

ASSET PURCHASE AGREEMENT

This Agreement is entered into this ^{19th} of May 2003, by and between Clamor Broadcasting Network, Inc (hereinafter referred to as "Seller") and Family Educational Association, Inc (hereinafter referred to as "Buyer");

WITNESSETH:

WHEREAS, Seller is the licensee of Broadcast Station WKVN-FM, Levittown, Toa Baja, Puerto Rico holding valid authorizations for the operation thereof from the Federal Communication Commission (hereinafter referred to as the "FCC"); and

Whereas, the seller desires to assign to Buyer and Buyer desires to acquire the aforesaid authorizations and assets used and useful in connection with the operation of Station WKVN-FM (hereinafter referred to as the "Station"); and

Whereas, closing under this Agreement is contingent upon the prior approval of the FCC.

Now Therefore, in consideration of the premises and mutual covenants and agreements contained herein, parties hereto, intending to be legally bound, do hereby agree as follows:

1. **Assets Sold and Purchased.** On the Closing Date, as hereinafter defined, the Seller

will sell or cause to be sold, transferred, assigned, and conveyed to the Buyer, by assignments, bill of sale and other appropriate instruments, and Buyer will purchase, subject to the terms and conditions hereinafter set forth, the following assets and properties:

(a) FCC licenses, permits, and authorizations for the operation of the Station and all licenses, permits, and/or authorizations from any other governmental agency, local, state or federal, now or hereafter obtained in connection with the operation of the Station.

(b) All the fixed, tangible, and intangible assets used, useful, usable in the operation of the Station, including the physical assets (inventory) listed at Exhibit 1 attached hereto (which includes the station's transmitter, tower and transmitter building, at the transmitter site), together with replacements thereof, or additions thereto, made in the ordinary course of business, between the date hereof and the Closing Date, free and clear of all liens, claims, security instruments and encumbrances of any kind whatever.

(c) Assignment of the real estate lease where the station's tower and transmitter and transmitter building are located, the description of which is set forth at exhibit 2 attached hereto, free and clear of all liens, claims, security instruments and encumbrances of any kind whatever.

(d) The contracts and agreements set forth in exhibit 3, attached hereto, which are to be in effect on the Closing Date except as to those which will have expired by their own terms or which may have been unilaterally canceled by a party other than Seller, provided that legal rights, if any, accrued to Seller by virtue of any such unilateral cancellation, by party other than Seller, shall be assigned by Seller to Buyer.

(e) Such right, title and interest in and to the use of the call letters WKVN-FM

(f) Any and all franchises, materials, supplies, easements, rights of way, leases and other rights and privileges relating to operation and/or use of the Station, in effect as of the date hereof and any of the foregoing which may be acquired with respect to the operation of the station between the date hereof and Closing date hereunder.

(g) This agreement is limited to the assets herein described or described in the attached Exhibits.

2. Purchase Price.

(a) The purchase price of the properties and assets purchased hereunder shall be the total sum of Eight Hundred Thousand Dollars (\$800,000.00) of which an initial Down Payment of One Hundred Thirty Five Thousand Dollars (\$135,000.00) (hereinafter "Down Payment") has already been paid to Buyer on May 7th 2003. The balance is to be paid by Buyer by Cashier's check or wire transfer, payable on the Closing Date.

3. Time and Place of closing

(a) Closing Date. The date of the closing for the sale by Seller to Buyer of the assets, licenses and authorizations of the Station being conveyed hereunder shall be thirty days after the consent of the FCC to the assignment of the license and authorizations of the Station to Buyer has become a final action. The term final action as used herein shall mean the grant of consent by the FCC which is no longer subject to reconsideration or appeal by the FCC or any Court.

(b) The place of Closing hereunder shall be at the studios of the Station or such other place mutually agreed to by Seller and Buyer.

4. Covenants, Representations and Warranties of Seller.

The Seller covenants, represents and warrants as follows:

(a) To the best of Seller's knowledge, there are no proceedings or material complaints pending at the FCC as of the date hereof relating to the business and operations of the Station (except a proposed fine in the amount of \$3,000 related to the antenna failure to comply with the registry rules- a reconsideration is pending before the FCC, provided that if at the closing date the reconsideration is still pending Buyer will retain \$3,000 from the purchase price for the payment of the said fine; buyer will reimburse the said sum to Seller in the amount the fine might be reduced or eliminated), and such Station's authorizations or extensions or renewals thereof shall on the Closing Date be in full force and effect and unimpaired by any acts or omissions of Seller.

