

**ASSET PURCHASE AGREEMENT**

This Asset Purchase Agreement (this "Agreement") is made as of this 2nd day of February, 2007, by and among Liberty University, Inc., a Virginia not-for-profit corporation ("Buyer"), Edgewater Broadcasting, Inc., an Idaho not-for-profit corporation ("Edgewater"), and Radio Assist Ministry, Inc., an Idaho not-for-profit corporation ("RAM," and together with Edgewater, "Seller").

**Recitals:**

Buyer operates noncommercial radio broadcast and FM translator stations in the Commonwealth of Virginia and wishes to extend the coverage of those facilities.

Seller holds authorizations issued by the Federal Communications for the FM translator Stations listed in Exhibit 1 (the "Stations").

Seller wishes to sell and Buyer wishes to buy the Stations.

**Agreement**

In consideration for the mutual covenants and agreements set forth below, the parties agree as follows:

1. Sale and Purchase of Stations. Subject to the terms and conditions included in this Agreement, Seller agrees to sell, and Buyer agrees to buy the Stations. The terms of such sale are as follows:

(a) The purchase for the Stations is Two Hundred Sixty Thousand Dollars (\$260,000.00) (the "Purchase Price"). The Purchase Price covers all of the Stations without regard to their usefulness to Buyer and without regard to the expiration dates of the FCC construction permits for the Stations. However, should the FCC not approve the assignment to Buyer of one or more of the Stations, the Purchase Price will be adjusted downward by Fifteen Thousand Dollars (\$15,000.00) for any RAM Station except W235AI, Richmond, Virginia, which is provided for separately below; and by Nine Thousand Four Hundred Forty-Four and 44/100 (\$9,444.44) for any Edgewater Station not included in the FCC's authorizations (FCC Forms 732) for the assignment of the Stations. Should the FCC not approve assignment of Station W235AI, Richmond, Virginia, to Buyer, the Purchase Price shall be reduced by Twenty-Five Thousand Dollars (\$25,000.00).

(b) Deposit. To secure its performance at Closing (defined below), Buyer is depositing with Fletcher, Heald & Hildreth, PLC, Arlington, Virginia ("Escrow Agent") the sum of Fifteen Thousand Dollars (\$15,000.00)(the "Deposit"), which

Deposit will be maintained in Escrow Agent's trust ("IOLTA") account. At Closing Buyer and Seller will provide written instructions to Escrow Agent to distribute the Deposit to Seller as a credit to the Purchase Price. In the event this Agreement is terminated due to the default of Buyer, the parties will jointly request the Escrow Agent to pay the Deposit to Seller. If this Agreement is terminated for any other reason, or expires under its terms, the parties will instruct the Escrow Agent to return the Deposit to Buyer. Escrow Agent shall not dispose or diminish the Deposit except upon receipt of (i) joint written instructions by the parties or (ii) a final order of a court of competent jurisdiction.

(c) FCC Applications. Within five (5) business days after the date of execution of this Agreement, the parties will jointly and simultaneously file two applications with the FCC, the first seeking consent to assignment of the Edgewater Stations to Buyer, and the second seeking consent to assignment RAM Stations to Buyer (the "FCC Applications"). The parties will diligently prosecute the FCC Applications, and they agree to file such amendments as the FCC's staff may reasonably request.

(d) Closing. Closing under this Agreement (the "Closing") will occur within five (5) business days after approval of both of the FCC Applications becomes final as a matter of law under the FCC's rules (the "Closing Date"). Notwithstanding the foregoing, Buyer may, upon notice to Seller, waive finality and select a Closing Date that is no less than five (5) business days after the FCC's approval of both of the FCC Applications.

2. Representations and Warranties. The parties represent to each other that their respective corporations are in good standing under the laws of the state where they were organized, that all corporate action necessary to authorize the entering into and consummation of the transactions provided for in this agreement have been duly taken, and that they are under no legal disability which would prevent them from entering into this Agreement and carrying out the transactions provided for herein. Buyer represents to Seller that it is fully qualified under the FCC's rules to own and operate the Stations and that the FCC authorizations for the Stations are in good standing and unimpaired by any act or omission of Sellers. Seller represents and warrants to Seller that the transmitter site lease for Station W235AI, Richmond, Virginia, is in good standing and assignable to Buyer at Closing free and clear of all rent obligations except for those falling due after the Closing Date, and that all taxes or assessments imposed on such Station, and all debts relative to such Station and its equipment, have been fully paid.

