

ASSET PURCHASE AGREEMENT

by and between

FAITH SOUND, INC.

and

Q MEDIA GROUP, LLC

for the purchase and sale of

FM TRANSLATOR W206BA

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (“Agreement”) is made and entered effective as of June __, 2013, by and between FAITH SOUND, INC. a Minnesota corporation (“Seller”), and Q MEDIA GROUP, LLC, a Minnesota limited liability company (“Buyer”).

Recitals

WHEREAS, Seller is the licensee of FM Broadcast Translator Station W206BA, Alma, Wisconsin (FCC Facility ID No. 93090) (the “Station”), and

WHEREAS the Station is authorized to operate pursuant to authorizations (the License”) issued by the Federal Communications Commission (“FCC” or “Commission”), and Seller anticipates receiving other authorizations for the Station in the future (collectively, including the License, the “Station’s Licenses”); and

WHEREAS, Buyer wishes to purchase and Seller wishes to sell, certain assets relating to the Station as set forth below, subject to the prior approval of the FCC and the other terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual benefits and covenants set forth below, the parties hereby agree as follows:

Section 1 **Purchase of Assets**

1.1 Assets to be Sold. On the Closing Date, as defined in Section 2.1 below, Seller shall sell to Buyer, and Buyer shall purchase from Seller, the following assets (the “Station’s Assets”):

- (a) All of Seller’s rights and interests in and to the Station’s Licenses, described in Schedule 1.1(a) hereto;
- (b) Those items of Equipment specifically described in Schedule 1.1(b) hereto; and
- (c) Copies of all FCC filings made by Seller relating to the Station and the Station’s Licenses.

1.2 Liabilities. Buyer expressly does not, and shall not, assume or be deemed to have assumed, under this Agreement or otherwise by reason of the transactions contemplated hereby (the “Transactions”), any liabilities, obligations or commitments of Seller of any nature whatsoever arising during, or attributable to, any period of time on or prior to Closing, as defined in Section 2.1 below.

1.3 Deposit. On the date of this Agreement, Buyer shall deliver Seller the sum of \$10,000.00 by bank check or wire transfer, to be held by Seller as a deposit (the “Deposit”) pending the Closing of the transaction. At Closing, the Deposit shall be applied to the portion of the Purchase Price due at Closing. In the event that this Agreement is terminated by Seller pursuant to Section 11.2, Section 11.3 or Section 11.4 of this Agreement, or by Buyer for any breach or default by Seller of this Agreement, Seller shall immediately return the Deposit to the Buyer. In the event that this Agreement is terminated for any other reason, the Deposit shall be kept by Seller. The return or non-return of the Deposit shall not affect either party’s rights to remedies under Section 12 of this Agreement.

1.4 Purchase Price. The price to be paid by Buyer for the Station’s Assets (the “Purchase Price”) shall be SEVENTY-FIVE THOUSAND DOLLARS (\$75,000.00), which shall be payable as follows:

1. Cash due at closing (including the deposit)	\$50,000
2. At closing, Buyer shall execute a Promissory Note to Seller in the amount of \$25,000 in accordance with the terms of the Promissory Note attached hereto as Exhibit A. The Promissory Note shall be secured by a Personal Guaranty of Buyer’s principal, Alan R. Quarnstrom, attached hereto as Exhibit B	25,000
Total	\$75,000

Section 2
Date of Closing

2.1 Closing Date. The closing of the Transactions (the “Closing”) shall take place on the later of the date that is ten (10) business days (the “Closing Date”):

- (a) after FCC Public Notice in its Daily Digest of FCC Consent, as defined in Section 6.1 below, to the assignment by Seller to Buyer of the Station’s Licenses by initial order; or
- (b) after FCC Public Notice in its Daily Digest of the grant of the Modified Construction Permit.

Notwithstanding the above, Buyer may, with no less than ten (10) business days written notice to Seller, specify a date certain for the Closing after FCC Public Notice in its Daily Digest of FCC Consent to the assignment by Seller to Buyer of the Station’s Licenses by initial order, but prior to the grant of the Modified Construction Permit Application described in Section 5.1(a)(ii) and Exhibit C of this Agreement, under which Closing Buyer will accept the Station’s Licenses “where-is/as-is”. In any event, Seller shall have no responsibility for pursuing a grant of the Modified Construction Permit described in Section 5.1(a)(ii) below.

2.2 Closing Time and Location. The Closing shall take place commencing at 10:00 a.m. local time at the business offices of Seller, or at such other time, location and/or manner (including exchange of closing documents by facsimile or electronic transmission) agreeable to the parties.

