

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT is made by and between Gerald R. Proctor, the Federal Communications Commission (hereafter the "FCC") permittee of FM translator K290CD, Lufkin, Texas, (hereafter the "Seller") and Houston Christian Broadcasters, Inc. (hereafter "Buyer"), on this 18 day of July, 2014, for valuable consideration, the receipt of which is hereby acknowledged, the Parties do hereby agree, stipulate and contract as follows:

WHEREAS, Seller holds a construction permit for the operation of unbuilt FM translator K290CD, Lufkin, Texas, (hereafter the "Station"); and

WHEREAS, Seller desires to sell to Buyer, and Buyer desires to acquire from Seller, the construction permit for K290CD, Lufkin, Texas; and

WHEREAS, the Parties jointly understand that the proposed sale of the Station construction permit must be approved by the FCC prior to closing.

NOW THEREFORE, the Parties wishing to be legally bound do hereby stipulate and agree to the following.

I. ASSETS TO BE SOLD. Seller agrees to convey to Buyer all of its right, title and interest in the construction permit for K290CD, Lufkin, Texas, (as shown in Exhibit A hereto), validly in effect under the rules of the FCC.

II. PURCHASE PRICE AND TERMS. The Buyer will pay the total sum of THIRTY FIVE THOUSAND DOLLARS (\$35,000.00). The Purchase Price will be paid in current funds at closing pursuant to the instructions of the Seller.

III. THE FCC APPLICATIONS. Within five (5) business days following the execution of this Agreement, the Parties agree to cooperate with each other in the filing of an FCC assignment application (hereafter the "Assignment Application") seeking consent for the proposed sale of the from the Seller to the Buyer. The Parties agree to cooperate in supplying the FCC with all information it may require in connection with the FCC assignment application construction permit for K290CD, Lufkin, Texas, which shall be filed by the Buyer's counsel.

IV. REPRESENTATIONS OF SELLER. The Seller represents and warrants to Buyer that:

- a) Seller is legally qualified to execute this Agreement and there are no legal impediments to the execution of consummation of the transaction contemplated herein;

- b) Seller holds clear, unencumbered title to the construction permit for K290CD, Lufkin, Texas, to be conveyed hereunder;
- c) The construction permit for K290CD, Lufkin, Texas, is in full force and effect and may be assigned to Buyer without any adverse conditions; and
- d) Seller knows of no reason that the contemplated transaction cannot be consummated as proposed herein.
- e) Seller represents and warrants that the Buyer it knows of no reason that the Buyer may not be able to operate the Station fully in accordance with the construction permit for K290CD, Lufkin, Texas.

V. REPRESENTATIONS AND WARRANTIES OF BUYER. The Buyer hereby represents and warrants;

- a) Buyer is legally qualified to enter into this Agreement and consummate the transaction contemplated herein; and
- b) Buyer knows of no reason that the transaction contemplated herein may not be consummated.

VI. CLOSING. The closing on the sale shall take place at a mutually-agreeable time and location five (5) days after the FCC has approved the assignment of the construction permit for K290CD, Lufkin, Texas, to the Buyer without any conditions adverse to Buyer and that action has become a final order under the rules and regulations of the FCC; provided, however, that the Buyer has the right to close the transaction prior to a final order being in effect, in its sole discretion.

VII. DAMAGES. In the event Buyer shall breach its obligation to purchase the Permit under this Agreement, Seller shall receive damages in the amount of \$5,000.00. In the event the Seller shall breach its obligation to sell the Permit, Buyer shall have the right to seek actual damages, or seek specific performance under the Agreement due to the unique nature of the assets to be acquired.

VIII. ASSUMPTION OF LIABILITIES. The Buyer shall not assume, or be responsible for, any of the liabilities or obligations of the Seller.

IX. EXCLUSIVE DEALINGS. The Seller agrees that for as long as this Agreement is in effect it will not discuss the sale of the K290CD construction permit with any other person or party.

X. TERMINATION. This Agreement may be terminated by the Seller, in its sole discretion, if the transaction contemplated herein has not been closed as of twelve months from the filing date of the Assignment Application due to facts and circumstances beyond the control of the Seller. This Agreement may be terminated by the Buyer, in its sole discretion, if the transaction contemplated herein has not been closed as of twelve months

from the filing date of the Assignment Application due to facts and circumstances beyond the control of the Buyer.

