

## ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made as of June 5, 2013, between Liberty University, Inc., a Virginia non-stock corporation ("Seller"), and Denbar Communications, Inc., a Virginia corporation ("Buyer").

### Recitals

A. Seller has been granted a permit to construct and operate the following radio translator station (the "Station") by the Federal Communications Commission (the "FCC"):

W230BW, Blackstone, Virginia  
(FCC Facility ID 139541)

B. Pursuant to the terms and subject to the conditions set forth in this Agreement, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, the Station Assets (defined below).

### Agreement

NOW, THEREFORE, taking the foregoing into account, and in consideration of the mutual covenants and agreements set forth herein, the parties, intending to be legally bound, hereby agree as follows:

## ARTICLE 1: SALE AND PURCHASE

1.1 Station Assets. On the terms and subject to the conditions hereof, on the Closing Date (defined below), Seller shall sell, assign, transfer, convey and deliver to Buyer, and Buyer shall purchase and acquire from Seller, all right, title and interest in and to all assets that are used or held for use in the operation of the Station, except the Excluded Assets described below (the "Station Assets"), including without limitation the following:

(a) all licenses, permits and other authorizations issued to Seller by the FCC with respect to the Station (the "FCC Licenses"), including those described on *Schedule 1.1(a)*, including any modifications thereof between the date hereof and Closing (defined below);

(b) Seller's rights in and to all the files, documents, records, and books of account (or copies thereof) relating to the Station, and all claims (including warranty claims), prepaid expenses, and Seller's goodwill in, and the going concern value of, the Station; and

The Station Assets shall be transferred to Buyer free and clear of liens, claims and encumbrances and statutory liens for taxes not yet due and payable (together, the "Liens").

1.2 Excluded Assets. The Station Assets shall not include cash and cash equivalents, any transmitter site leases, options or other rights to locate and operate the Station, or any other contracts and agreements whatsoever (collectively, the “Excluded Assets”), and

1.3 Retained Liabilities. Buyer does not assume and will not be deemed by execution and delivery of this Agreement or by reason of the consummation of the transactions contemplated hereby, to have assumed any liabilities, obligations or commitments of Seller of any kind, whether or not disclosed to Buyer (the “Retained Liabilities”).

1.4 Purchase Price. The purchase price to be paid for the Station Assets shall be the sum of Ten Thousand Dollars (\$10,000.00). The Purchase Price shall be paid at Closing in cash in immediately available funds pursuant to the written instructions of Seller to be delivered by Seller to Buyer at least three (3) business days prior to Closing.

1.5 Deposit. Not later than five (5) business days after the FCC Application (defined below) is filed, Buyer shall wire the sum of Two Thousand Dollars (\$2,000) (the “Deposit”) to the trust or IOLTA account of Fletcher, Heald & Hildreth, PLC (the “Escrow Agent”). At Closing, the Deposit shall be disbursed to Seller and applied to the Purchase Price. If this Agreement is terminated by Seller pursuant to Section 10.1(c), then the Deposit shall be disbursed to Seller as liquidated damages and the sole and exclusive remedy of Seller (and any interest accrued thereon shall be disbursed to Buyer). Seller hereby waives all other legal and equitable remedies it may otherwise have as a result of any breach or default by Buyer under this Agreement. If this Agreement is terminated for any other reason, the Deposit shall be disbursed to Buyer. In the course of any court proceedings involving disbursement of the Deposit, Escrow Agent may deposit the Deposit with the clerk of any court of competent jurisdiction pursuant to an action in the nature of interpleader. If at any time the Escrow Agent receives a final, non-appellable order of a court of competent jurisdiction or an order of an arbitrator designated in writing jointly by Buyer and Seller, directing delivery of the Escrow Fund, the Escrow Agent shall comply with the order or instructions.

