

**NETWORK AFFILIATION AGREEMENT
(LMA)**

NETWORK AFFILIATION AGREEMENT

This Network Affiliation Agreement ("Agreement") dated as of March 25, 2013 (this "Agreement"), by and between TEJAS BROADCASTING LTD., LLP, a Texas limited partnership ("Seller") and EDUCATIONAL MEDIA FOUNDATION, a California non-profit corporation ("Buyer").

WITNESSETH:

WHEREAS, Seller is the licensee of radio station KOUL, Refugio, Texas, Facility ID 7084 (Channel 279, 103.7MHz) (the "Station"), pursuant to authorizations (the "FCC Authorizations") issued by the Federal Communications Commission (the "FCC"); and

WHEREAS, Buyer and Seller have entered into an Asset Purchase Agreement (the "Purchase Agreement") dated of even date herewith, which provides that Seller will sell and Buyer will acquire certain of the assets and licenses of the Station, on the terms and subject to the conditions set forth therein including obtaining the prior consent of the FCC; and

WHEREAS, Buyer operates a programming network which broadcasts a unique blend of Christian-based, family-oriented programming, known as the "Air1" radio format (the "Programming"); and

WHEREAS, in advance of the closing of the transaction contemplated by the Purchase Agreement (the "Closing" or the "Closing Date"), Buyer desires to obtain programming time on the Station, and Seller desires to provide this time to Buyer for broadcast of the Programming; and

WHEREAS, Seller wishes to authorize Buyer to broadcast the Programming from the facilities of the Station, pursuant to Section 325(a) of the Communications Act of 1934, as amended (the "Communications Act"), and applicable FCC regulations in accordance with the terms and conditions hereinafter contained.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration received by each party, the receipt, adequacy and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Programming. Subject to the terms of this Agreement, Buyer agrees to provide and authorizes Seller to broadcast the Programming over the facilities of the Station. Simultaneously upon receipt of the Programming, Seller agrees to broadcast the programming on the facilities of the Station without interruption, deletion, or addition of any kind, except as otherwise expressly permitted herein. All Programming and its transmission by the Station shall be subject to the supervision and control of Seller.

2. Term. The term of this Agreement shall commence upon commencement of broadcasting the Programs on or about April 1, 2013 (the "Effective Date") and, unless earlier terminated as provided in this Agreement, shall continue for a period of one year (the "Initial Term"). This Agreement shall terminate upon consummation of, or termination of, the Purchase Agreement according to its terms.

3. Hours of Programming. Buyer will supply the Programming during all hours of the Station's operation as long as this Agreement remains in force, and Seller will transmit all Programming supplied by Buyer, except as otherwise provided in Sections 4 and 5 below and subject to the provisions set forth in Section 14 below with respect to *force majeure*. Buyer will provide all such Programs, produced at its own cost and expense, and deliver them to Seller's facilities in a format suitable for immediate rebroadcast.

4. Reservation of Time. Seller specifically reserves, at its option, for its own use two hours per week of programming time (the "Reserved Time") during which it may broadcast programming of its own choice on the Station. Seller agrees that programs aired during the Reserved Time will not be inconsistent with Buyer's family friendly format. Unless otherwise mutually agreed upon by the parties, Seller may run its programming during the Reserved Time on Sunday mornings between the hours of 6 AM to 8 AM.

5. Seller's Regulatory Obligations.

(a) Nothing herein shall be construed as limiting in any way Seller's rights and obligations as an FCC licensee to make the ultimate programming decisions for the Station and to exercise ultimate control and responsibility with respect to the operations of the Station. Seller will bear all responsibility for the Station's compliance with all applicable provisions of the Communications Act, and the rules, regulations, and policies of the FCC, including all technical regulations governing the operation of the Station, all programming content requirements, the maintenance of a main studio for the Station, providing a meaningful managerial and staff presence at the main studio and the ascertainment of and programming in response to community problems, issues, concerns, and needs. Seller shall also remain responsible for compliance with all operating rules including political programming laws and regulations, sponsorship identification rules, lottery and contest regulations, maintenance of the Station's public and political files, compiling quarterly lists of ascertained problems, issues, concerns, and needs and responsive programming broadcast by the Station, maintaining employment records for Seller's employees at the Station, and all other FCC political broadcasting reporting requirements and duties applicable to the Station. Seller will be responsible for ensuring that the Station's overall programming is responsive to community needs and in the public interest. Seller has the authority, in its sole discretion, to:

