ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this "*Agreement*") is dated as of the 6th day of April, 2016 by and between EDUCATIONAL MEDIA FOUNDATION, a California non-profit corporation ("*Buyer*") and KONA COAST RADIO, LLC, a Wyoming limited liability company ("*Seller*").

WITNESSETH:

WHEREAS, Seller is the licensee of radio station KIMI(FM), Malvern, Iowa (Channel 299C3, 107.7 MHz, FIN# 189501) (the "*Station*") pursuant to authorizations (the "*FCC Authorizations*") issued by the Federal Communications Commission (the "*FCC*"); and

WHEREAS, the Station is operating at reduced power pursuant to a grant of special temporary authority from the FCC because the facilities it seeks to license by pending application BLH-20150312ABT may cause interference to certain Instrument Landing System frequencies in use at Offutt Air Force Base; and

WHEREAS, on the terms and conditions described herein, and subject to the prior approval of the FCC, Seller desires to sell and Buyer desires to acquire certain of the assets owned or leased by Seller and used or useful 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 sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. Assets and Liabilities.

(a) On the Closing Date (as hereinafter defined), Seller shall sell, assign and transfer, or cause to be delivered, to Buyer, and Buyer shall purchase, assume and accept from Seller, the assets, properties, interests and rights of Seller, used in connection with the operation of the Station and which are specifically described below (the "*Assets*") (but excluding the Excluded Assets described in subparagraph (c) below):

(i) Seller's equipment, machinery, furniture and other tangible personal property used in the conduct of the business or operations of the Station, as identified on Schedule 1 hereto (the "*Tangible Personal Property*"), together with such modifications, improvements and additions thereto and replacements thereof occurring between the date hereof and the Closing Date;

(ii) All of the licenses, permits and other authorizations, including the FCC Authorizations (collectively, the "*Licenses*"), issued by the FCC (including the call letters for the Station), the Federal Aviation Administration (the "*FAA*"), and any other federal, state or local governmental authorities to Seller in connection with the conduct of the business and the operation of the Station, identified on Schedule 2 hereto;

(iii) All of Seller's right, title and interest in and to the Station's tower

lease (the "*Tower Lease*"), as further identified and described on Schedule 3 hereto and referred to herein; and

(iv) All of Seller's logs, books, files, data, software, FCC and other governmental applications, and other records relating to the operation of the Station, as reasonably available, including records required by the FCC to be kept by the Station.

(b) The Assets shall be transferred by Seller to Buyer free and clear of all debts, security interests, mortgages, trusts, claims, pledges, conditional sales agreements and other liens, liabilities and encumbrances of every kind and nature ("*Liens*") except (i) liens for taxes not due and payable or, that are being contested in good faith by appropriate proceedings; and (ii) liens or mortgages, in each case that will be released on or before the Closing or otherwise satisfied by Seller with Buyer's consent (collectively, "*Permitted Liens*"). Buyer is not agreeing to, and shall not, assume any liability, obligation, undertaking, expense or agreement of Seller of any kind, absolute or contingent, known or unknown, and the execution and performance of this Agreement shall not render Buyer liable for any such liability, obligation, undertaking, expense or agreement unless otherwise specifically agreed to herein. All liabilities not specifically assumed by Buyer shall be retained by Seller and are referred to herein as the "*Retained Liabilities*". Without limiting the generality of the foregoing, it is understood and agreed that Buyer is not agreeing to, and shall not, assume (i) any liability or obligation of Seller to Seller's employees under any existing written or oral agreements with Seller, including any such liability or obligation in respect of wages, salaries, bonuses, accrued vacation or sick pay or any other matter, or (ii) any liability arising out of any termination by Seller of the employment of any employee of the Station or any liability for any employee benefit plan or arrangement of Seller for Station employees.