3. Construction Covenants.

(a) Construction will begin immediately on those Stations listed on Exhibit 1 that have construction permit expiration dates in March or April 2007 (Facility ID 154012, South Boston, Virginia; 152725, Roxboro, Virginia; 155036, Suffolk, Virginia). It is agreed that Rob Branch, Broadcast Technical Consultant, Lynchburg, Virginia, will be retained to construct these Stations and any others listed in Exhibit 1 that have construction permits that, prior to Closing, may reach a point where their expiration

dates are less than ninety (90) days away. At Buyer's election, Buyer may choose to pay the costs of construction of some or all of the Stations subject to this paragraph. Seller shall have no obligation to reimburse Buyer for such costs unless this Agreement is terminated (except due to a Buyer default), or if it expires, prior to Closing. In the event of termination of this Agreement due to a Seller default, all expenses incurred by Buyer in constructing the Stations shall be promptly reimbursed by Seller. The parties will cooperate with respect to construction of Stations covered under this paragraph; however, such construction will be undertaken under the direction and control of Seller.

(b) At Buyer's expense, Seller will file applications with the FCC for modification of the construction permits for those Stations which need to be relocated, as determined by Buyer. Seller will charge its standard fees for preparation and filing of such applications. Buyer will pay Seller's reasonable fees and costs within 30 days of invoice.

#### 4. Closing Requirements.

(a) On the Closing Date, Seller will provide to Buyer an executed bill of sale and assignment for the Stations in a form reasonably acceptable to Buyer's counsel. With respect to Station W235AI, Richmond, Virginia, Seller will provide in addition (i) a bill of sale conveying unencumbered title to the equipment in use at that Station, all of which is listed in Exhibit 2; (ii) an assignment of the transmitter site lease applicable to that Station; (iii) a consent to assignment of such lease executed by the landlord named therein; and (iv) instructions to the Escrow Agent to release the Deposit to Seller.

(b) On the Closing Date Buyer will (i) join in Seller's instructions to the Escrow Agent to release the Deposit to Seller, and (ii) transmit to Seller by wire transfer of Federal funds to an account designated by Seller the remainder of the Purchase Price; and (iii) assume in writing all obligations under the Station W235AI site lease that arise after the Closing Date.

(c) Buyer's obligation to close is subject to satisfaction of the following conditions:

(i) Seller will not be in breach of any representation, warranty or covenant under this Agreement;

(ii) The FCC will have approved both of the FCC Applications with no conditions materially adverse to Buyer, and, should Buyer so elect, such approvals shall have become final as a matter of law; and

(iii) Seller shall have delivered to Buyer the documents and materials described in Section 4(a) above.

(d) Seller's obligation to close is subject to the satisfaction of the following conditions:

(i) Buyer will not be in breach of any representation, warranty or covenant under this Agreement;

(ii) The FCC will have approved both of the FCC Applications with no conditions materially adverse to Seller; and

(iii) Seller shall have delivered to Buyer the documents and materials described in Section 4(b) above, and shall have paid the balance of the Purchase Price.

5. Termination. This Agreement may be terminated by either party hereto by written notice if (a) the other party is in default of this Agreement and such default remains uncured within thirty (30) days after the defaulting party receives written notice of such default from the terminating party, or (b) the Closing has not occurred within twelve (12) months after the date of this Agreement.

6. Notices. Any communication made or required under this Agreement shall be effective on the next business day after being sent by overnight courier to the addresses stated below:

If to Seller:

Edgewater Broadcasting, Inc.  
Radio Assist Ministry, Inc.  
160 Gooding Street, West  
Twin Falls, Idaho 83301  
Attention: Clark Parrish, President

If to Buyer:

Liberty University, Inc.  
1971 University Boulevard  
Lynchburg, Virginia 24502  
Attention: Jerry L. Falwell, Jr.

7. Governing Law. 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.

8. Assignment. This Agreement shall not be assigned by either party hereto without the prior written consent of the other party, which shall not be unreasonably withheld, provide that Buyer may freely assign its rights and obligations hereunder to any entity controlling, controlled by, or commonly controlled with Buyer.