Section 3 **Seller's Representations and Warranties**

Seller hereby represents and warrants to Buyer as follows:

3.1 Organization, Authorization and Binding Obligation. Seller is duly organized, validly existing and in good standing under the laws of the State of Minnesota. Seller has full power and authority to own and operate the Station and to carry on the business of the Station as now being conducted. Seller has full power and authority to enter into and perform this Agreement and the Transactions. The execution, delivery and performance of this Agreement by Seller have been duly and validly authorized by all necessary action on its part. This Agreement constitutes Seller's valid, legal and binding obligation, enforceable against Seller in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights generally, and subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

3.2 Absence of Conflicting Agreements or Required Consents. Seller's execution, delivery and performance of this Agreement: (a) does not require the consent of any third party, except for the FCC Consent; (b) will not violate any provision of Seller's formation and operating documents; (c) to the best of Seller's knowledge, will not violate any applicable law, judgment, order, injunction, decree, rule, regulation or ruling of any governmental authority; (d) will not, either alone or with the giving of notice or the passage of time or both, conflict with, constitute grounds for termination of, or result in a breach of the terms, conditions, or provisions of, or constitute a default under, any agreement, instrument or permit; (e) will not result in the creation of any lien, charge or encumbrance on any of the Station's Assets; and (f) will not in any way affect or violate the terms or conditions of, or result in the cancellation, modification, revocation or suspension of, any of the Station's Licenses.

3.3 Litigation. There is no litigation or proceeding pending or, to the best of its knowledge, threatened against Seller in any federal, state or local court, or before any administrative agency (including, without limitation, any proceeding which seeks the revocation or forfeiture of or opposes or challenges the renewal of any of the Station's Licenses), which would have a material adverse effect upon the ability of the parties hereto to consummate the Transactions or which seeks to enjoin or prohibit, or otherwise questions the validity of, any action taken or to be taken pursuant to or in connection with this Agreement.

3.4 Liabilities. There are no liens or encumbrances against the Station's Assets, and to the extent permitted by law the Station's Licenses, other than any lien of taxes not yet due and payable (collectively, "Permitted Liens").

3.5 Station's Licenses. Seller is the authorized legal holder of the License. Subject to the Communications Act of 1934 (the "Communications Act"), and the rules and regulations promulgated thereunder (the "FCC Rules and Regulations"), the Station's Licenses are assignable from Seller to Buyer once the Modification Construction Permit is granted to authorize Station to operate in the non-reserved FM band.

3.6 Compliance With Laws. With respect to the Station and the Station's Licenses, Seller has not received as of the date of this Agreement any notice asserting any non-compliance in any material respect by it with any applicable statute, rule or regulation, federal, state or local, or any agency thereof, having jurisdiction over it.

3.7 Insolvency. No insolvency proceedings of any nature, including without limitation, bankruptcy, receivership, reorganization, composition, arrangement with creditors, voluntary or involuntary, affecting Seller are pending, and Seller has made no assignment for the benefit of creditors, nor, to its knowledge, has any person taken any action with a view to the institution of any insolvency proceedings.

3.8 Brokers. Seller has not retained any brokers who are entitled to any commission or finder's fee in connection with the Transactions.

Section 4 **Buyer's Representations and Warranties**

Buyer represents and warrants to Seller as follows:

4.1 Organization, Authorization and Binding Obligation. Buyer is duly organized, validly existing and in good standing under the laws of the state of Minnesota and fully qualified to conduct business in Minnesota and Wisconsin. Buyer has full power and authority to enter into and perform this Agreement and the Transactions. The execution, delivery and performance of this Agreement by Buyer have been duly and validly authorized by all necessary corporate action on its part. This Agreement constitutes Buyer's valid, legal and binding obligation, enforceable against Buyer in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights generally, and subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

4.2 Absence of Conflicting Agreements or Required Consents. Buyer's execution, delivery and performance of this Agreement: (a) does not require the consent of any third party, except for the FCC Consent; (b) will not violate any provision of Buyer's formation and operating documents; (c) to the best of Buyer's knowledge, will not violate any applicable law, judgment, order, injunction, decree, rule, regulation or ruling of any governmental authority; and (d) will not, either alone or with the giving of notice or the passage of time or both, conflict with, constitute grounds for termination of, or result in a breach of the terms, conditions, or provisions of, or constitute a default under, any agreement, instrument or permit.

4.3 FCC Qualifications. Buyer has no knowledge of any facts which would, under present law (including the Communications Act of 1934, as amended) and the FCC Rules and Regulations, once the Modification Construction Permit is granted, disqualify Buyer as an assignee of the Station's Licenses or as an owner and/or operator of the Station's Assets, and Buyer will not take, or unreasonably fail to take, between now and the Closing Date any action which Buyer knows or has reason to know would cause such disqualification. Buyer is legally, financially and otherwise qualified to be the licensee of the Station, and to acquire, own and operate the Station under the Communications Act and the FCC Rules and Regulations.

