

## **SINGLETON DONATION AGREEMENT**

THIS DONATION AGREEMENT ("Agreement") is entered into this 11<sup>th</sup> day of July, 2006 by and between Horizon Christian Fellowship a California not-for-profit corporation ("Assignee") and EDGEWATER BROADCASTING, INC. ("EB") and RADIO ASSIST MINISTRY, INC, each an Idaho not-for-profit corporation (together, "Assignors").

WHEREAS, Assignors are permittees of certain new FM Translator Stations pursuant to authorizations issued by Federal Communications Commission ("FCC") as listed on Schedule A hereto (the "FM Translators" and each individually an "FM Translator");

WHEREAS, contingent only upon FCC approval of any or all of the covering licenses for the FM Translators, Assignors wish to donate the FM Translators to Assignee as soon as the licenses for such FM Translators are issued;

WHEREAS, prior FCC approval for the donations contemplated hereunder is required;

WHEREAS, Assignees and Assignor are parties to that certain Asset Purchase Agreement of even date herewith which provides for the assignment of Station WCMR(FM), Bruce MS (FIN: 58037) from EB to Assignee (the "WCRM Assignment") and

WHEREAS, pursuant to the terms and conditions set forth herein, the parties desire to provide for the donation of the Assets (defined below) as set forth in this Agreement.

IN CONSIDERATION OF THE MUTUAL PROMISES CONTAINED HEREIN, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound, do hereby agree as follows:

### **ARTICLE 1. DONATION**

1.1. Assets. Subject to the terms and conditions herein contained, on each of the Donation Dates (defined below), Assignors shall , assign, transfer, convey and deliver to Assignee, and Assignee shall assume, and acquire from Assignor, the rights, title, and interests of Assignor in and to all licenses, permits and other authorizations issued by the FCC or any other federal, state, or local governmental authority with respect to the business and operation of each individual FM Translator ("FCC Authorizations") (collectively, the "Assets").

### **ARTICLE 2. CONSIDERATION**

2.1. Assignors shall receive no consideration for the donation of the FM Translators to Assignee.

### **ARTICLE 3. CLOSING; FCC CONSENT**

3.1. Donation. The donation of each individual FM Translator contemplated herein shall take place five (5) business days after the application for assignment of license of an individual FM Translator is granted by the Commission and such grant has become a Final Order as defined by the Commission's Rules (the "Donation Date").

3.2. FCC Applications. Contingent upon consummation of the WCMR Assignment, the parties shall jointly prepare and file one or more applications with the FCC ("Assignment

Applications”) requesting the FCC’s written consent to the assignment of the licenses of the FM Translators from Assignor to Assignee within five (5) business days of the FCC grant of a covering license application for an FM Translator. It is contemplated that multiple Assignment Applications will be filed as each individual FM Translator’s covering license application is granted.

3.3. . The parties shall diligently take all steps necessary, proper, or desirable to expedite the prosecution of the Assignment Applications to a favorable conclusion. The written consent to the Assignment Applications by initial order of the FCC is referred herein as the “FCC Consent.”

#### **ARTICLE 4. CONSTRUCTION.**

4.1. Assignor shall control the construction and licensing of the FM Translators. Subject to such control by Assignor, Assignee shall pay the costs for equipment and construction of the FM Translators, including the reasonable fees and costs of engineers and contractors, and reasonable rents for transmitter sites and, if necessary, the costs of acquiring land at market value. In the event that an Assignment Application is dismissed or denied by the Commission as a result of issues relating solely to Assignor’s qualifications, and such denial becomes a Final Order (as that term is defined by the Commission Rules), then the cost of the construction and initial operation of the FM Translator whose Assignment Application was denied shall be reimbursed to by Assignor to Assignee upon documentation of the reasonable costs thereof.

#### **ARTICLE 5. REPRESENTATIONS AND WARRANTIES OF ASSIGNORS**

Assignors represent and warrant to Assignee as follows:

5.1. Organization. Assignors are each duly organized, validly existing, and in good standing under the laws of the State of Idaho. Assignors each have the requisite power and authority to hold the construction permit and to execute, deliver and perform the transaction contemplated in this Agreement.

5.2. Authority. The execution, delivery and performance of this Agreement and the documents to be made pursuant hereto have been duly authorized and approved by all necessary action of Assignors and do not require any further authorization or consent of Assignors. This Agreement and the documents to be made pursuant hereto are legal, valid and binding agreements of Assignors enforceable in accordance with their respective terms, except if such enforceability may be limited by bankruptcy, insolvency, reorganization or other similar laws affecting or limited the enforcement of creditors’ rights generally.

5.3. No Conflicts. The execution, delivery and performance of this Agreement and the documents to be made pursuant hereto do not conflict with any organizational documents of Assignors or any law, judgment, order, or decree to which Assignors are subject, and, except with respect to the Humphrey Assignment, do not require the consent, approval or authorization, or filing with, any third party or any court or governmental authority, except the FCC Consent.