(c) The following assets and obligations relating to the business of the Station shall be retained by Seller and shall not be sold, assigned or transferred to or assumed by Buyer (the "*Excluded Assets*"):

(i) Any and all cash, cash equivalents, cash deposits to secure contract obligations, all inter-company receivables from any affiliate of Seller and all other accounts receivable, bank deposits and securities held by Seller in respect of the Station at the Closing Date;

(ii) Any and all claims of Seller with respect to transactions prior to the Closing;

(iii) All prepaid expenses;

(iv) All contracts of insurance and claims against insurers;

(v) All employee benefit plans and the assets thereof and all employment contracts;

(vi) All contracts that are terminated in accordance with the terms and provisions of this Agreement or have expired prior to Closing in the ordinary course of business, and all loans and loan agreements;

(vii) All contracts, leases and other agreements relating to the existing operation of the Station other than those relating to the tower site of the Station;

(viii) All tangible personal property disposed of or consumed between the date hereof and Closing in the ordinary course of business;

(ix) The organizational documents of Sellers; and

(x) All of Seller's intellectual property used in the operation of the Station and the Assets (excluding the call sign of the Station).

2. Purchase Price.

(a) 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 One Hundred Thousand Dollars ($100,000) (the "*Purchase Price*") which shall be paid by Buyer in cash by wire transfer of same day Federal funds to an account designated by Seller at least two (2) business days before the Closing Date. The Purchase Price to be paid at Closing shall be adjusted as provided in Sections 2(b) and 2(d) below.

(b) Concurrently with the execution of this Agreement, Buyer has delivered to WashingtonFirst Bank (the "*Escrow Agent*") the sum of Ten Thousand Dollars ($10,000) to be held as an earnest money deposit (the "*Earnest Money Deposit*") pursuant to an Escrow Agreement (the "*Escrow Agreement*") of even date herewith. The Earnest Money Deposit shall be released to Seller as partial payment of the cash Purchase Price due at Closing to Seller, or shall otherwise be made available to Seller or released to Buyer in accordance with the provisions of this Agreement. Unless the Escrow Agreement provides otherwise, Buyer shall pay any fees of the Escrow Agent, except that any fee related to the wire transfer of the Earnest Money Deposit shall be paid by the party to whom such deposit is released.

(c) The parties agree to prorate all expenses arising out of the operation of the Station which are incurred, accrued or payable, as of 11:59 p.m. local time of the day preceding the Closing. The items to be prorated shall include, but not be limited to, power and utilities charges, FCC regulatory fees, real and personal property taxes upon the basis of the most recent tax bills and information available, security deposits, and similar prepaid and deferred items. The prorations shall, insofar as feasible, be determined and paid on the Closing Date, with final settlement and payment to be made within sixty (60) days after the Closing Date.

3. FCC Consent; Assignment Application. At a date not later than five (5) business days after the execution of this Agreement, 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, 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 mutual agreement of the parties, on a date no later than five (5) business days following the date which is the date on which the FCC Consent has become a Final Order, provided that (A) the other conditions to closing set forth in Section 8 have either been waived or satisfied, and (B) Buyer may waive the requirement of a Final Order with respect to the FCC Consent and, upon at least five (5) days' notice to Seller, designate a Closing Date at any time after the Assignment Application has been granted. 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 take place remotely by facsimile and/or email, or in such other manner and at such other place as Buyer and Seller may agree in writing. If the Closing Date occurs before the FCC Consent has become a Final Order, and the FCC Consent is subsequently reversed, then upon such reversal becoming a Final Order, the parties shall cooperate in good faith to restore each other to the *status quo ante*.

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

(a) Seller is a limited liability company duly formed, validly existing and in good standing under the laws of the State of Wyoming. Seller 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 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. 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 or any of the Assets 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 will be delivered to Buyer at Closing, (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 any of the Assets, (iv) result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever on any of the Assets, or (v) require

the consent or approval of any governmental authority or other third party, except for the FCC Consent.

(c) Schedule 1 hereto contains a list of the tangible personal property owned by Seller for use in connection with the operation of the Station that will be acquired by Buyer. Seller owns and has, and will have on the Closing Date, good and marketable title to the Tangible Personal Property. Each material item of Tangible Personal Property, (i) is in good condition and repair, ordinary wear and tear excepted, (ii) has been maintained in a manner consistent with generally accepted standards of good engineering practice, and (iii) to Seller's best knowledge, does not contain any Hazardous Materials.

