of settlement and insurance claims made by Seller relating to property or equipment repaired, replaced, restored by Seller prior to the Closing Date;
- (iii) All assets of Seller used in connection with the Stations not listed on Schedule 1;
- (iv) All deposits and all prepaid expenses and taxes; and
- (v) Seller’s corporate records.

2. Consideration.

(a) Upon the terms and subject to the conditions contained in this Agreement, and in consideration of the sale of the Assets, on the Closing Date Buyer shall pay to Seller the sum of One Dollar (\$1) (the “Purchase Price”). The Purchase Price shall be payable to Seller by check or wire transfer of funds.

3. FCC Consent.

(a) On and after a date not later than five (5) business days after the execution of this Agreement, Buyer and Seller shall execute, file and prosecute an application with the FCC (the “Assignment Application”) requesting its consent to the assignment, from Seller to Buyer, of all FCC Authorizations pertaining to the Stations (the “FCC Consent”). Seller will also be responsible for preparing a modification application for each Station that will specify a transmitter site and facilities desired by Buyer and agreeable to Seller as herein provided.

4. Closing Date; Closing Place. The closing (the “Closing”) of the transactions contemplated by this Agreement shall occur on a date determined by Seller not less than ten business (10) days following the date on which the grant of FCC Consent to the Assignment Application has become a Final Order. As used herein, a Final Order is one no longer subject to administrative or judicial review, reconsideration or appeal. Buyer, at its election may waive a Final Order and the parties may then close after initial FCC approval. The Closing shall be held by mail, facsimile, or electronic mail, as the parties may agree.

5. Representations and Warranties of Seller. Seller hereby makes the following representations and warranties to Buyer:

(a) Seller is a corporation duly organized, validly existing and in good standing under the laws of the State of California. Seller has the power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The entry into and performance of this Agreement does not violate any contract, agreement, judgment, writ, injunction or other legal obligation of Seller. Seller knows of no reason this transaction cannot be performed and consummated in the manner set out herein.

(b) The FCC Authorizations are in full force and effect, unimpaired by any act or omission of Seller. There is not now pending or threatened any action by or before the FCC to revoke, cancel, rescind, modify or refuse to renew any of the FCC Authorizations. Seller is operating the Stations in all material respects in accordance with the FCC Authorizations, and all rules and regulations and policies of the FCC.

6. Covenants.

(a) Seller covenants with Buyer that, between the date hereof and the Closing Date, Seller shall act in accordance with the following:

(i) Seller shall take all actions necessary to keep the FCC Authorizations valid and in full force and effect.

(ii) Seller shall prepare and file the Assignment Application for the Stations with commercially reasonable diligence, after review and approval by both Seller and Buyer, and shall otherwise cooperate with Buyer in achieving the goals of this Agreement. The Buyer and Seller shall share equally any FCC filing fee associated with such Assignment Application.

(iii) Seller shall file and diligently prosecute Applications for a Construction Permit ("Modification Application") at Buyer's choice of tower sites.

(b) Seller covenants that, within five (5) days after receipt from Buyer of all the information necessary to complete an Application for Construction Permit, after review by both parties, Seller shall file and diligently prosecute applications to move the Stations (the "Move Applications") from their current broadcast site to a broadcast site designated by Buyer and approved by Seller, which approval shall not be unreasonably withheld. Seller shall not be required to build the Stations in accordance with the Move Applications should they be granted prior to Closing.

(c) Buyer agrees to decommission the Stations at Seller's current transmission sites within thirty (30) days after Closing; provided, however, Seller shall secure the tower owners'/landlords' permission for Buyer to enter upon the premises for the purpose of decommissioning the Stations (the "Landlords' Permission"). Buyer shall reimburse Seller for any tower rent incurred by Seller as a result of Buyer's failure to decommission the Stations within said 30 day period. In the event Buyer fails or refuses to decommission the Stations within sixty (60) days of Closing, Seller may decommission the sites at Buyer's expense. In the event Seller is unable to obtain the Landlord's Permission on one or more of the Stations, then with respect to those Stations then the obligation to decommission the Stations shall fall upon Seller and Buyer shall be released from any obligations with respect to decommission those

stations, including the obligation to reimburse Seller for tower rent if the decommissioning is delayed. Seller will deliver to Buyer all the broadcast equipment assets from the current operation of the 3 translators as further set forth in Schedule 1. The broadcast equipment assets that are the subject of this Agreement include but are not limited to: coaxial line, antennas, all transmitting and receiving equipment and racks, any item used in the signal chain such as filters, jumpers, and surge protection when removed, if any.

