

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT ("Agreement"), dated as of January 22, 2016 (the "Effective Date"), is by and between CORNERSTONE COMMUNITY RADIO, INC. ("Seller"), a Florida corporation and VERO BEACH BROADCASTERS, LLC, a Florida limited liability company ("Buyer").

WITNESSETH:

WHEREAS, Seller is the holder of a construction permit (FCC File Number BNPFT-20130812ACT) (the "Permit") issued by the Federal Communications Commission ("FCC") for FM translator station W257DE, Stuart, Florida (FCC Facility ID Number 156402) (the "Station"); and

WHEREAS, on the terms and conditions described herein, Seller desires to sell and Buyer desires to acquire the Permit for the Station and any and all files and engineering documentation pertaining to the Station owned by Seller and useful in connection with the future operation of the 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.

On the Closing Date (as defined in Paragraph 4 hereof), Seller shall sell, assign and transfer to Buyer, and Buyer shall purchase and assume from Seller, the following assets and rights of Seller used or held for use in connection with the future operation of the Station free and clear of all liens and liabilities: (i) the Permit for the Station; (ii) engineering files and documentation; and (iii) any of Seller's intangible property held exclusively for use in the future operation of the Station, free and clear of all liens, liabilities and encumbrances of every kind and nature (the "Assets").

2. Consideration.

The purchase price for the Assets shall be Forty Thousand Dollars (\$40,000.00) (the "Purchase Price"), to be paid as follows:

- a. Upon the execution of this Agreement, Buyer shall deliver to Fowler Media Consulting, Inc., as Escrow Agent, a certified check payable to Seller in the amount of Eight Thousand Dollars (\$8,000.00) (the "Deposit"), to be held by the Escrow Agent and delivered to the Seller at the Closing
- b. On the Closing Date, Buyer shall pay the balance of the Purchase Price to Seller by cash, wire transfer or other immediately available funds.

3. FCC Applications.

Within three (3) business days after the Effective Date of this Agreement, Buyer and Seller shall file and prosecute an application with the FCC (the “Assignment Application”) requesting the agency’s consent to the assignment of the Permit for the Station from Seller to Buyer (the “FCC Consent”).

With the written consent of Seller in the form of **Schedule A** hereto, Buyer may file with the FCC an application for minor modification of the Permit with the proposal to rebroadcast the signal of Buyer’s owned and operated AM Station, WTTB, Vero Beach, Florida (FCC Facility ID No. 58947) (the “Translator Relocation Application”). Buyer agrees that the Translator Relocation Application will not be filed with the FCC before the Assignment Application has been filed with the FCC, or before January 29, 2016, the first date on which the FCC has announced that licensees and permittees of Class C and Class D AM radio stations may file applications for modification of FM translator authorizations to enable them to rebroadcast their AM stations’ signals. Buyer further agrees that out of an abundance of caution, the Translator Relocation Application will contain a request for waiver of the Permit’s construction deadline (currently December 3, 2016), as permitted by the FCC in *Revitalization of the AM Service*, First Report and Order, Further Notice of Proposed Rule Making, and Notice of Inquiry, FCC 15-142, Note 36 (rel. October 23, 2015). Seller will facilitate Buyer’s filing of the Translator Relocation Application by associating Buyer’s FRN with the Station in the FCC’s “CDBS” electronic filing system before January 29, 2016, and Buyer will be solely responsible for the preparation, filing and prosecution of the Translator Relocation Application, and all costs related thereto. Seller makes no representation or warranty that the Translator Relocation Application can be or will be granted by the FCC.

Each party shall promptly provide the other with a copy of any pleading, order or other document served on it relating to the Assignment Application and/or the Translator Relocation Application.

4. Closing Date; Closing Place.

The closing of the transactions contemplated by this Agreement (the “Closing”) shall occur on the fifth business day following the date on which the later of (a) the grant of FCC Consent to the Assignment Application or (b) the grant of the Translator Relocation Application by the FCC becomes a Final Order (the “Closing Date”), unless Buyer, at its election waives a Final Order, in which case the parties may then hold the Closing on a mutually agreed upon earlier date after the FCC Consent and the FCC approval of the Translator Relocation Application have been granted. As used herein, a Final Order is one no longer subject to administrative or judicial review, reconsideration or appeal. All acts required to take place at the Closing may be conducted by mail, facsimile, or electronic mail, as the Parties may agree.

5. Representations and Warranties.

(a) Seller hereby makes the following representations and warranties to Buyer:

(i) Seller has the power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The entry into and performance of this Agreement does not violate any contract, agreement, judgment, writ, injunction or other legal obligation of Seller. Seller knows of no reason this transaction cannot be performed and consummated in the manner set out herein.

