

**ASSET PURCHASE AGREEMENT**

**between**

**TRINITY CHRISTIAN CENTER OF SANTA ANA, INC.**

**AND**

**COPELAND CHANNEL 21, LLC**

## TABLE OF CONTENTS

<b>1.</b>	<b>PURCHASE OF ASSETS .....</b>	<b>1</b>
1.1.	Closing.....	1
1.2.	Assets of Stations.....	1
1.3.	Excluded Assets.....	2
1.4.	Purchase Price.....	2
1.5.	Assumption of Obligations .....	<b>Error! Bookmark not defined.</b>
1.6.	Prorations .....	2
1.7.	Transfer Taxes .....	2
<b>2.</b>	<b>REPRESENTATIONS AND WARRANTIES OF TRINITY .....</b>	<b>2</b>
2.1.	Organization and Standing .....	3
2.2.	Authorization and Binding Obligation .....	3
2.3.	Absence of Conflicting Agreements or Required Consents .....	3
2.4.	FCC Licenses of Stations.....	3
2.5.	Title to and Condition of the Transmission Assets of Stations .....	3
2.6.	Absence of Litigation .....	3
2.7.	Compliance with Laws Generally.....	3
2.8.	Environmental Matters .....	4
2.9.	Broker's Fees.....	4
<b>3.</b>	<b>REPRESENTATIONS AND WARRANTIES OF COPELAND.....</b>	<b>4</b>
3.1.	Organization and Standing .....	4
3.2.	Authorization and Binding Obligation .....	4
3.3.	Absence of Conflicting Agreements or Required Consents .....	4
3.4.	FCC Qualifications .....	4
3.5.	Absence of Litigation .....	4
3.6.	Broker's Fees.....	5
<b>4.</b>	<b>COVENANTS .....</b>	<b>5</b>
4.1.	FCC Application .....	5
4.2.	No Pre-Closing Control of Stations.....	<b>Error! Bookmark not defined.</b>
4.3.	Operations Prior to Closing.....	5
4.4.	Access to Stations .....	<b>Error! Bookmark not defined.</b>
4.5.	Confidentiality; Publicity .....	5
4.6.	No Solicitation .....	5
4.7.	Cooperation .....	6
4.8.	Further Assurances.....	6
<b>5.</b>	<b>CONDITIONS PRECEDENT .....</b>	<b>6</b>
5.1.	Conditions Precedent to Trinity's Obligation to Close .....	6
5.2.	Conditions Precedent to COPELAND's Obligation to Close .....	6
<b>6.</b>	<b>DOCUMENTS TO BE DELIVERED AT THE CLOSING .....</b>	<b>7</b>
6.1.	Documents to be Delivered by Copeland.....	7
6.2.	Documents to be Delivered by Trinity .....	7

<b>7.</b>	<b>TERMINATION RIGHTS .....</b>	<b>8</b>
7.1.	Termination .....	8
7.2.	Effect of Termination .....	8
<b>8.</b>	<b>REMEDIES UPON DEFAULT .....</b>	<b>8</b>
8.1.	Remedies for Copeland.....	8
8.2.	Remedies for Trinity .....	9
<b>9.</b>	<b>INDEMNIFICATION; SURVIVAL .....</b>	<b>9</b>
9.1.	Indemnification .....	9
9.2.	Survival .....	9
<b>10.</b>	<b>OTHER PROVISIONS .....</b>	<b>9</b>
10.1.	Costs and Expenses .....	9
10.2.	Benefit and Assignment.....	9
10.3.	Entire Agreement.....	9
10.4.	Headings.....	10
10.5.	Computation of Time.....	10
10.6.	Governing Law; Venue; Waiver of Jury Trial; Rule of Construction; Attorney's Fees.....	10
10.7.	No Third Party Beneficiaries .....	10
10.8.	Notices .....	10
10.9.	Severability .....	11
10.10.	Counterparts; Faxed or Electronically Delivered Signatures .....	11
<b>11.</b>	<b>DEFINITIONS .....</b>	<b>11</b>
11.1.	Defined Terms .....	11
11.2.	Terms Generally.....	13

## **ASSET PURCHASE AGREEMENT**

This **ASSET PURCHASE AGREEMENT** is made this 17th day of May, 2010, by and between **Trinity Christian Center of Santa Ana, Inc.**, a California not-for-profit church corporation ("*Trinity*"), and **Copeland Channel 21, LLC**, a Virginia limited liability company ("*Copeland*").