XI. DELIVERIES AT THE CLOSING. At the closing, the Seller will deliver the following to the Buyer:

- a) A Bill of Sale for the construction permit for K290CD, Lufkin, Texas, in a form acceptable to the Buyer; and
- b) Such other instruments as Buyer may reasonably request.

At the closing, the Buyer will deliver to the Seller the following:

- a) The Purchase Price.
- b) Such other instruments as Seller may reasonably request.

XII. SURVIVAL OF REPRESENTATIONS AND WARRANTIES.

The representations and warranties given herein shall survive the closing for a period of one year.

XIII. NOTICES. Any notices to be given by the Parties to each other shall be in writing and sent by first class U.S. mail to the following:

If to Buyer: Mr. Bruce Munsterman
 President
 Houston Christian Broadcasters, Inc.
 2424 South Boulevard
 Houston, Texas 77098
 (713) 520-5200
 bruce@khcb.org

and Jeffrey D. Southmayd
 Southmayd & Miller
 4 Ocean Ridge Boulevard South
 Palm Coast, Florida 32137
 386.445.9156
 jdsouthmayd@msn.com

If to Seller: Mr. Gerald R. Proctor
 137 Magnolia Bend Drive
 Livingston, TX 77351

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XIV. FCC APPLICATIONS. The Seller agrees to file such applications to modify the construction permit for K290CD, Lufkin, Texas, as the Buyer shall desire to file with the FCC while the assignment application for the construction permit for K290CD, Lufkin, Texas, is pending before the FCC. Buyer shall pay all expenses applicable to the filing of such applications. The Closing hereunder shall not, however, be contingent or conditioned upon FCC approval of any such applications.

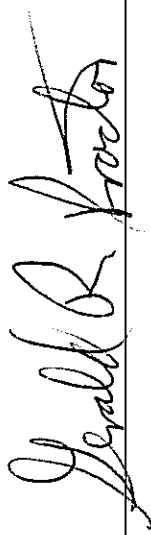
XV. BROKER. The Parties stipulate and agree that there is no one entitled to the payment of a brokerage fee in connection with the transaction.

XVI. GOVERNING LAW. The laws of the United States of America and the State of Texas will govern the interpretation of this Agreement.

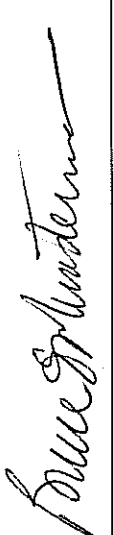
XVII. COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement.

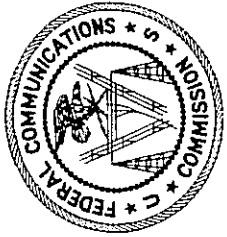
WHEREFORE, the Parties have caused their signatures to be affixed to this Agreement intending to be legally bound.

GERALD R. PROCTOR

By:  _____

HOUSTON CHRISTIAN BROADCASTERS, INC.

By:  _____
Bruce Munsterman, President



United States of America

FEDERAL COMMUNICATIONS COMMISSION

FM BROADCAST TRANSLATOR/BOOSTER STATION

CONSTRUCTION PERMIT

Authorizing Official:

Official Mailing Address:

GERALD R. PROCTOR
137 MAGNOLIA BEND DRIVE
LIVINGSTON TX 77351

James D. Bradshaw
Deputy Chief
Audio Division
Media Bureau

Facility Id: 150718

Call Sign: K290CD

Permit File Number: BMPFT-20140528ACB

Grant Date: July 15, 2014

The authority granted herein has no effect on the expiration date of the underlying construction permit.

This permit modifies permit no.: BNPFT-20130813AAR

Commission rules which became effective on February 16, 1999, have a bearing on this construction permit. See Report & Order, Streamlining of Mass Media Applications, MM Docket No. 98-43, 13 FCC RCD 23056, Para. 77-90 (November 25, 1998); 63 Fed. Reg. 70039 (December 18, 1998). Pursuant to these rules, this construction permit will be subject to automatic forfeiture unless construction is complete and an application for license to cover is filed prior to expiration. See Section 73.3598.

