

## **ASSET PURCHASE AGREEMENT**

THIS ASSET PURCHASE AGREEMENT ("Agreement"), entered this 14<sup>th</sup> day of July October, 2016 ("Agreement"), is entered into by and between **Friends of Christian Radio, Inc.**, an Indiana corporation (the "Seller"), and **Zamora Broadcasting Systems, Inc.**, a Michigan corporation (the "Buyer").

### **RECITALS**

- A. Seller holds a Federal Communications Commission ("FCC") construction permit for a new FM translator station to serve the community of Merrillville, Indiana, W224CZ (Facility ID No. 143885, FCC File No. BNPFT-20130829ABQ) (the "Permit").
- B. On the terms and conditions contained herein, Seller agreed to sell the Permit to buyer and Buyer agreed to purchase the Permit from Seller.

### **AGREEMENT**

***NOW, THEREFORE***, in consideration of the foregoing mutual promises set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Buyer and Seller agree as follows:

**Section 1. Sale of Assets.** On the Closing Date (as hereinafter defined), Seller shall sell, assign and transfer to Buyer, and Buyer shall purchase and assume from Seller, the Permit for the Translator issued by the FCC. Seller shall transfer the Permit to Buyer at the Closing free and clear of all liens, claims or encumbrances of every kind and nature. Buyer shall not assume any agreements, contracts, leases or any other commitments of Seller of any type or nature.

**Section 2. Consideration.** Buyer shall pay to Seller the aggregate sum of Thirty Eight Thousand and No/100 Dollars (\$38,000) (the "Purchase Price") in cash by wire transfer of immediately available funds. Concurrently with the execution of this Agreement, Buyer shall deliver to Seller a non-refundable deposit of Seventy Six Hundred and No/100 Dollars (\$7600.00) (the "Deposit"). The Deposit shall be applied to the Purchase Price to be paid at Closing. All payments remitted under this Agreement shall be payable in U.S. Dollars by wire transfer of immediately available funds to an account, or accounts, designated in writing by Seller at least two (2) business days before the Buyer must remit the payments.

**Section 3. FCC Consent; Assignment and Modification Applications.** (a) 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 the FCC Permit for the translator (the "FCC Consent") as soon as possible after the execution of this Agreement and in any event not later than three (3) business days after the parties execute this Agreement. The FCC filing fee for the Assignment Application will be wholly paid by Buyer.

(a) Seller hereby gives its consent to Buyer filing a contingent application to make such modifications to the Permit as Buyer chooses (the "Modification Application"), at

Buyer's sole cost and expense. To facilitate the filing of the Modification, at Buyer's request, Seller shall associate Buyer's FRN with the translator.

**Section 4. Closing Date; Closing Place.** The closing (the "Closing") of the transactions contemplated by this Agreement shall occur, unless Buyer and Seller otherwise agree in writing, on the 5<sup>th</sup> business day after the FCC grants its consent to the assignment of the translator from Seller to Buyer, and all of the conditions specified in Sections 6 and 7 hereof shall have been satisfied or waived (the "Closing Date"). The Closing shall be held by mail, facsimile, or electronic mail, or in person as the parties may agree.

**Section 5. Representations and Warranties.**

(a) Seller hereby makes the following representations and warranties to Buyer: Seller is a corporation organized, validly existing and in good standing in the State of Indiana. Seller possesses the power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereunder. Seller lawfully holds the Permit. The Permit is in full force and effect and has not been revoked, suspended, canceled, rescinded or terminated and has not expired, and, to the best of Seller's knowledge, no protest or complaint of any type as to the Translator is either pending or threatened at the FCC. Between now and the date of Closing Seller shall not, without the consent of Buyer, enter into any leases or contracts pertaining to the Translator which will survive Closing Date.

(b) Buyer hereby makes the following representations and warranties to Seller. Buyer is a corporation organized, validly existing and in good standing under the laws of the State of Michigan. Buyer possesses the power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereunder. Buyer is qualified to be an FCC permittee and to hold the permit. Buyer is financially qualified to pay the Purchase Price.

(c) These representations and warranties set forth herein shall survive for six (6) months following the consummation of this Agreement.

**Section 6. Conditions Precedent to Obligation of Buyer to Close.** The obligations of Buyer hereunder are, at its option, subject to satisfaction, at or prior to the Closing Date, of each of the following conditions:

(a) All representations and warranties of Seller made in this Agreement shall be true and complete in all material respects on and as of the Closing Date as if made on and as of that date;

(b) All of the terms, covenants and obligations to be complied with and performed by Seller on or prior to Closing Date shall have been complied with or performed in all material respects;

(c) No suit, action, claim or governmental proceeding shall be pending, and no order, decree or judgment of any court, agency or other governmental authority shall have been rendered against, any party hereto that would render it unlawful, as of the Closing Date, to effect the transactions contemplated by this Agreement in accordance with its terms;

(d) Seller shall have delivered to Buyer, on the Closing Date, all of the documents required to be delivered pursuant to Closing Deliveries; and

(e) The Permit shall be in full force and effect.

(f) The Modification Application shall have been granted.

