

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT recites the terms and conditions of an agreement between John R. Powley, a Kentucky resident ("Seller") and Iglesia Jesucristo Es, Mi Refugio, Inc, a Texas Non-Profit Corporation, represented by its Pastor, Roberto Gomez. ("Buyer"). This Agreement is made on the 19th day of June, 2004.

WHEREAS, Seller is the holder of a construction permit (Facility No. 127891, File No. BNPTTL-20000831AMP, hereinafter, "the Permit") issued by the Federal Communications Commission ("Commission") to construct and operate Low Power Television Station K61HP, Gainesville, Texas (hereinafter referred to as "the Station"); and

WHEREAS, Seller desires to sell and Buyer desires to purchase the Station; and

WHEREAS, the parties hereto acknowledge this Agreement cannot be consummated until after the Commission has granted its consent to the assignment of the Permit for the Station.

NOW, THEREFORE, for and in consideration of the terms and conditions set forth below, and with intent of being bound hereby, the parties agree to the following:

1. After the granting of consent by the Commission to the assignment of the Permit for the Station under the terms, and conditions set forth herein, Buyer will purchase from Seller and Seller will assign to Buyer on the Closing Date as hereinafter defined, the Permit and any assets, records or documents pertinent to the Permit.

2. Seller represents and warrants that the above-referenced Permit from the Commission is valid; that to the best of Seller's knowledge the authorization for the construction of the Station is not in jeopardy, and that the permit expires on July 1, 2006; and that pending approval of the assignment of the permit for the Station, Seller will continue to hold the Permit in accordance with the *Communications Act of 1934*, as amended, and the Rules and Regulations of the Federal Communications Commission.

3. In consideration of the performance by Seller of the covenants and agreements contained herein, Buyer shall pay to Seller at closing the sum of Sixty Thousand Dollars (\$60,000) (the "Purchase Price"). Buyer has previously tendered a deposit of Three Thousand Dollars (\$3,000) as deposit for a 30 day option agreement. This deposit, upon execution of the Purchase Agreement, shall continue to be held as a non-refundable deposit (\$4,500) (the "Deposit") to Seller's broker, The Proctor Group, Inc., dba The LPTV Store. The Deposit shall be held in an Escrow Account and shall be released by Buyer and Seller at Closing. At Closing, it shall be applied toward the Purchase Price. Should the Agreement be terminated because of Buyer's inability to perform, the Deposit shall be paid to Seller as liquidated damages. Should the Agreement be terminated because of Seller's inability to perform, the Deposit shall be paid to Buyer.

4. Seller warrants and represents as follows:

- a. Seller is a resident of the State Of Kentucky, and has the right, power, and authority to hold the Permit for the Station and to sell the Permit to Buyer.
- b. On the date hereof, Seller has and on the Closing Date will have a valid Permit from the Commission for the Station, and there is and will be neither pending nor to the best of Seller's knowledge threatened any action by the Commission to revoke or modify said Permit.
- c. The execution and delivery of this Agreement and the consummation of this transaction do not conflict with or result in a breach of any of the terms, provisions, or conditions of any statute, regulation, or court or administrative order or process, or any agreement or instrument to which Seller is a party or is bound or constitute a default
- d. Seller will, prior to the date of closing, take all requisite action to facilitate the assignment of the permit from Seller as contemplated by this Agreement.

e. No litigation at law or in equity and no proceeding before any commission or other administrative or regulatory authority is pending or to the knowledge of Seller threatened against or affecting the Permit of the Station.

f. No representation or warranty by Seller contains any untrue statement of a material fact or fails to state a material fact necessary to make the statements contained herein not misleading or necessary in order to provide Buyer with complete and accurate information as to the Permit.

5. Buyer warrants and represents as follows:

a. Buyer is a Texas Non-Profit Corporation, organized, validly existing, and in good standing under the laws of the State of Texas, and has the right, power, and authority to execute this Agreement, hold the Permit for the Station, and to purchase the Permit from Seller. Buyer shall, at the time of the Closing, be qualified to do business in the State of Texas.

b. The execution and delivery of this Agreement and the consummation of this transaction do not conflict with or result in a breach of any agreement or instrument to which Buyer or any principal of Buyer is a party or by which any of them is bound or constitute a default thereunder;

c. The principals of Buyer will, prior to the date of closing, take all requisite action to approve this Agreement and the assignment of the permit from Seller as contemplated by this Agreement.

d. Buyer knows of no reason why it should not be qualified before the Federal Communications Commission to carry out the terms of this Agreement.

e. No representation or warranty by Buyer contains any untrue statement of a material fact or fails to state a material fact necessary to make the statements contained herein not misleading or necessary in order to provide Seller with complete and accurate information.

6. This entire Agreement and the application to assign the Permit are subject to the approval of the Commission, without any conditions materially adverse to Buyer. Seller and Buyer shall, no later than ten (10) business days after execution of the instant Agreement, make such application and take such other steps as may be necessary to secure the written consent of the Commission to all actions contemplated herein. Each party agrees to cooperate with the other fully in securing the necessary approval of the Commission. The parties further agree that all FCC filing fees shall be paid one-half by the Buyer and one-half by Seller. Time is of the essence in this Agreement.

7. It is agreed that Seller shall maintain ownership and control of the Permit for the Station until the Closing Date following approval by the Commission of the assignment application contemplated herein. Seller will timely file with the Commission any and all documents required to keep the permit in full force and effect.