(d) If Seller is unable to obtain the tower owners'/landlords' consent, then Buyer shall be relieved of the obligation to decommission the tower and Seller shall be relieved of the obligation to deliver to Buyer the antenna and coax.

7. Conditions Precedent to Obligation to Close.

(a) The performance of the obligations of the Seller hereunder is subject to the satisfaction of each of the following express conditions precedent, unless waived in writing by the other party:

(i) Buyer shall have performed and complied in all material respects with all of the agreements, obligations and covenants required by this Agreement to be performed or complied with by Buyer prior to or as of the Closing Date;

(ii) The representations and warranties of Buyer set forth in this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same effect as if made on and as of the Closing Date;

(iii) The FCC Consent to the Assignment Application shall have been granted;

(iv) Buyer shall have delivered to Seller, on the Closing Date, the documents/payments required to be delivered pursuant to this Agreement;

(v) Seller and CRB shall have entered into a Network Affiliation Agreement by which CRB agrees to carry Seller's programming on FM stations WSHN and WCRR; and

(b) The performance of the obligations of Buyer hereunder is subject to the satisfaction of each of the following express conditions precedent:

(i) Seller shall have performed and complied in all material respects with all of the agreements, obligations and covenants required by this Agreement to be performed or complied with by Seller prior to or as of the Closing Date;

(ii) The representations and warranties of Seller set forth in this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same effect as if made on and as of the Closing Date;

(iii) The FCC Authorizations shall be in full force and effect and there shall be no proceedings pending before the FCC to revoke, cancel, rescind, modify or refuse to renew any of such FCC Authorizations;

(iv) There shall not be any liens on the Assets;

(v) Seller shall have delivered to Buyer, on the Closing Date, the documents/payments required to be delivered pursuant to this Agreement;

(vi) FCC Consent to the Assignment Application shall have been granted and, at the option of Buyer, shall have become Final.

8. Closing Deliveries.

(a) At the Closing, Seller will deliver to Buyer the following, each of which shall be in form and substance satisfactory to Buyer and its counsel:

(i) A Bill of Sale; and

(ii) An Assignment and Assumption of the Stations' FCC Licenses.

(b) Prior to or at the Closing, Buyer will deliver to Seller the following, each of which shall be in form and substance satisfactory to Seller and its counsel:

(i) The payments to be made pursuant to Section 2(a) hereof; and

(ii) An Assignment and Assumption of the Stations' FCC Licenses.

9. Indemnification.

(a) The several representations and warranties of Seller and Buyer contained in or made pursuant to this Agreement, including the covenants contained in section 6(c) shall expire on the date that is one (1) year after the Closing Date. Each party agrees to indemnify the other for any post-closing breach of such representations, warranties and covenants of the indemnifying party.

(b) It is understood and agreed that the Buyer does not assume and shall not be obligated to pay any liabilities of Seller and shall not be obligated to perform any obligations of Seller which arise subsequent to the Closing except as may be specifically provided herein.. Seller hereby agrees to indemnify and hold Buyer, its successors and assigns, harmless from and against any and all claims, liabilities and obligations of every kind and description, contingent or otherwise, arising from or related to the operation of the Stations prior to the Closing.

(c) If any claim or liability shall be asserted against the Buyer which would give rise to a claim by the Buyer against the Seller for indemnification under the provisions of this Paragraph, the Buyer shall promptly notify the Seller in writing of the same and the Seller shall, at its own expense, defend any such action.

