

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this “Agreement”) is dated as of August 24, 2016, by and between Pensacola Christian College, Inc., an Florida not-for-profit corporation (“Seller”) and Radio Rancho, LLC, a Montana limited liability company (“Buyer”)

WITNESSETH:

WHEREAS, Seller is the licensee of FM Translator Station K201EO Boise, ID, Facility ID Number 86932, (the “Station”), pursuant to an authorization issued by the Federal Communications Commission (the “FCC”);

WHEREAS, Seller holds a construction permit for the Station, File No. BPFT-20160122AHC to upgrade the Station’s effective radiated power to 250 Watts and operate on Channel 255 as translator K255CX (the “Permit”); and

WHEREAS, Seller desires to sell, transfer, assign, convey and deliver to Buyer, and Buyer desires to acquire from Seller, certain of the assets owned and held by Seller and used or useful solely in connection with the operation of the Station; and

WHEREAS, Seller is separately and contemporaneously executing an Asset Purchase Agreement with Educational Media Foundation to acquire KARJ(FM), Kuna, ID, Facility Id. No. 88927; and

WHEREAS, Seller desires to modify the license of KARJ by changing its operating channel to Channel 201C1 and co-locating KARJ to the same tower used for the main antenna site for Buyer’s KDBI(FM) Homedale, ID (the “Succor Creek Tower Site”) so that Seller’s programming can be seamlessly moved from the Station’s current frequency of 88.1 to KARJ’s new frequency of 88.1 at Kuna (the “KARJ Facilities”) in conjunction with the implementation of the Permit; and

WHEREAS, Seller desires that Buyer assist in the construction of the Station’s Permit and KARJ Facilities as part of this Agreement.

NOW, THEREFORE, in consideration of the foregoing promises and the mutual covenants and agreements hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. **Sale of Assets.** On the Closing Date (as hereinafter defined), Seller agrees to sell, transfer, assign, convey and deliver to Buyer all of the right, title and interest of Seller in and to those certain assets and properties of Seller owned or held by Seller and used or useful solely in connection with the operation of the Station (the “Assets”), which are limited to the following:

(a) all FCC licenses, permits and authorizations to operate the Station (the

“FCC Authorizations”) together with all licenses, permits and authorizations issued by any other governmental authority in connection with the operation of the Station, as set forth on Schedule 1(a); and

(b) The transmitter, antennas, and other equipment owned by Seller and used in connection with the Station, as set forth on Schedule 1(b) hereto.

2. **Purchase Price.** In consideration of the sale, transfer, assignment, conveyance and delivery of the Assets to Buyer, Buyer shall pay to Seller the aggregate sum of Ninety Thousand Dollars (\$90,000) (the “Purchase Price”) by wire transfer of immediately available funds, or such other payment method mutually satisfactory to the parties. Upon execution of the Agreement, Buyer shall deposit with Seller the sum of Eighty-Eight Thousand Dollars (\$88,000.00) (the “Earnest Money Deposit”). On the Closing Date, the Earnest Money Deposit shall be credited against the Purchase Price and Buyer shall pay to Seller the Two Thousand Dollars (\$2,000) in cash toward the balance of the Purchase Price. Payment shall be made by wire transfer of immediately available funds, pursuant to written wire instructions that Seller shall deliver to Buyer at or prior to Closing.

3. **Seller’s Remedies.** In the event that the Buyer wrongfully fails to close and Seller has fully complied with the terms of the Purchase Agreement then only in that event Buyer shall forfeit the Earnest Money Deposit to Seller as liquidated damages and as the exclusive remedy of Seller against Buyer. In the event the Closing does not occur and Buyer is not in default of this Agreement, the Earnest Money Deposit shall be returned to Buyer.

4. **Buyer’s Remedies.** The parties mutually understand and agree that the assets and property to be transferred pursuant to this Agreement are unique and cannot readily be purchased on the open market. For that reason, in the event Seller fails to consummate this Agreement, and such failure is by reason of a default of Seller in material breach of Seller’s obligations under this Agreement, the rights of Buyer under this Agreement, as well as the obligations of Seller, shall be enforceable by decree of specific performance, subject to Commission consent.