8. In the event consent of the Commission to the arrangements, terms, and conditions provided for in this Agreement shall not have become final, as defined herein, within six (6) months of the date the application is accepted for filing by the Commission, Seller or Buyer may terminate this Agreement by giving notice to the other in writing. In the event that this Agreement is terminated pursuant to the provisions of this paragraph, then both parties hereto shall stand fully released and discharged of any and all obligations provided that the failure of the Commission to grant said application does not arise through the violation or breach of one of the covenants of this Agreement by either Buyer or Seller.

9. The closing shall take place by the exchange of documents by fax, followed by the exchange of original documents.

10. Closing Date. The Closing of the transactions contemplated by this Agreement (the "Closing") shall take place within ten (10) business days after the date of the FCC action (the "Order") granting the Assignment Application, provided, however, that if a timely petition to deny is filed against the Assignment Application, then, at the option of either Buyer or Seller, the Closing may be delayed until ten (10) business days after the Order becomes a "Final Order"; and *provided further*, that the parties shall not be obligated to proceed to Closing if the conditions precedent to Closing have not been satisfied or waived. For purposes of this Agreement, the term "Final Order" shall mean a final order of the Commission which is not reversed, stayed, enjoined or set aside, and with respect to which no timely request for stay, reconsideration, review, rehearing or notice of appeal or determination to reconsider or review is pending, and as to which the time for filing any such request, petition or notice of appeal or for review by the Commission, and for any reconsideration, stay or setting aside by the Commission on its own motion or initiative, has expired.

11. In the event either party hereto commits a substantial breach of any material agreement set forth herein, then the remedies for such breach shall be as follows:

a. If such default shall be by the Buyer, the Seller shall be entitled to the deposit money as liquidated damages.

b. If such default shall be by the Seller, the Buyer shall be entitled to such damages as it has at law or equity, including without limitation action for specific performance, given the unique nature of the Station, provided that Buyer shall not be entitled to both such remedies.

12. All of the terms of this Agreement are to be interpreted in accordance with the laws of the State of Texas.

13. Any notices required or permitted to be given by Seller to Buyer shall be deemed sufficient if mailed by registered mail, return receipt requested or by next day overnight courier delivered, to:

John R. Powley
3820 Nicholasville Rd.
Apartment 808
Lexington, Kentucky 40503

And to:

Gerald Proctor
The Proctor Group, Inc.
Magnolia Bend
Livingston, Tx

14. Any notice required or permitted to be given by Buyer to Seller shall be deemed sufficient if mailed by registered mail, return receipt requested, or by next day overnight courier delivered to:

Roberto Gomez
Iglesia Jesucristo Es, Mi Refugio
2929 Westmoreland Road
Dallas, Texas 75233

And to:

Cecil Guel
14832 Oakwood Lane
Mesquite, Tx 75180

The above addresses may be changed by written notice of such change to the last address designated.

15. This Agreement shall inure to and be binding upon the successors, representatives, heirs, and assigns of the respective parties hereto. Buyer shall be entitled to assign its rights under this Agreement to another entity, upon written consent of Seller, which consent shall not be withheld unreasonably.

16. This Agreement may be executed in any number of counterparts.

17. This Agreement may be amended, modified, superseded, or canceled, and the terms, covenants, representations, warranties, or conditions hereof may be waived, only by a written instrument executed by the parties hereto. No waiver by any party of any condition, or of any breach of any term, covenant, representation, or warranty contained in this Agreement, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of any such condition or breach or a waiver of any other condition or of a breach of any other term, covenant, representation, or warranty.

18. The duties, responsibilities, and obligations of each party hereunder are expressly conditioned on the compliance or performance in all material respects, unless waived, of all of the terms, covenants, and conditions to be complied with or performed by the other party on or before closing.

19. The representations, warranties, covenants, and agreements contained herein shall be deemed to be material and relied upon by the party to which they are made and shall survive the execution, delivery, and performance of this Agreement, consummation of the transaction contemplated hereunder, and any investigation made by or on behalf of the parties at any time.

20. This Agreement contains the entire understanding among the parties and supersedes all prior written or oral agreements between them respecting the within subject matter, unless otherwise provided herein. There are no representations, agreements, arrangements, or understandings, oral or written, between and among the parties hereto relating to the subject matter of this Agreement which are not fully expressed herein.

21. Each party duly represents that the person signing this Agreement on its behalf has been duly authorized to do so.

22. The representations and warranties of the parties contained in this Agreement shall be true and correct in all material respects at and as of closing as though such representations and warranties were made at and as of such time.

23. Seller and Buyer each represent and warrant to the other that other than Seller's broker, The Proctor Group, Inc., dba The LPTV Store, it knows of no broker, finder, or intermediary who has been involved in the transactions provided for in this Agreement or who might be entitled to a fee or commission

24. Upon the consummation of such transactions. Buyer and Seller hereby agree to indemnify each other from and against any claim of any such obligation or liability by any person, and any expense incurred in defending against any such claim, including reasonable attorneys' fees, that shall have resulted from any conduct, activity, or action taken, or allegedly taken, by the indemnifying party.

IN WITNESS WHEREOF, this Agreement has been executed in duplicated, with each version deemed an original, on the date first mentioned above.

SELLER: JOHN R. POWLEY

BY: 

Date: 6/29/04

BUYER: IGLESIA JESUSCRITSO ES, MI REFUGIO, INC.

BY: 

Date: 6-25-04