(i) reject and refuse to transmit any Programs produced or proposed by Buyer that Seller in its good faith deems to be unsatisfactory, unsuitable, or contrary to the public interest, as determined by Seller in its sole discretion;

(ii) originate or rebroadcast from any source any programming which Seller, in its sole, good faith discretion, deems to be of greater local or national importance than the programming supplied by Buyer or which Seller believes will better serve the needs and interests of any the Station's service areas; and

(iii) interrupt Buyer's programming in case of an emergency.

(b) In the event that Seller rejects any of Buyer's Programs pursuant to subparagraph (a)(i) above, Seller shall, insofar as practicable, give Buyer reasonable prior notice of its objection to Buyer's proposed programs, including the basis for such objection, and shall use all reasonable efforts to give Buyer a reasonable opportunity to substitute acceptable programming. Buyer shall air the Station's hourly station identification announcements on behalf of Seller so that such announcements are aired in accordance with FCC rules.

(c) Seller, solely for the purpose of ensuring Buyer's compliance with applicable law, including without limitation FCC rules and Station policies, shall be entitled to review on a confidential basis any programming material relating to Buyer's Programs as it may reasonably request. Buyer shall provide Seller, at Seller's request, with copies of all correspondence relating to Buyer's Programs on the Station and all complaints received from the public that pertain to the Station.

(d) Buyer shall cooperate with Seller to assist Seller in complying with the provisions of the Communications Act regarding political advertising for federal candidates. Buyer shall supply such information promptly to Seller as may be necessary to comply with the equal opportunity and reasonable access requirements of the Communications Act.

(e) Buyer agrees to install an equipment shelter and transmission equipment at the main tower site (the "Substitute Transmission Equipment"), and to establish, under the direction and control of Seller, an Aux Site at a tower owned by Seller. All installation and construction shall be performed under Seller's supervision and control. If neither the installation of the Substitute Transmission Equipment, nor the creation of the Aux Site have been completed by May 25, 2013, then Seller, without liability to Buyer, may cease rebroadcasting the Programming from the main transmission site and, if necessary, render the Station silent until such time as Buyer shall have installed the Substitute Transmission Equipment or constructed the Aux Site. In the event Seller exercises its rights under this paragraph, Buyer's obligation to make the Monthly Payment shall not abate.

6. Operation of the Station.

(a) Seller shall employ at its expense such employees to direct the day-to-day operations of the Station as may be necessary to comply with the provisions of the Communications Act regarding main studio staffing and such additional personnel as shall be necessary to enable Seller to perform its obligations under this Agreement. All such employees will report to and be accountable solely to Seller.

(b) Seller shall be solely responsible for and shall pay in a timely manner all operating costs of the Station, the Station's transmitters and antennae, the cost of electricity and other utilities, studio rental payments, music licensing, taxes and the salaries, taxes, insurance and related costs for all personnel employed by Seller at the Station.

(c) At its own expense, and in compliance with any statutes, rules, regulations and policies of the FCC, Buyer may provide and install any equipment it deems necessary or useful to supply its programming to the Station, under the supervision of Seller. Upon termination of this Agreement, such property will remain the sole property of Buyer.

(d) Seller and Buyer agree to cooperate to establish an auxiliary transmission site for the Station (the "Aux Site") which site shall serve as alternative transmission site for Buyer's Programming. Buyer shall construct the Aux Site and provide all of the broadcast equipment for the Aux Site pursuant to the Equipment Lease Agreement of even date. All installation and construction work will be performed by Buyer, at Buyer's sole cost and expense, under Seller's direction and control.