1.6 Closing. The consummation of the sale and purchase of the Station Assets pursuant to this Agreement (the “Closing”) shall take place on the date five (5) business days after the date that the FCC Consent is initially granted or, if a petition to deny or informal objection is filed against the FCC Application (defined below), Closing shall take place on the date five (5) business days after the date the FCC Consent becomes Final (defined below), in either case subject to the satisfaction or waiver of the last of the conditions required to be satisfied or waived pursuant to Articles 6 or 7 below (other than those requiring a delivery of a certificate or other document, or the taking of other action, at the Closing). The date on which the Closing is to occur is referred to herein as the “Closing Date.”

1.7 FCC Consent. Within five (5) business days after the date of this Agreement, Buyer and Seller shall file an application (the “FCC Application”) requesting FCC consent to the assignment of the FCC Licenses from Seller to Buyer (the “FCC

Consent”). Seller and Buyer shall diligently prosecute the FCC Application. Each party shall promptly provide the other with a copy of any pleading, order or other document served on it relating to the FCC Application, and shall furnish all information required by the FCC. For purposes of this Agreement, the term “Final” shall mean that action shall have been taken by the FCC (including action duly taken by the FCC’s staff, pursuant to delegated authority) which shall not have been reversed, stayed, enjoined, set aside, annulled or suspended; with respect to which no timely request for stay, petition for rehearing, appeal or certiorari or *sua sponte* action of the FCC with comparable effect shall be pending; and as to which the time for filing any such request, petition, appeal, certiorari or for the taking of any such *sua sponte* action by the FCC shall have expired or otherwise terminated.

## ARTICLE 2: SELLER REPRESENTATIONS AND WARRANTIES

Seller represents and warrants to Buyer as follows:

2.1 Organization. Seller is duly organized, validly existing and in good standing under the laws of the Commonwealth of Virginia. Seller has the requisite power and authority to hold the FCC Licenses and to execute, deliver and perform this Agreement and the documents to be made pursuant hereto.

2.2 Authorization. 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 Seller and do not require any further authorization or consent of Seller. This Agreement and the documents to be made pursuant hereto are legal, valid and binding agreements of Seller enforceable in accordance with their respective terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors’ rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

2.3 No Conflicts. The execution, delivery and performance by Seller of this Agreement and the documents to be made pursuant hereto does not conflict with any organizational documents of Seller or any law, judgment, order, or decree to which Seller 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.

### 2.4 FCC Licenses.

(a) Seller holds the FCC Licenses listed and described on *Schedule 1.1(a)*. Such FCC Licenses constitute all of the authorizations required under the Communications Act of 1934, as amended (the “Communications Act”), or the rules, regulations and policies of the FCC for the present operation of the Station. The FCC Licenses are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired. There is not pending or threatened any action by or before the FCC to revoke, suspend, cancel, rescind or modify any of the FCC

Licenses (other than proceedings relating to FCC rules of general applicability), and there is no order to show cause, notice of violation, notice of apparent liability, or notice of forfeiture or complaint pending or threatened against Seller or the Station by or before the FCC. Seller and the Station are in material compliance with the FCC Licenses, the Communications Act, and the rules, regulations and policies of the FCC.

(b) All reports and applications required to be filed with respect to the Station have been timely filed.

2.5 Taxes. Seller has, filed all foreign, federal, state, county and local income, excise, property, sales, use, franchise and other tax returns and reports which are required to have been filed by it (if any) for the Station and has paid all taxes shown as due on any such tax returns.

2.6 Station Assets. Seller has good and marketable title to the Station Assets, free and clear of Liens. At Closing, Seller will transfer to Buyer good and marketable title to the Station Assets, free and clear of Liens.

2.7 Compliance with Law. Seller has complied in all material respects with all laws, regulations, rules, writs, injunctions, ordinances, franchises, decrees or orders of any court or of any foreign, federal, state, municipal or other governmental authority which are applicable to the Station or the Station Assets. There is no action, suit or proceeding pending or, to Seller's knowledge threatened, against Seller in respect of the Station or the Station Assets. To Seller's knowledge, there are no claims or investigations pending or threatened against Seller in respect of the Station or the Station Assets.

2.8 No Finder. No broker, finder or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Seller or any party acting on Seller's behalf. Payment of any broker engaged by Seller shall be Seller's sole cost and expense.