5. **FCC Consent; Assignment Application.** It is specifically understood and agreed by Seller and Buyer that the assignment of the FCC Authorizations is subject to the prior consent of the FCC (“FCC Consent”). Within five (5) business days after execution of this Agreement, Seller and Buyer shall jointly file with the FCC an application for assignment of the FCC Authorizations (the “Assignment Application”) from Seller to Buyer. Seller and Buyer shall thereafter prosecute the Assignment Application with all reasonable diligence and otherwise use their best efforts to obtain the grant of the Assignment Application as expeditiously as practicable. After the Assignment Application has been filed, Buyer may, at its sole expense, prepare and file a contingent modification application to relocate the Station and make such other technical changes as Buyer may require (the “Modification Application”). If requested by Buyer, Seller shall provide a letter granting its consent to Buyer’s submission of the Modification Application, or submit the Modification Application in Seller’s own name; provided that Buyer shall pay any FCC filing fee associated with the Modification Application.

6. **Construction Services.**

(a) Buyer shall provide at its own cost the following services all under the direction and approval of Seller:

(i) Labor to construct Station pursuant to the Permit under the direction of Seller.

(ii) Labor and project management services to construct the KARJ Facilities, under the direction of the applicable KARJ licensee, specifically the installation of a directional antenna, feed line, transmitter, electrical, and requisite HVAC systems for the KARJ Facilities using equipment purchased by Seller using the funds from the Earnest Money Deposit. Buyer shall also provide the mount for a Shively 6810 antenna, feed line, and requisite mounting equipment and equipment needed for electrical service.

b Buyer shall provide at Seller's expense the labor and project management services for the installation of a satellite dish, remote control equipment, and internet router and switch. Seller shall be responsible for all expenses for any subcontractors retained directly by Seller or by Buyer for the installation of the satellite dish, remote control equipment, or internet router and switch, provided Buyer receives Seller's written preapproval to secure the services of any subcontractor.

7. **Closing Date.** The closing (the "*Closing*") of the transactions contemplated by this Agreement shall occur on the later of the following:

(a) within ten (10) days following the date on which the FCC Consent becomes a Final Order (as that term is herein defined) and satisfaction of the conditions specified in Section 11, provided, however, that Buyer may elect, in its sole discretion, to proceed to Closing upon written notice to Seller upon the release of public notice of the grant of the FCC Consent, in which event the Closing shall be held on the fifth (5th) business day after the date of Buyer's notice to Seller. For purposes of this Agreement, the term "Final Order" means action by the FCC consenting to the assignment application which is not reversed, stayed, enjoined, set aside, annulled or suspended, and with respect to which action no timely request for stay, petition for rehearing or appeal is pending, and as to which the time for filing any such request, petition or appeal or reconsideration by the FCC on its own motion has expired.

(b) within ten (days) following the date when Buyer has completed construction of the KARJ Facilities at the Succor Creek Tower Site.

8. **Seller's Representations, Warranties and Other Obligations.** Seller represents and warrants that:

(a) Seller is a not-for-profit educational institution organized under the laws of the State of Florida. Seller has the right, power and authority, and has taken all necessary action, to enter into this Agreement and to fully perform all of its obligations under this Agreement. The execution and performance of this Agreement does not constitute a violation,

breach, or default under any law, regulation, agreement or other obligation to which Buyer is or will become subject.

(b) At Closing, Seller will be the authorized legal holder of the FCC Authorizations and the other licenses, permits and authorizations.

(c) The FCC Authorizations are in full force and effect and have not been modified, revoked, canceled or rescinded, except as may be contemplated in Buyer's Modification Application.

(d) At Closing, Buyer shall receive clear and unencumbered title to the Assets.