4.4 Litigation. There is no litigation or proceeding pending or, to the best of its knowledge, threatened against Buyer in any federal, state or local court, or before any administrative agency, which would have a material adverse effect upon the ability of the parties hereto to consummate the Transactions or which seeks to enjoin or prohibit, or otherwise questions the validity of, any action taken or to be taken pursuant to or in connection with this Agreement.

4.5 Brokers. Buyer has retained Phoenix Media Group, LLC as broker for this transaction and shall be responsible for any and all fees due Phoenix Media Group, LLC arising from the transaction, all of which shall be paid by Buyer at the Closing pursuant to a separate agreement.

Section 5 **Pre-Closing Covenants**

5.1 Pre-Closing Covenants of Seller. Between the date hereof and the Closing Date, except as contemplated by this Agreement or with the prior written consent of Buyer:

- (a) Affirmative Covenants. Seller shall:
 - (i) Notify Buyer of any litigation or administrative proceeding pending or, to its knowledge, threatened against Seller which is likely to delay or otherwise interfere with Closing;
 - (ii) Subject to Seller's satisfaction that the Modification Construction Permit Application complies with all FCC rules, regulations and policies, cooperate with the Buyer by filing at the FCC, simultaneous with the filing of the Assignment, an FCC Form 349 Modification Construction Permit Application with facilities specified by the Buyer. All matters pertaining to the Modification Construction Permit Application, including application fees, processing and defending the application shall be at the sole cost of Buyer.

- (b) Negative Covenants. Seller shall not:
- (i) Create, assume or permit to exist any new mortgage, pledge, lien or other charge or encumbrance or rights affecting any of the Station's Assets;
 - (ii) Sell, assign, lease or otherwise transfer or dispose of any of the Station's Assets;
 - (iii) Waive any material right relating to the Station or the Station's Assets;
 - (iv) Take any other action inconsistent with its obligations under this Agreement or which could hinder or delay the consummation of the Transactions;
 - (v) Agree to or participate in any minor modification or other filing with the FCC with respect to the Station except as otherwise contemplated by or provided for in this Agreement; or
 - (vi) Either itself or through any of its officers, directors, shareholders, employees, agents or any other person or entity acting on Seller's behalf, directly or indirectly, solicit or initiate any offer from, or conduct any negotiations with, any person or entity other than Buyer or its assignee(s) concerning the direct or indirect acquisition of the Station.

5.2 Pre-Closing Covenant of Buyer. Between the date hereof and the Closing Date, Buyer shall not directly or indirectly control, supervise or direct the operations of the Station. Such operations, including complete control and supervision of all Station programs, employees, policies and finances shall be the sole responsibility of Seller.

Section 6 **Conditions to Closing**

6.1 FCC Consent. The assignment of the Station's Licenses from Seller to Buyer as contemplated by this Agreement is subject to the prior consent and approval of the FCC (the "FCC Consent") pursuant to an application by Seller and Buyer (the "Assignment Application"). The Assignment Application shall be filed by Seller and Buyer within ten (10) business days of the date of this Agreement, and thereafter Buyer and Seller shall each fully prosecute the Assignment Application with all diligence and shall otherwise use their reasonable best efforts to obtain the grant of such Assignment Application as expeditiously as practicable, and thereafter to file any required applications for extensions of time to consummate the transaction. The FCC filing fee for the Assignment Application shall be paid by Buyer and Seller shall reimburse Buyer one-half the filing fee at Closing. Buyer and Seller shall notify each other of all documents filed with or received from any governmental agency with respect to this Agreement or the Transactions. Buyer and Seller shall furnish each other with such information and

assistance as the other may reasonably request in connection with their preparation of any governmental filing hereunder.

6.2 Modified Construction Permit. The Closing under this Agreement is conditioned upon the grant of the Modified Construction Permit Application described in Section 5.1(a)(ii) and Exhibit C of this Agreement. Seller makes no representations or warranties whatsoever that the Modified Construction Permit Application can or will be granted, and Seller has no obligation whatsoever with respect to any construction of the Station's facilities subsequent to the grant of the Modified Construction Permit Application. Buyer expressly acknowledges the secondary status under the FCC's Rules and Regulations of FM translator licenses generally, including the Station's Licenses and Modified Construction Permit. Once Closing occurs, Buyer shall bear any and all responsibility and liability for the construction and subsequent licensing of the Station under the Modified Construction Permit Application, and for any interference caused by the Station after Closing including any remedial efforts to eliminate interference. Seller makes no representation or warranty as to any conformance of the Station Licenses or the Modified Construction Permit with any provision of Section 74.1203 of the Commission's rules subsequent to Closing, does not make any representation or warranty that the Station may commence or continue operations under the Modified Construction Permit subsequent to Closing, and Buyer acknowledges that its operation of the Station may be suspended or permanently discontinued by the FCC as a result of interference, or other circumstance relating to the Station's secondary status. Buyer will have paid all costs, fees and assessments related to the filing and prosecution of the Modified Construction Permit Application and will satisfy any liens that may have been created as a result of work it has ordered.

