

## **ASSET PURCHASE AGREEMENT**

THIS ASSET PURCHASE AGREEMENT (the "Agreement") is dated as of July 2, 2013, and is made by and between THE CEDARVILLE UNIVERSITY ("Seller") and EDUCATIONAL MEDIA FOUNDATION ("Buyer").

WHEREAS, Seller holds the FM translator construction permit issued by the Federal Communications Commission (the "FCC") for station W288CM, Connersville, IN (FIN: 141935) (the "Station"); and

WHEREAS, subject to FCC consent, Seller desires to sell the Station to Buyer and Buyer wishes to purchase the same from Seller.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, Seller and Buyer agree as follows:

1. Agreement to Purchase and Sell. Seller and Buyer agree that, on the Closing Date (as hereinafter defined), Seller shall sell, assign and transfer the FCC authorizations for the Station to Buyer, including, but not limited to, the construction permit attached hereto as Schedule 1 (the "Construction Permit") and Buyer shall purchase the same from Seller. Seller and Buyer shall cooperate to prepare and file an application to the FCC for assignment of the Construction Permit promptly upon execution of this Agreement. Each party shall bear its own costs with respect thereto and each shall diligently prosecute the application.

2. Assignment. On the Closing Date, Seller shall assign and transfer to Buyer the Construction Permit, free and clear of all liens, encumbrances, debts, security interests, mortgages, trusts, claims, pledges, conditional sales agreements, charges, covenants, conditions or restrictions (collectively, "Liens") of any kind or nature whatsoever. The consideration for such assignment and transfer shall be Ten Thousand Dollars (\$10,000.00) (the "Purchase Price"). On the Closing Date, Buyer shall deliver to Seller the Purchase Price, and Seller shall deliver to Buyer an Assignment of the Construction Permit and any other documents of conveyance reasonably requested by Buyer and necessary to consummate the transaction contemplated by this Agreement.

3. FCC Consent; Assignment Application. At a date not later than ten (10) business days after the execution of this Agreement, Buyer and Seller shall execute, file and prosecute application(s) with the FCC (the "Assignment Application(s)") requesting its consent to the assignment, from Seller to Buyer, of all FCC Authorizations pertaining to the Construction Permit held by such entity (the "FCC Consent"). Buyer and Seller shall take all reasonable steps to cooperate with each other and with the FCC to secure such FCC Consent without delay, and to promptly consummate this Agreement in full.

4. Closing Date; Closing Place. The closing (the "Closing") of the transactions contemplated by this Agreement shall occur on a date (the "Closing Date") fixed by Buyer upon

at least five (5) days prior written notice to the Seller which shall be no later than ten (10) days following the date on which the FCC Consent shall have become a Final Order (as hereinafter defined) and the other conditions to closing set forth herein have either been waived or satisfied, provided, however, that at its sole election, and subject to satisfaction or waiver of the closing conditions set forth herein, Buyer may elect that the Closing Date shall occur on any date more than ten days after the FCC Consents have been issued, with at least five (5) business days prior notice to Seller. For purposes of this Agreement, the term "Final Order" means action by the FCC consenting to an 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. The Closing shall be held by mail, facsimile or electronic mail, with all documents that are to be delivered by Buyer and Seller at the Closing to be delivered to the other party's respective counsel prior to such time, and held in escrow by such counsel until the Closing is effected.

5. Seller's Representations and Warranties. Seller hereby represents and warrants:

a. Seller is an Ohio corporation in good standing, and has the corporate power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby and thereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby and thereby have been duly and validly authorized by Seller and no other proceedings on the part of Seller are necessary to authorize this Agreement or to consummate the transactions contemplated hereby and thereby. This Agreement has been duly and validly executed and delivered by Seller and constitutes the legal, valid and binding obligation of Seller enforceable in accordance with its terms, except as may be limited by bankruptcy, insolvency or other laws affecting generally the enforcement of creditors' rights or the application of principles of equity.

b. The execution, delivery and performance of this Agreement by Seller will not (i) constitute a violation of or conflict with Seller's organizational documents, (ii) result in a default (or give rise to any right of termination, cancellation or acceleration) under or conflict with any of the terms, conditions or provisions of any note, bond, mortgage, indenture, agreement, lease or other instrument or obligation relating to the business of the Station and to which Seller may be subject, except for such defaults (or rights of termination, cancellation or acceleration) as to which requisite waivers or consents have been obtained and delivered to Buyer, (iii) violate any law, statute, rule, regulation, order, writ, injunction or decree of any federal, state or local governmental authority or agency and which is applicable to Seller or the Construction Permit, (iv) result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever on the Construction Permit, or (v) require the consent or approval of any governmental authority, lending institution or other third party other than the FCC Consent.