### ARTICLE 3: BUYER REPRESENTATIONS AND WARRANTIES

Buyer represents and warrants to Seller as follows:

3.1 Organization. Buyer is duly organized, validly existing and in good standing under the laws of the Commonwealth of Virginia. Buyer has the requisite power and authority to execute, deliver and perform this Agreement and the documents to be made pursuant hereto.

3.2 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 Buyer and do not require any further authorization or consent of Buyer. This Agreement and the documents to be made pursuant hereto are legal, valid and binding agreements of Buyer enforceable in accordance with their respective terms, except in each case as such enforceability may be limited by bankruptcy, moratorium,

insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

3.3 No Conflicts. The execution, delivery and performance by Buyer of this Agreement and the documents to be made pursuant hereto does not conflict with any organizational documents of Buyer or any law, judgment, order, or decree to which Buyer 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.

3.4 Qualification. To Buyer's knowledge, Buyer is qualified to hold the FCC Licenses under the Communications Act and the rules, regulations and policies of the FCC as they exist on the date of this Agreement.

3.5 No Finder. Except as previously disclosed by Buyer to Seller, no broker, finder or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Buyer or any party acting on Buyer's behalf. Payment of any broker engaged by Buyer shall be Buyer's sole cost and expense.

#### ARTICLE 4: SELLER COVENANTS

4.1 Covenants. From the date hereof until Closing, Seller shall:

(a) not, without the prior written consent of Buyer:

(i) sell, lease, or otherwise dispose of any Station Assets except for non-material dispositions in the ordinary course of business of items which are replaced by assets of comparable or superior kind, condition and value;

(ii) sell, lease, modify, or otherwise dispose of the FCC Licenses;

(iii) permit any representation or warranty set forth in Article 2 to become untrue or inaccurate in any material respect; or

(iv) enter into any contract, lease or agreement with respect to the Station, except agreements entered into in the ordinary course of business that will be paid and performed in full prior to Closing.

#### ARTICLE 5: JOINT COVENANTS

5.1 Confidentiality. Subject to the requirements of applicable law, all non-public information regarding the parties and their business and properties that is disclosed in connection with the negotiation, preparation or performance of this Agreement shall be confidential and shall not be disclosed to any other person or entity, except on a confidential basis to the parties' attorneys, accountants, investment bankers, investors and

lenders, and their respective attorneys for the purpose of consummating the transaction contemplated by this Agreement.

5.2 Announcements. Prior to Closing, no party shall, without the prior written consent of the other, issue any press release or make any other public announcement concerning the transactions contemplated by this Agreement, except to the extent that such party is so obligated by law, in which case such party shall give advance notice to the other, and the parties shall cooperate to make a mutually agreeable announcement.

5.3 Control. Consistent with FCC rules, control, supervision and direction of the operation of the Station prior to Closing shall remain the responsibility of Seller as the holder of the FCC Licenses. The risk of loss of or damage to any of the Station Assets, and the risk of any interruption in the Station's normal broadcast transmission, shall remain with Seller at all times until 12:01 a.m. local time on the day of Closing, and prior to Closing Seller shall repair and replace any lost or damaged Station Assets and restore any interrupted transmission.

#### ARTICLE 6: SELLER CLOSING CONDITIONS

The obligation of Seller to consummate the Closing is subject to satisfaction of the following conditions at or prior to Closing:

6.1 Bringdown. The representations and warranties of Buyer made in this Agreement shall be true and correct in all material respects as of Closing, Buyer shall have performed the obligations to be performed by it under this Agreement at or prior to Closing in all material respects, and Seller shall have received a certificate dated as of Closing from Buyer (executed by an authorized officer) to the effect that the conditions set forth in this section have been satisfied (the "Buyer Bringdown Certificate").