(b) On the Closing Date, Seller will have good and marketable title to the property listed and described in Exhibit 1 attached hereto, or replacements thereof, made in the normal course of business, free and clear of all liens, mortgages, pledges and encumbrances.

(c) Between the date hereof and the Closing Date, Seller will not sell or agree to sell or otherwise dispose of the fixed and tangible assets listed in Exhibit 1 (or replacement thereof in the ordinary course of business) used or useful in the operation of the Station.

(d) It is expressly understood that Buyer is not assuming any contracts, leases or agreements, other than those set forth at Exhibits 3 of this Agreement.

(e) On the Closing Date, there will be no litigation, action, suit, investigation or proceedings which may give rise to any materially adverse claim against any of the assets to be conveyed or upon Seller's ability to perform in accordance with the terms of this Agreement.

(f) Seller agrees that prior to the Closing Date, if it receives an administrative or other order relating to the Station from the FCC and/or other governmental agency Seller will be responsible to comply with such order or respond to such investigation prior to the Closing Date. As of this date, Seller is not aware of any such orders or pending investigations concerning the Station.

(g) Seller by the Closing Date, will have paid and/or have discharged all taxes, assessments, excises and other debts which, if due and not paid, would interfere with Buyer's enjoyment of the assets, facilities, license or other items conveyed hereunder.

H. D. M. B.
J. R. H.

(h) The execution and delivery of this Agreement by Seller constitutes a valid and binding agreement and is enforceable in accordance with its terms and the performance of this Agreement will not conflict with any other obligation of Seller.

(I) Seller, to the best of its knowledge, knows of no reason why the FCC would not approve the proposed assignment of license of the Station to Buyer.

0) The Station's transmitter and tower, and all guy wires supporting said tower, are located entirely upon the leased real estate described in Exhibit 2.

5. Covenants, Representations and Warranties of Buyer. Buyer covenants, represents and warrants with and to Seller as follows:

(a) Buyer, to the best of its knowledge, knows of no fact that will disqualify it from securing the FCC's consent specified by this Agreement, or from completing the transaction contemplated herein.

(b) Buyer is a Puerto Rico corporation lawfully organized, validly existing and in good standing and will be at Closing.

(c) Buyer is financially qualified to meet its obligations set forth in this Agreement.

(d) The execution and delivery of this Agreement has been duly authorized by Buyer and constitutes the legal and binding obligation of Buyer, enforceable in accordance with its terms, and the performance of this Agreement will not conflict with any other obligation of Buyer.

6. Interim Operations. Between the date hereof and the Closing Date, Seller shall not, without Buyer's previous written consent, sell or agree to sell or otherwise dispose or permit the disposition of any of the assets herein to be assigned, other than in the ordinary course of business.

7. Conditions Precedent to Obligations of Buyer. The performance of the obligations of Buyer hereunder is subject, at the election of Buyer, to each of the following conditions precedent:

(a) Representations and Warranties. Each of Seller's representations warranties contained in this Agreement shall be true in all material respects at and as of the Closing Date.

(b) FCC License. On the Closing Date Seller shall be the holder of the FCC license in good standing, for the operation of the Station.

A.R.M.D.
J.R.D.

(c) Consent of the FCC. The FCC shall have given its consent to the assignment of license contemplated herein in accordance with the terms and conditions of this Agreement, without any condition materially varying this Agreement.

8. Conditions Precedent to Obligations of Seller. The performance of the obligations of Seller hereunder is subject, at the election of Seller, to the following conditions precedent:

(a) Payment by Buyer. The Purchase Price set forth at paragraph 2 this Agreement minus the Down Payment shall have been paid by Buyer on the Closing Date.

(b) Representations and Warranties. Each of Buyer's representations and warranties contained in this Agreement shall be true in all material respects at and as of the Closing Date.

(c) The FCC shall have given its consent to the assignment of license contemplated hereunder, in accordance with the terms and conditions of this Agreement, without any condition materially varying this Agreement.

9. Application For FCC Consent. Within twenty (20) days from the date hereof, Seller and Buyer shall join in an application (FCC Form 314) to be filed with the FCC requesting its written consent to the assignment of the license of the Station. Seller and Buyer shall diligently take or cooperate in the taking of all steps that are necessary and appropriate to expedite the prosecution and grant of such application.