7. Consideration. During the term hereof, Buyer will pay Seller consideration in the amount of 7,500 per month (the "Monthly Payment") for the rights granted to Buyer herein, payable on the first day of each month, commencing on the Effective Date. If the first or last month of this Agreement is a partial month, the monthly fees shall be prorated based on a 30 day month. Notwithstanding any other provision herein to the contrary, during the term hereof, buyer will pay the Monthly Payment to Seller regardless of whether the Station is operating from its current site, the Aux site or is dark, subject to the termination of this Agreement pursuant to the provisions of Section 12(b) hereof and subject further to a credit against the Monthly Fee in accordance with the provisions of Section 8 hereof in the event Seller preempts Buyer's programming pursuant to Section 5(a)(ii) of this Agreement.

8. Credits. Buyer may elect to reduce the amounts paid to Seller pursuant to Section 7 above on a pro rata basis for any month in which Seller voluntarily decides to preempt Buyer's programming pursuant to Section 5(a)(ii) of this Agreement, such reduction to be based upon the hours or fractional hours by which a Station fails to meet that minimum hour requirement. Buyer shall be entitled to a credit in the amount of the reduction against any subsequent payment to be made to Seller under Section 7 above. Notwithstanding the preceding, Seller may broadcast up to two hours of Seller's programming per week without any adjustment to the amounts paid to Seller pursuant to Section 7 above.

9. Limited Grant. Nothing herein contained shall be construed as an assignment or grant to Seller of any right, title or interest in or to any titles, names, logos, slogans, jingles, trademarks, copyrights, ideas, formulas, general program content and/or other literary, musical, artistic or creative material broadcast by or associated with Buyer's Programming beyond the grant of a limited rebroadcast consent on the terms herein specified. All rights not specifically granted to Seller hereunder in and to Buyer's Programs and signal and the content thereof are

reserved to Buyer for its sole and exclusive use, disposition and exploitation. Moreover, the parties hereto understand and agree that third persons may hold copyrights or other legal rights in and to certain Programming supplied by Buyer and that the right to rebroadcast the Programming granted hereunder shall not be deemed in any way to cover, convey or transfer such rights of third persons.

10. Representations, Warranties and Covenants of Seller. Seller hereby makes the following representations, warranties and covenants to Buyer:

(a) This Agreement constitutes the legal, valid and binding obligation of Seller, enforceable in accordance with its terms.

(b) The execution and performance of this Agreement will not violate any order, rule, judgment or decree to which such entity is subject or constitute a breach of or default under any contract, agreement, or other commitment to which Seller is a party or may be bound.

(c) Seller shall operate the Station and shall maintain the Station's facilities in material compliance with the Communications Act and all applicable rules, policies and regulations of the FCC.

(d) Seller shall retain, on a full-time, part-time, or contract basis, a qualified engineer who shall be responsible for maintaining the transmission facilities of the Station. Seller shall employ a chief operator, as that term is defined by the rules and regulations of the FCC (who may also hold the position of engineer), who shall be responsible for maintaining compliance by the Station with the technical operating and reporting requirements established by the FCC, and Seller shall be responsible for ensuring that qualified control operators monitor and control the Station's transmissions in material conformity with FCC requirements.

(e) Seller shall maintain the Station's facilities in good operating condition, and shall operate the Station at least at 95% of its full authorized power, except for periods of routine maintenance or as caused by events of *force majeure*.

(f) Seller shall maintain a main studio and staff in material conformity with FCC requirements at all times during the term hereto, and Seller shall maintain an appropriate public inspection file, and shall maintain that file as required by FCC rules and regulations.

(g) Seller possesses and will maintain all rights necessary to broadcast the programming supplied by Seller hereunder, and the Seller shall maintain at its expense all necessary BMI, ASCAP, and SESAC licenses with respect to programs provided and broadcast by the Seller.