Name of Permittee: GERALD R. PROCTOR

Principal community to be served: TX-LUFKIN

Primary Station: KFAH (FM), Channel 256, PINELAND, TX

Via: Direct - off-air

Frequency (MHz): 105.9

Channel: 290

Hours of Operation: Unlimited

Phd
11/20

Antenna Coordinates: North Latitude: 31 deg 21 min 55 sec

West Longitude: 94 deg 45 min 59 sec

Transmitter: Type Accepted. See Sections 73.1660, 74.1250 of the Commission

Antenna type: (directional or non-directional): Non-Directional

Major lobe directions (degrees true): Not Applicable

	Horizontally Polarized	Vertically Polarized
Antenna:	Antenna:	Antenna:

Effective radiated power in the Horizontal Plane (kw): 0.25 0.25

Height of radiation center above ground (Meters): 53 53

Height of radiation center above mean sea level (Meters): 163 163

Antenna structure registration number: 1053387

Overall height of antenna structure above ground (including obstruction lighting if any) see the registration for this antenna structure.

Special operating conditions or restrictions:

1 The permittee/licensee in coordination with other users of the site must reduce power or cease operation as necessary to protect persons having access to the site, tower or antenna from radiofrequency electromagnetic fields in excess of FCC guidelines.

2 Prior to commencing program test operations, FM Translator or FM Booster permittee must have on file at the Commission, FCC Form 350, Application for an FM Translator or FM Booster Station License, pursuant to 47 C.F.R. Section 74.14.

*** END OF AUTHORIZATION ***

Federal Communications Commission Washington, D.C. 20554	Approved by OMB 3060-0075 (September 2009)	FOR FCC USE ONLY
FCC 345		
APPLICATION FOR TRANSFER OF CONTROL OF A CORPORATE LICENSEE OR PERMITTEE, OR FOR ASSIGNMENT OF LICENSE OR PERMIT OF TV OR FM TRANSLATOR STATION OR LOW POWER TELEVISION STATION		FOR COMMISSION USE ONLY FILE NO. _____
Read INSTRUCTIONS Before Filling Out Form		

Section I - General Information

1. Legal Name of the Licensee/Permittee GERALD R. PROCTOR			
Mailing Address 137 MAGNOLIA BEND DRIVE			
City LIVINGSTON	State or Country (if foreign address) TX	ZIP Code 77351 - 8476	
Telephone Number (include area code) 9362521585	E-Mail Address (if available) BROADCASTBROKER@LIVINGSTON.NET		
FCC Registration Number:	Call Sign K290CD	Facility Identifier 150718	
2. Contact Representative (if other than Licensee/Permittee) GERALD R. PROCTOR			
Mailing Address 137 MAGNOLIA BEND DRIVE			
City LIVINGSTON	State or Country (if foreign address) TX	ZIP Code 77351 - 8476	
Telephone Number (include area code) 9362521585	E-Mail Address (if available) BROADCASTBROKER@LIVINGSTON.NET		
3. If this application has been submitted without a fee, indicate reason for fee exemption (see 47 C.F.R. Section 1.1114): <input type="radio"/> Governmental Entity <input type="radio"/> Noncommercial Educational Licensee/Permittee <input checked="" type="radio"/> Other ASSIGNMENT TO NON-COMMERCIAL ENTITY <input type="radio"/> N/A (Fee Required)			
4. Were any of the authorizations that are the subject of this application obtained through the Commission's competitive bidding procedures (see 47 C.F.R. Sections 1.211(a) and 73.5001)? <input type="radio"/> Yes <input checked="" type="radio"/> No If Yes, list pertinent authorizations in an Exhibit. [Exhibit I]			

NOTE: In addition to the information called for in this section, an explanatory exhibit providing full particulars must be submitted for each question for which a "No" response is provided.