10. Time for FCC Consent. If within six (6) months from the date of filing of the above-referenced application, the FCC shall have failed or refused to give its written consent to the assignment of license of the Station from Seller to Buyer, and, if neither party is in default under any provisions of this Agreement, then either of the parties hereto may terminate this Agreement upon ten (10) days' written notice to the other, and neither Seller nor Buyer shall have any further rights or obligations under this Agreement except that Seller shall return the Down Payment to the Buyer within ten (10) days of the written notice.

11. Adjustments and Allocations. In connection with the sale of assets herein contemplated, the parties agree that the following items shall be allocated as between the Seller and Buyer as follows:

(a) Liabilities for property taxes, if any, in respect to any of the assets being sold and purchased hereunder shall be prorated as between Seller and Buyer on a basis of the -

or prepaid items existing on the Closing Date, such as commissions, federal, state, local, other taxes, service charges and insurance shall be prorated and allocated between the Seller and Buyer on the basis of the period of time to which such liabilities or prepaid items apply.

12. Documents to be Delivered by Seller. On Closing Date, Seller shall deliver or cause to be delivered to Buyer:

(a) Bill of Sale and Assignment A bill of sale and assignment conveying to Buyer all right, title and interest of Seller in and to the tangible assets, listed at Exhibit 1 attached hereto.

(b) A duly executed assignment (and consents, if necessary) conveying to Buyer all rights, title and interests as well as all obligations in and to the contracts and agreements listed in Exhibit 3 attached hereto.

(c) Assignment of Radio Licenses. An assignment conveying to Buyer all right, -- title and interest of Seller in and to the Station radio license and all other authorizations then in effect.

(d) Such other documents as may be reasonably necessary for the implementation and consummation of this Agreement.

13. Documents to be delivered by Buyer. On the Closing Date, Buyer shall pay the Purchase Price referred to at paragraph 2 of this Agreement.

14. Brokerage. The parties hereby represent and warrant that here has been no broker or other intermediary involved in the negotiation of this Agreement.

15. Risk of Loss. The risk of loss or damage to any of the assets of the Station to be transferred to Buyer hereunder shall be upon Seller at all times prior to and including the Closing Date. In the event of such loss or damage, the proceeds of, or any claim for, any loss payable under any insurance policy with respect thereto shall go to the Seller, and be used to repair, replace, or restore such loss or damaged assets. In the event such loss or damage prevents the broadcast transmission by the Station in the normal and usual manner, and Seller cannot restore the facilities so that normal and usual transmission can be resumed within sixty (60) days, Buyer shall have the option to terminate this Agreement in writing within five (5) days thereafter without any further obligation hereunder. If Seller cannot restore the facilities so that normal and usual transmission can be resumed before the Closing Date, the Closing Date shall be postponed, the exact date and time of such postponed Closing to be designated by Seller upon five (5) days ' notice to Buyer. In the event the facilities cannot be restored within the effective period of the FCC's grant of approval, the parties shall join in a request for the FCC to extend the effective period of its grant for a period not to exceed sixty (60) days. If the

facilities have not been restored by the Closing Date or any postponement granted by the FCC, the Buyer shall have the option to terminate this Agreement without any further obligation hereunder by Seller or Buyer and Seller shall return the Down Payment to the Buyer.

R. Ch. M. B

16. Indemnity of Buyer against Certain Losses by Seller. Seller hereby agrees to indemnify and hold harmless Buyer and its successors and assigns, from and against any losses, damages and expenses which may be sustained, suffered or incurred by Buyer or its successors and assigns, arising out of or by reason of the ownership of the Station to and including the Closing Date. Buyer or its successors and assigns, as the case may be, shall give Seller prompt notice of any claims, demands, suit, proceeding or action to which this indemnity applies. At the cost and expense of Seller and with counsel chosen by Seller, Seller will defend any and all claims against such indemnified persons and will pay any judgments and decrees entered into against them or any of them relating to the operation of the Station and will indemnify and hold each of them harmless therefrom. This indemnification shall remain in effect to the date or dates when the appropriate Statute of Limitations for any such claims, demands, suits, proceedings or actions shall have expired.