Section 7 **Instruments of Conveyance and Transfer**

At Closing, Seller shall deliver to Buyer instruments effecting the sale, transfer, assignment and conveyance of Seller's right, title and interest in and to the Station's Assets to Buyer pursuant to the terms of this Agreement, including without limitation the following:

7.1 Assignment of Licenses. An assignment of all right, title and interest in and to the Station's Licenses to be assigned pursuant to Section 1.1(a) of this Agreement;

7.2 Bill of Sale. A bill of sale for the Equipment.

7.3 FCC Filings and Authorizations. Copies of all FCC filings along with the Station's Licenses pursuant to Section 1.1(c) of this Agreement to the extent such filings and Licenses are not publicly available through the FCC's web site; and

7.4 Further Instruments. Further instruments and documents that may be reasonably necessary to effectuate the transactions contemplated under this Agreement.

Section 8
Payment of Purchase Price

At Closing, Buyer shall pay the Purchase Price in accordance with Section 1.4 of this Agreement.

Section 9
Parties' Expenses

Except as provided in Section 6.1 with regard to the filing fee for the Assignment Application, and Section 5.1(a)(ii) hereof, each party shall pay all of its own legal, accounting and other expenses which it incurs in connection with the Transactions.

Section 10
Risk of Loss

The risk of any loss, damage or destruction to any of the Station's Assets from fire or other casualty or cause shall be borne by Seller at all times prior to Closing, and Buyer shall bear the risk of any such loss or damage thereafter.

Section 11
Termination Rights

Without limiting the right of either party to terminate this Agreement as otherwise provided herein, this Agreement may be terminated prior to the Closing, upon written notice to the other, provided that the terminating party is not then in breach or default of this Agreement, upon the occurrence of any of the following:

11.1 By either Buyer or Seller, as the case may be, for a material default by the other in the observance or performance of any term or covenant hereunder or a material breach by the other of any material term, representation, warranty or covenant hereunder, which is not cured by the earlier of the Closing Date or within twenty (20) days after written notice of the breach.

11.2 By either Buyer or Seller if the FCC denies the Assignment Application or Modified Construction Permit Application, such denial is not the fault, directly or indirectly, of the terminating party, and such order becomes a Final Order.

11.3 By either Buyer or Seller if legal or technical circumstances arising prior to the Closing would preclude a grant of the Modified Construction Permit or in the event a third party objection is filed at the FCC against any modification or license application filed by Seller or Buyer in pursuit of the Modified Construction Permit.

11.4 By either Buyer or Seller if the conditions to Closing set forth in Section 6 of this Agreement, and the Closing itself, have not occurred on or prior to the nine (9) months after the

date of this Agreement, and such failure to close is not the fault, directly or indirectly, of the terminating party.

The termination of this Agreement shall not relieve any party of any liability for breach or default under this Agreement prior to the date of termination.

Section 12 **Pre-Closing Remedies**

12.1 Seller's Breach. In the event of a material default by Seller in the observance or performance of any term or covenant hereunder or a material breach by Seller of any material term, representation, warranty or covenant hereunder, which is not cured by the earlier of the Closing Date or within twenty (20) days after written notice from Buyer, Buyer may as its sole remedy bring an action to enforce the terms of this Agreement by decree of specific performance (subject to obtaining any necessary FCC consent), it being agreed that the Station's Assets include 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. Seller agrees to waive the defense in any such action for decree of specific performance 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.

12.2 Buyer's Breach. In the event of a material default by Buyer in the observance or performance of any term or covenant hereunder or a material breach by Buyer of any material term, representation, warranty or covenant hereunder, which is not cured by the earlier of the Closing Date or within twenty (20) days after written notice from Seller, Seller may terminate this Agreement as provided for in Section 11.1 herein and retain the Deposit and any accrued interest thereon as its sole remedy.

Section 13 **Post-Closing Remedies**

13.1 Seller's Indemnities. Seller shall indemnify, defend and hold Buyer harmless from and against any and all losses, costs, liabilities, claims, actions, damages and expenses (including reasonable legal fees and other expenses incident thereto) of every kind, nature or description, arising out of or in connection with (a) the breach of any representation, warranty, covenant or agreement of Seller set forth in this Agreement (including the schedules hereto) or in any other document delivered to Buyer pursuant hereto; (b) any claims arising as the result of the failure of Seller to comply with the provisions of any bulk sales or similar laws applicable to the transfer of the Station's Assets to Buyer; (c) any third-party liability of Seller; or (d) a claim relating to the conduct of the business and operations of the Station and the Station's Assets prior to the Closing Date, including, without limitation, any taxes, assessments or similar charges relating to the operation of the Station accrued or attributable to periods prior to the Closing Date.