Copeland is the licensee of operating television station WHRE(TV), Virginia Beach, Virginia (FCC Facility ID #82574 ) ("*Station*"). Trinity and Copeland have agreed that Copeland will sell and Trinity will acquire certain of the assets of the Station on the terms and subject to the conditions set forth in this agreement, including the FCC's consent to the assignment of the Station FCC License (as defined below) to Trinity. **Article 11** of this Agreement contains a glossary of defined terms.

**THEREFORE**, intending to be legally bound, the parties agree as follows:

### **1. PURCHASE OF ASSETS**

**1.1. Closing.** Subject to satisfaction or waiver of the conditions set forth in **Section 5**, the closing of the sale and purchase of assets hereunder (the "*Closing*") shall take place at a mutually agreeable time at the offices of Colby M. May, Esq., PC, 205 3rd Street, S.E., Washington, D.C., on a date (the "*Closing Date*") designated by Trinity, or at such other place and time as Trinity and Copeland may agree in writing, which date, at Trinity's option, shall either be: (a) no more than 10 business days after the date of the FCC staff grant (as represented with the issuance of FCC Form 732) of the FCC Application (as defined in **Section 4.1**), or (b) no more than 10 business days after the grant of the FCC Consent (as defined in **Section 4.1**) becomes a Final Order. The effective time of the Closing shall be 12:01 a.m., local time, on the Closing Date (the "*Effective Time*"); provided, however, that the parties will endeavor to agree to close on the last day of a calendar month, if possible.

**1.2. Assets of Station.** At the Closing, Copeland shall assign, transfer and convey to Trinity, and Trinity acquire from Copeland, all of Copeland's right, title and interest in the following assets (the "*Assets of Station*"), and no others:

(a) the FCC licenses identified on Schedule 1.2(a) and any renewals thereof (the "*FCC Licenses of Station*"), including any other construction permit, temporary waiver or special temporary authorization relating to the Station held by Copeland on the Closing Date, and any other application for license, construction permit or other authorization relating to the Station pending before the FCC at the Closing;

(b) the property listed on Schedule 1.2(b) (the "*Property Assets*");

(c) the call letters of the Station; and

(d) any technical information and engineering data relating to the Assets of the Station in Copeland's possession.

The Assets of the Station shall be delivered to Trinity in “as is, where is” condition, without any representation or warranty except as expressly set forth in **Section 2** of this Agreement, and Trinity acknowledges that it has not relied on or been induced to enter into this Agreement by any representation or warranty other than as set forth in **Section 2** of this Agreement. The Assets of Station shall be conveyed free and clear of all debts, liens, mortgages, pledges, security interests, claims, liabilities and encumbrances (“*Liens*”).

**1.3. Excluded Assets.** Trinity acknowledges that it is not buying the business of the Station as a going concern. The Assets of Station shall not include any properties, assets, privileges, rights, interests, claims, real or personal, tangible or intangible, of any type or description, of Copeland except as set forth in **Section 1.2**.

**1.4. Purchase Price.** In consideration for the sale of the Assets of Station, at Closing, Trinity shall pay Copeland Seven Million Five Hundred Thousand Dollars (\$7,500,000) (the “*Purchase Price*”) as follows:

(a) At Closing, Trinity shall pay Five Million Dollars (\$5,000,000) to Branch Banking and Trust of Virginia (“*BB&T*”), to satisfy and release Copeland’s March 31, 2005 Promissory Note and March 31, 2005 Loan Agreement with BB&T in the amount of Five Million Dollars (\$5,000,000) (“*BB&T Note*”). Trinity shall make this payment of the BB&T Note by wire transfer of immediately available funds pursuant to wire instructions which Copeland shall provide to Trinity.

(b) At Closing, Trinity shall pay Copeland the Two Million Five Hundred Thousand Dollar (\$2,500,000) balance of the Purchase Price by wire transfer of immediately available funds pursuant to wire instructions which Copeland shall provide to Trinity.

**1.5. Prorations.**

(a) All expenses arising from the ownership and operation of the Assets of Station shall be prorated between Copeland and Trinity as of the Effective Time in accordance with generally accepted accounting practices. Such prorations shall be based upon the principle that Copeland shall be responsible for all liabilities accruing in connection with the ownership and operation of the Assets of Station until the Effective Time, and Trinity shall be responsible for all such liabilities accruing thereafter. Such prorations shall include, but not be limited to, FCC regulatory fees, deposits and similar prepaid and deferred items. Taxes arising by reason of the transfer of the Assets of Station shall not be prorated but shall be paid in accordance with **Section 1.6**.