(h) No representation or warranty made by Seller to Buyer in this Agreement, no document or contract disclosed to Buyer by Seller pursuant to this Agreement and which in any way affects any of the properties, assets, or business of Seller as related to this Agreement, and no

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certificate or statement furnished by or on behalf of Seller to Buyer in connection with the transactions contemplated herein or therein contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary in order to make the statements contained herein or therein not misleading.

(i) Pursuant to Section 73.3555(a)(ii) of the Rules and Regulations of the FCC, Seller hereby verifies that it will maintain ultimate control over the Stations' facilities, including, specifically, control over station finances, personnel and programming during the term of this Agreement.

(j) Seller covenants and agrees that it will fully comply with all applicable federal, state, and local laws, rules, and regulations (including, without limitation, all FCC rules, policies, and regulations) and pertinent provisions of all contracts, permits, and agreements to which Seller is a party or by which Seller is otherwise bound.

11. Representations, Warranties and Covenants of Buyer. Buyer hereby makes the following representations, warranties and covenants to Seller:

(a) The execution, delivery and performance of this Agreement has been duly authorized by all necessary corporate action on the part of Buyer, and this Agreement constitutes the legal, valid and binding obligation of Buyer, enforceable in accordance with its terms.

(b) The execution and performance of this Agreement will not violate any order, rule, judgment or decree to which Buyer is subject or constitute a breach or default under its charter, bylaws or any contract, agreement, or other commitment to which Buyer is a party or may be bound.

(c) The programming supplied by Buyer for broadcast on the Station will comply with all applicable laws, including without limitation, the Communications Act and FCC's rules, regulations and policies.

(d) Buyer will immediately send to Seller copies of any letters or complaints concerning the programming supplied by Buyer or the operation of the Station received by Buyer for review and placement in the Station's public inspection file.

(e) Buyer represents and warrants to Seller that Buyer has full authority to broadcast the Programming on the Station. Buyer shall not broadcast any material in violation of the Copyright Act and will hold Seller harmless from any violation thereof. All music supplied by Buyer shall be: (i) licensed by ASCAP, SESAC, or BMI; (ii) in the public domain; or (iii) cleared at the source by Buyer.

(f) No representation or warranty made by Buyer to Seller in this Agreement, no document or contract disclosed to Seller by Buyer pursuant to this Agreement and which in any way affects any of the properties, assets, or business of Buyer as related to this Agreement, and no

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certificate or statement furnished by or on behalf of Buyer to Seller in connection with the transactions contemplated herein or therein contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary in order to make the statements contained herein or therein not misleading.

(g) Buyer hereby verifies that the arrangement contemplated by this Agreement complies with the provisions of Sections 73.3555(a)(1) and (e)(1) of the FCC's Rules.

(h) Buyer covenants and agrees that it will fully comply with all applicable federal, state, and local laws, rules, and regulations (including, without limitation, all FCC rules, policies, and regulations) in the provision of the Programming to seller and all pertinent provisions of all contracts, permits, and agreements related to the Programming to which Buyer is a party or by which Buyer is otherwise bound.

12. Termination.

(a) Buyer's Events of Default. The occurrence and continuation of any of the following will be deemed an Event of Default by Buyer under this Agreement:

- (i) Buyer fails to make any Monthly Payment;
- (ii) Buyer fails to observe or perform any other material covenant, condition or agreement contained in this Agreement;
- (iii) Buyer breaches or violates any material representation or warranty made by it under this Agreement; or
- (iv) the Purchase Agreement is terminated due to a breach thereof by Buyer.

(b) Seller's Events of Default. The occurrence and continuation of any of the following will be deemed an Event of Default by Seller under this Agreement:

- (i) Seller fails to observe or perform any material covenant, condition or agreement contained in this Agreement; or
- (ii) Seller breaches or violates any material representation or warranty made by it under this Agreement; or
- (iii) the Purchase Agreement is terminated due to a breach thereof by Seller.

