

ASSET PURCHASE AGREEMENT

ASSET PURCHASE AGREEMENT, dated as of July 24, 2015 (this "Agreement"), by and between EDUCATIONAL MEDIA FOUNDATION, a California non-profit corporation ("Seller"), and G2 MEDIA GROUP LLC, an Oklahoma limited liability company ("Buyer").

WITNESSETH:

WHEREAS, Seller is the licensee of FM translator station K254AM Fort Smith, Arkansas (Channel 254, 98.7 MHz, FCC Facility ID Number 85710) (the "Station"), pursuant to authorizations (the "FCC Authorizations") issued by the Federal Communications Commission (the "FCC"); and

WHEREAS, on the terms and conditions described herein, Seller desires to sell and Buyer desires to acquire certain of the assets to be owned by Seller and used in connection with the 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.

(a) On the Closing Date (as hereinafter defined), Seller shall sell, assign and transfer to Buyer, and Buyer shall purchase and assume from Seller, the following assets used in connection with the operation of the Station (the "Assets") (but excluding the Excluded Assets described in subparagraph (b) below):

(i) Certain of Seller's equipment and other tangible personal property used in the transmission operations of the Station (the "Tangible Personal Property"), as set forth on Schedule 1 hereto;

(ii) Licenses, permits and other authorizations, including the FCC Authorizations (collectively, the "Licenses"), issued by the FCC, to Seller in connection with the operations of the Station, as set forth on Schedule 2 hereto;

(iii) Seller's right, title and interest in and to the leasehold interests in the site lease between Seller and Pinnacle Towers Acquisition LLC, successor in interest to Didicom Towers, Inc., dated January 7, 2002, (the "Lease") to lease space at the current tower site for the Station (the "Tower Site Property"), as identified on Schedule 3 hereto.

(b) Seller shall not sell, assign or transfer to Buyer any assets, of whatever kind or nature, wherever located, which are held by Seller and used or useful in connection with the operations or ownership of any station or stations other than the Station, including any privileges, rights, interests and claims associated therewith (the "Excluded Assets") and specifically including, without limitation, the following:

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

(ii) All rights of Seller under all contracts, leases (other than the Lease), and agreements, including contracts of insurance and insurance proceeds of settlement and insurance claims made by Seller relating to property or equipment repaired, replaced, restored by Seller prior to the Closing Date;

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

(iv) Seller's corporate records.

(v) All tangible and intangible personal and real property used or useful in connection with all of Seller's broadcast properties excluding the Station.

2. **Consideration.** Upon the terms and subject to the conditions contained in this Agreement, and in consideration of the sale of the Assets, on the Closing Date Buyer shall pay to Seller the aggregate sum of Forty Thousand Dollars (\$40,000) (the "Purchase Price"). The Purchase Price shall be payable to Seller at Closing in cash by wire transfer of immediately available funds. Upon execution of this Agreement Buyer shall deposit with Seller the sum of Two Thousand Dollars (\$2000) to be held by Seller as an earnest money deposit (the "Deposit"). The Deposit will be credited against the Purchase Price at Closing or held by Seller as liquidated damages, and not as a penalty, in the event the transaction contemplated herein does not close as a result of a material breach by Buyer. In all other events the Deposit shall be returned to Buyer.

3. **FCC Consent; Assignment Application.** At a date not later than five (5) business days after the date hereof, Buyer and Seller shall execute, file and vigorously prosecute an application with the FCC (the "Assignment Application") requesting its consent to the assignment, from Seller to Buyer, of all FCC Authorizations pertaining to the Station (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.

4. **Closing Date; Closing Place.** The closing (the "Closing") of the transactions contemplated by this Agreement shall occur not later than ten (10) days following the date on which the FCC Consent shall have become a Final Order (as hereinafter defined) (the "Closing Date") and the other conditions to closing set forth in Section 8 have either been waived or satisfied. For purposes of this Agreement, the term "Final Order" means action by the FCC consenting to an application that 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, as the Buyer and Seller may agree.

5. **Representations and Warranties of Seller.** Seller hereby makes the following representations and warranties to Buyer:

(a) Seller is a non-profit corporation duly organized, validly existing and in good standing under the laws of the State of California. Seller has the power and authority to execute

and deliver this Agreement and to consummate the transactions contemplated hereby. 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) Schedule 1 hereto contains a list of the Tangible Personal Property owned by Seller that shall be transferred to Buyer. Seller owns and has, and will have on the Closing Date, good and marketable title to the Tangible Personal Property. Other than as specifically set forth in this Section 5(b), each material item of Tangible Personal Property shall be conveyed to Buyer without representation or warranty, "as-is, where-is."

(c) Schedule 2 hereto contains a true and complete list of the FCC Authorizations that are required by the FCC to operate the Station. The FCC Authorizations are in full force and effect, unimpaired by any act or omission of Seller. Seller lawfully holds each of the FCC Authorizations listed on Schedule 2, none of which is subject to any restrictions or conditions that would limit in any material respect the operations of the Station, except such conditions as are stated on the face thereof.