**1.6. Transfer Taxes.** Copeland shall pay all excise, transfer, sales or use or similar Taxes or fees, if any, imposed by any Governmental Authority on this transaction.

**2. REPRESENTATIONS AND WARRANTIES OF COPELAND**

Copeland represents and warrants to Trinity as follows:

**2.1. Organization and Standing.** Copeland is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Virginia. Copeland has all necessary power and authority to own and operate the Assets of Station and to enter into and perform this Agreement and the transactions contemplated hereby.

**2.2. Authorization and Binding Obligation.** Copeland's execution, delivery and performance of this Agreement have been duly and validly authorized by all necessary company action on its part. This Agreement has been duly executed and delivered by Copeland and constitutes its valid and binding obligation, enforceable against Copeland in accordance with its terms.

**2.3. Absence of Conflicting Agreements or Required Consents.** Except as set forth on Schedule 2.3, the execution, delivery and performance of this Agreement by Copeland: (a) do not and will not require the consent, approval, authorization or other action by, or filing with or notification to, any third party or Governmental Authority, other than as contemplated by **Section 4.1**; (b) do not and will not violate any provisions of Copeland's organizational or management documents; (c) do not and will not violate any applicable Law; and (d) do not and will not, either alone or with the giving of notice or the passage of time, or both, conflict with, constitute grounds for termination of or result in a breach of the terms, conditions or provisions of, or constitute a default under, any material contract, agreement, instrument, license or permit to which either Copeland or the Assets of Station are now subject.

**2.4. FCC Licenses of Station.** Copeland has delivered to Trinity true and complete copies of the FCC Licenses of Station, including any and all amendments and other modifications thereto. The FCC Licenses of Station are validly held by Copeland and are in full force and effect. Copeland is qualified under the Communications Act of 1934, as amended, and the rules, regulations and policies of the FCC (the "*Communications Laws*") to be the assignor of the FCC Licenses of Station. Copeland has no reason to believe that the FCC Application might be challenged or might not be granted by the FCC in the ordinary course.

**2.5. Title to and Condition of the Property Assets of Station.** Copeland has good and transferable title to the Property Assets of Station. Except as set forth on Schedule 2.5, the Property Assets of Station are in good operating condition and repair (reasonable wear and tear excepted). Except for the BB&T Note, there are no Liens on the Property Assets of Station.

**2.6. Absence of Litigation.** There is no claim, litigation, arbitration or proceeding pending or, to Copeland's knowledge, threatened, before or by any court, Governmental Authority or arbitrator that seeks to enjoin or prohibit, questions the validity of, or that might materially hinder or impair Copeland's performance of its obligations under this Agreement.

**2.7. Compliance with Laws Generally.** Copeland has complied in all material respects with, and is not in material violation of, any Laws applicable to the operation of the Station. Copeland has not received any notice asserting material noncompliance with any applicable Law in connection with the business or operation of the Station.

**2.8. Environmental Matters.** To Copeland's knowledge the Property Assets of Station are in material compliance with all applicable Laws governing hazardous or toxic substances, materials or waste.

**2.9. Broker's Fees.** Neither Copeland nor any party acting on its behalf has agreed to pay a commission, finder's fee or similar payment in connection with this Agreement or any matter related hereto to any person or entity.

### **3. REPRESENTATIONS AND WARRANTIES OF TRINITY**

Trinity represents and warrants to Copeland as follows:

**3.1. Organization and Standing.** Trinity is a not-for-profit church corporation duly organized, validly existing and in good standing under the laws of the State of California, and is qualified to do business in the State of Virginia. Trinity has all necessary corporate power and authority to enter into and perform this Agreement and the transactions contemplated hereby.

**3.2. Authorization and Binding Obligation.** Trinity execution, delivery and performance of this Agreement have been duly and validly authorized by all necessary corporate action on its part. This Agreement has been duly executed and delivered by Trinity and constitutes its valid and binding obligation, enforceable against Trinity in accordance with its terms.

**3.3. Absence of Conflicting Agreements or Required Consents.** The execution, delivery and performance of this Agreement by Trinity: (a) do not and will not require the consent, approval, authorization or other action by, or filing with or notification to, any third party or Governmental Authority, other than as contemplated by **Section 4.1**; (b) do not and will not violate any provisions of Trinity's organizational documents; (c) do not and will not violate any applicable Law; and (d) do not and will not, either alone or with the giving of notice or the passage of time, or both, conflict with, constitute grounds for termination of or result in a breach of the terms, conditions or provisions of, or constitute a default under any contract, agreement, instrument, license or permit to which Trinity is now subject.