(ii) Seller is the FCC-authorized holder of the Permit. The Permit is in full force and effect, unimpaired by any act or omission of Seller. There is not now pending or, to Seller's knowledge, threatened any action by or before the FCC to revoke, cancel, rescind, or modify the Permit.

(iii) Except for Fowler Media Consulting, LLC, there is no broker or finder or other person who would have any valid claim for a commission or brokerage in connection with this Agreement or the transaction contemplated hereby as a result of any agreement, understanding or action by Seller; and,

(iv) Seller has good and marketable title to all of the Assets, free and clear of any and all liens and encumbrances whatsoever.

(b) Buyer hereby makes the following representations and warranties to Seller:

(i) Buyer has the power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. Buyer knows of no reason this transaction cannot be performed and consummated in the manner set out herein. Buyer possesses all legal, financial and other qualifications deemed necessary by the FCC to be the holder of the Permit and future licensee of the Station.

(ii) There is no broker or finder or other person who would have any valid claim for a commission or brokerage in connection with this Agreement or the transaction contemplated hereby as a result of any agreement, understanding or action by Buyer.

6. Covenants.

(a) Seller covenants with Buyer that, between the date hereof and the Closing Date, Seller shall act in accordance with the following:

(i) Seller shall take all actions necessary to keep the Permit valid and in full force and effect.

(ii) Seller shall prosecute the Assignment Application with commercially reasonable diligence, and shall otherwise cooperate with Buyer in achieving the goals of this Agreement.

(b) Buyer shall cooperate with Seller in the prosecution of the Assignment Application and shall otherwise cooperate with Seller in achieving the goals of this Agreement.

7. 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:

(i) 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;

(ii) 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;

(iii) FCC Consent to the Assignment Application shall have been granted;

(iv) The Buyer shall have delivered to Seller the Purchase Price required by Section 2 hereof.

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

(i) 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;

(ii) Seller 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 Seller prior to or as of the Closing Date;

(iii) The Permit shall be in full force and effect and there shall be no proceedings pending before the FCC to revoke, cancel, rescind, or adversely modify the Permit; and,

(iv) FCC Consent to the Assignment Application shall have been granted; and

(v) The FCC shall have granted the Translator Relocation Application.

8. Closing Deliveries.

(a) At the Closing, Seller shall deliver duly executed instruments or documents sufficient to convey to Buyer all of Seller's right, title and interest in and to the Assets, including an Assignment and Assumption of the Permit, free and clear of all liens and liabilities.

(b) At the Closing, Buyer shall deliver to Seller the Purchase Price, as provided in Section 2 hereof, and an Assignment and Assumption of the Permit.

9. Termination.

(a) This Agreement may be terminated by either Buyer or Seller, if the party seeking to terminate is not in breach of any of its material obligations under this Agreement, upon written notice to the other 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, not cured by the earlier of the Closing Date or fifteen (15) days after receipt of the notice of breach from the non-breaching party (the “*Cure Deadline*”); (ii) if the either of the Assignment Application or the Translator Relocation Application is denied by the FCC and such denial shall have become a Final Order, or (iii) if the Closing Date, as defined in Paragraph 4, and the Closing shall not have occurred within eight (8) months from the date on which the Assignment Application shall have been filed with the FCC. Termination of this Agreement pursuant to this subparagraph (a)(3) shall be automatic unless the Closing Date is extended in writing by an instrument executed by both Seller and Buyer.

(b) If this Agreement is terminated by Seller due to a material breach by Buyer, which is not cured by Buyer by the Cure Deadline, the Deposit (Eight Thousand Dollars (\$8,000.00)) shall be forfeited, and delivered to Seller by the Escrow Agent as liquidated damages. The parties stipulate that this amount represents a reasonable measure of the damages of the Seller due to Buyer’s breach. Except for the payment of liquidated damages in the event of a material and uncured breach by Buyer, Buyer will have no other liability to Seller.

(c) If Seller defaults in the performance of its obligations hereunder, the parties agree that specific performance is an appropriate remedy for any breach, as the property to be conveyed hereunder is unique and a breach cannot be remedied by money damages alone.

(d) If this Agreement is terminated because the FCC denies the Assignment Application for reasons unrelated to Buyer, the Deposit shall be returned to Buyer. If this Agreement is terminated by Buyer because the FCC denies the Translator Relocation Agreement for any reason, the Deposit shall be paid over to Seller.

(e) If the FCC has consented to the Assignment Application but this Agreement is terminated pursuant to Paragraph 9(a)(iii) hereof, the Deposit shall be paid over to Seller. If the FCC has not granted its consent to the Assignment application and this Agreement is terminated pursuant to subparagraph (a)(iii) hereof, the Deposit shall be returned to Buyer.

(f) In addition to any other remedies to which they may be entitled hereunder, in the event of litigation over the provisions of this Agreement, the prevailing party shall be entitled to receive its reasonable costs of enforcing its rights, including reasonable attorney’s fees.