#### **ARTICLE 6. REPRESENTATIONS AND WARRANTIES OF ASSIGNEE**

Assignee represents and warrants to Assignors as follows:

6.1. Organization. Assignee is duly organized, validly existing, and in good standing under the laws of the State of California. Assignee has the requisite power and authority to execute, deliver and perform the transactions contemplated in this Agreement.

6.2. Authority. The execution, delivery and performance of this Agreement and the documents to be made pursuant hereto have been duly authorized and approved by all necessary action of Assignee and do not require any further authorization or consent of Assignee. This Agreement and the documents to be made pursuant hereto are legal, valid and binding agreements of Assignee enforceable in accordance with their respective terms, except if such enforceability may be limited by bankruptcy, insolvency, reorganization or other similar laws affecting or limited the enforcement of creditors' rights generally.

6.3. Qualification. Assignee is legally, financially and otherwise qualified to be the permittee or licensee of the Station, under the Communications Laws. To Assignee's knowledge, there are no facts that would, under applicable law and the Communications Laws, disqualify Assignee as an assignee of the FCC Authorization. No waiver of any Communications Laws applicable to Assignee is necessary for the FCC Consent to be obtained and there is no action, suit or proceeding pending or, to Assignee's knowledge, threatened against Assignee which questions the legality or propriety of the transactions contemplated by this Agreement or could materially adversely affect Assignee's ability to perform its obligations hereunder.

6.4. No Conflicts. The execution, delivery and performance of this Agreement and the documents to be made pursuant hereto does not conflict with any organizational documents of Assignee or any law, judgment, order, or decree to which Assignee is subject, and does not require the consent, approval or authorization, or filing with, any third party or any court or governmental authority, except the FCC Consent.

## **ARTICLE 7. CONDITIONS TO THE OBLIGATIONS OF ASSIGNEE**

The obligations of Assignee under this Agreement are, at its option, subject to the fulfillment of the following conditions prior to or on the Closing Date:

7.1. Representations, Warranties, and Covenants. The representations and warranties of Assignors made in this Agreement shall be true and correct in all material respects as of the Donation Dates except for changes permitted by the terms of this Agreement. The agreements, covenants, and obligations to be performed by Assignors at or prior to the Donation Date shall have been performed in all material respects.

7.2. Proceedings. Neither Assignors nor Assignee shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated herein.

7.3. FCC Consent. The FCC Consent to an individual Assignment Application shall have been granted.

## **ARTICLE 8. CONDITIONS TO THE OBLIGATIONS OF ASSIGNORS**

The obligations of Assignors under this Agreement are, at its option, subject to the fulfillment of the following conditions prior to or on the Closing Date:

8.1. Representations, Warranties, and Covenants. The representations and warranties of Assignee made in this Agreement shall be true and correct in all material respects as of the Closing except for changes permitted by the terms of this Agreement. The agreements, covenants, and obligations to be performed by Assignee at or prior to Closing shall have been performed in all material respects.

8.2. Proceedings. Neither Assignors nor Assignee shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated herein.

8.3. FCC Consents. The FCC Consent shall have been granted.

## **ARTICLE 9. CLOSING DELIVERIES**

9.1. Deliveries by Assignors. On each Donation Date, the applicable Assignor shall deliver to Assignee an Assignment of the FCC Authorization(s).

## **ARTICLE 10. SURVIVAL**

The representations and warranties in this Agreement shall survive each Donation Date for a period of one (1) year from the Donation Date whereupon they shall expire and be of no further force or effect. The covenants and agreements in this Agreement, and indemnification obligations with respect to such provisions, shall survive Closing until performed.

## **ARTICLE 11. TERMINATION AND REMEDIES**

11.1. Termination. This Agreement may be terminated prior to the last Donation Date as follows:

(a) by mutual written consent of both parties;

(b) with respect to any individual FM Translator should the Commission fail to grant the construction permit or covering license for a given FM Translator within five (5) years of the date hereof, this agreement shall be null and void with respect to that specific individual FM Translator.; or

(c) with respect to any individual FM Translator if the Assignment Application for an individual FM Translator is not granted by the FCC within one (1) year from the date of filing of the Assignment Application.

## **ARTICLE 12. INDEMNIFICATION**

12.1. Indemnification for Assignee. Following the Donation Date, Assignors shall indemnify, defend and hold Assignee harmless 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 Assignee directly or indirectly relating to or arising out of: (a) the breach by Assignors of any of its representations or warranties, or failure by Assignors to perform any of its covenants, conditions or agreements set forth in this Agreement; and (b) any and all claims, liabilities and obligations of any nature, absolute or contingent, relating to the ownership of the Assets and operation of the Station prior to the closing, including the Retained Liabilities and with respect to the Excluded Assets.