**3.4. FCC Qualifications.** Trinity is qualified under the Communications Laws to be the assignee of the FCC Licenses of Station. There are no facts known to Trinity that would delay the consummation of the transactions contemplated by this Agreement. Trinity is not required to obtain any waiver of any FCC rule or regulation in order to obtain the FCC Consent (as defined below), nor will processing pursuant to any exception to a rule of general applicability be requested or required in connection with the consummation of the transactions contemplated by this Agreement. Trinity has no reason to believe that the FCC Application might be challenged or might not be granted by the FCC in the ordinary course.

**3.5. Absence of Litigation.** There is no claim, litigation, arbitration or proceeding pending or, to Trinity's knowledge, threatened before any court, Governmental Authority or arbitrator that seeks to enjoin or prohibit, questions the validity of, or that might materially hinder or impair Trinity's performance of its obligations under this Agreement.

**3.6. Broker's Fees.** Neither Trinity nor any party acting on its behalf has agreed to pay a commission, finder's fee or similar payment in connection with this Agreement or any matter related hereto to any person or entity.

## **4. COVENANTS**

**4.1. FCC Application.** Within ten (10) business days of the date of this Agreement, Trinity and Copeland shall prepare and jointly file a complete and grantable application with the FCC requesting its consent to the assignment of the FCC Licenses of Stations to Trinity (the "*FCC Application*"). Trinity and Copeland shall prosecute the FCC Application with all reasonable diligence and otherwise use commercially reasonable efforts to obtain the FCC's grant of the FCC Application (the "*FCC Consent*") as expeditiously as possible. Without limiting the foregoing, Trinity and Copeland will fully cooperate in the taking of all necessary and proper steps, and provide any additional information reasonably requested, and use their respective commercially reasonable efforts to resolve objections that may be asserted by the FCC or any third party, in order to obtain the FCC Consent promptly. If reconsideration or judicial review is sought with respect to the FCC Consent, the party or parties affected shall diligently oppose such efforts for reconsideration or judicial review. Copeland and Trinity shall share all FCC Application filing fees equally. Each party shall otherwise bear its own costs and expenses (including the fees and disbursements of its counsel) in connection with the preparation of the portion of the FCC Application to be prepared by it and in connection with the processing and defense of the FCC Application.

**4.2. Operations Prior to Closing.** Between the date of this Agreement and the Closing Date, except as expressly permitted by this Agreement or with the prior written consent of Trinity, which shall not be unreasonably withheld, conditioned or delayed, Copeland shall:

- (a) not sell, assign, lease or otherwise transfer or dispose of any of the Assets of Station;
- (b) operate the Station in material compliance with the FCC Licenses of Station, the Communications Laws and all other applicable Laws; and
- (c) not cause or permit by any act, or failure to act, any of the FCC Licenses of Stations to expire, be surrendered, not renewed, adversely modified, or otherwise terminated.

**4.3. Confidentiality; Publicity.** Each party shall keep confidential all information obtained by it with respect to the other in connection with this Agreement, except if such information is known or available through other lawful, publicly available sources or if such party is advised by counsel that its disclosure is required in accordance with applicable Law, in which case the party required to make such disclosure shall use reasonable efforts to notify the other party prior to making such disclosure.

**4.4. No Solicitation.** From the date hereof through the Closing Date, neither Copeland nor any its officers, managers, owners, representatives or agents shall participate in,

encourage, solicit or initiate any discussion or negotiations, or enter into any agreement, concerning the sale of the Station or the Assets of Station.

**4.5. Cooperation.** Each party shall cooperate fully with one another, shall use reasonable efforts to cause the fulfillment at the earliest practicable date of all the conditions to the obligations of the other party to consummate the purchase and sale contemplated by this Agreement and shall not take any action that conflicts with its obligation hereunder or that causes its representation and warranties to be untrue in any material respect.

**4.6. Further Assurances.** Trinity and Copeland shall cooperate and take such actions, and execute such other documents, at the Closing or subsequently, as may be reasonably requested by the other in order to carry out the provisions and purposes of this Agreement.

**4.7. No Retained Interest.** Copeland warrants that it shall have no retained interest in the Station after Closing, and Copeland and Trinity warrant compliance with Commission Rule 73.1150, 47 C.F.R. § 73.1150.