13.2 Buyer's Indemnities. Buyer shall indemnify, defend and hold Seller harmless from and against any and all losses, costs, liabilities, claims, actions, damages and expenses

(including reasonable legal fees and other expenses incident thereto) of every kind, nature or description arising out of, or in connection with: (a) the breach of any representation, warranty, covenant or agreement of Buyer set forth in this Agreement or in any other document delivered to Seller pursuant hereto; (b) any third-party liability of Buyer; or (c) a claim relating to the conduct of the business and the operation of the Station by Buyer on or after the Closing Date.

13.3 Notice of Claim. If any action, suit or proceeding shall be commenced by a third party against Buyer or Seller, as the case may be, in respect of which Buyer or Seller proposes to seek indemnification from the other under this Section 13 (a “Third-Party Claim”), then such party shall promptly notify the party from whom indemnification is sought (hereinafter the “Indemnifying Party”) to that effect. The Indemnifying Party shall have the right, at its own expense, to participate in or assume control of the defense of such Third-Party Claim, and the other party shall cooperate with all reasonable requests of the Indemnifying Party, subject to reimbursement for actual out-of-pocket expenses incurred as the result of a request by the Indemnifying Party. If the Indemnifying Party elects to assume control of the defense of a Third-Party Claim, then the other party shall have the right to participate in the defense of such claim at its own expense. If a Third-Party Claim requires immediate action, then the parties will make every effort to reach a decision with respect thereto as expeditiously as possible. If the Indemnifying Party does not elect to assume control or otherwise participate in the defense of any Third-Party Claim, then it shall be bound by the results obtained by the other party with respect to such Third-Party Claim, but no settlement of a Third-Party Claim may be made by the Indemnifying Party without the written consent of the party being indemnified.

Section 14 **Miscellaneous**

14.1 Final Order. As used in this Agreement, the term “Final Order” means a written action or order issued by the FCC granting the FCC Consent and: (a) which has not been reversed, stayed, enjoined, set aside, annulled or suspended, and (b) with respect to which (i) no requests have been filed for administrative or judicial review, reconsideration or appeal and the periods provided by statute or FCC regulations for filing any such requests and for the FCC to set aside the action on its own motion have expired, or (ii) in the event of review, reconsideration or appeal, the FCC upholds the action and the period provided by statute or FCC regulations for further review, reconsideration or appeal has expired.

14.2 Rescission. If the Closing occurs prior to the FCC Consent becoming a Final Order, and if, before the FCC Consent becomes a Final Order, the FCC Consent is reversed or otherwise set aside, and the FCC (or court of competent jurisdiction) has issued an Order that is not stayed or set aside requiring the re-assignment of the Station’s Licenses to Seller, then the purchase and sale of the Station’s Assets shall be rescinded. In such event, Buyer shall reconvey the Station’s Assets to Seller, and Seller shall repay the Purchase Price to Buyer. Any such rescission shall be consummated on a mutually agreeable date within thirty days of such Final Order (or, if earlier, within the time required by such order). In connection therewith, Buyer and Seller shall each execute such documents (including execution by Buyer of instruments of conveyance of the Station’s Assets to Seller), as are reasonably necessary to effectuate such rescission.

14.3 Survival of Representations and Warranties. Other than as specifically provided in this Agreement, the representations and warranties in this Agreement shall survive Closing for a period of six months from the Closing Date. If within such six month time period the indemnified party gives the indemnifying party written notice of a claim for breach thereof describing in reasonable detail the nature and basis of such claim, then such claim shall survive until the earlier of resolution of such claim or expiration of the applicable statute of limitations. The covenants and agreements in this Agreement shall survive Closing until performed.

14.4 Assignment. Neither Seller not Buyer may assign its rights and obligations hereunder without the written consent of the party not seeking an assignment. The rights and obligations of the parties hereunder shall inure to the benefit of, and shall be binding upon, each of the parties hereto and their respective successors and permitted assigns.

14.5 Construction. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Minnesota without regard to choice of laws principles. Any action brought under this Agreement shall be in either the state or federal court having jurisdiction over claims arising in Wabasha, Minnesota.

14.7 Notices. All notices, demands, and requests required or permitted to be given under the provisions of this Agreement shall be in writing and shall be sent for next business day delivery by USPS Express Mail, Federal Express or similar recognized overnight courier service with all charges prepaid, and shall be deemed to have been duly delivered and received on the next business day after being sent. All such notices, demands, and requests shall be addressed as follows:

If to Seller:

FAITH SOUND, INC.
4016 28th Street, SE
Rochester MN 55904
Attn: Paul Logan

with copy (which shall not constitute notice) to:

Gregg P. Skall, Esq.
Womble Carlyle Sandridge & Rice, PLLC
1200 19th Street, N.W
Suite 500
Washington, DC 20036

If to Buyer:

Q MEDIA GROUP, LLC
474 Guernsey Lane
Red Wing, MN 55066

Attn: Alan R. Quarnstrom

with copy (which shall not constitute notice) to:

Lee Peltzman, Esq.
Shainis & Peltzman, Chartered
1850 M St., N.W.
Suite 240
Washington, DC 20036

or at such other address as either party shall specify by written notice to the other.