12.2. Indemnification for Assignors. Following the Donation Date, Assignee shall indemnify, defend and hold Assignors harmless with respect to any and all Damages asserted against, resulting from, imposed upon or incurred by Assignee directly or indirectly relating to or arising out of: (a) the breach by Assignee of any of its representations or warranties, or failure by Assignee to perform any of its covenants, conditions or agreements set forth in this Agreement; and (b) any and all claims,

liabilities and obligations of any nature, absolute or contingent, relating to the ownership of the Assets and operation of the Station as conducted by Assignee subsequent to the Closing.

### ARTICLE 13. GENERAL PROVISIONS

13.1. Expenses. Each party 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. Each party shall pay one half of any filing and all other fees associated with or assessed by FCC in connection with the Assignment Applications. Each party shall be solely responsible for any income, capital gain or other taxes levied upon it as a result of this transaction.

13.2. Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective representatives, successors, and assigns. Assignee may assign its rights under this Agreement to a third party only with the prior written consent of Assignors.

13.3. Notices. Any notice, request, demand or other communication required or permitted under this Agreement shall be in writing and shall be deemed delivered on the date of personal delivery, confirmed facsimile transmission, confirmed delivery by a nationally recognized overnight courier service, or on the third (3<sup>rd</sup>) day after prepaid mailing by certified U.S. mail, return receipt requested, and shall be address as follows (or to such other address as any party may request by written notice):

if to Assignors, then to:           Edgewater Broadcasting, Inc.  
P. O. Box 5725  
Twin Falls, Idaho 83301  
Attn: Clark Parrish, President  
Fax: (208) 733-3548

And

Radio Assist Ministry, Inc.  
P. O. Box 5459  
Twin Falls, Idaho 83301  
Attn: Clark Parrish, President  
Fax: (208) 733-3548

with a copy (which shall not constitute notice)   Sciarrino & Associates, PLLC  
5425 Tree Line Drive  
Centreville, VA 20120  
Attn: Dawn M. Sciarrino  
Fax: (703) 991-7120

if to Assignee, then to:           Horizon Christian Fellowship, Inc  
5331 Mt. Alifan Drive  
San Diego, California 92111  
Attn: Karen Woods

with a copy (which shall not constitute notice)   Fletcher Heald & Hildreth, PLC  
1300 North 17<sup>th</sup> Street  
11<sup>th</sup> Floor  
Arlington, VA 22209  
Attn: Harry C. Martin

13.4. Amendments and Waivers. No amendment or waiver of compliance with any provision hereof or consent pursuant to this Agreement shall be effective unless in a writing signed by the party against whom enforcement of such amendment, waiver, or consent is sought.

13.5. Entire Agreement. This Agreement constitutes the entire agreement and understanding of the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings with respect to the subject matter hereof.

13.6. Severability. If any court or governmental authority holds any provision in this Agreement invalid, illegal, or unenforceable under any applicable law, then, so long as no party is deprived of the benefits of this Agreement in any material respect, this Agreement shall be construed with the invalid, illegal, or unenforceable provision deleted and the validity, legality, and enforceability of the remaining provisions contained herein shall not be affected or impaired thereby.

13.7. Knowledge. References in this Agreement to the "knowledge" of Assignee or Assignors mean actual knowledge of Assignee's or Assignors' principals.

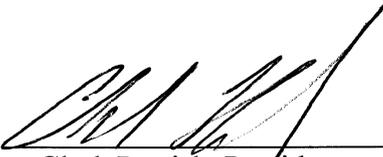
13.8. Governing Law. The construction and performance of this Agreement shall be governed by the laws of the State of Idaho without giving effect to the choice of law provisions thereof.

13.9. Counterparts. This Agreement may be executed in separate counterparts, each of which shall be deemed to be an original and all of which together constitute one and the same agreement.

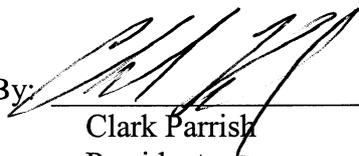
IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date set forth above.

**ASSIGNORS:**

**EDGEWATER BROADCASTING, INC.**

By:   
Clark Parrish, President

**RADIO ASSIST MINISTRY, INC.**

By:   
Clark Parrish  
President

**ASSIGNEE:**

**HORIZON CHRISTIAN FELLOWSHIP, INC.**

By:   
Its: 8/1/06

## Current CP's

Proposed_state	Proposed_city	Channel	Facility ID
MS	Cleveland	289	154926
MS	Grenada	276	149182
MS	Holly Springs	243	146950
MS	Indianola	247	152957
MS	Iuka	279	152536
MS	Macon	257	149152
MS	Macon	294	154938
MS	Newton	225	144484
MS	Oxford	276	149184
MS	Saltillo	282	152544
MS	Sardis	281	152550
MS	Winona	278	152562
MS	Winona	270	150688
MS	Charleston	273	149141