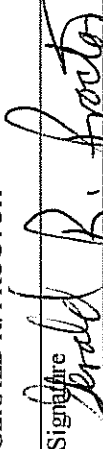
Section II - Assignor/Transferor

- | | |
|--|---|
| 1. Certification. Licensee/permittee certifies that it has answered each question in this application based on its review of the application instructions and worksheets. Licensee further certifies that where it has made an affirmative certification below, this certification constitutes its representation that the application satisfies each of the pertinent standards and criteria set forth in the application instructions | <input checked="" type="radio"/> Yes <input type="radio"/> No |
|--|---|

and worksheets.	
2. Application for (check only one box for A and B):	
A. <input checked="" type="radio"/> Consent to Assignment of Construction Permit <input type="radio"/> Consent to Assignment of License <input type="radio"/> Amendment to pending application If an amendment, submit as an Exhibit a listing by Section and Question Number of the portions of the pending application that are being revised. [Exhibit 2] B. <input type="radio"/> TV Translator <input type="radio"/> Low Power TV Station <input checked="" type="radio"/> FM Translator <input type="radio"/> Digital Low Power TV <input type="radio"/> Digital TV Translator	
3. Legal Name of the Assignor/Transferor GERALD R. PROCTOR Mailing Address 137 MAGNOLIA BEND DRIVE	
City LIVINGSTON	State or Country (if foreign address) TX
Telephone Number (include area code) 9362521585	E-Mail Address (if available) BROADCASTBROKER@LIVINGSTON.NET
If more than one transferor, submit the information requested in question 1 for each transferor. [Exhibit 3]	
4. Contact Representative (if other than assignee) Mailing Address	
City	State or Country (if foreign address) Zip Code
Telephone Number (include area code)	E-Mail Address (if available)
5. Authorizations to be Assigned/Transferred. List call signs, locations and facility identifiers of all authorizations to be assigned/transferred. Include construction permits and file numbers. List main station authorizations and any FM and/or TV translator stations, LPTV stations, SCA, FM and/or TV booster stations, and associated auxiliary service stations. [Enter Station Information]	
List the authorized stations and construction permits to be assigned/transferred. Provide the Facility Identification Number and the Call Sign, or the Facility Identification Number and the File Number of the Construction Permit, and the location, for each station to be assigned/transferred. Include main stations, FM and/or TV translator stations, LPTV stations, FM and/or TV booster stations.	
Facility ID Number 150718	Call Sign or Construction Permit File Number K290CD -
City LUFKIN	State TX
6. Agreements for Sale/Transfer of Station. Licensee/permittee certifies that:	
a. it has placed in its station records and submitted to the Commission as an Exhibit to this application copies of all agreements for the sale/transfer of the station(s);	<input checked="" type="radio"/> Yes <input type="radio"/> No See Explanation in [Exhibit 4]
b. these documents embody the complete and final understanding between licensee/permittee and assignee/transferee; and	
c. these agreements comply fully with the Commission's rules and policies.	
7. Character Issues. Licensee/permittee certifies that neither licensee/permittee nor any party to the application has or has had any interest in or connection with:	
a. any broadcast application in any proceeding where character issues were left unresolved or were resolved adversely against the applicant or party to the a application; or	<input checked="" type="radio"/> Yes <input type="radio"/> No See Explanation in [Exhibit 5]

b.	any pending broadcast application in which character issues have been raised.	<input checked="" type="radio"/> Yes <input type="radio"/> No
8.	Adverse Findings. Licensee/permittee certifies that, with respect to the licensee/permittee and any party to the application, no adverse finding has been made, nor has an adverse final action been taken by any court or administrative body in a civil or criminal proceeding brought under the provisions of any law related to the following: any felony; mass media-related antitrust or unfair competition; fraudulent statements to another government unit; or discrimination.	See Explanation in [Exhibit 6]
9.	Local Public Notice. Licensee/permittee certifies that it has or will comply with the public notice requirements of 47 C.F.R. Section 73.3580.	<input checked="" type="radio"/> Yes <input type="radio"/> No
10.	Auction Authorization. Licensee/permittee certifies that more than five years have passed since the issuance of the construction permit for the station being assigned/transferred, where that permit was acquired in an auction through the use of a bidding credit or other special measure.	<input type="radio"/> Yes <input type="radio"/> No <input checked="" type="radio"/> N/A
	See Explanation in [Exhibit 7]	
11.	Anti-Drug Abuse Act Certification. Licensee/permittee certifies that neither licensee/permittee nor any party to the application is subject to denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. Section 862.	<input checked="" type="radio"/> Yes <input type="radio"/> No
12.	Anti-Discrimination Certification. Licensee/permittee certifies that neither licensee/permittee nor any party to the application have violated the Commission's prohibition against discrimination on the basis of race, color, religion, national origin or sex in the sale of commercially operated FM translator, TV translator, or low power television stations.	<input checked="" type="radio"/> Yes <input type="radio"/> No <input type="radio"/> N/A
	See Explanation in [Exhibit 8]	

I certify that the statements in this application are true, complete, and correct to the best of my knowledge and belief, and are made in good faith. I acknowledge that all certifications and attached Exhibits are considered material representations.