(d) Seller has a valid leasehold interest in the Lease described on Schedule 3, and Seller is not in material breach or default with respect to the Lease.

(e) 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 transaction 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.

(f) 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.

6. **Representations and Warranties of Buyer.** Buyer hereby makes the following representations and warranties to Seller:

(a) This Agreement has been duly and validly executed and delivered by Buyer and constitutes the legal, valid and binding agreements of Buyer enforceable in accordance with their respective 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) Buyer is legally, financially and technically qualified to acquire and become the licensee of, acquire, own and operate the Station under the Communications Act of 1934, as amended (the "Communications Act") and the rules, regulations and policies of the FCC. There are no facts that would, under existing law and the existing rules, regulations, policies and procedures of the FCC, disqualify Buyer as an assignee of the FCC Authorizations or as the owner and operator of the Station. No waiver of any FCC rule or policy with respect to Buyer, its business or operations, is necessary for the FCC Consent to be obtained. Buyer has and will

have available on the Closing Date sufficient funds to enable it to consummate the transactions contemplated hereby.

(c) There is no broker or finder or other person who would have any valid claim against Seller 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.

(d) No representation or warranty made by Buyer 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 Seller to the best of Buyer's knowledge.

7. **Covenants.** Seller covenants with Buyer that, between the date hereof and the Closing Date, Seller shall take all reasonable actions necessary to keep the FCC Authorizations, including all material permits and applications pending before the FCC, valid and in full force and effect.

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 contemplated by this Agreement shall have become a Final Order;

(iv) Seller shall have closed on its purchase and become the FCC licensee of FM Station KEAF Fort Smith, Arkansas (Channel 214, 90.7 MHz, FIN 89309);

(v) Buyer shall have delivered to Seller, on the Closing Date, the documents and payments required to be delivered pursuant to Section 9(b);

(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 contemplated by this Agreement shall have been granted;

(iv) The FCC Authorizations shall be in full force and effect and there shall be no proceedings pending before the FCC to revoke, cancel, rescind, or refuse to renew any of such FCC Authorizations;

(v) 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:

Buyer;

(i) A Bill of Sale transferring title to the Tangible Personal Property to

(ii) An Assignment and Assumption of the Station's FCC Licenses;

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

(iv) 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;

(ii) An Assignment and Assumption of the Station's FCC Licenses;

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

(iv) 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 Buyer and their counsel.

10. **Indemnification.** Each party agrees to indemnify the other for its breach of any representations, warranties and covenants contained herein. The several representations and warranties of Seller and Buyer contained in or made pursuant to this Agreement shall expire three months after the Closing Date. Notwithstanding the foregoing, the maximum that Buyer

may recover by indemnification or otherwise from Seller as post closing claims shall be limited to an aggregate of Ten Thousand Dollars (\$10,000).

11. **Termination.**

(a) 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: (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 the Assignment Application is denied by the FCC and such denial shall have become a 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) by Seller, if the Closing has not occurred within 12 months of the date hereof.

(b) The Seller's exclusive remedy upon a termination of this Agreement by the Seller due to a breach by the Buyer of any of its material obligations under this Agreement shall be retention of the Deposit as liquidated damages.

(c) Seller acknowledges that the Station is a unique asset not readily obtainable on the open market and that, in the event that Seller fails to perform its obligation to consummate the transaction contemplated hereby, money damages alone will not be adequate to compensate Buyer for its injury. Therefore, Seller agrees and acknowledges that in the event of Seller's failure to perform its obligation to consummate the transaction contemplated hereby, Buyer shall be entitled to specific performance of the terms of this Agreement and of Seller's obligation to consummate the transaction contemplated hereby. If any action is brought by Buyer to enforce this Agreement, Seller shall waive the defense that there is an adequate remedy at law, and Buyer shall be entitled to receive from Seller all court costs, attorney's fees and other out-of-pocket expenses incurred by Buyer in enforcing its rights under this provision.

12. **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:

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

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

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

If to Buyer, to:

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

G2 Media Group LLC
PO Box 428
Sallisaw, OK 74955

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

14. **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.

15. **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 or electronic mail, with the same legal effect as if the signatures had appeared in original handwriting on the same physical document.

16. **Expenses.** Except as otherwise set forth herein, 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.

17. **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.

18. **Entire Agreement.** This Agreement, and the exhibits 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.


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

Seller:

EDUCATIONAL MEDIA FOUNDATION

By:


Mike Novak, President/CEO

Buyer:

G2 Media Group LLC

By:


Darren Girdner, Manager

SCHEDULE 1

Tangible Personal Property

SCHEDULE 2

FCC Authorizations

Broadcast License

K254AM

SCHEDULE 3

Tower Lease

Tower/Ground Lease Agreement by and between Educational Media Foundation and Didicom Towers, Inc. dated January 7, 2002

First Amendment to Tower/Ground Lease Agreement by and between Educational Media Foundation and Pinnacle Towers Acquisition LLC, successor in interest to Didcom Towers, Inc. dated January 25, 2012