**Section 7. Conditions Precedent to Obligation of the Seller to Close.** The obligations of Seller under this Agreement are subject to the satisfaction of each of the following express conditions precedent, unless waived in writing by the Seller:

(a) All representations and warranties of Buyer made in this agreement shall be true and complete in all respects on and as of the Closing Date as if made on and as of that date;

(b) 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; and

(c) Buyer shall have delivered to Seller, on the Closing Date, the payments and all of the documents required to be delivered pursuant to Closing Deliveries (as defined in Section 8 herein).

**Section 8. Closing Deliveries.**

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

(i) a Bill of Sale; and

(ii) an Assignment and Assumption of the Translator Permit.

(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 Purchase Price required by Section 2; and

(ii) an Assignment and Assumption of the Translator Permit.

(c) Buyer and Seller shall also deliver such other documents at Closing as reasonably requested by the other to more fully effect or evidence the transactions contemplated by this Agreement.

**Section 9. Termination.** 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 for any of the following if, on or prior to the Closing Date, the other party breaches any of its material obligations contained herein, and such breach is not cured by the earlier of the Closing Date or twenty (20) days after receipt of the notice of breach from the non-breaching party (provided that Buyer's failure to pay the Purchase Price at Closing required by Section 2 shall be grounds for Seller to terminate this Agreement by written notice to Buyer, with no cure period). In the event either party terminates this Agreement, Seller shall retain the non-refundable deposit.

**Section 10. Notices.** All notices, demands, requests or other communications that may be or are required to be given, served or sent by either party to the other party pursuant to this Agreement shall be in writing and shall be transmitted by overnight courier or hand delivery, addressed as set forth below. Each party may designate by notice in writing a new address to which any notice, demand, request or communication may thereafter be so given, served or sent. Each notice, demand, request or communication that is delivered in the manner described above shall be deemed sufficiently given, served, sent and received for all purposes at such time as it is delivered to the addressee with the delivery receipt or the affidavit of messenger being deemed conclusive evidence of such delivery or at such time as delivery is refused by the addressee upon presentation.

If to Seller, to: Friends of Christian Radio  
P.O. Box 552  
Notre Dame, Indiana 46556  
Attn: Patrick Mangan, Chairman

If to Buyer, to: Zamora Broadcast Systems, Inc.  
23300 Goddard Road  
Taylor, Michigan 48180  
Attn: Pedro Zamora, President

**Section 11. Confidentiality.** The Parties agree to keep confidential the terms of this Agreement, except with respect to any disclosure required by law or the rules and regulations of the FCC.

**Section 12. Governing Law and Venue.** The construction and performance of this Agreement shall be governed by the laws of the State of Indiana without regard to principles of conflict of law. The state and/or federal courts located in Indiana shall possess exclusive jurisdiction to

adjudicate any and all disputes, claims, and suits relating to this Agreement that may arise between Seller and Buyer. In the event either party initiates a lawsuit against the other, the prevailing party shall be entitled to recover its attorney's fees and litigation expenses from the non-prevailing party.

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

**Section 14. Expenses.** 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, except that Buyer each shall be entirely responsible for any FCC application fees relating to the filing of the Assignment Application and Seller shall be entirely responsible for any brokerage fees incurred in this transaction through the use of Griffin Media Brokers, LLC's services.

**Section 15. Assignment.** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. Neither Buyer nor Seller may assign this Agreement without the prior written consent of the other party hereto, except that Buyer may assign this Agreement to any entity under control of or in common control of Buyer, provided Buyer guarantees the performance of such entity.

**Section 16. Buyer's Right to Specific Performance**

Seller agrees that the Translator is a unique property that cannot be readily obtained on the open market and that Buyer will be irreparably injured if this Agreement is not specifically enforced. Therefore, Buyer shall have the right, if Buyer is not in material default in its obligations hereunder, specifically to enforce Seller's performance under this Agreement, and Seller agrees to waive the defense in any such suit that Buyer has an adequate remedy at law and to interpose no opposition, legal or otherwise, as to the propriety of specific performance as a remedy.

**Section 17. Miscellaneous.** This Agreement represents the entire agreement of the parties with respect to the subject matter hereof and supersedes any prior agreement with respect thereto whether it is in writing or otherwise, and may be amended only in writing by an instrument duly executed by both parties. 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 of conveyance and assumption and take such other actions as may reasonably be requested in order to more effectively consummate or evidence the consummation of the transactions contemplated hereby. Seller and Buyer each represent and warrant to the other that, other than the Seller's broker, Beth Griffin of Griffin Media Brokers, LLC., neither Seller nor Buyer is aware of any broker, finder or intermediary who might be entitled to a fee or commission for its involvement in this transaction.

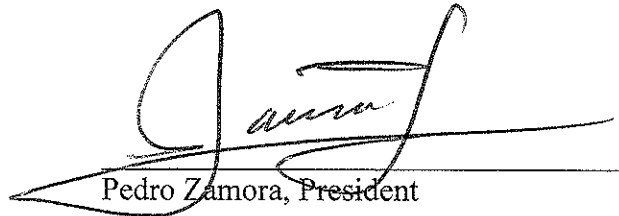
*(Signatures to Follow)*

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

**Seller:**     **FRIENDS OF CHRISTIAN RADIO, INC.**

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Patrick Mangan, Chairman

**Buyer:**     **ZAMORA BROADCAST SYSTEMS, INC.**

  
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Pedro Zamora, President