

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (Agreement) is made as of this 2 day of MAY 2012 by and between Cornerstone Community Radio, Inc. (Seller) and Neuhoﬀ Family Limited Partnership (Buyer);

Recitals

- A. Seller is the holder of the license issued by the Federal Communications Commission (Commission or FCC) for FM translator Station W295AH, Chatham, Illinois, FCC File No. BLFT-20091218ADR, Facility ID Number 138645 (Station).
- B. Seller has agreed to sell the Station to Buyer, and Buyer has agreed to purchase the Station from Seller, on the terms and conditions set forth herein.
- C. The consummation of this Agreement is subject to the prior written approval of the FCC.

Agreement

In consideration of the foregoing, and the mutual covenants and agreements set forth below, Seller and Buyer hereby agree as follows:

1. **Assets to be Conveyed.** On the Closing Date, as defined Section 10 hereof, Seller will assign, transfer, convey and deliver to Buyer and Buyer agrees to buy, free and clear of any liens, mortgages, claims, liabilities, assignments, conditions, exceptions, restrictions, limitations, charges, of any kind whatsoever (Claims), the license for the Station attached as Exhibit A hereof (License) and transmission equipment and related items owned by Seller and used or useful in the operation of the Station as listed in Exhibit B hereof (Tangible Property), it being understood that Buyer prefers to use its own equipment for other equipment needs. The Tangible Property together with the License shall be referred to as the Purchased Assets.
2. **Consideration.** The Purchase Price (Purchase Price) to be paid on the Closing Date by Buyer for the Purchased Assets shall be Sixty-five Thousand Dollars (\$65,000), to be paid to Seller at Closing in immediately available funds. Upon execution of this Agreement, Buyer shall deposit in escrow Sixty-five Thousand Dollars (\$65,000) (the Deposit), pursuant to an Escrow Agreement in the form attached hereto as Exhibit C. The Deposit shall be applied to the Purchase Price at Closing. Interest accruing on the Deposit shall belong to Buyer. -

3. Representations and Warranties of Seller. Seller hereby represents and warrants to Buyer that:
- a. Seller is and as of the Closing Date will be a non-profit corporation duly organized, validly existing and in good standing in FLORIDA;
 - b. This Agreement constitutes the legal, valid and binding obligation of Seller, enforceable in accordance with its terms.
 - c. Subject to Commission approval, the execution, delivery and performance of this Agreement (i) does not require the consent of any third party, and (ii) will not conflict with, result in a breach of, or constitute a default under any agreement or instrument to which Seller is a party or by which Seller is bound or under any law, judgment, order, decree, rule or regulation of any court or governmental body which is applicable to Seller or the Station.
 - d. Seller is, and as of the Closing Date will be, in material compliance with all applicable laws, including the Communications Act of 1934, as amended, and the rules and regulations of the Commission.
 - e. The Tangible Property is and on the Closing Date will be in good operating condition and repair (normal wear and tear excepted), free of any substantial defects, suitable and adequate for the uses for which it is intended and in compliance with all applicable laws and regulations.
 - f. Seller knows of no reason related to its qualifications which would disqualify it from holding the Station or assigning the License for the Station to Buyer. The License is in full force and effect and constitutes all of the authorizations issued by the FCC in connection with the Station. The License is not subject to any restriction or condition that would limit in any respect the operation of the facility authorized thereby. There are no outstanding unsatisfied FCC citations or cease and desist orders against the Station, and seller is not aware of any pending or threatened litigation, proceeding or investigation relating to the Station or the Purchased Assets by the FCC or by any other federal, state or local governmental agency, or any conditions relating to the Station or the Purchased Assets which are in violation of any FCC rule or policy.
 - g. Seller has, and on the Closing Date will have, good and marketable title to all the Purchased Assets, free and clear of all Claims. None of the Purchased Assets are subject to any restrictions with respect to the transferability thereof. At Closing, Buyer will receive good and marketable title to all the Purchased Assets, free and clear of all Claims of any nature whatsoever.