## **5. CONDITIONS PRECEDENT**

**5.1. Conditions Precedent to Copeland's Obligation to Close.** The obligation of Copeland to consummate the sale of the Assets of Station is, at its option, subject to satisfaction of each of the following conditions at or prior to the Closing:

(a) **Bring Down of Representations and Warranties.** All representations and warranties of Trinity contained in this Agreement shall be true and correct in all material respects on and as of the Closing Date as if made on and as of that date, except to the extent such representations and warranties expressly relate to an earlier date or time, in which case they shall be true and correct only as of such earlier date or time.

(b) **Performance of Covenants.** All of the terms, covenants and conditions to be complied with and performed by Trinity under this Agreement on or prior to the Closing Date shall have been complied with or performed in all material respects.

(c) **FCC Consent.** The FCC Consent shall have been granted.

(d) **No Injunction.** No injunction, order, decree or judgment of any court, agency or other Governmental Authority shall be in effect that would prohibit or render unlawful the consummation of the transactions contemplated by this Agreement.

(e) **Deliveries.** Trinity shall have made or stand willing to make all the deliveries required under **Section 6.1**.

**5.2. Conditions Precedent to Trinity's Obligation to Close.** The obligation of Trinity to consummate the purchase of the Assets of Station is, at its option, subject to satisfaction of each of the following conditions at or prior to the Closing:

(a) **Bring Down of Representations and Warranties.** All representations and warranties of Copeland contained in this Agreement shall be true and correct in all

material respects on and as of the Closing Date as if made on and as of that date, except to the extent such representations and warranties expressly relate to an earlier date or time, in which case they shall be true and correct only as of such earlier date or time.

(b) **Performance of Covenants.** All of the terms, covenants and conditions to be complied with and performed by Copeland under this Agreement on or prior to the Closing Date shall have been complied with or performed in all material respects.

(c) **FCC Consent.** The FCC Consent shall have been granted.

(d) **No Injunction.** No injunction, order, decree or judgment of any court, agency or other Governmental Authority shall be in effect that would prohibit or render unlawful the consummation of the transactions contemplated by this Agreement.

(e) **Deliveries.** Copeland shall have made or stand willing to make all the deliveries required under **Section 6.2**.

## **6. DOCUMENTS TO BE DELIVERED AT THE CLOSING**

**6.1. Documents to be Delivered by Trinity.** At the Closing, Trinity shall deliver to Copeland the following:

(a) a certificate of an officer of Trinity, in a form and substance reasonably satisfactory to Copeland, dated as of the Closing Date, certifying to the fulfillment of the conditions set forth in **Sections 5.1(a)** and **(b)**;

(b) a certificate of good standing for Trinity from California, its state of incorporation, and a copy of a resolution of the board of directors of Trinity authorizing the execution, delivery and performance of this Agreement, certified by the secretary, or assistant secretary, of Trinity;

(c) the Purchase Price in immediately available wire transferred funds as provided in **Section 1.4(a)** and **(b)**.

**6.2. Documents to be Delivered by Copeland.** At the Closing, Copeland shall deliver to Trinity the following:

(a) a certificate of an officer of Copeland, in a form and substance reasonably satisfactory to Trinity, dated as of the Closing Date, certifying to the fulfillment of the conditions set forth in **Sections 5.2(a)** and **(b)**;

(b) a copy of a resolution of the board of directors of Copeland authorizing the execution, delivery and performance of this Agreement, certified by an officer or manager of Copeland;

(c) an assignment of the FCC Licenses of Station; and

(d) a bill of sale for the Property Assets of Station.

**6.3. Satisfaction and Release of BB&T Note.** At the Closing, Copeland and Trinity shall coordinate the delivery by BB&T of a release and satisfaction of the BB&T Note, and the release of any and all liens held by BB&T on the Assets of Station.