17. Indemnity of Seller against Certain Losses by Buyer. Buyer and its assigns hereby agree to indemnify and hold harmless Seller, its successors and assigns, from and against any losses, damages and expenses which may be sustained, suffered or incurred by Seller or its successors and assignees, arising from or by reason of operation of the Station subsequent to the Closing Date. Seller or its successors and assigns, as the case may be, shall give Buyer prompt notice of any claims, demands, suit, proceeding or action to which this indemnity applies. At the cost and expense of Buyer and with counsel chosen by Buyer, Buyer will defend any and all claims against such indemnified persons and will pay any judgments and decrees entered into against them or any of them relating to the operation of the Stations subsequent to the Closing Date and will indemnify and hold each of them harmless therefrom. This indemnification shall remain in effect to the date or dates when the appropriate Statute of Limitations for any such claims, demands, suits, proceedings or actions shall have expired.

18. Remedies of Seller. If the Closing hereunder does not occur because of a breach by Buyer of its covenants, representations, warranties of obligations hereunder, provided Seller has not defaulted in Seller's covenants, representations, warranties and obligations hereunder, Seller may seek monetary damages and/or other remedies at law or in equity to enforce the terms of this Agreement, and, if successful, Seller shall be entitled to reasonable attorney's fees in connection therewith.

19. Remedies of Buyer. Seller recognizes and acknowledges that in the event it shall fail to perform its obligation to go to Closing hereunder, money damages, alone will not be adequate to compensate Buyer. Therefore, provided Buyer has not defaulted in Buyer's covenants, representations, warranties and obligations hereunder, Buyer shall be entitled to the immediate return of the Down Payment and shall be entitled to seek specific performance of

the terms of this Agreement and if Buyer does so, Seller agrees not to enter the defense that Buyer has an adequate remedy at law. Additionally, Buyer may seek monetary damages or other remedies at law or equity to enforce the terms of this Agreement, and, in any event, if successful, Buyer shall be entitled to reasonable attorney's fees in connection therewith.

20. Cure Periods. Neither Seller nor Buyer shall be deemed to have defaulted under this Agreement until twenty (20) days after receipt of a written notice of breach or default. Seller and/or Buyer may, within that twenty (20) period or any written mutually agreed extension thereof cure the claimed breach or default.

21. Benefit. This Agreement shall be binding upon and shall inure to the parties hereto, their successors and assigns.

22. Survival of Representations, Warranties and Indemnifications. The covenants, representations, warranties, agreements, obligations, and undertakings of Seller and Buyer contained in this Agreement shall, unless otherwise specifically provided, be continuing and shall survive the delivery of property and assets to be conveyed.

23. Construction. This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Puerto Rico.

24. Notices. All necessary notices, demands, and requests required or permitted to be given hereunder shall be deemed duly given when mailed by registered mail, return receipt requested, postage prepaid, addressed as follows:

(a) If the Buyer: Family Educational Association, Inc. P.O. Box 7
Moca, Puerto Rico 00676

(b) If the Seller: Clamor Broadcasting Network, Inc. PO Box 3295
Bayamón, Puerto Rico 00958-9000

25. Captions and Headings. The captions and headings herein are inserted only as a matter of convenience and reference and in no way define, limit or describe the scope of this Agreement or the intent of any provisions hereof.

26. No Implied Waiver. No failure or delay on the part of the parties hereto to exercise any right, power or privilege hereunder or under any instrument executed pursuant hereto shall operate as a waiver; nor shall any single or partial exercise of any right, power or privilege preclude any other right, power or privilege.

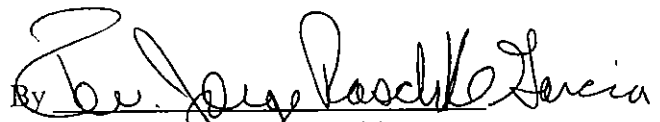
27. Entire Agreement. The Agreement contains all of the terms agreed upon by the parties with respect to the subject matter hereof, and supersede all previous written and oral agreements between the parties.

28. Counterparts. This Agreement may be signed in counterparts with the same effect as if the signature to each counterpart were upon the same instrument.


29. Duty of cooperation. Each party shall cooperate in good faith and shall made its best efforts in obtaining the FCC approval according to law. If a party to this Agreement causes an unreasonable delay for lack of cooperation or diligence in the purchase and FCC approval not for reasons beyond its control, a penalty of 5% shall be deducted from or added to the Purchase Price as the case might be.

IN WITNESS WHEREOF, each of the parties hereto has signed this Agreement on the date and year first above written.

Seller
Clamor Broadcasting Network, Inc.

By 
Jorge Raschke Garcia, President

Buyer
Family Educational Association, Inc.

By 
Áureo A. Matos Barreto, President