4. Representations and Warranties of Buyer. Buyer hereby represents and warrants to Seller that:
 - a. Buyer is and as of the Closing Date will be a Delaware limited partnership licensed to do business and in good standing in Illinois.
 - b. The execution and delivery of this Agreement and the consummation of the transaction contemplated hereby have been duly authorized by Buyer. This Agreement constitutes the legal, valid and binding obligation of Buyer, enforceable in accordance with its terms.
 - c. Subject to obtaining the approval of the Commission, the execution, delivery and performance of this Agreement (i) does not require the consent of any third party, and (ii) will not conflict with, result in a breach of, or constitute a default under any agreement or instrument to which Buyer is a party or by which Buyer is bound or under any law, judgment, order, decree, rule or regulation of any court or governmental body which is applicable to Buyer.
 - d. Buyer is, and as of the Closing Date will be, legally, financially and technically qualified to acquire and own the Station under all applicable laws, including the Communications Act of 1934, as amended, and the rules and regulations of the Commission.
5. Assignment Application; Modification of Station. The parties shall cooperate in the prompt preparation and filing of an applications with the Commission for consent to the assignment of the Station (Assignment Application) from Seller to Buyer and for minor modification of the Station's technical facilities in accordance with the technical specifications attached here to as Exhibit D (Modification Application). The Assignment Application and the Modification Application will be filed within five (5) business days of the date of this Agreement. The parties shall cooperate in the diligent submission of any additional information requested or required by the Commission with respect to the Assignment Application or the Modification Application, and shall take all steps reasonably required for the expeditious prosecution of the Assignment Application and the Modification Application to a favorable conclusion.
6. Expenses. The expenses involved in the preparation and consummation of this Agreement shall be borne by the party incurring such expense. Seller will pay the FCC filing fees for the Assignment Application and Modification Application.
7. Seller's Closing Conditions. All obligations of Seller to consummate the transactions contemplated by this Agreement are subject to the fulfillment, on or prior to the Closing Date, of each of the following conditions:

- a. The Commission shall have consented to the assignment of the Station to Buyer without any condition materially adverse to Seller, and such consent shall have become a Final Order. For the purpose of this Agreement "Final Order" shall mean an action by the FCC: (i) which has not been vacated, reversed, stayed, set aside, annulled or suspended; (ii) with respect to which no timely appeal, request for stay or petition for rehearing, reconsideration or review by any party or by the FCC on its own motion, is pending; and (iii) as to which the time for filing any such appeal, request, or petition or the reconsideration or review by the FCC on its own motion under the Communications Act of 1934 and the Commission's rules and regulations, has expired.
 - b. All representations and warranties of Buyer made herein shall be true and correct as of the Closing Date, Buyer shall have complied in all material respects with all covenants and conditions of this Agreement, and Buyer shall have delivered to Seller a certificate of an officer of Buyer, substantially in the form attached hereto in Exhibit E, to such effect.
 - c. Buyer shall have paid the Purchase Price.
8. Buyer's Closing Conditions. All obligations of Buyer to consummate the transactions contemplated by this Agreement are subject to the fulfillment, on or prior to the Closing Date, of each of the following conditions:
 - a. The Commission shall have consented to the assignment of the Station to Buyer without any condition materially adverse to Buyer, and such consent shall have become a Final Order.
 - b. The Commission shall have granted the Modification Application and such grant shall have become a Final Order.
 - c. Seller shall have executed and delivered to Buyer a Bill of Sale and Seller's Certificate substantially in the form attached hereto in Exhibit E.
 - d. All representations and warranties of Seller made herein shall be true and correct as of the Closing Date, Seller shall have complied in all material respects with all covenants and conditions of this Agreement, and Seller shall have delivered to Buyer a certificate of an officer of Seller, substantially in the form attached hereto in Exhibit E, to such effect.
9. Termination. This Agreement may be terminated as follows, it being agreed that time is of the essence for purposes of all deadlines or timeframes described herein:

- a. If conditions to Closing set forth in Section 7 of this Agreement have not been satisfied (or waived by Seller) within one (1) year of the date of this Agreement, Seller may terminate this Agreement upon written notice to the Buyer.
 - b. If the conditions of Closing set forth in Section 8 of this Agreement have not been satisfied (or waived by Buyer) within one (1) year of the date of this Agreement, Buyer may terminate this Agreement upon written notice to Seller.
 - c. If either Buyer or Seller shall be in material breach of this Agreement, and such breach is not cured after twenty (20) days' written notice, the other party, if not then in material breach and having received written notice thereof, may terminate this Agreement. In addition, in the event of a material breach of this Agreement by Buyer, Seller shall be entitled to Six Thousand Five Hundred Dollars (\$6,500) as liquidated damages. In the event of a material breach of this Agreement by Seller, Buyer shall be entitled to seek specific performance, it being understood and agreed that monetary damages alone will not be adequate to compensate Buyer for its injury. Seller hereby waives the defense in any such suit that the Buyer has an adequate remedy at law and agrees not to interpose any opposition, legal or otherwise, as to the propriety of specific performance as a remedy.
 - d. In the event of termination pursuant to Paragraph 9(a) or 9(b) hereof, the Deposit shall be returned to Buyer, together with interest, within ten (10) days of the notice of termination provided therein.
10. Closing. The Closing shall take place in Washington DC, at another mutually agreeable location, or by mail and/or appropriate electronic means, on a date that is no later than ten (10) days following the later of the date that the FCC's grant of the Application or the Modification Application, as the case may be, has become a Final Order, provided that Buyer at its option may waive the requirement of finality and consummate the transaction on a date no earlier than ten (10) days following the later of the FCC's grant of the Assignment Application or the Modification application, as the case may be. The term "Closing Date" shall mean the date of the Closing. Buyer and Seller shall execute the Closing documents in the form attached hereto as Exhibit E.
11. Control of the Station. Prior to the Closing Date, Buyer shall not, directly or indirectly, control, supervise or direct the operations of the Station. Such operations shall be the sole responsibility of Seller until this Agreement is consummated. Buyer shall have reasonable access to the Station to inspect the Purchased Assets.