9. Amendments. 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.

10. Counterparts. This Agreement may be signed in counterparts, which executed counterparts shall be considered one and the same instrument.

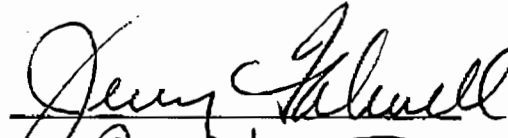
11. Entire Agreement. This Agreement embodies the entire agreement and understanding of the parties hereto and supersedes any and all prior agreements, arrangements and understandings relating to the matters provided for herein.

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**Signature Page to Asset Purchase Agreement**

WHEREFORE, the parties whose names appear below have caused this Agreement to be executed by them as of the date first above written.

**LIBERTY UNIVERSITY, INC.**

By:   
Its: President  
[Official Title]

**EDGEWATER BROADCASTING, INC.**

By: \_\_\_\_\_  
Clark Parrish, President

**RADIO ASSIST MINISTRY, INC.**

By: \_\_\_\_\_  
Clark Parrish, President

**Signature Page to Asset Purchase Agreement**

WHEREFORE, the parties whose names appear below have caused this Agreement to be executed by them as of the date first above written.

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

Its: \_\_\_\_\_  
[Official Title]

**EDGEWATER BROADCASTING, INC.**

By: \_\_\_\_\_  
Clark Parrish, President

**RADIO ASSIST MINISTRY, INC.**

By: \_\_\_\_\_  
Clark Parrish, President

**Exhibit No. 1**

**List of Stations**



<u>facility_id</u>	<u>Applicant Name</u>	<u>State</u>	<u>City</u>	<u>Channel</u>	<u>Expires</u>
154012	Edgewater Broadcasting Inc.	VA	SOUTH BOSTON	279	3/18/2007
152725	Edgewater Broadcasting Inc.	NC	ROXBORO	281	4/7/2007
155036	Radio Assist Ministry Inc.	VA	SUFFOLK	249	4/7/2007
152721	Edgewater Broadcasting Inc.	NC	RALEIGH	236	5/19/2007
155019	Edgewater Broadcasting Inc.	VA	AQUIA HARBOR	264	5/24/2007
147997	Radio Assist Ministry Inc.	VA	GAINESVILLE	240	5/24/2007
155042	Radio Assist Ministry Inc.	VA	VIRGINIA BEACH	249	6/7/2007
147994	Radio Assist Ministry Inc.	VA	CREWE	246	6/22/2007
155032	Radio Assist Ministry Inc.	VA	NEWPORT NEWS	249	6/23/2007
152278	Edgewater Broadcasting Inc.	MD	WALDORF	284	6/24/2007
150112	Edgewater Broadcasting Inc.	VA	WEST POINT	298	7/2/2007
155045	Radio Assist Ministry Inc.	VA	WAVERLY	249	7/8/2007
149686	Radio Assist Ministry Inc.	VA	WAVERLY	277	7/8/2007
148527	Radio Assist Ministry Inc.	VA	VIRGINIA BEACH	269	7/15/2007
155789	Radio Assist Ministry Inc.	VA	HAMPTON	293	7/19/2007
149921	Edgewater Broadcasting Inc.	VA	VIRGINIA BEACH	257	8/19/2007
150108	Edgewater Broadcasting Inc.	VA	SOUTH HILL	298	8/20/2007
155027	Edgewater Broadcasting Inc.	VA	ASHLAND	274	9/7/2007
148748	Radio Assist Ministry Inc.	VA	WARRENTON	271	10/1/2007
150414	Radio Assist Ministry Inc.	VA	RICHMOND	235	Built

**Exhibit 2**

**Station W235AI, Richmond, Virginia**  
**Equipment List**

## **Exhibit 2**

### **Richmond Virginia 94.9 FM Facility ID 150414 Equipment List**

- 2- IS-50nx-c1 Poly Phaser Coaxial Surge Suppresor**
- 1- L4A-PNNMN-3 Andrew 3" Jumper**
- 1- 150B Armstrong Exciter**
- 1- 631 Innovonics FM Relay Receiver**
- 1- PLDO-120US15A Poly Phaser Line Surge Suppresor**
- 1- YA7-FML\URM Kathrein Yagi Receive Antenna**
- 1- SWR FM/1 Circularly Polarized FM Antenna**