(d) Schedule 2 hereto contains a true and complete list of the FCC Authorizations and all other licenses, permits or other authorizations from governmental or regulatory authorities that are required for the lawful conduct of the business and operation of the Station in the manner and to the full extent it is presently authorized. Seller lawfully holds each of the FCC Authorizations and other licenses, permits and authorizations listed on Schedule 2. Except as set forth in Schedule 2, to Seller's knowledge, Seller is maintaining the Station in all material respects in accordance with the FCC Authorizations, and all rules, regulations and policies of the FCC (the "*Communications Laws*"). To Seller's knowledge, except as set forth in Schedule 2, the Station is not transmitting or receiving any objectionable interference to or from any other station or other facility, and to Seller's knowledge, the Station is not short-spaced to any other station. Except as set forth in Schedule 2, there is not now pending or, to Seller's knowledge, threatened any action by or before the FCC to revoke, cancel, rescind, modify or refuse to renew any of such FCC Authorizations, and Seller 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 Station or Seller. To Seller's knowledge all material reports and filings required to be filed with the FCC by Seller with respect to the operation of the Station have been timely filed, and all such reports and filings are accurate and currently are in material compliance. Seller maintains a public inspection file for the Station to the extent required by the FCC and, to Seller's best knowledge and belief, such file complies with the Communications Laws.

(e) To Seller's knowledge, none of the antenna structures associated with the Station is required to be registered with the FCC except as set forth in Schedule 2. To Seller's knowledge, the operations of the Station do not exceed permissible levels of exposure to RF radiation specified in either the FCC's rules, regulations and policies concerning RF radiation or any other applicable laws.

(f) Seller has a valid leasehold interest in the Tower Lease as described on Schedule 3, free and clear of all liens, mortgages, pledges, covenants, restrictions, leases, charges, or other claims or encumbrances of any nature whatsoever, and no party is in material breach or default with respect to the same. To Seller's knowledge, there is full legal and practical access to the tower site property and all utilities necessary for Buyer's use of the tower site property as a radio tower facility are installed and are in reasonably good working order, and are subject to valid easements, where necessary.

(g) The instruments to be executed by Seller and delivered to Buyer at the Closing, conveying the Assets to Buyer, will transfer good and marketable title to the Assets free and clear of all Liens other than Permitted Liens.

(h) Seller is not subject to any order, writ, injunction, judgment, arbitration decision or decree having binding effect and affecting the business of the Station or the Assets or which restrains or enjoins the transactions contemplated hereby, and no such proceeding is pending. There is no material litigation pending by or against, or to Seller's knowledge, threatened against Seller. To Seller's knowledge, with respect to the Station, Seller has complied in all material respects with all applicable laws, regulations, orders or decrees. To Seller's knowledge, the present uses by Seller of the Assets do not violate any such laws, regulations, orders or decrees in any material respect, and Seller has no knowledge of any basis for any claim for compensation or damage or other relief from any material violation of the foregoing.

(i) There is now, and through the Closing there shall be, in full force and effect with reputable insurance companies fire and property insurance on the Station tower site assets.

(j) Seller has duly, timely and in the required manner filed all federal, state, and local income, franchise, sales, use, property, excise, payroll and other tax returns and forms required to be filed, and has paid in full or discharged all taxes, assessments, excises, interest, penalties, deficiencies and losses required to be paid prior to the Closing Date. No event has occurred which imposes on Buyer any liability for any taxes, penalties or interest due or to become due from Seller from any taxing authority.

(k) 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 Seller.

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

(a) Buyer is a corporation duly organized, validly existing and in good standing under the laws of the State of California and is authorized to own property and conduct business in the State of Iowa. Buyer 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 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 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.

(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 bylaws 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 FCC licensee of the Station and to operate the Station in the manner contemplated.

(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 including without limitation, any voluntary or involuntary petition under Federal bankruptcy law or any state receivership or similar proceedings, that would prevent or materially impede the consummation by Buyer of the transactions contemplated by this Agreement, nor does Buyer know of, or have any reasonable ground to know of, in view of its present situation or action it now contemplates taking, any basis for such litigation, proceeding or investigation.

(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.

7. **Covenants.**

(a) Seller covenants with Buyer that, between the date hereof and the Closing Date, Seller shall act in accordance with the following, unless the Buyer otherwise agrees in writing (which agreement shall not be unreasonably withheld or delayed):

(i) Seller shall maintain the Tangible Personal Property included in the Assets 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.