12. Confidentiality. Buyer and Seller agree that Buyer, Seller and their respective officers, counsel or other authorized representatives and affiliated parties, shall not disclose to any other party, and not use to the detriment of the other, any non-public information without the prior written consent of the other except to the extent required by law. Any announcement of the transaction contemplated by this Agreement shall be made by mutual agreement.
13. Indemnification.
 - a. Seller shall indemnify, defend and hold Buyer, its members, officers, affiliates, successors and assigns, harmless from and against any claim, liability, loss, damage, judgment or expense (including reasonable attorneys' fees) of any kind or nature arising out of or attributable to: (i) any material inaccuracy in any representation or breach or failure of any warranty, covenant or agreement of Seller contained herein; or (ii) any material failure by Seller to perform or observe, and agreement or condition to be performed by Seller hereunder or (iii) any event, condition or occurrence related to the operation of the Station which occurs prior to the Closing Date.
 - b. Buyer shall indemnify, defend and hold Seller, its members, officers, affiliates, successors and assigns, harmless from and against any claim, liability, loss, damage, judgment or expense (including reasonable attorneys' fees) of any kind or nature arising out of or attributable to: (i) any material inaccuracy in any representation or breach or failure of any warranty, covenant or agreement of Buyer contained herein; or (ii) any material failure by Buyer to perform or observe, and agreement or condition to be performed by Buyer hereunder; or (iii) any event, condition or occurrence related to the operation of the Station which occurs following the Closing Date.
14. Survival. The representations and warranties of Buyer and Seller set forth above shall survive the Closing Date for a period of twelve (12) months (the Survival Period) and no claims may be brought under this Agreement unless written notice describing in reasonable detail the nature and basis of such claim is given on or prior to thirty (30) days following the last day of the Survival Period. In the event such notice is given, the right to indemnification with respect thereto under this provision shall survive the applicable Survival Period until such claim is finally resolved and any obligations with respect thereto are fully satisfied.
15. Entire Agreement. This Agreement, together with all schedules hereto, constitutes the entire agreement between the parties and supersedes all prior agreements, and may not be modified except in writing executed by the parties.

16. Construction and Enforcement. This Agreement shall be construed and enforced in accordance with the internal laws of the State of Illinois.
17. Successors and Assigns. This Agreement shall inure to the benefit of and be binding on the successors and assigns of the parties hereto. Neither Seller nor Buyer may assign its rights, interest or obligations under this Agreement without the prior written consent of the other party, which consent shall not be unreasonably withheld.
18. Cooperation. Both before and after the Closing, Seller and Buyer shall each cooperate, take such actions and execute and deliver such documents as may be reasonably requested by the other party in order to carry out the provisions of this Agreement.
19. Severability. In the event that any of the provision of this Agreement shall be held unenforceable, the remaining provisions shall be construed as if such unenforceable provisions were not contained herein. Any provision of this Agreement which is unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such unenforceability without invalidating the remaining provisions hereof, and any such unenforceability in any jurisdiction shall not invalidate or render unenforceable such provisions in any other jurisdiction.
20. Counterparts. This Agreement may be executed in one or more facsimile or electronic counterparts, each of which will be deemed an original and all of which together will constitute one and the same instrument.
21. Notices. All notices hereunder shall be delivered in writing and shall be deemed to have been duly given if delivered and received by certified or registered mail, return receipt requested, or by expedited courier service, to the following addresses or such other addresses as any party may provide by written notice:

To Seller:

Cornerstone Community Radio, Inc.
600 W. Mason Street
Springfield, IL 62702
ATTN: Richard Van Zandt

cc (which shall not constitute notice):