9. **Buyer's Representations and Warranties.** Buyer represents and warrants that Buyer is a limited liability corporation duly formed under the laws of the State of Montana, and is validly existing and in good standing. Buyer has the right, power and authority, and has taken all necessary action, to enter into this Agreement and to fully perform all of its obligations under this Agreement. The execution and performance of this Agreement does not constitute a violation, breach, or default under any law, regulation, agreement or other obligation to which Buyer is or will become subject. Buyer is legally, financially and otherwise qualified under the Communications Act of 1934, as amended, and the rules, regulations and policies of the FCC, to become the licensee of the Station and to consummate the transactions contemplated herein.

10. **Further Assurances.** Each party shall, from time to time at the request of, and without further cost or expense to the other, execute and deliver such other instruments and take such other actions as may reasonably be requested in order to more effectively consummate the transactions contemplated hereby.

11. **Conditions Precedent to Obligation to Close.**

(a) The performance of the obligations of Seller hereunder are subject to the satisfaction of each of the following express conditions precedent:

(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 shall have been issued without any condition that would have a material adverse effect upon Seller.

(iv) Buyer shall have delivered to Seller on the Closing Date the Purchase Price as provided for in Section 2(a).

(b) The performance of the obligations of Buyer hereunder are 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 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 Consent shall have been issued without any condition that would have a material adverse effect upon Buyer.

12. **Tower Lease.** Buyer shall cause its affiliate JLD Media, LLC, to execute the sublease with Seller as set forth on Schedule 2 so that Seller may operate KARJ from the Succor Creek Tower Site.

13. **Closing Deliveries.** At the Closing, each party shall deliver to the other such documents, instruments and agreements as the other shall request and as shall be reasonably necessary to consummate the transactions contemplated by this Agreement, each in form and substance reasonably satisfactory to counsel for each party.

14. **Termination.** This Agreement may be terminated prior to Closing (a) by mutual written consent of Buyer and Seller; (b) by written notice of Seller to Buyer or Buyer to Seller if Closing does not occur by the date twelve (12) months after the date of this Agreement provided that the party seeking termination is not in default of this Agreement; or (c) in the event either party is in default of this Agreement, by the non-defaulting party. In the event of termination of this Agreement pursuant to this Section this Agreement shall forthwith become void and the parties shall be released for any further obligation hereunder

15. **Transfer Fees and Taxes.** Buyer shall be solely responsible for any and all bulk transfer fees, transfer taxes, sales taxes or other taxes, assessments, FCC and engineering fees associated with the purchase of the License.

16. **Miscellaneous.**

(a) This Agreement shall inure to the benefit of, and shall be binding upon, the parties hereto and their heirs, successors, executors, legal representatives and assigns, provided however that neither party hereto may voluntarily assign this Agreement without the express written consent of the other party.

(b) Nothing herein expressed or implied is intended or shall be construed to confer upon or give to any person or entity other than the parties hereto and their successors or permitted assigns, any rights or remedies under or by reason of this Agreement.

(c) The construction and performance of this Agreement shall be governed by the laws of the State of Idaho.

(d) This Agreement embodies the entire agreement and understanding of the parties hereto relating to the matter provided for herein, and supersedes any and all prior agreements, arrangements and understandings relating to the matters provided for herein.

(e) 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.

(f) Except as otherwise provided for in this Agreement, each party 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. All fees and charges applicable to any requests for the FCC Consent shall be shared equally by both parties.

17. **Notices.** All notices and other communications permitted or required under this Agreement shall be in writing and shall be deemed effectively given or delivered upon personal delivery or twenty-four (24) hours after delivery to a courier service which guarantees overnight delivery or five (5) days after deposit with the U.S. Post Office, by registered or certified mail, postage prepaid, and, in the case of courier or mail delivery, addressed as follows (or at such other address for a party as shall be specified by like notice):

If to Seller to:
Pensacola Christian College, Inc.
Attn: Rejoice Broadcast Network
PO Box 18000
Pensacola, FL 32523-9160
Tel: 850-478-8496
Email: rbn@rejoice.org

If to Buyer to:
Kevin Terry
Radio Rancho, LLC
100 W. Lyndale Avenue
Suite B
Helena, MT 59601
(tel): 406-438-6353
(e-mail): kevin@radiancho.com

18. **Counterparts.** This Agreement may be signed in counterpart originals, which

collectively shall have the same legal effect as if all signatures had appeared on the same physical document. This Agreement may be signed and exchanged by facsimile transmission, with the same legal effect as if the signatures had appeared in original handwriting on the same physical document.