(c) Cure Period. Buyer shall have five (5) business days from the date that Seller has provided Buyer with written notice that Buyer is in default in its obligation to make the Monthly Payment or to reimburse operating expenses to cure such Event of Default. In the case of all other

Events of Default, the defaulting party shall have thirty (30) days from the date on which Buyer has provided Seller or Seller has provided Buyer, as the case may be, with written notice specifying the Event(s) of Default to cure any such Event(s) of Default. If the Event of Default cannot be cured by the defaulting party within the specified time period but commercially reasonable efforts are being made to effect a cure or otherwise secure or protect the interests of the non-defaulting party (in which case, if successful, the Event of Default shall be deemed cured), then the defaulting party shall have an additional period not to exceed thirty (30) days to effect a cure or a deemed cure.

(d) Termination for Uncured Event of Default. If an Event of Default by Buyer has not been cured within the period set forth in Section 12(c) above, then Seller may terminate this Agreement immediately upon written notice to Buyer. If an Event of Default by Seller has not been cured or deemed cured within the periods set forth in Section 13(c) above, then Buyer may terminate this Agreement immediately upon written notice to Seller.

(e) Termination Related to Purchase Agreement. This Agreement shall terminate immediately upon the Closing Date or upon termination of the Purchase Agreement pursuant to Section 11 thereof. Either party may immediately terminate this Agreement if the Purchase Agreement is terminated because of a material default.

(f) Judicial Action. This Agreement may be terminated by either Seller or Buyer by written notice to the other in the event this Agreement is declared invalid or illegal in whole or substantial part by an order or decree of an administrative agency or court of competent jurisdiction and such order or decree has become final.

In the event of termination, all rights and privileges granted to Seller hereunder shall forthwith cease and terminate and revert to Buyer for Buyer's sole and exclusive use and disposition, and Seller shall cease any further use of Buyer's Programs and the content thereof, including without limitation any titles, names, logos, slogans, jingles, trademarks, copyrights, ideas, formulas, general program content and/or other literary, musical, artistic or creative material broadcast by or associated with Buyer's Programs.

13. Indemnification.

(a) Buyer shall indemnify, defend and hold harmless Seller from and against any and all claims, losses, costs, liabilities, damages and expenses (including reasonable legal fees and other expenses incidental thereto) of every kind, nature, and description (hereinafter referred to as "Loss and Expense"), arising out of: (i) the content of Programming furnished by Buyer under this Agreement, including any claim of libel, slander, defamation, copyright infringement, idea misappropriation, invasion of right of privacy or other claim against Seller arising out of the Programming; (ii) any misrepresentation or breach of any warranty of Buyer contained in this Agreement; (iii) the actions of Buyer's employees and agents on any premises maintained by Seller; and (iv) any breach of any covenant, agreement, or obligation of Buyer contained in this Agreement.

(b) Seller shall indemnify, defend and hold harmless Buyer from and against all Loss and Expense arising out of the breach of any representation, warranty, covenant or obligation of Seller contained in this Agreement.

14. Force Majeure. Except for the credit referred to in Section 8 hereof, Seller shall not be liable for any failure of performance hereunder due to causes beyond its commercially reasonable control, including without limitation, acts of God, equipment malfunction or commercial power failure or reduction. In the event of the occurrence of any such event, Seller agrees to use commercially reasonable efforts to resume performance as promptly as practicable.

15. Assignment. This Agreement shall be binding upon each party's successors and 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.

16. No Joint Venture. Nothing contained herein shall be deemed to create any joint venture, partnership, or principal-agent relationship between Buyer and Seller, and neither shall hold itself out in any manner which indicates any such relationship with the other.

17. Notices. All notices 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 twenty-four (24) hours after delivery to a courier service which guarantees overnight delivery, 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 Buyer, to:

Mr. Mike Novak, President
Educational Media Foundation
5700 West Oaks Boulevard
Rocklin, CA 95765

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 Seller, to:

Tejas Broadcasting LTD, LLP
1227 West Magnolia Ave, Suite 300
Fort Worth, TX 76104
Attn: James L. Anderson

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

William F. Pyne, Esq.
Snell Wylie & Tibbals, P.C.
8150 N. Central Expressway, Suite 1800
Dallas, Texas 75206

18. Entire Agreement; Modifications. This Agreement, along with the Purchase Agreement, contains the entire understanding between the parties with respect to the subject matter hereof. No amendment or modification of this Agreement shall be binding on either party hereto unless first reduced to writing and signed by both parties hereto.