## **7. TERMINATION RIGHTS**

**7.1. Termination.** This Agreement may be terminated at any time prior to the Closing as follows:

- (a) by mutual written agreement of Trinity and Copeland;
- (b) by either party upon written notice to the other if there shall be in effect any Law, final judgment, final decree or Final Order that prevents or makes unlawful the Closing;
- (c) by either party upon written notice to the other if the FCC denies the FCC Application or designates it for a trial-type hearing;
- (d) by either party upon written notice to the other if the Closing has not occurred within twelve (12) months of the date of this Agreement (the “*Upset Date*”); and
- (e) by either party upon written notice to the other if the other party is in material breach or default of this Agreement, and such breach or default has not been waived by the party giving such termination notice; *provided, however*, that except for a failure to pay the Purchase Price (for which there shall be no requirement for notice and opportunity to cure), the defaulting party shall have twenty (20) days following the receipt of written notice by the terminating party to cure such breach or default; and *provided further* that if the breach or default is due to no fault of the defaulting party and is incapable of cure within such 20-day period, the cure period shall be extended as long as the defaulting party is diligently and is good faith attempting to effectuate a cure. Nothing in this **Section 7.1(e)** shall be interpreted to extend the Upset Date.

**7.2. Effect of Termination.** If this Agreement is terminated as provided in **Section 7.1**, this Agreement will forthwith become null and void and neither party shall have any liability to the other except as provided in **Article 8** (Remedies Upon Default) and except also that the provisions of the parties described in **Section 4.3** (Confidentiality; Publicity) and **Article 10** (Other Provisions) will survive any such termination.

## **8. REMEDIES UPON DEFAULT**

**8.1. Remedies for Trinity.** Copeland recognizes that in the event Copeland materially defaults in the performance of its obligation to consummate the sale of the Assets of Station pursuant to this Agreement, monetary damages may not be an adequate remedy for Trinity. Therefore, Trinity shall be entitled to seek specific performance of the terms of this Agreement in lieu of the remedy of termination. In any action by Trinity against Copeland to specifically enforce the terms of this Agreement, Copeland shall waive the defense that there is an adequate remedy at law. As a condition to seeking specific performance, Trinity shall not be required to have tendered the Purchase Price, but shall be ready, willing and able to do so.

**8.2. Remedies for Copeland.** If this Agreement is terminated or the Closing does not occur by reason of Trinity's material breach or default under this Agreement, then Copeland shall be entitled to pursue all legal remedies, including reasonable attorney's fees incurred by Copeland in enforcing its rights under this Agreement.

## **9. INDEMNIFICATION; SURVIVAL**

**9.1. Indemnification.** From and after the Closing, each of Copeland and Trinity hereby agrees, subject to **Section 9.2**, to indemnify, defend and hold the other harmless against and with respect to, and to reimburse the other for, any and all claims, losses, liabilities and expenses (including reasonable attorneys' fees and related expenses) resulting from the indemnifying party's untrue representation, breach of warranty or nonfulfillment of any covenant or obligation contained herein. Following the Closing, the right to indemnification under this **Section 9.1** shall be the exclusive remedy for breach or default under this Agreement; provided that, Trinity shall have no obligation to indemnify Copeland for any such claims until, and only to the extent that, Trinity's aggregate losses exceed \$25,000 and the maximum liability of Trinity for any claims under this **Section 9.1** shall be \$500,000,000. In no event shall Trinity or Copeland have any liability of any nature whatsoever following the Closing for consequential, indirect, incidental or other similar damages, including but not limited to lost profits or revenue, for any breach or default under this Agreement or as a result of the transactions contemplated hereby.

**9.2. Survival.** The covenants, agreements, representations, and warranties in this Agreement shall survive the Closing for a period of three (3) months from the Closing Date, whereupon they shall expire and be of no further force or effect except to the extent that a specific claim for indemnification shall have been made prior to the end of the survival period, in which case the specific claim shall survive until resolved.

## **10. OTHER PROVISIONS**

**10.1. Costs and Expenses.** Except as specifically set forth in **Section 4.1** each party shall bear its own costs and expenses incurred by it in connection with this Agreement.

**10.2. Benefit and Assignment.** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither party may assign this Agreement without the prior written consent of the other party hereto. Any assignment pursuant to this **Section 10.2** will not relieve the assigning party from any of its obligations and liabilities under this Agreement.

**10.3. Entire Agreement.** This Agreement and the exhibits and schedules hereto embody the entire agreement and understanding of the parties hereto and supersede any and all prior agreements, arrangements and understandings relating to the matters provided for herein. Any matter that is disclosed in a schedule hereto in such a way as to make its relevance to the information called for by another schedule readily apparent shall be deemed to have been included in such other schedule, notwithstanding the omission of an appropriate cross-reference. No amendment, waiver of compliance with any provision or condition hereof or consent pursuant to this Agreement shall be effective unless evidenced by an instrument in writing signed by the party against whom enforcement of any waiver, amendment, change, extension or discharge is sought. No failure or delay on the part of Trinity or Copeland in exercising any right or power under this

Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power.