Typed or Printed Name of Person Signing GERALD R. PROCTOR	Typed or Printed Title of Person Signing PERMITTEE
Signature 	Date 7/17/2014

WILLFUL FALSE STATEMENTS ON THIS FORM ARE PUNISHABLE BY FINE AND/OR IMPRISONMENT (U.S. CODE, TITLE 18, SECTION 1001), AND/OR REVOCATION OF ANY STATION LICENSE OR CONSTRUCTION PERMIT (U.S. CODE, TITLE 47, SECTION 312(a)(1)), AND/OR FORFEITURE (U.S. CODE, TITLE 47, SECTION 503).

NOTE: In addition to the information called for in this section, an explanatory exhibit providing full particulars must be submitted for each question for which a "No" response is provided.

Section III - Assignee/Transferee

1.	Certification. Assignee/transferee certifies that it has answered each question in this application based on its review of the application instructions and worksheets. Assignee/transferee further certifies that where it has made an affirmative certification below, this certification constitutes its representation that the application satisfies each of the pertinent standards and criteria set forth in the application instructions and worksheets.	<input type="radio"/> Yes <input type="radio"/> No
2.	Legal Name of the Assignee/Transferee	
	Mailing Address	

City	State or Country (if foreign address)		Zip Code
Telephone Number (include area code)		E-Mail Address (if available)	

If more than one transferee, submit the information requested in question 1 for each transferor. [Exhibit 9]

3.	Contact Representative (if other than assignee)	Firm or Company Name
Mailing Address		
City	State or Country (if foreign address)	Zip Code
Telephone Number (include area code)		E-Mail Address (if available)

4.	Nature of Applicant. Assignee/transferee is: <input type="radio"/> an individual <input type="radio"/> a general partnership <input type="radio"/> a for-profit corporation <input type="radio"/> a limited partnership <input type="radio"/> a not-for-profit corporation <input type="radio"/> a limited liability company (LLC/LC) <input type="radio"/> other	[Exhibit 10] <input type="radio"/> Yes <input type="radio"/> No
5.	Agreements for Sale/Transfer of Station. Assignee/Transferee certifies that: a. the written agreements in the licensee/permittee's station records embody the complete and final agreement for the sale of the station(s) which are to be assigned; and these b. agreements comply fully with the Commission's rules and policies.	See Explanation in [Exhibit 11]
6.	Character Issues. Assignee/Transferee certifies that neither assignee/transferee nor any party to the application has or has had any interest in or connection with: a. any broadcast application in any proceeding where character issues were left unresolved or were resolved adversely against the applicant or party to the a application; or b. any pending broadcast application in which character issues have been raised.	<input type="radio"/> Yes <input type="radio"/> No See Explanation in [Exhibit 12]
7.	Adverse Findings. Assignee/Transferee certifies that, with respect to the assignee/transferee and any party to the application, no adverse finding has been made, nor has an adverse final action been taken by any court or administrative body in a civil or criminal proceeding brought under the provisions of any law related to any of the following: any felony; mass media-related antitrust or unfair competition; fraudulent statements to another government unit; or discrimination.	<input type="radio"/> Yes <input type="radio"/> No See Explanation in [Exhibit 13]
8.	Alien Ownership and Control. Assignee/Transferee certifies that it complies with the provisions of Section 310 of the Communications Act of 1934, as amended, relating to interests of aliens and foreign governments.	<input type="radio"/> Yes <input type="radio"/> No See Explanation in [Exhibit 14]
9.	Financial Qualifications. Assignee/Transferee certifies that sufficient net liquid assets are on hand or are available from committed sources to consummate the transaction and operate the station(s) for three months.	<input type="radio"/> Yes <input type="radio"/> No See Explanation in [Exhibit 15]
10.	Rebroadcast Certification. For applicants proposing translator rebroadcasts who are not the licensee of the primary station, the applicant certifies that written authority has been obtained from the licensee of the station whose programs are to be retransmitted	<input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> N/A