(ii) Seller shall continue to maintain the Station in accordance with the terms of the FCC Authorizations and in material compliance with all applicable laws and FCC rules and regulations. Seller will deliver to Buyer, promptly after filing, copies of any reports, applications or responses to the FCC or any communications from the FCC or any other party directed to the FCC related to the Station which are filed between the date of this Agreement and the Closing Date. Seller shall reasonably cooperate with Buyer in Buyer's efforts to secure FAA and FCC approvals for a resolution of the issues with Offutt Air Force Base.

(iv) Prior to the Closing Date, Seller shall not, without the prior written consent of Buyer, sell, lease, transfer or agree to sell, lease or transfer any of the 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 Assets, other than a Permitted Lien.

(v) From the date hereof to the Closing Date, Seller shall afford, and shall cause its respective officers, directors, employees and agents to afford, to Buyer, its prospective financing sources and its and their respective officers, employees, advisors and agents reasonable access during regular business hours to Seller's officers, employees, independent contractors, agents, properties, records and contracts relating to the Assets, and shall furnish Buyer all operating and other data and information with respect to the Assets as Buyer, through its respective officers, employees, advisors or agents, may reasonably request.

(vi) Seller shall be in material compliance with all federal, state and local laws, rules and regulations.

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

(i) Buyer shall give detailed written notice to Seller promptly on learning of the occurrence of any event that would cause or constitute a breach, or that would have caused a breach had such event occurred or been known to Buyer on or before the date of this Agreement, of any of Buyer's representations or warranties contained in this Agreement or in any Schedule attached hereto. Any such notice to Seller, similar informal notice by Buyer to Seller, or independent investigation, examination, or other source of knowledge by Seller regarding a breach of Buyer's representations and warranties shall not in any way diminish or obviate any representations or warranties of Buyer made in this Agreement, the Schedules and documents delivered pursuant to this Agreement.

(ii) Buyer shall maintain its qualifications to be the FCC licensee of the Station.

(iii) Subject to the provisions of this Agreement, Buyer shall fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement and to cause the transactions contemplated by this Agreement to be fully carried out. If any event should occur which would prevent the consummation of the transactions contemplated hereunder (other than an event proximately caused by Seller), Buyer shall notify Seller of such event and shall use its best efforts to cure such event as expeditiously as possible.

(c) Subject to the terms and conditions of this Agreement, each of the parties hereto will use its reasonable best efforts to take all action and to do all things necessary, proper or advisable to satisfy any condition to the parties' obligations hereunder in its power to satisfy and to consummate and make effective as soon as practicable the transactions contemplated by this Agreement.

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 be effective;

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

(v) Buyer shall not be subject to any voluntary or involuntary petition under Federal bankruptcy law, or any state receivership or similarly proceeding.

(b) The performance of the obligations of Buyer hereunder is subject to the satisfaction of each of the following express conditions precedent, unless waived in writing by Buyer:

(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) None of the events or conditions referenced in Section 19 below shall have occurred and not been remedied as set forth in Section 19;

(iv) The FCC Consent contemplated by this Agreement shall have been granted and shall have become a Final Order;

(v) There shall not be any Liens on the Assets or any financing statements of record other than Permitted Liens and those to be satisfied by Seller on or before the Closing Date, and Seller shall obtain lien search reports, in form and substance satisfactory to Buyer and dated no earlier than 30 days prior to the Closing, reflecting the results of a UCC lien search conducted at Secretary of State offices of the State of Iowa and elsewhere as reasonably necessary in Buyer's reasonable judgment;

(vi) 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, or cause to be delivered, to Buyer the following, each of which shall be in form and substance satisfactory to Buyer 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 Buyer the Tangible Personal Property and other Assets and effectively vest in Buyer good and marketable title to the Tangible Personal Property and other Assets;

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

(iii) An Assignment and Assumption of Seller's interest in the Tower Lease;

(iv) A Consent to the Assignment of the Tower Lease from Seller to Buyer executed by the lessor to the extent required by the Tower Lease;

(v) Certified copies of the resolutions of the sole member of Seller authorizing and approving the execution and delivery of this Agreement and authorizing the consummation of the transactions contemplated hereby and thereby;

(vi) A certificate, dated the Closing Date, executed by the sole member/manager of Seller, certifying the fulfillment of the conditions set forth in Section 8(b)(i) and (ii) hereof;

(vii) A joint notice to the Escrow Agent;