14.8 Multiple Counterparts. This Agreement may be signed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. All of such counterpart signature pages shall be read as though all of the signers had signed a single signature page. 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.

14.9 Modified Construction Permit Application: As used herein, the term Modified Construction Permit and Modified Construction Permit Application are used interchangeably as may be appropriate depending on whether the application to modify the Station license has been granted by the Commission or is pending at the relevant time.

14.11 Entire Agreement. This Agreement represents the entire understanding of the parties with respect to the subject matter hereof, supersedes all other and prior memoranda and agreements between the parties with respect to such subject matter and may not be modified or amended except by a written instrument signed by all of the parties hereto.

14.12 Captions. The section captions and headings in this Agreement are for convenience and reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

14.13 No Waiver. Unless otherwise specifically agreed in writing to the contrary: (a) the failure of any party at any time to require performance by another party of any provision of this Agreement shall not affect such party's right thereafter to enforce the same; (b) no waiver by any party of any default by another party shall be taken or held to be a waiver by such party of any other preceding or subsequent default; and (c) no extension of time granted by any party for the performance of any obligation or act by another party shall be deemed to be an extension of time for the performance of any other obligation or act hereunder.

14.14 Further Assurances. From time to time after Closing at another party's request and without further consideration, a party shall execute and deliver such further instruments of conveyance, assignment and transfer, and take such other actions as the requesting party may reasonably request, in order to more effectively convey and transfer any of the Station's Assets.

14.15 Investigations. No inspection or investigation made by or on behalf of Buyer, or Buyer's failure to make any inspection or investigation, shall affect Seller's representations, warranties and covenants set forth in this Agreement, provided, however, Buyer shall be solely responsible for determining the merchantability, suitability, operational performance and technical performance of the Station's facilities to be authorized in the Modified Construction Permit to be delivered pursuant to this Agreement, and assessing whether the Station will work to the Buyer's satisfaction with the facilities specified in the Modified Construction Permit.

14.16 Severability. If any court or governmental authority holds any provision in this Agreement invalid, illegal or unenforceable under any applicable law, then, so long as no party is deprived of the benefits of this Agreement in any material respect, this Agreement shall be construed with the invalid, illegal or unenforceable provision deleted and the validity, legality and enforceability of the remaining provisions contained herein shall not be affected or impaired thereby.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

FAITH SOUND, INC.

(Date)

By: _____
Raymond Logan, President

Q MEDIA GROUP, LLC

(Date)

By: _____
Alan R. Quarnstrom, Managing Member

14.15 Investigations. No inspection or investigation made by or on behalf of Buyer, or Buyer's failure to make any inspection or investigation, shall affect Seller's representations, warranties and covenants set forth in this Agreement, provided, however, Buyer shall be solely responsible for determining the merchantability, suitability, operational performance and technical performance of the Station's facilities to be authorized in the Modified Construction Permit to be delivered pursuant to this Agreement, and assessing whether the Station will work to the Buyer's satisfaction with the facilities specified in the Modified Construction Permit.

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IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

FAITH SOUND, INC.

7/9/2013
(Date)

By: Raymond Logan, Pres.
Raymond Logan, President

Q MEDIA GROUP, LLC

(Date)

By: _____
Alan R. Quarnstrom, Managing Member

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IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

FAITH SOUND, INC.

(Date)

By: _____
Raymond Logan, President

Q MEDIA GROUP, LLC

(Date)

By: _____
Alan R. Quarnstrom, Managing Member

SCHEDULE 1.1(a)
Station's Licenses

1. License for FM broadcast translator station with the call sign and community of license as of the date of this Agreement of W206BA, Alma, Wisconsin, with such call sign and community of license as may be modified by the Modified Construction Permit.