19. Governing Law. This Agreement shall be governed by, construed and enforced in accordance with, the laws of the State of Texas. The parties hereto hereby irrevocably submit to the jurisdiction of the applicable courts of the State of Texas located in Tarrant County, Texas and the federal courts of the United States of America located in Tarrant County, Texas and the appropriate appellate courts therefrom, over any dispute arising out of or relating to this Agreement or any of the transactions contemplated hereby and each party hereby irrevocably agrees that all claims in such dispute or proceeding may be heard and determined in such courts, which courts shall be the exclusive courts of jurisdiction and venue.

20. Renegotiation Upon FCC Action. If the FCC shall determine that this Agreement is inconsistent with Seller's obligations as the holder of the FCC's authorizations for the Station, or is otherwise contrary to FCC policies, rules, and regulations, or if regulatory or legislative action subsequent to the date hereof shall alter the permissibility of this Agreement under the Communications Act or under the FCC's rules, regulations, and policies, the parties shall renegotiate this Agreement in good faith and shall modify this Agreement in a manner that will cure the departure from statute, rule, regulation, or policy and that will maintain a balance of benefits and burdens to Buyer and Seller comparable to the balance of benefits and burdens to Buyer and Seller provided in this Agreement in its current form. If, after such good faith negotiations, either party shall determine within its reasonable judgment that modifying this Agreement in order to cure the departure from statute, rule, regulation, or policy without materially changing the balance of benefits and burdens to Seller and Buyer provided in this Agreement in its current form shall not be possible, either party may terminate this Agreement upon thirty (30) days' prior written notice to the other party. Such termination shall extinguish the rights and liabilities of Buyer and Seller under this Agreement from and after the effective date of such termination, other than rights and liabilities for pre-termination breaches of or defaults under this Agreement.

21. FCC Matters. Should a change in FCC policy or rules make it necessary to obtain the FCC's consent to the implementation, continuation, or further effectuation of any element of this Agreement, Seller and Buyer shall use their reasonable best efforts diligently to prepare, file, and prosecute before the FCC all petitions, waiver requests, applications, amendments, rulemaking

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comments, and other documents necessary to secure and/or to retain the FCC's approval of all aspects of this Agreement. Seller and Buyer shall share equally the cost of preparing any such filings. Notwithstanding anything in this Agreement to the contrary, no joint filing shall be made with the FCC by Seller and Buyer with respect to this Agreement, unless both parties hereto shall have reviewed said filing and shall have consented to its submission to the FCC; and neither Seller nor Buyer shall make any unilateral filing with the FCC with respect to this Agreement, unless the party intending to make such filing shall first have consulted with the other party concerning such filing.

22. Counterparts. This Agreement may be executed in counterpart original signature pages, and each such counterpart shall constitute one and the same original signature page.

[THE NEXT PAGE IS THE SIGNATURE PAGE]

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

TEJAS BROADCASTING LTD, LLP

By: 

James L. Anderson,
Chief Executive Officer

EDUCATIONAL MEDIA FOUNDATION

By: _____

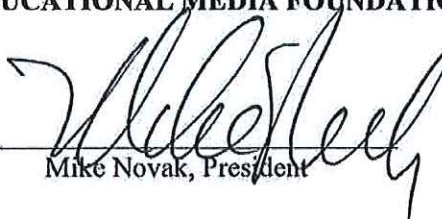
Mike Novak, President

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

TEJAS BROADCASTING LTD, LLP

By: _____
James L. Anderson,
Chief Executive Officer

EDUCATIONAL MEDIA FOUNDATION

By:  _____
Mike Novak, President