10. Termination.

(a) This Agreement may be terminated by either Buyer or Seller, if the party seeking to terminate is not in breach of any of its material obligations under this Agreement, upon written notice to the other of any of the following: (i) if, on or prior to the Closing Date, the other party breaches any of its material obligations contained herein and such breaches are not cured by the earlier of the Closing Date or thirty (30) days after receipt of the notice of breach from the non-breaching party; or (ii) if the Assignment Application is denied by the FCC and such denial shall have become a Final Order, or (iii) if the Closing has not occurred within 12 months of the date of this Agreement.

(b) If Seller defaults in the performance of its obligations hereunder, the parties agree that specific performance is an appropriate remedy for any breach, as the property to be conveyed hereunder is unique and a breach cannot be remedied by money damages.

(c) In addition to any other damages to which they may be entitled hereunder, in the event of litigation over the provisions of this agreement, the prevailing party shall be entitled to receive its reasonable costs of enforcing its rights, including reasonable attorney's fees.

11. Notices. All notices, elections and other communications permitted or required under this Agreement shall be in writing and addressed as follows (or at such other address for a party as shall be specified by like notice):

If to Seller, to:

Educational Media Foundation
5700 West Oaks Blvd
Rocklin, CA 95765

If to Buyer, to:

Great Lakes Radio, Inc.
Attn: Todd Noordyk
3060 US 41 Hwy W.
Marquette, MI 49855

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

Cary S Tepper
Tepper Law Firm, LLC
4900 Auburn Avenue
Suite 100
Bethesda, MD 20814

12. Governing Law; Venue. This Agreement shall be construed and enforced in accordance with the laws of the State of Michigan, without giving effect to the choice of law principles thereof.

13. Counterparts. This Agreement may be executed in several counterparts, each of which will be deemed to be an original but all of which together will constitute one and the same instrument.

14. Expenses. Except as otherwise set forth in this Section, each party hereto shall be solely responsible for all costs and expenses incurred by it in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement.

15. Assignment. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. No party may voluntarily or involuntarily assign its interest or delegate its duties under this Agreement without the prior written consent of the other party which consent shall not be unreasonably withheld.


16. Entire Agreement. This Agreement, and the exhibits attached hereto, supersede all prior agreements and understandings between the parties with respect to the subject matter hereof and may not be changed or terminated orally, and no attempted change, amendment, or waiver of any of the provisions hereof shall be binding unless in writing and signed by both parties.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Asset Purchase Agreement as of the day and year first above written.

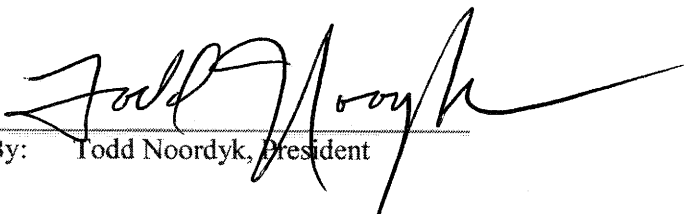
Seller:

EDUCATIONAL MEDIA FOUNDATION


Mike Novak, President and CEO

Buyer:

GREAT LAKES RADIO, INC.


By: Todd Noordyk, President

SCHEDULE 1
EQUIPMENT TO BE CONVEYED

W291CJ

Energy-Onix SST-150 Transmitter
APG Radcom Biquad FM Processor
ERI LP-1E Antenna
Barix 100 Exstreamer
APC Power Back;up
Ambit Modem
Coax

W254AG

Crown FM100 Transmitter
Dayton 210FM Receiver
EMR 6354 Bandpass filter
ERI LP-1E Antenna
Scala HDCA-5 Antenna
Coax

W260AG

Crown FM100 Transmitter
EMR 6354 Bandpass filter
ERI LP-1E Antenna
Scala HDCA-5 Antenna
UPS Battery Backup
Coax

SCHEDULE 2

FCC Authorizations

Type of Authorization	Call Sign
Renewal License	W291CJ
Renewal License	W254AG
Renewal License	W260AG