10. AS-IS SALE/PURCHASE.

OTHER THAN AS SPECIFICALLY SET FORTH IN THIS AGREEMENT, BUYER ACCEPTS THE ASSETS PURCHASED PURSUANT TO THIS AGREEMENT AS-IS. SELLER MAKES NO REPRESENTATIONS WITH REGARD TO THE CONDITION OR THE UTILITY OF THE ASSETS, AND MAKES NO WARRANTY,

INCLUDING, BUT NOT LIMITED TO FITNESS FOR A PARTICULAR PURPOSE, OR OTHERWISE.

11. Notices.

All notices, demands, and requests required or permitted to be given under the provisions of this Agreement shall be (a) in writing, (b) delivered by personal delivery, or sent by commercial delivery service or registered or certified mail, return receipt requested, or by electronic mail, with confirmation of receipt requested, (c) deemed to have been given on the date of personal delivery or the date set forth in the records of the delivery service or on the return receipt, and (d) addressed as follows:

If to Seller, to:

Richard L. Van Zandt, President
Cornerstone Community Radio, Inc.
194 Godfrey Road
Edgewater, FL 32141

With copy to:

J. Geoffrey Bentley, Esq.
BENTLEY LAW OFFICE
2700 Copper Creek Road
Herndon, VA 20171

If to Buyer, to:

Mitchell Rubenstein, President
Vero Beach Broadcasters, LLC
1235 16th Street
Vero Beach, FL 32960

With copy to:

Shelley Sadowsky, Esquire
Shelley Sadowsky, LLC
5938 Dorchester Way
Rockville, Maryland 20852

12. Governing Law; Venue.

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. Any action, suit or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with this Agreement shall be brought in any state or federal court of competent jurisdiction located in Indian River County, Florida.

13. Counterparts; Execution.

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 shall become operative when each Party has executed at least one counterpart hereof. Facsimile and electronically transmitted signatures will be deemed acceptable for the purpose of executing this Agreement.

14. Expenses.

Except as otherwise set forth in this Agreement, 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.

15. 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 assign its interest or delegate its duties under this Agreement without the prior written consent of the other party.

16. Entire Agreement.

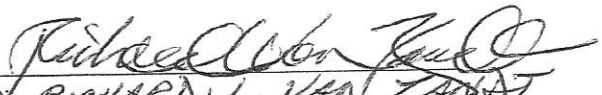
This Agreement, and the schedules attached hereto, supersede all prior agreements and understandings between the parties with respect to the subject matter hereof and may not be changed or terminated orally, and no attempted change, amendment, or waiver of any of the provisions hereof shall be binding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

Remainder of page intentionally left blank; next page is signature page.

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

Seller:

CORNERSTONE COMMUNITY RADIO, INC.

By: 
Name: RICHARD L. VAN ZANDT
Title: President

Buyer:

VERO BEACH BROADCASTERS, LLC

By: _____
Name:
Title:

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

Seller:

CORNERSTONE COMMUNITY RADIO, INC.

By: _____
Name:
Title:

Buyer:

VERO BEACH BROADCASTERS, LLC

By: 
Name: Mitchell Rubenstein
Title: Manager

Schedule A

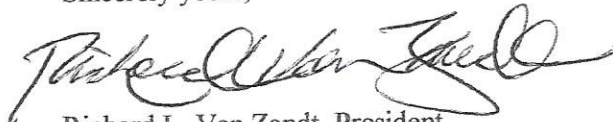
Mitchell Rubenstein, Manager
Vero Beach Broadcasters, LLC
1235 16th Street
Vero Beach, FL 32960

Dear Mr. Rubenstein:

In connection with Cornerstone Community Radio, Inc.'s ("CCR") plan to sell the construction permit for FM Translator Station W257DE, Stuart, Florida (FCC Facility ID Number 156402) (the "Translator") to Vero Beach Broadcasters, LLC ("VBB"), I hereby grant permission to VBB, pursuant to Section 73.3517(a) of the FCC's rules, to file an application with the FCC proposing a minor modification of the authorized facilities of the Translator ("Translator Relocation Application"), subject only to the following provisos: (i) An application for FCC consent to the assignment of the Translator from CCR to VBB shall be pending before the FCC on the date that the Translator Relocation Application is filed; and (ii) The Translator Relocation Application shall be filed no earlier than the opening of the filing window (which the FCC has announced shall be January 29, 2016) during which applications may be filed by Class C and Class D AM station licensees for modification of authorizations for FM translators intended to rebroadcast their AM stations' signals.

VBB has CCR's permission to include a copy of this letter in the Translator Relocation Application.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Richard L. Van Zandt", written in a cursive style.

Richard L. Van Zandt, President
Cornerstone Community Radio, Inc.