2. The Modified Construction Permit

SCHEDULE 1.1(b)

Equipment

Energy-Onix Model SST300 Exciter/Transmitter

Exhibit A

Promissory Note

PROMISSORY NOTE

\$25,000

_____, 2013

FOR VALUE RECEIVED, the undersigned Q Media Group, LLC, a Minnesota limited liability company (“Maker”) hereby irrevocably and unconditionally promises to pay to the order of Faith Sound, Inc., a Minnesota corporation (“Payee”), in immediately available funds, the principal amount of Twenty-Five Thousand Dollars (\$25,000);

1. Payments of principal shall be made by Maker to Payee as follows: Five Thousand Dollars (\$5,000) on the first anniversary date hereof, and thereafter payments of Five Thousand Dollars (\$5,000) each on each succeeding anniversary for the next four years, for a total of five (5) payments. Maker may prepay this Note at any time, in whole or in part, without premium or penalty.
2. This Note evidences the partial payment of the Purchase Price for certain assets purchased pursuant to that certain Asset Purchase Agreement (the “Purchase Agreement”) between Maker and Payee dated July __, 2013.
3. Any one or more of the following events shall constitute default under this Note, whereupon subject only to limitations arising under the rules, regulations and policies of the FCC or any other law, the holder of this Note may elect to exercise any or all rights, powers and remedies under applicable law, including, without limitation, the right to accelerate the maturity of this Note and declare all amounts owing in respect to this Note to be due and payable in full:
 - (a) if Maker shall fail to make any payment within fifteen (15) days after the date due and payable hereunder;
 - (b) if Maker shall fail to perform any of its material obligations hereunder;
 - (c) if Maker shall become insolvent, make an assignment for the benefit of creditors, or any case or proceeding under any laws relating to bankruptcy, insolvency, readjustment of debt, dissolution or liquidation shall be commenced with respect to the Maker provided, however, in any case or proceeding under any laws relating to bankruptcy, insolvency, readjustment of debt dissolution, or liquidation commenced against Maker, Maker shall not be in default if said case or proceeding is discharged within thirty (30) days.
4. Any payment in default shall bear interest at the rate of six percent (6%) per annum from the date of default.
5. No delay or omission on the part of the Payee in exercising any right hereunder shall operate as a waiver of such right or of any other right of such Payee, nor shall any delay, omission or waiver on any one or more occasions be deemed a bar to or waiver of the same or any other right on any future occasion.

6. If Payee under this Note retains an attorney in connection with any such default or to collect, enforce or defend this Note in any lawsuit or in any reorganization, bankruptcy or other proceeding, or if Maker sues any holder in connection with this Note and does not prevail, then Maker agrees to pay to each such holder, in addition to principal and interest, all reasonable costs and expenses incurred by such holder in attempting to collect this Note or in any such suit or proceeding, including reasonable attorneys' fees.
7. Any litigation based hereon, or arising out of, under, or in connection with, this Note, or any course of conduct, course of dealing, statements (whether verbal or written) or actions of Payee or Maker shall be brought and maintained in the State of Minnesota.

IN WITNESS WHEREOF, the undersigned has caused this Note to be signed by Maker in its corporate name by its duly authorized officer as of the date and year first written above.

Q MEDIA GROUP, LLC,
a Minnesota limited liability company

Attest

By: _____ (seal)
Name: Alan R. Quarnstrom
Title: Managing Member

Exhibit B

Personal Guaranty

PERSONAL GUARANTY

THIS PERSONAL GUARANTY (“Guaranty”) is entered into as of _____, 2013, by Alan R. Quarnstrom, an individual resident of the State of Minnesota (“Guarantor”), in favor of and for the benefit of Faith Sound, Inc. a Minnesota corporation (“Beneficiary”).

W I T N E S E T H:

WHEREAS, Q Media Group, LLC, a Minnesota limited liability company (the “Company”), and Beneficiary are parties to that certain Asset Purchase Agreement, dated July __, 2013 (as the same may be supplemented, modified or amended from time to time, the “Agreement”);

WHEREAS, Guarantor is a shareholder of the Company; and

WHEREAS, to induce Beneficiary to enter into the Agreement, Guarantor has agreed to guarantee the Company’s payment of the Company’s indebtedness arising under or relating to that certain Promissory Note in the principal amount of \$25,000.00 (the “Note”) delivered by the Company (as Maker) to the Beneficiary (as Payee) at the closing of the transaction pursuant to the Agreement, subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the covenants and conditions set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Guarantor and Beneficiary agree to the foregoing and as follows:

1. **Guaranty**. Guarantor absolutely, irrevocably and unconditionally guarantees to Beneficiary the full, complete and prompt payment when due of all of the indebtedness, of the Company under the Note.
2. **Obligations Unconditional**. The obligations of Guarantor under this Guaranty are and shall be absolute, irrevocable, and unconditional and shall remain in full force and effect until the entire amount of all sums due to Beneficiary by the Company under the Note shall have been paid.
3. **Continuing Guaranty**. This Guaranty is a continuing guaranty, and shall remain in full force and effect until all of the indebtedness of the Company under the Note has been satisfied.
4. **Rights Cumulative**. The rights, powers and remedies granted to Beneficiary herein shall be cumulative and in addition to any other rights, powers and remedies to which Beneficiary may be entitled either by operation of law or pursuant to any other document or instrument delivered or from time to time to be delivered to Beneficiary by the Company in connection with the Agreement.

