

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT, dated as of January 20, 2016 (this "Agreement"), by and among REACH COMMUNICATIONS, INC., a Florida non-profit corporation ("RCI"), and SPECTRUM DEVELOPMENT GROUP, LLC., a limited liability corporation ("SDG").

WITNESSETH:

WHEREAS, RCI is the licensee of the FM translator station W278BD (FIN: 151393), MacClenny, Florida ("RCI Station");

WHEREAS, on the terms and conditions described herein and subject to the approval of the Federal Communications Commission ("FCC"), SDG desires to acquire and RCI desires to sell and assign certain assets and the FCC license associated with the RCI Station.

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

1. Sale of Assets.

(a) RCI Stations.

(i) On the Closing Date (as hereinafter defined), RCI shall sell, assign and transfer to SDG, and SDG shall purchase, assume and receive from RCI, the assets, properties, interests and rights of RCI of whatsoever kind and nature, which are held by RCI and used or useful in connection with the operation of the RCI Station, including without limitation (the "RCI Assets") (but excluding the Excluded Assets described in subparagraph (iii) below):

(A) All equipment and other tangible personal property used or useful in the conduct of the business or operations of the RCI Station (the "RCI Tangible Personal Property"), (together with such improvements and additions thereto and replacements thereof between the date hereof and the Closing Date), identified on Schedule 1 hereto;

(B) The license and other authorizations, including the authorizations issued by the FCC (the "RCI Authorizations"), the Federal Aviation Administration (the "FAA"), if any, and any other federal, state or local governmental authorities to SDG in connection with the conduct of the business or operations of the RCI Station identified on Schedule 2 hereto;

(C) All of RCI's right, title and interest in and to any leasehold interests in real property (the "RCI Station Lease") used or useful in the conduct of the operations of the RCI Station, as identified on Schedule 3 hereto; and

(ii) The RCI Assets shall be transferred to SDG free and clear of all Liens, except for taxes not yet due and payable ("Permitted Liens"). Except as expressly set forth herein, SDG is not agreeing to, and shall not, assume any liability, obligation, undertaking, expense or agreement of RCI of any kind, absolute or contingent, known or unknown, specifically including, without limitation, any liability, obligation or agreement to retain any RCI employee, or with respect to termination thereof, or any employee benefit or expense, and the execution and performance of this Agreement shall not render SDG liable for any such liability, obligation, undertaking, expense or agreement. All of such liabilities and obligations shall be referred to herein as the "RCI Retained Liabilities."

(iii) The following assets and associated liabilities relating to the business of the RCI Station shall be retained by RCI and shall not be sold, assigned or transferred to SDG (the "RCI Excluded Assets");

(A) Cash on hand and in banks (or their equivalents) and accounts receivable arising out of the operation of the RCI Station prior to Closing;

(B) All rights of RCI under all contracts, leases (other than the leases described in Schedule 3) and agreements, including contracts of insurance and insurance proceeds of settlement and insurance claims made by RCI;

(D) All deposits and all prepaid expenses and taxes;

(E) RCI's corporate records; and

(F) Any and all assets used and useful in the operation of any of RCI's stations or other operations other than the RCI Station.

2. Purchase Price.

Upon the terms and subject to the conditions contained in this Agreement and in consideration of the sale of the RCI License and Assets to SDG,

(a) Purchase Price. The Purchase Price for the RCI Assets shall be Thirty-Five Thousand Dollars (\$35,000.00).

(b) Deposit. Concurrently with the execution hereof SDG shall pay to RCI a non-refundable deposit in the amount of Five Thousand Dollars (\$5,000.00) (the "Deposit") for the RCI station. Balance of Thirty Thousand Dollars (\$30,000.) shall be paid at close.

(c) The parties agree to prorate all expenses arising out of the operation of the RCI Station which is incurred, accrued or payable, as of 11:59 p.m. local time

of the day preceding the Closing. The items to be prorated may include, but are not limited to, power and utilities charges, real and personal property taxes upon the basis of the most recent tax bills and information available, rent, security deposits (to the extent any such deposit is assigned to the benefit of the other party hereunder), and similar prepaid and deferred items. On the Closing Date, the prorations shall, insofar as feasible, be determined and paid on the Closing Date.