**10.4. Headings.** The headings set forth in this Agreement are for convenience only and will not control or affect the meaning or construction of the provisions of this Agreement.

**10.5. Computation of Time.** If after making computations of time provided for in this Agreement, a time for action or notice falls on Saturday, Sunday or a Federal Holiday, then such time shall be extended until the next business day.

**10.6. Governing Law; Venue; Waiver of Jury Trial; Rule of Construction; Attorney's Fees.** The construction and performance of this Agreement shall be governed by the laws of the State of Virginia without regard to its principles of conflict of law. TRINITY AND COPELAND EACH IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY OF ANY DISPUTE ARISING OUT OF OR RELATING TO THIS AGREEMENT, INCLUDING ANY COUNTERCLAIM MADE IN SUCH ACTION OR PROCEEDING, AND AGREES THAT ANY SUCH DISPUTE SHALL BE TRIED BEFORE A JUDGE SITTING WITHOUT A JURY. Trinity and Copeland each acknowledges that counsel has represented it in the negotiation, execution, and delivery of this Agreement and has fully explained the meaning of the Agreement, including in particular the jury-trial waiver. Any question of doubtful interpretation shall not be resolved by any rule providing for interpretation against the party who causes the uncertainty to exist or against the drafter of this Agreement.

**10.7. No Third Party Beneficiaries.** No person who is not a party to this Agreement shall be deemed to be a beneficiary of any provision of this Agreement, and no such person shall have any claim, cause of action, right or remedy pursuant to this Agreement.

**10.8. Notices.** Any notice, demand or request required or permitted to be given under the provisions of this Agreement shall be in writing, addressed to the following addresses, or to such other address as any party may request in writing.

If to Copeland:

Robert Copeland, Manager  
Copeland Channel 21, LLC  
168 Business Park Drive, Suite 200  
Virginia Beach, Virginia 23462  
Fax: (757) 473-3721

With a copy to:

Lauren A. Colby, Esq.  
Law Offices of Lauren A. Colby  
10 East 4<sup>th</sup> Street

Frederick, Maryland 21701  
Fax: (301) 695-8734

If to Trinity:

Trinity Christian Center of Santa Ana, Inc.  
2442 Michelle Drive  
Tustin, CA 92780  
Attention: John B. Casoria, Esq.  
Fax: 714-665-2121

With a copy to:

Colby M. May, Esq., P.C.  
205 Third Street, SE  
Washington, DC 20003  
Attention: Colby M. May, Esq.  
Fax: 202-544-5172

Any such notice, demand or request shall be deemed to have been duly delivered and received (i) on the date of personal delivery, or (ii) on the date of transmission, if sent by facsimile and received prior to 5:00 p.m. in the place of receipt (but only if a hard copy is also sent by overnight courier), or (iii) on the date of receipt, if mailed by registered or certified mail, postage prepaid and return receipt requested, or (iv) on the date of a signed receipt, if sent by an overnight delivery service, but only if sent in the same manner to all persons entitled to receive notice or a copy.

**10.9. Severability.** If any term or provision of this Agreement, or the application thereof to any person or circumstance, shall to any extent be held invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each such term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

**10.10. Counterparts; Faxed or Electronically Delivered Signatures.** This Agreement may be executed in one or more counterparts, each of which will be deemed an original and all of which together will constitute one and the same instrument. This Agreement shall become binding when one or more counterparts, individually or taken together, bear the signatures of all parties. A facsimile or electronic copy of any signature page shall be deemed an original for all purposes.

## **11. DEFINITIONS**

**11.1. Defined Terms.** Unless otherwise stated in this Agreement, the following terms when used herein shall have the meanings assigned to them below (such meanings to be equally applicable to both the singular and plural forms of the terms defined).

“*Agreement*” shall mean this Asset Purchase Agreement, including the exhibits and schedules hereto.

*“Assets of Station”* shall have the meaning set forth in **Section 1.2**.

*“BB&T”* shall have the meaning set forth in **Section 1.4(a)**.

*“BB&T Note”* shall have the meaning set forth in **Section 1.4(a)**.

*“Business Day,”* whether or not capitalized, shall mean every day of the week excluding Saturdays, Sundays and Federal holidays.

*“Closing”* shall have the meaning set forth in **Section 1.1**.

*“Closing Date”* shall have the meaning set forth in **Section 1.1**.