19. **Mutual Right of Indemnification**

(a) Seller shall indemnify, defend and hold harmless Buyer with respect to any and all demands, claims, actions, suits, proceedings, assessments, judgments, costs, losses, damages, liabilities and expenses (including, without limitation, interest, penalties, court costs and reasonable attorneys' fees) ("Damages") asserted against, resulting from, imposed upon or incurred by Buyer directly or indirectly relating to or arising out of: (i) the breach by Seller of any of its representations or warranties that survive the Closing, or failure by Seller to perform any of its covenants, conditions or agreements set forth in this Agreement that survive the closing; and (ii) any and all claims, liabilities and obligations of any nature, absolute or contingent, relating to the ownership and operation of the Assets and the Station prior to the Closing.

(b) Buyer shall indemnify, defend and hold Seller harmless with respect to any and all Damages asserted against, resulting from, imposed upon or incurred by Buyer directly or indirectly relating to or arising out of: (i) the breach by Buyer of any of its representations, warranties, or failure by Buyer to perform any of its covenants, conditions or agreements set forth in the Agreement; and (ii) any and all claims, liabilities and obligations of any nature, absolute or contingent, relating to the ownership and operation of the Station as conducted by Buyer subsequent to the Closing and/or with respect to any contingent applications pertaining to the Station proposed, prepared, filed and/or prosecuted by Buyer or on Buyer's behalf prior to the Closing.

(c) If either party hereto (the "Indemnatee") receives notice or otherwise obtains knowledge of any matter with respect to which another party hereto (the "Indemnifying Party") may be obligated to indemnify the Indemnatee under this Section, then the Indemnatee shall promptly deliver to the Indemnifying Party written notice describing such matter in reasonable detail and specifying the estimated amount of the Damages or liability that may be incurred by the Indemnatee in connection therewith. The Indemnifying Party shall have the right, at its option, to assume the complete defense of such matter at its own expense and with its own counsel, provided that such counsel is reasonably satisfactory to the Indemnatee. If the Indemnifying Party elects to assume the defense of such matter, then (i) notwithstanding anything to the contrary herein contained, the Indemnifying Party shall not be required to pay or otherwise indemnify the Indemnatee against any such matter following the Indemnifying Party's election to assume the defense of such matter, (ii) the Indemnatee shall fully cooperate as reasonably requested by the Indemnifying Party in the defense or settlement of such matter, (iii) the Indemnifying Party shall keep the indemnatee informed of all material developments and events relating to such matter, and (iv) the Indemnatee shall have the right to participate, at its own expense, in the defense of such matter. In no event shall the Indemnifying Party be liable for any settlement or admission of liability with respect to such matter without its prior written consent.

(d) The right to indemnification hereunder shall not be the exclusive remedy of either party in connection with any breach by the other party of its representations, warranties or covenants, nor shall such indemnification be deemed to prejudice or operate as a waiver of any remedy to which either party may otherwise be entitled as a result of any such breach by the other party.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

PENSACOLA CHRISTIAN COLLEGE, INC.

By: _____
Name: Troy A. Shoemaker
Title: President

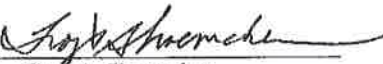
RADIO RANCHO, LLC

By: _____
Kevin D. Terry
Manager

(d) The right to indemnification hereunder shall not be the exclusive remedy of either party in connection with any breach by the other party of its representations, warranties or covenants, nor shall such indemnification be deemed to prejudice or operate as a waiver of any remedy to which either party may otherwise be entitled as a result of any such breach by the other party.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

PENSACOLA CHRISTIAN COLLEGE, INC.

By: 
Name: Troy A. Shoemaker
Title: President

RADIO RANCHO, LLC

By: 
Kevin D. Terry
Manager