3. **FCC Consent; Assignment Application.** At the earliest mutually agreeable date, but not later than five (5) business days after the date of this Agreement, SDG and RCI shall execute, file and vigorously prosecute an application with the FCC (an "Assignment Application") requesting its consent (the "FCC Consent") to the assignment from RCI to SDG of the RCI Station Authorization. SDG and RCI 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") which shall be no later than ten (10) business days following the date on which the FCC Consent is granted by the FCC's staff; provided, if any petition to deny or informal objection was filed against the Assignment Application, SGI shall have the option, upon notice to RCI, to delay Closing until the FCC Consent has become a Final Order (as hereinafter defined). 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 electronic delivery of documents and funds, or in such other manner as mutually agreed upon by the parties.

5. **Representations and Warranties of RCI.** RCI hereby makes the following representations and warranties to SDG which shall be true as of the date hereof and on the Closing Date:

(a) RCI is a non-profit corporation duly organized, validly existing and in good standing under the laws of the State of Florida. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by RCI and no other proceedings on the part of RCI is necessary to authorize this Agreement or to consummate the transactions contemplated hereby. This Agreement and each ancillary document and instrument to be executed and delivered hereunder (the "Transaction Documents") has been and will be duly and validly executed and delivered by RCI and constitutes and will constitute the legal, valid and binding agreement of RCI 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 RCI will not (i) conflict with or result in any breach of any provision of the articles of incorporation or by-laws of each of RCI, or (ii) require the consent or approval of any governmental authority, lending institution or other third party other than the FCC Consent.

(c) Schedule 1 hereto contains a list of all material tangible personal property and assets owned or leased by RCI for use in connection with the RCI Station. RCI owns and has, and will have on the Closing Date, good and marketable title to all such property. The assets listed in Schedule 1 hereto include all material tangible personal property necessary to conduct the business and operations of RCI as now conducted (other than those assets which are Excluded Assets). The RCI Tangible Personal Property (i) is in good condition and repair; ordinary wear and tear accepted, (ii) has been maintained in a manner consistent with standards of good engineering practice; (iii) has been operated in material compliance with the applicable provisions of the Communications Act of 1934, as amended, and the rules and written, publicly-released policies of the FCC (collectively, the "Communications Laws"), and (iv) does not contain any material quantity of PCBs. For purposes of this Section, "material" Tangible Personal Property shall be items of such property valued at One Hundred Dollars (\$100) or more.

(d) Schedule 2 hereto contains a true and complete list of the RCI Authorization and all other permits or other authorizations from governmental or regulatory authorities that are required for the lawful conduct of the business and operations of the RCI Station as operated on the date hereof. RCI is the authorized legal holder of all RCI Authorizations identified on Schedule 2 hereto, none of which is subject to any restrictions or conditions that would limit in any respect the broadcast operations of the RCI station, except such conditions that are applicable to FM translator stations generally or are stated on the face thereof and as identified on Schedule 2 hereto. The RCI Authorizations are validly issued and are in full force and effect, unimpaired by any act or omission of RCI. Other than the proceedings affecting the radio broadcasting industry generally, (i) there is not now pending or threatened any action by or before the FCC to revoke, cancel, rescind, modify or refuse to renew any of the RCI Authorizations; and (ii) RCI has not received any notice of and has no knowledge of any pending, issued or outstanding order by or before the FCC, or of any investigation, order to show cause, notice of violation, notice of apparent liability, notice of forfeiture, or material complaint against the RCI Station or RCI with respect to the RCI Station. RCI has timely filed with the FCC all material reports required thereby and has timely paid any fines or forfeitures due to the FCC with respect to the RCI Station.