6.2 Proceedings. Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

6.3 FCC Consent. The FCC Consent shall have been granted.

6.4 Deliveries. Buyer shall have made the deliveries to be made by it at Closing under this Agreement.

#### ARTICLE 7: BUYER CLOSING CONDITIONS

The obligation of Buyer to consummate the Closing is subject to satisfaction of the following conditions at or prior to the Closing:

7.1 Bringdown. The representations and warranties of Seller made in this Agreement shall be true and correct in all material respects as of Closing, Seller shall have performed the obligations to be performed by it under this Agreement at or prior to Closing in all material respects, and Buyer shall have received a certificate dated as of

Closing from Seller (executed by an authorized officer) to the effect that the conditions set forth in this section have been satisfied (the "Seller Bringdown Certificate").

7.2 Proceedings. Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

7.3 FCC Consent. The FCC Consent shall have been granted.

7.4 Deliveries. Seller shall have made the deliveries to be made by it at Closing under this Agreement.

#### ARTICLE 8: CLOSING DELIVERIES

8.1 Seller Deliveries. At Closing, Seller shall deliver or cause to be delivered to Buyer:

- (a) the Seller Bringdown Certificate;
- (b) an Assignment of the FCC Licenses to Buyer; and
- (c) a Bill of Sale conveying all other Station Assets to Buyer.

8.2 Buyer Deliveries. At the Closing, Buyer shall deliver to Seller:

- (a) the balance of the Purchase Price in accordance with the terms of this Agreement; and
- (b) the Buyer Bringdown Certificate.

ARTICLE 9: SURVIVAL. The representations and warranties in this Agreement shall survive Closing for a period of nine (9) months from the Closing Date whereupon they shall expire and be of no further force or effect, except (i) those with respect to title, which shall survive without limitation, and (ii) that if within such applicable period the indemnified party gives the indemnifying party written notice of a claim for breach thereof, then such claim shall survive until it is resolved. The covenants and agreements in this Agreement shall survive Closing until performed.

#### ARTICLE 10: TERMINATION AND REMEDIES

10.1 Termination. This Agreement may be terminated prior to Closing as follows:

- (a) by mutual written consent of Buyer and Seller;
- (b) by written notice of Buyer to Seller if Seller:
  - (i) does not perform the obligations to be performed by it under this Agreement on the Closing Date; or

(ii) otherwise breaches in any material respect any of its representations or warranties or defaults in any material respect in the performance of any of its covenants or agreements contained in this Agreement and such breach or default is not cured within the Cure Period (defined below);

(c) by written notice of Seller to Buyer if Buyer:

(i) does not perform the obligations to be performed by it under this Agreement on the Closing Date; or

(ii) otherwise breaches in any material respect any of its representations or warranties or defaults in any material respect in the performance of any of its covenants or agreements contained in this Agreement and such breach or default is not cured within the Cure Period (defined below);

(d) by written notice of Buyer to Seller, or by Seller to Buyer, if the FCC denies the FCC Application; or

(e) by written notice of Buyer to Seller, or by Seller to Buyer, if the Closing does not occur by the date one year after the date of this Agreement.

The term "Cure Period" as used herein means a period commencing the date Buyer or Seller receives from the other written notice of breach or default hereunder and continuing until the earlier of (i) fifteen (15) calendar days thereafter or (ii) the Closing Date. Termination of this Agreement shall not relieve any party of any liability for breach or default under this Agreement prior to the date of termination. Notwithstanding anything contained herein to the contrary, Sections 1.5 (Deposit), 5.1 (Confidentiality), 5.2 (Announcements), and 11.1 (Expenses) shall survive any termination of this Agreement.

10.2 Specific Performance. In the event of a breach or threatened breach by Seller of any representation, warranty, covenant or agreement under this Agreement, at Buyer's election, in addition to any other remedy available to it, Buyer shall be entitled to an injunction restraining any such breach or threatened breach and to enforcement of this Agreement by a decree of specific performance requiring Seller to fulfill its obligations under this Agreement, in each case without the necessity of showing economic loss or other actual damage and without any bond or other security being required.

#### ARTICLE 11: MISCELLANEOUS.

11.1 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, except that the FCC fee (currently \$140.00) payable upon submission of the FCC Application shall be paid by Buyer.