(viii) A Closing Statement;

(ix) A certificate of good standing for Seller from the Secretary of State of Wyoming and evidence that Seller is qualified to do business in Iowa; and

(x) 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 Authorizations;

(iii) A joint notice to Escrow Agent;

(iv) Certified copies of the resolutions of the Board of Directors of Buyer authorizing and approving the execution and delivery of this Agreement and authorizing the consummation of the transactions contemplated hereby and thereby;

(v) A certificate, dated the Closing Date, executed by an officer of Buyer, certifying the fulfillment of the conditions set forth in Section 8(a)(i) and (ii) hereof;

(vi) An Assignment and Assumption of Seller's interest in the Tower Lease;

(vii) A certificate of good standing for Buyer from the Secretary of State of California;

(viii) The Closing Statement; and

(ix) 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 its 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 and operation of the Station prior to the Closing, including the Retained Liabilities and with respect to the Excluded Assets.

(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, that survive Closing or failure by Buyer to perform any of its covenants, conditions or agreements set forth in this Agreement that survive Closing; and (ii) any and all claims, liabilities and obligations of any nature, absolute or contingent, relating to the ownership and operation of the Station, as conducted by Buyer, subsequent to the Closing.

(c) If either party hereto (the "*Indemnitee*") 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 Indemnitee under this Section 10(c), then the Indemnitee 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 Indemnitee 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 Indemnitee. 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 Indemnitee against any such matter following the Indemnifying Party's election to assume the defense of such matter, (ii) the Indemnitee 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 Indemnitee informed of all material developments and events relating to such matter, and (iv) the Indemnitee 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) Except for Section 5(c) as it relates to title, which shall survive through the applicable statute of limitations, the several representations and warranties of Seller and Buyer contained in or made pursuant to this Agreement shall expire on the date that is twelve (12) months after the Closing Date.

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: (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, provided however that such opportunity to cure shall not apply to the failure of a party to perform its obligations set forth in Section 4 or Section 9, hereof; or (b) if the Assignment Application is denied and the FCC's action denying the Assignment Application has become a Final Order; 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.

(b) Upon a termination of this Agreement by Seller due to a breach by Buyer of any of its material obligations hereunder, Seller's sole remedy shall be the release of the Earnest Money Deposit to Seller. The delivery of the Earnest Money Deposit shall be considered liquidated damages and not a penalty, and shall be Seller's sole remedy at law or in equity for the breach. Buyer and Seller each acknowledge and agree that this liquidated damage amount is reasonable in light of the anticipated hardship which will be caused by a breach of this Agreement, the difficulty of proof of loss, the inconvenience and non-feasibility of otherwise obtaining an adequate remedy, and the value of the transaction to be consummated hereunder.

12. Specific Performance. Seller acknowledges that the Station and Assets are unique assets 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, in lieu of any other rights and remedies on account of such failure if such relief is granted, 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.

13. Confidentiality.

(a) Each party shall hold, and shall cause its officers, employees, agents and representatives, including, without limitation, attorneys, accountants, consultants and financial advisors who obtain such information to hold, in confidence, and not use for any purpose other than evaluating the transactions contemplated by this Agreement, any confidential information of another party obtained through the investigations permitted hereunder, which for the purposes hereof shall not include any information which (i) is or becomes generally available to the public other than as a result of disclosure by the party which alleges the information is confidential or its affiliates, (ii) becomes available to a party on an nonconfidential basis from a source, other than the party which alleges the information is confidential or its affiliates, which has represented that such source is entitled to disclose it, or (iii) was known to a party on a nonconfidential basis prior to its disclosure to such party hereunder. If this Agreement is terminated, each party shall deliver, and cause its officers, employees, agents, and representatives, including, without limitation, attorneys, accountants, consultants and financial advisors who obtain confidential information of another party pursuant to investigations permitted hereunder to deliver to such other party all such confidential information that is written (including copies or extracts thereof), whether such confidential information was obtained before or after the execution. The parties acknowledge that a copy of this Agreement, redacted where appropriate, will be included in the Assignment Application.