(e) Schedule 3 hereto contains a complete description of all RCI real property leased by RCI in connection with the RCI Station ("RCI Real Property"). RCI has valid leasehold interest in the RCI Station Lease described on Schedule 3, free and clear of all Liens, and no party is in material breach or default with respect thereto. There is full legal and practical access to the RCI Real Property, and all utilities necessary for RCI's use thereof are installed and are in good working order and are subject to valid easements, where necessary. Except as set forth in Schedule 3, the buildings, towers, guys and other fixtures situated on the RCI Real Property are free of structural defects, are suitable for their intended use, and are in a good state of maintenance and repair (ordinary wear and tear excepted).

(f) There is no broker or finder fee in connection with this Agreement and/or the transactions contemplated hereby as a result of this agreement, understanding or action by RCI.

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

(h) All of the RCI Assets that are insurable in character are insured against loss, injury or damage to the full extent of their replacement value.

(i) To the best of RCI's knowledge, no event has occurred which could impose on RCI any liability for any taxes, penalties or interest due or to become due from RCI from any taxing authority.

(j) No representation or warranty made by RCI 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, contains or will contain any untrue statement of a material fact or omits or will omit to state any material fact necessary to make such representation or warranty or any such statement not misleading to SDG.

6. **Representations and Warranties of SDG.** SDG hereby makes the following representations and warranties to RCI which shall be true as of the date hereof and on the Closing Date:

(a) SDG is a limited liability corporation, duly organized, validly existing and in good standing under the laws of the State of Illinois, and is, or as of the Closing Date will be, authorized to transact business in the State of Florida. SDG has the requisite organizational 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 have been duly and validly authorized by SDG and no other proceedings on the part of SDG are necessary to authorize this Agreement or to consummate the transactions contemplated hereby. The Transaction Documents have been and will be duly and validly executed and delivered by SDG and constitutes and will constitute the legal, valid and binding obligation of SDG 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 SDG will not require the consent or approval of any governmental authority, lending institution or other third party other than the FCC Consent.

(c) SDG is legally, technically and financially qualified to acquire and hold the RCI Authorizations, and knows of no reason why the FCC would not grant the FCC Consent. SDG is financially qualified to perform its obligations hereunder, including, without limitation,

to pay the Purchase Price at Closing.

(d) No representation or warranty made by SDG 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, contains or will contain any untrue statement of a material fact or omits or will omit to state any material fact necessary to make such representation or warranty or any such statement not misleading to RCI.

7. **RCI Covenants.** RCI covenants with SDG that, between the date hereof and the Closing Date, it shall act in accordance with the following:

(a) RCI shall operate the RCI Station only in the ordinary course of business and in accordance with past practice, and RCI will not, without the prior written consent of SDG, sell, lease, transfer or agree to sell, lease or transfer any of the RCI Assets without replacement thereof with an equivalent asset of equivalent kind, condition and value that satisfies industry standards for such assets, or create any lien on the RCI Assets.

(b) RCI shall operate the RCI Station in material compliance with applicable law, including the Communications Laws.

(c) RCI shall maintain the RCI Tangible Personal Property in accordance with standards of good engineering practice and replace any of such property which shall be worn out, lost, stolen or destroyed with like property of substantially equivalent kind and value.

(d) RCI has and shall maintain in full force and effect through the Closing Date adequate property damage, liability and other insurance with respect to the RCI Assets.

(e) RCI shall use commercially reasonable efforts to obtain any required consent for the assignment of the RCI Station Lease; provided that SDG shall cooperate to obtain any such consent, including without limitation by providing such financial data, credit information and other information as requested by the lessor under the RCI Station Lease.

8. **Conditions Precedent to Obligation to Close.**

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

(i) SDG 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 SDG prior to or as of the Closing Date;

(ii) The representations and warranties of SDG 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 Consents contemplated by this Agreement shall have been granted;

(iv) RCI shall have obtained the necessary consent to assignment of the RCI Station Lease from the landlord thereof, if required, and subject to SDG's obligation to cooperate in obtaining such consent; and shall have delivered to SDG on or before the Closing Date such consent in customary form executed by such landlord;

(v) 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 which: (A) would render it unlawful, as of the Closing Date, to effect the transactions contemplated by this Agreement in accordance with its terms; (B) questions the validity or legality of any transaction contemplated hereby; or (C) seeks to enjoin any transaction contemplated hereby;

(vi) There shall not be any Liens, except Permitted Liens, on the RCI Assets; and

(v) SDG shall have tendered all deliveries required by Section 10(b).