*“Communications Laws”* shall have the meaning set forth in **Section 2.4**.

*“Copeland”* shall have the meaning set forth in the Preamble to this Agreement.

*“Effective Time”* s shall have the meaning set forth in **Section 1.1**.

*“FCC”* shall have the meaning set forth in the Preamble to this Agreement.

*“FCC Application”* shall have the meaning set for in **Section 4.1**.

*“FCC Consent”* shall have the meaning set for in **Section 4.1**.

*“FCC Licenses of Station”* shall have the meaning set forth in **Section 1.2(a)**.

*“Final Order”* means an action by the FCC (i) which has not been vacated, reversed, stayed, or suspended; (ii) with respect to which no timely appeal, request for stay or petition for rehearing, reconsideration or review by any party or by the FCC on its own motion, is pending; and (iii) as to which the time for filing any such appeal, request, petition, or similar documents or for the reconsideration or review by the FCC on its own motion under the Communications Laws has expired.

*“Governmental Authority”* means any federal, state or local or any foreign government, legislature, governmental, regulatory or administrative authority, agency or commission or any court, tribunal, or judicial or arbitral body.

*“Law”* means any United States (federal, state, local) or foreign statute, law, ordinance, regulation, rule, code, order, judgment, injunction or decree.

*“Liens”* shall have the meaning set forth in **Section 1.2**.

*“Property Asset”* shall have the meaning set forth in **Section 1.2(b)**.

*“Purchase Price”* shall have the meaning set forth in **Section 1.4**.

*“STA”* means special temporary authorization.

"Tax" or "Taxes" means all federal, state, local or foreign income, excise, gross receipts, ad valorem, sales, use, employment, franchise, profits, gains, property, transfer, use, payroll, intangible or other taxes, fees, stamp taxes, duties, charges, levies or assessments of any kind whatsoever (whether payable directly or by withholding), together with any interest and any penalties, additions to tax or additional amounts imposed by any Tax authority with respect thereto.

"Trinity" shall have the meaning set forth in the Preamble to this Agreement.

"Upset Date" shall have the meaning set forth in **Section 7.1(d)**.

**Section 11.2. Terms Generally.** The term "or" is disjunctive; the term "and" is conjunctive. The term "shall" is mandatory; the term "may" is permissive. Masculine terms apply to females; feminine terms apply to males. The term "include," "includes" or "including" is by way of example and not limitation.

**IN WITNESS WHEREOF**, the parties have caused this Agreement to be duly executed as of the date first written above.

**COPELAND CHANNEL 21, LLC**

WITNESS:

By: Cynthia L Cassell

By: Robert O Copeland  
Robert O. Copeland  
Manager

**TRINITY CHRISTIAN CENTER OF SANTA ANA, INC.**

WITNESS:

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

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

"Tax" or "Taxes" means all federal, state, local or foreign income, excise, gross receipts, ad valorem, sales, use, employment, franchise, profits, gains, property, transfer, use, payroll, intangible or other taxes, fees, stamp taxes, duties, charges, levies or assessments of any kind whatsoever (whether payable directly or by withholding), together with any interest and any penalties, additions to tax or additional amounts imposed by any Tax authority with respect thereto.

"Trinity" shall have the meaning set forth in the Preamble to this Agreement.

"Upset Date" shall have the meaning set forth in **Section 7.1(d)**.

**Section 11.2. Terms Generally.** The term "or" is disjunctive; the term "and" is conjunctive. The term "shall" is mandatory; the term "may" is permissive. Masculine terms apply to females; feminine terms apply to males. The term "include," "includes" or "including" is by way of example and not limitation.

**IN WITNESS WHEREOF**, the parties have caused this Agreement to be duly executed as of the date first written above.

**COPELAND CHANNEL 21, LLC**

WITNESS:

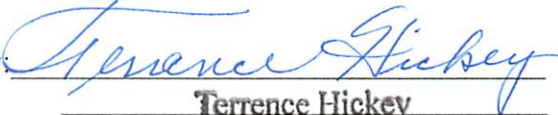
By: \_\_\_\_\_

By: \_\_\_\_\_  
Robert O. Copeland  
Manager

**TRINITY CHRISTIAN CENTER OF SANTA ANA, INC.**

WITNESS:

By: 

By:   
Terrence Hickey  
Assistant Secretary

**SCHEDULE 1.2(a)**

**FCC LICENSES OF STATION**

**SCHEDULE 1.2(b)**

**PROPERTY ASSETS**