c. The instruments to be executed by Seller and delivered to Buyer at the Closing, will transfer good and marketable title to the Construction Permit free and clear of all Liens except Permitted Liens.

d. No representation or warranty made by Seller in this Agreement, and no statement made in any certificate, document, exhibit or schedule furnished or to be furnished in connection with the transactions herein contemplated, knowingly contains or will contain any untrue statement of a material fact or knowingly omits or will omit to state any material fact necessary to make such representation or warranty or any such statement not misleading to Buyer.

6. Buyer's Representations and Warranties. Buyer hereby represents and warrants:

a. Buyer is a non-profit corporation duly organized, validly existing and in good standing under the laws of the State of California, is qualified or on the closing date will be qualified to do business as a foreign corporation in the State of Ohio, has the requisite power and authority to own, lease and operate its properties and to carry on its business as now being conducted.

b. Buyer has the power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby and thereby have been duly and validly authorized by Buyer and no other proceedings on the part of Buyer are necessary to authorize this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Buyer and constitutes, the legal, valid and binding agreement of Buyer enforceable in accordance with its terms, except as may be limited by bankruptcy, insolvency or other laws affecting generally the enforcement of creditors' rights or the application of principles of equity.

c. The execution, delivery and performance of this Agreement by Buyer will not (i) conflict with or result in any breach of any provision of the articles of incorporation or by-laws of Buyer, or (ii) result in a default (or give rise to any right of termination, cancellation or acceleration) under or conflict with any of the terms, conditions or provisions of any note, bond, mortgage, indenture, agreement, lease or other instrument or obligation, relating to its own business, except for such defaults (or rights of termination, cancellation or acceleration) as to which requisite waivers or consents have been obtained and delivered to Seller, (iii) violate any law, statute, rule, regulation, order, writ, injunction or decree of any federal, state or local governmental authority or agency and which is applicable to Buyer, or (iv) require the consent or approval of any governmental authority, lending institution or other third party other than the FCC Consent.

d. Buyer is legally, financially and technically qualified to acquire and become the licensee of the Station.

e. There is no litigation, proceeding or governmental investigation pending or to the knowledge of Buyer, threatened, in any court, arbitration board, administrative agency, or tribunal against or relating to Buyer that would prevent or materially impede the consummation by Buyer of the transactions contemplated by this Agreement.

f. There is no broker or finder or other person who would have any valid

claim against Buyer for a commission or brokerage in connection with this Agreement or the transactions contemplated hereby as a result of any agreement, understanding or action by Buyer.

g. Buyer does not now and will not as of the Closing Date, hold or have an attributable interest in any FCC-issued noncommercial broadcast authorization for which it received points based upon a continuing commitment to maintain diversity of ownership or local established applicant status which would make Buyer ineligible to hold the Construction Permit.

7. Covenants. Between the date of this Agreement and the Closing Date, Seller shall not cause or permit by any act, or failure to act, the Construction Permit to expire, be surrendered, modified, or otherwise terminated, provided that Seller shall not be deemed to have violated this covenant in the event that the Construction Permit is changed or impacted as a result of the Station's secondary status as an FM translator. Seller shall pursue the completion of this agreement in good faith and shall not entertain or consider any other offer for the purchase of the Station or for any other action that would impede the completion of the transactions set forth herein.

8. Conditions Precedent to Obligation to Close.

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

(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 be effective and at Buyer's election shall have become a Final Order;

(iv) Buyer shall have delivered to Seller, on the Closing Date, the documents required to be delivered pursuant to Section 9(b).

(v) If any event should occur which would prevent the consummation of the transactions contemplated hereunder, the Buyer shall use its best efforts to cure the event as expeditiously as possible.

(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 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 be effective and shall have become a Final Order.

(iv) Seller shall have delivered to Buyer, on the Closing Date, the documents required to be delivered pursuant to Section 9(a).

9. 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) An Assignment and Assumption of the Construction Permit; and

(ii) Such other documents, instruments and agreements necessary to consummate the transactions contemplated by this Agreement or as Buyer shall reasonably request, each in form and substance satisfactory to Buyer and its counsel.

(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 pursuant to Section 2(a) hereof;

(ii) An Assignment and Assumption of the Construction Permit; and

(iii) Such other documents, instruments and agreements necessary to consummate the transactions contemplated by this Agreement or as Seller shall reasonably request, each in form and substance satisfactory to Seller and their counsel.