J. Geoffrey Bentley
Bentley Law Office
2700 Copper Creek Road
Oak Hill, VA 20171

To Buyer: Neuhoﬀ Family Limited Partnership
1340 US Highway One
#135
Jupiter, FL 33469
ATTN: Geoﬀrey H. Neuhoﬀ

cc (which shall not constitute notice):

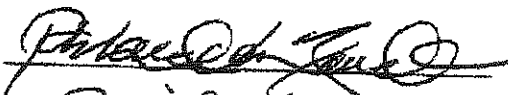
Malcolm G. Stevenson
Schwartz, Woods & Miller
1233 20th Street, NW, Suite 610
Washington, DC 20036

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE]

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

CORNERSTONE COMMUNITY RADIO, INC.

By: 
Its: President

NEUHOFF FAMILY LIMITED PARTNERSHIP

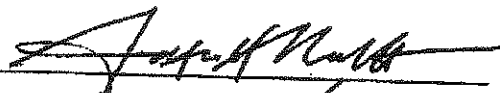
By: 
Its: President / CEO

EXHIBIT A

STATION LICENSE



United States of America
FEDERAL COMMUNICATIONS COMMISSION
FM BROADCAST TRANSLATOR/BOOSTER
STATION LICENSE

Authorizing Official:

Official Mailing Address:

CORNERSTONE COMMUNITY RADIO, INC.
600 W. MASON STREET
SPRINGFIELD IL 62702

James D. Bradshaw
Deputy Chief
Audio Division
Media Bureau

Facility Id: 138645

Call Sign: W295AH

License File Number: BLFT-20091218ADR

Grant Date: December 22, 2009

This license expires 3:00 a.m.
local time, December 01, 2012.

This license covers permit no.: BPFT-20090904ACJ

Subject to the provisions of the Communications Act of 1934, subsequent acts and treaties, and all regulations heretofore or hereafter made by this Commission, and further subject to the conditions set forth in this license, the licensee is hereby authorized to use and operate the radio transmitting apparatus herein described.

This license is issued on the licensee's representation that the statements contained in licensee's application are true and that the undertakings therein contained so far as they are consistent herewith, will be carried out in good faith. The licensee shall, during the term of this license, render such broadcasting service as will serve the public interest, convenience, or necessity to the full extent of the privileges herein conferred.

This license shall not vest in the licensee any right to operate the station nor any right in the use of the frequency designated in the license beyond the term hereof, nor in any other manner than authorized herein. Neither the license nor the right granted hereunder shall be assigned or otherwise transferred in violation of the Communications Act of 1934. This license is subject to the right of use or control by the Government of the United States conferred by Section 606 of the Communications Act of 1934.

Callsign: W295AH

License No.: BLFT-20091218ADR

Name of Licensee: CORNERSTONE COMMUNITY RADIO, INC.

Principal community to be served: IL-CHATHAM

Primary Station: WLJX-LP (FL) , Channel 300, SPRINGFIELD, IL

Via: Direct - off-air

Frequency (MHz): 106.9

Channel: 295

Hours of Operation: Unlimited

Antenna Coordinates: North Latitude: 39 deg 42 min 01 sec

West Longitude: 89 deg 40 min 49 sec

Transmitter: Type Accepted. See Sections 73.1660, 74.1250 of the Commission's Rules.

Transmitter output power: 0.227 kW

Antenna type: (directional or non-directional): Non-Directional
Description: SHI 6812-2

Major lobe directions (degrees true): Not Applicable

	Horizontally Polarized Antenna:	Vertically Polarized Antenna:
Effective radiated power in the Horizontal Plane (kw):	0.2	0.2
Height of radiation center above ground (Meters):	8	8
Height of radiation center above mean sea level (Meters):	180	180

Antenna structure registration number: Not Required

Overall height of antenna structure above ground: 10 Meters

Obstruction marking and lighting specifications for antenna structure:

It is to be expressly understood that the issuance of these specifications is in no way to be considered as precluding additional or modified marking or lighting as may hereafter be required under the provisions of Section 303(q) of the Communications Act of 1934, as amended.

None Required

Special operating conditions or restrictions:

- 1 The permittee/licensee in coordination with other users of the site must reduce power or cease operation as necessary to protect persons having access to the site, tower or antenna from radiofrequency electromagnetic fields in excess of FCC guidelines.

*** END OF AUTHORIZATION ***

EXHIBIT B

TANGIBLE PROPERTY

BEXT TFC1K Circularly Polarized FM Transmit Antenna