11.2 Further Assurances. After Closing, each party hereto shall execute all such instruments and take all such actions as any other party may reasonably request, without payment of further consideration, to effectuate the transactions contemplated by



this Agreement, including without limitation the execution and delivery of confirmatory and other transfer documents in addition to those to be delivered at Closing.

11.3 Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective successors and permitted assigns. Seller may not assign any of its rights or delegate any of its obligations hereunder, and any such attempted assignment or delegation without such consent shall be void. Buyer may assign its right to acquire the Station Assets (in whole or in part) to an affiliate of Buyer without Seller's consent, but any such assignment shall not relieve Buyer of any obligations under this Agreement.

11.4 Notices. Any notice pursuant to this Agreement shall be in writing and shall be deemed delivered on the date of personal delivery or confirmed facsimile transmission or confirmed delivery by a nationally recognized overnight courier service, or on the third day after prepaid mailing by certified U.S. mail, return receipt requested, and shall be addressed as follows (or to such other address as any party may request by written notice):

if to Seller, then to:

Liberty University, Inc.  
1971 University Boulevard  
Lynchburg, Virginia 24502  
Attention: Jerry L. Falwell, Jr., President  
Facsimile: (434) 582-3688

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

Harry C. Martin  
Fletcher, Heald & Hildreth, PLC  
1300 North 17<sup>th</sup> Street  
11<sup>th</sup> Floor  
Arlington, Virginia 22209  
Facsimile: (703) 812-0186

if to Buyer, then to:

Denbar Communications, Inc.  
P.O. Box 192  
Highway 40 South  
Blackstone, Virginia 23824  
Attention: \_\_\_\_\_  
Facsimile: \_\_\_\_\_

if to Escrow Agent, then to:

Harry C. Martin  
Fletcher, Heald & Hildreth, PLC  
1300 North 17<sup>th</sup> Street  
11<sup>th</sup> Floor  
Arlington, Virginia 22209  
Facsimile: (703) 812-0186

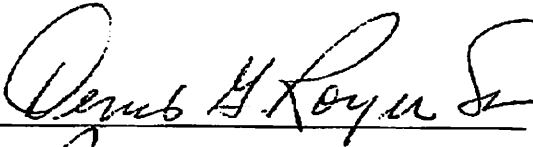
11.5 Miscellaneous. No amendment or waiver of compliance with any provision hereof or consent pursuant to this Agreement shall be effective unless in a writing signed by the party against whom enforcement of such amendment, waiver, or consent is sought. This Agreement constitutes the entire agreement 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. Nothing in this Agreement expressed or implied is intended or shall be construed to give any rights to any person or entity other than the parties hereto and their respective successors and permitted assigns. The construction and performance of this Agreement shall be governed by the laws of the Commonwealth of Virginia without giving effect to the choice of law provisions thereof. 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.

[SIGNATURE PAGE FOLLOWS]

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

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

BUYER: DENBAR COMMUNICATIONS, INC.

By:   
Title: President

SELLER: LIBERTY UNIVERSITY, INC.

By: \_\_\_\_\_  
Jerry L. Falwell, Jr., President

ESCROW AGENT  
(As to Sections 1.5  
and 11.5 only):

FLETCHER, HEALD & HILDRETH, PLC

By: \_\_\_\_\_  
Harry C. Martin, Member

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT


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

BUYER: DENBAR COMMUNICATIONS, INC.

By: \_\_\_\_\_


Title: \_\_\_\_\_

SELLER: LIBERTY UNIVERSITY, INC.

By:  \_\_\_\_\_  
Jerry L. Falwell, Jr., President

ESCROW AGENT  
(As to Sections 1.5  
and 11.5 only):

FLETCHER, HEALD & HILDRETH, PLC

By:  \_\_\_\_\_  
Harry C. Martin, Member

**Schedule 1.1(a)**  
**FCC Licenses**

W230BW, Blackstone, Virginia (FCC Facility ID# 139541)  
File No. BNPFT-20130326ACS