10. Indemnification.

(a) Following the Closing 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 or operation pursuant to the Construction Permit.

(b) Following the Closing Buyer shall indemnify, defend and hold Seller harmless with respect to any and all Damages asserted against, resulting from, imposed upon or

incurred by Seller 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 this Agreement; and (ii) any and all claims, liabilities and obligations of any nature, absolute or contingent, relating to the ownership, construction or operation of the Station pursuant to the Construction Permit.

(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 10(c), 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 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 several representations and warranties of Seller and Buyer contained in or made pursuant to this Agreement, as effective on the Closing Date, shall expire on the date that is one year after the Closing Date.

11. Termination. This Agreement may be terminated by either Buyer or Seller, if the party seeking to terminate is not in default or breach of any of its material obligations under this Agreement, upon written notice to the other upon the occurrence of any of the following: (a) 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 thirty (30) days after receipt of the notice of breach from the non-breaching party; or (b) if the Assignment Application is denied by Final Order or designated for hearing by the FCC; or (c) if there shall be in effect any judgment, final decree or order that would prevent or make unlawful the Closing of this Agreement; or (d) if the Closing has not occurred within twelve (12) months after the date hereof.

12. Specific Performance. Seller agrees that this transaction includes 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, notwithstanding the provisions of Section 11, Buyer shall have the right specifically to enforce Seller's performance under this Agreement, and Seller agrees to and does 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. Buyer shall have the right to terminate this Agreement as a

result of Seller's material default in lieu of seeking specific performance (if not cured within the cure periods set forth in Section 11 (a)). In the event Buyer elects to terminate this Agreement as a result of Seller's default instead of seeking specific performance, Buyer may seek any and all other forms of relief, including a suit for damages arising out of Seller's default.

13. Notices. All notices, elections 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 refusal thereof), 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:

Cedarville, University  
Attn: John Hart  
251 North Main  
Cedarville, Ohio 45314

Copy (which shall not constitute notice) to:

Joseph C. Chautin, III, Esq.  
Hardy, Carey, Chautin & Balkin, LLP  
1080 West Causeway Approach  
Mandeville, Louisiana 70471

If to Buyer, to:

Educational Media Foundation  
5700 West Oaks Boulevard  
Rocklin, CA 95765  
Attn: Mike Novak, President

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

David D. Oxenford, Esq.  
Wilkinson, Barker, Knauer, LLP  
2300 N Street, NW; Suite 700  
Washington, DC 20037

14. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Indiana, without giving effect to the choice of law principles

thereof.

15. Partial Invalidity. Wherever possible, each provision hereof shall be interpreted in such manner as to be effective and valid under applicable law, but in case any provision contained herein shall, for any reason, be held to be invalid or unenforceable, such provision shall be ineffective to the extent of such invalidity or unenforceability without invalidating the remainder of such provision or any other provisions hereof, unless such a construction would be unreasonable.

16. 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. This Agreement may be executed and exchanged by facsimile transmission, with the same legal effect as if the signatures had appeared in original handwriting on the same physical document. At the request of any party hereto or to any such agreement or instrument, each other party hereto or thereto shall re-execute original forms thereof and deliver them to all other parties. No party hereto or to any such agreement or instrument shall raise the use of a facsimile machine or electronic mail to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of a facsimile machine or electronic mail as a defense to the formation of a contract and each such party forever waives any such defense.

17. 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. The FCC filing fees, if any, relating to the Assignment Application shall be shared equally between Buyer, on the one hand, and Seller, on the other hand.

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

THE CEDARVILLE UNIVERSTIY

By: \_\_\_\_\_  
Name:  
Title:

EDUCATIONAL MEDIA FOUNDATION

By: \_\_\_\_\_  
Name:  
Title:



thereof.

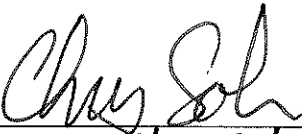
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THE CEDARVILLE UNIVERSITY

By:   
Name: Chris Sohn  
Title: CFO

EDUCATIONAL MEDIA FOUNDATION

By: \_\_\_\_\_  
Name:  
Title:

thereof.

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THE CEDARVILLE UNIVERSTIY

By: \_\_\_\_\_  
Name:  
Title:

EDUCATIONAL MEDIA FOUNDATION

By:  \_\_\_\_\_  
Name: MIKE NOVAK  
Title: PRESIDENT AND CEO