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

(i) RCI 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 RCI prior to or as of the Closing Date;

(ii) The representations and warranties of RCI 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; and

(iii) RCI shall have tendered all deliveries required by Section 10(a).

10. Closing Deliveries.

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

(i) A Bill of Sale and other instruments of transfer and conveyance, dated the Closing Date, in form and substance so as to effectively and legally transfer and assign to SDG the RCI Assets and effectively vest in SDG good and marketable title to the RCI Assets;

(ii) An Assignment and Assumption of the RCI Authorizations;

(iii) An Assignment and Assumption of the RCI Station Lease;

(iv) Consents to assignment (if required) from the landlord; and

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

(b) At the Closing, SDG shall deliver to RCI the following, each of which shall be in form and substance reasonably satisfactory to RCI and its counsel:

(i) The balance of the Purchase Price, delivered in accordance with instructions from RCI to SDG;

(ii) A countersigned Assignment and Assumption of the RCI Authorizations;

(iii) A countersigned Assignment and Assumption of the RCI Station Lease; and

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

11. Survival.

The several representations and warranties of RCI and SDG contained in or made pursuant to this Agreement shall expire on the date that is one (1) year after the Closing Date.

12. Termination.

(a) This Agreement may be terminated by either SDG or RCI, 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: (i) 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 (ii) if any of the Assignment Application is designated for hearing or denied by Final Order; or (iii) if there shall be in effect any judgment, final decree or order that would prevent or make unlawful the Closing of this Agreement; or (iv) if the Closing has not occurred within one year of the date the Assignment Application is filed with the FCC.

13. Specific Performance. The parties acknowledge that the RCI Station is a unique asset not readily available on the open market and that in the event that either party fails to perform its obligation to consummate the transaction contemplated hereby, irreparable harm may occur to the other party as to which money damages would be difficult to quantify and which

alone will not be adequate to compensate such party for its injury. The parties therefore agree and acknowledge that in the event of a failure by either SDG or RCI to perform its obligation to convey the assets in connection with the consummation of the transaction contemplated hereby, the opposing party shall be entitled to elect to obtain specific performance of the terms of this Agreement, without the necessity of posting bond. In lieu of specific performance, the non-breaching party may elect, as its sole remedy, to retain or obtain (as the case may be) the Deposit, as liquidated damages and not as penalty.

14. **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 RCI, to:

Reach Communications, Inc.
Attn: Rick Reynolds
2701 West Cypress Creek Road
Fort Lauderdale, Florida 33309
Email: rick@calvaryftl.org

With copies (which shall not constitute notice) to:

Dawn M. Sciarrino
Sciarrino & Shubert, PLLC
5425 Tree Line Drive
Centreville, VA 20120

and

Paul R. Alfieri, General Counsel
Reach Communications, Inc.
2401 West Cypress Creek Road
Fort Lauderdale, FL 33309

If to SDG, to:

Spectrum Development Group, LLC.
Attn: Rick Bonick
875 North Michigan Avenue, Suite 3708
Chicago, Illinois 60611
Email: rbonick@marathonmedia.com

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

16. **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.

17. **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. Facsimile and electronic signatures shall be treated as originals for all purposes.

18. **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. Each party shall be responsible for one-half of the FCC filing fee for the Assignment Application.

19. **Risk of Loss.** The risk of any loss, taking, condemnation, damage or destruction of or to any of the RCI Assets related to the RCI Station (each, an "Event of Loss") on or prior to the Closing Date shall be upon the party then owning such assets and the risk of any Event of Loss subsequent to the Closing Date shall be upon the party acquiring such assets.

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

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


THE NEXT PAGE IS THE SIGNATURE PAGE

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

REACH COMMUNICATIONS, INC.

By: 
Douglas R. Sauder, President

SPECTRUM DEVELOPMENT GROUP, LLC.

By: 
Rick Bonick, CFO