5. **Representations and Warranties.** Guarantor represents and warrants that: (a) he is competent to execute and deliver this Guaranty and to perform his obligations hereunder; (b) such execution, delivery and performance do not violate or conflict with any law applicable to him, an order or judgment of any court or other agency of government applicable to him or any of his assets, or any contractual restriction binding on or materially affecting him or any of his assets; (c) his obligations under this Guaranty constitute his legal, valid and binding obligations, enforceable in accordance with their terms except to the extent such enforcement may be limited, by applicable bankruptcy, insolvency or other similar laws affecting creditors' rights generally; (d) there are no actions, suits, proceedings or investigations pending or, to his knowledge, threatened against or affecting him before any court, governmental agency or arbitrator, which involve forfeiture of any assets of his or which may materially adversely affect his financial condition, properties or assets or his ability to perform his obligations under this Guaranty; (e) as of the date of this Guaranty, the fair saleable value of his assets exceeds his liabilities; (f) he is meeting his current liabilities as they mature; and (g) pursuant to the transaction set forth in the Agreement, he is receiving consideration with a value which exceeds the value of the obligations and liabilities he may incur under this Guaranty.

6. **Remedies, Waiver and Notice.**

A. No remedy herein conferred upon or reserved to Beneficiary is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Guaranty or now or hereafter existing at law or in equity or by statute;

B. No delay or omission to exercise any right or power accruing upon the occurrence of any Event of Default hereunder shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient;

C. In the event any provision contained in this Guaranty should be breached by Guarantor and thereafter duly waived by Beneficiary, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder;

D. No waiver, amendment, release, change, modification, alteration or termination of this Guaranty shall be established by conduct, custom or course of dealing; and

E. All notices and other communications by Beneficiary and Guarantor shall be in writing and shall be sent to the other party by overnight mail service or such other means as Beneficiary and Guarantor may agree upon in writing. Any such notice shall be deemed to be effective as of and at the time received. All notices shall be sent to the intended recipient at the following address, or to such other addresses as Beneficiary and Guarantor shall have specified by notice in writing to the other party:

If to Beneficiary:

Faith Sound, Inc.
4016 28th Street SE
Rochester, Minnesota 55904
Attn: Paul Logan

with a required copy which shall not constitute notice to:

Womble Carlyle Sandridge & Rice, LLP
1200 19th Street, N.W.
Suite 500
Washington, D.C. 20036-2421
Attn. Gregg P. Skall, Esq.

If to Guarantor:

Q Media Group, LLC
474 Guernsey Lane
Red Wing, Minnesota 55066
Attn: Alan R. Quarnstrom

with a required copy which shall not constitute notice to:

Shainis & Peltzman Chartered
1850 M Street NW
Suite 240
Washington, DC 20036
Attn. Lee J. Peltzman, Esq.

7. **Governing Law.** This Guaranty has been entered into in the State of Minnesota. This Guaranty is made and is to be performed under the laws of the State of Minnesota and shall be governed by and construed in accordance with such laws, to the exclusion only of any provision thereof which would direct the application of the laws of any other jurisdiction.

8. **Miscellaneous.**

A. All warranties, representations and covenants made by Guarantor herein shall be deemed to have been relied upon by Beneficiary in the acceptance of the Note pursuant to the Agreement;

B. This Guaranty shall inure to the benefit of and be binding upon the successors and assigns of each of the parties; provided, however, that this Guaranty may not be assigned by Guarantor;

C. No provision of this Guaranty may be waived, amended, modified or otherwise changed by any means, except pursuant to a writing executed by the party against which enforcement of such waiver, modification or change is sought;

D. The invalidity, illegality or unenforceability of any one or more phrases, sentences, clauses or paragraphs in this Guaranty shall not affect the validity, legality or enforceability of the remaining portions of this Guaranty or any part thereof;

E. The headings of this Guaranty are for convenience of reference only and shall not affect the meaning or interpretation thereof; and

F. The prevailing party in any litigation, arbitration, mediation, or other proceeding (“Proceeding”) relating to the enforcement or interpretation of this Guaranty may recover from the other party all costs, expenses and reasonable attorneys’ fees (including, by way of example only and without limitation, expert witnesses’ and other consultants’ fees and costs) relating to or arising out of: (a) the Proceeding (whether or not the Proceeding proceeds to judgment); and (b) any post-judgment or post-award proceeding including, without limitation, one to enforce or collect any judgment or award resulting from the Proceeding. All such judgments and awards shall contain a specific provision for the recovery of all such subsequently incurred costs, expenses and reasonable attorneys’ fees.

IN WITNESS WHEREOF, Guarantor has executed this instrument as of the date first written above.

Alan R. Quarnstrom

Exhibit C

Modified Construction Permit

The Modified Construction Permit shall specify a change of frequency to a channel location that complies with the rules and regulations of the Federal Communications Commission and permits a change from non-commercial to commercial status.