(b) If a party or a person to whom a party transmits confidential information of another party is requested or becomes legally compelled (by oral questions, interrogatories, requests for information or documents, subpoena, criminal or civil investigative demand or similar process) to disclose any of such confidential information, such party or person will provide the other applicable party with prompt written notice so that such party may seek a protective order or other appropriate remedy or waive compliance with Section 13(a). If such protective order or other remedy is not obtained, or if the applicable party waives compliance with Section 13(a), the party subject to the request will furnish only that portion of such confidential information which is legally required and will exercise its best efforts to obtain reliable assurance that confidential treatment will be accorded such confidential information.

(c) In the event that either party determines in good faith that a press release or other public announcement is desirable under any circumstances, the parties shall consult with each other to determine the appropriate timing, form and content of such release or announcement.

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 Seller, to:

Kona Coast Radio, LLC
87 Jasper Lake Road
Loveland, CO 80537
Attn: Victor A. Michael, Jr.

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

A. Wray Fitch, III, Esq.
Gammon & Grange, P.C.
8280 Greensboro Drive, 7th Floor
McLean, VA 22102

If to Buyer, 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
1800 M Street, NW, Suite 800N
Washington, DC 20036

15. **Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the State of Iowa, 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. This Agreement may be executed and exchanged by facsimile or other electronic 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 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 as a defense to the formation of a contract and each such party forever waives any such defense.

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. The FCC filing fees relating to the Assignment Application shall be shared equally between Buyer, on the one hand, and Seller, on the other hand. All federal, state, local and other transfer and sales taxes applicable to, imposed upon, or arising out of the transfer to Buyer of the Assets as contemplated hereby shall be paid by the party responsible for such amounts under applicable law.

19. **Risk of Loss.** The risk of loss to any of the Assets on or prior to the Closing Date shall be upon Seller. Seller shall use all commercially reasonable efforts to repair or replace any damaged or lost Assets, provided, however, that in the event that Assets with a value of greater than Ten Thousand Dollars ($10,000) are damaged or lost on the date otherwise scheduled for Closing, Buyer may, at its option, either (i) postpone Closing for a period of up to sixty (60) days while Seller repairs or replaces such Assets, or (ii) elect to close with the Assets in their current condition, in which case Seller shall assign all proceeds from insurance on such lost or damaged Assets to Buyer, and Buyer shall have the responsibility to repair or replace the Assets. Seller shall have no responsibility to repair or replace damaged or destroyed Assets not covered by insurance if the cost of such repair exceeds Ten Thousand Dollars ($10,000), provided, however, that should Seller advise Buyer within five (5) days after being requested to do so that Seller will not repair or replace such Assets, Buyer may terminate this Agreement without penalty upon written notice to Seller.

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/Third Party Beneficiaries.** 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. No provision of this Agreement is intended or shall be construed to confer upon or give to any person or entity other than the signatories to this Agreement any rights, remedies or other benefits under or by reason of this Agreement.

22. **Schedules.** Unless otherwise specified herein, each Schedule referred to in this Agreement is attached hereto, and each such Schedule is hereby incorporated by reference and made a part hereof as if fully set forth herein.

23. **Employees.** Buyer shall have no obligation to offer employment to any employee of Seller or the Station.

[THE NEXT PAGE IS THE SIGNATURE PAGE]

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

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

Buyer:

EDUCATIONAL MEDIA FOUNDATION

Mike Novak, President

4/12/16

Seller:

KONA COAST RADIO, LLC

Victor A. Michael, Jr., Sole Member

SCHEDULE 1

Tangible Personal Property

PSI 10 bay half wave spaced antenna system
Crown 100 watt FM exciter
3" Andrew LDF-7 Transmission line
198' foot guyed tower
12'x30' equipment shelter
6 foot 19" equipment rack
Broadcast Tool remote control, WVRC-8
Andrew dry air pump

SCHEDULE 2

FCC Licenses

Main station license and construction permit associated with
KIMI(FM), Malvern, Iowa (Channel 299C3, 107.7 MHz, FIN# 189501)

The Station is operating at reduced power pursuant to a grant of special temporary authority from the FCC because the facilities it seeks to license by pending application BLH-20150312ABT may cause interference to certain Instrument Landing System frequencies in use at Offutt Air Force Base

The Station is currently silent under a Special Temporary Authority, BLSTA-20151020AJN but will return to operation prior to Closing if necessary to preserve the license.

SCHEDULE 3

Tower Lease

See attached