Primary station proposed to be rebroadcast:		State
Facility ID Number	Call Sign	City
<p>11. a. Applicant certifies that it is not the licensee or permittee of the commercial primary station being rebroadcast and that neither it nor any parties to the application have any interest in or connection with the commercial primary station being rebroadcast. See 47 C.F.R. Section 74.1232(d).</p> <p style="text-align: right;"><input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> N/A See Explanation in [Exhibit 16]</p>		
<p>b. Applicant certifies that the FM translator's (a) coverage contour does not extend beyond the protected contour of the commercial FM primary station to be rebroadcast, or (b) entire 60 dBu contour is contained within the lesser of: (i) the 2 mV/m daytime contour of the AM primary station to be rebroadcast, or (ii) a 25-mile radius centered at the AM primary station's transmitter site.</p> <p style="text-align: right;"><input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> N/A See Explanation in [Exhibit 17]</p>		
<p>NOTE: If No to a. and b., and no waiver has been requested in an Exhibit, this application is unacceptable for filing. See 47 C.F.R. Section 74.1231(d).</p>		
<p>If No to a. and Yes to b. applicant is prohibited from receiving any support, before or after construction, either directly or indirectly from the commercial primary station being rebroadcast or from any person or entity having any interest whatsoever, or any connection with the primary FM station. Interested and connected parties include group owners, corporate parents, shareholders, officers, directors, employees, general and limited partners, family members and business associates. See 47 C.F.R. Section 74.1232(e).</p>		
<p>12. Applicant certifies that it is in compliance with 47 C.F.R. Section 74.1232(e), which prohibits a FM translator station whose coverage contour extends beyond the protected contour of the commercial FM primary station being rebroadcast, from receiving support (except for specified technical assistance), before, during, or after construction, directly or indirectly, from the primary station, or any person or entity having any interest in, or connection with, the primary station.</p> <p style="text-align: right;"><input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> N/A See Explanation in [Exhibit 18]</p>		
<p>13. Auction Authorization. Assignee/Transferee certifies that where less than five years have passed since the issuance of the construction permit and the permit had been acquired in an auction through the use of a bidding credit or other special measure, it would qualify for such credit or other special measure.</p> <p style="text-align: right;"><input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> N/A See Explanation in [Exhibit 19]</p>		
<p>14. Anti-Drug Abuse Act Certification. Assignee/Transferee certifies that neither assignee nor any party to the application is subject to denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. Section 862.</p> <p style="text-align: right;"><input type="radio"/> Yes <input type="radio"/> No</p>		
<p>15. Equal Employment Opportunity (EEO). If the applicant proposes to employ five or more full-time employees, applicant certifies that it is filing simultaneously with this application a Model EEO Program Report on FCC Form 396-A.</p> <p style="text-align: right;"><input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> N/A</p>		
<p>I certify that the statements in this application are true, complete, and correct to the best of my knowledge and belief, and are made in good faith. I acknowledge that all certifications and attached Exhibits are considered material representations. I hereby waive any claim to the use of any particular frequency as against the regulatory power of the United States because of the previous use of the same, whether by license or otherwise, and request an authorization in accordance with this application. (See Section 304 of the Communications Act of 1934, as amended.)</p>		
Typed or Printed Name of Person Signing		Typed or Printed Title of Person Signing
Signature		Date

WILLFUL FALSE STATEMENTS ON THIS FORM ARE PUNISHABLE BY FINE AND/OR IMPRISONMENT (U.S. CODE, TITLE 18, SECTION 1001), AND/OR REVOCATION OF ANY STATION LICENSE OR CONSTRUCTION PERMIT (U.S. CODE, TITLE 47, SECTION 312(a)(1)), AND/OR FORFEITURE (U.S. CODE, TITLE 47, SECTION 503).

Exhibits**Exhibit 4****Description:** K290CD -- ASSET PURCHASE AGREEMENT

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Attachment 4
