

## **ASSET EXCHANGE AGREEMENT**

**THIS ASSET EXCHANGE AGREEMENT** (this “Agreement”) is dated as of September 21, 2023 (the “Effective Date”), by and among **COVENANT COMMUNICATIONS, LLC**, a Pennsylvania limited liability company (“Covenant”), **JFLIV, LLC**, a Delaware limited liability company (“JFLIV” and together with Covenant, “Exchange Party”), and **EDUCATIONAL MEDIA FOUNDATION**, a California non-profit, religious corporation (“EMF”).

### **WITNESSETH:**

**WHEREAS**, JFLIV is the licensee of FM radio station WNLI-FM (formerly WBHV-FM), State College, Pennsylvania (FCC Facility ID Number 38271) (“WNLI”) pursuant to authorizations (the “WNLI FCC Authorizations”) issued by the Federal Communications Commission (the “FCC”);

**WHEREAS**, Covenant owns certain assets used in the operation of WNLI and JFLIV is the holder of the licenses, permits and other authorizations issued by the FCC with respect to WNLI;

**WHEREAS**, EMF is the licensee of FM translator station W296CD, Jonestown Pennsylvania (FCC Facility ID Number 157218) (“W296CD”) pursuant to authorizations (the “W296CD FCC Authorizations”) issued by the FCC; and

**WHEREAS**, on the terms and conditions described herein and subject to the approval of the FCC, EMF and Exchange Party desire to exchange certain assets, and FCC licenses associated with W296CD and cash for certain assets and FCC licenses associated with WNLI;

**NOW, THEREFORE**, in consideration of the foregoing and of the mutual promises herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. **Assets and Liabilities.**

(a) **WNLI Assets.**

(i) On the Closing Date (defined below), Exchange Party shall assign and transfer to EMF, and EMF shall assume and receive from Exchange Party, those certain assets, properties, interests and rights of Exchange Party that are held by Exchange Party and used in connection with WNLI, but excluding the WNLI Excluded Assets (defined below) (collectively, the “WNLI Assets”), which are identified below:

(A) all equipment, machinery, furniture, and other tangible personal property, together with any and all improvements and additions thereto and replacements thereof between the date hereof and the Closing Date, used in the operations of the transmitter site of WNLI (wherever located) (collectively, the “WNLI Equipment”), as identified on Schedule 1(a)(i)(A) hereto;

(B) all of the licenses, permits and other authorizations issued by the FCC (including, but not limited to, the WNLI FCC Authorizations), the Federal Aviation Administration (the “FAA”), if any, and any other federal, state or local governmental authorities, to Exchange Party in connection with the conduct of the business and operations of WNLI, as identified on Schedule 1(a)(i)(B) hereto (collectively, the “WNLI Licenses”);

(C) all of Exchange Party’s logs, books, files, data, software, FCC and other governmental applications, equipment manuals and assignable warranties, and other records relating exclusively to the operation of WNLI, including, without limitation, all electronic data processing files and systems related thereto, FCC filings and all records required by the FCC to be kept exclusively by WNLI.

(ii) The WNLI Assets shall be transferred to EMF free and clear of all debts, security interests, mortgages, trusts, claims, pledges, conditional sales agreements and other liens, liabilities and encumbrances of every kind and nature (collectively, “Liens”), except the following (collectively, “WNLI Permitted Encumbrances”): (A) liens for taxes not due and payable or, that are being contested in good faith by appropriate proceedings, and (B) liens or mortgages, in each case that will be released on or before the Closing or otherwise satisfied by Exchange Party with EMF’s consent.

(iii) EMF is not agreeing to, and shall not, assume any liability, obligation, undertaking, expense or agreement of Exchange Party of any kind, absolute or contingent, known or unknown, and the execution and performance of this Agreement shall not render EMF liable for any such liability, obligation, undertaking, expense or agreement, except for liabilities of Exchange Party for which EMF receives a credit under Section 2(d) of this Agreement (collectively, the “EMF Assumed Liabilities”). All liabilities, except for the EMF Assumed Liabilities, shall be retained by Exchange Party (“Exchange Party Retained Obligations”). Without limiting the generality of the foregoing, it is understood and agreed that EMF is not agreeing to, and shall not, assume (A) any liability or obligation of Exchange Party to Exchange Party’s employees under any existing written or oral agreements with Exchange Party, including any such liability or obligation in respect of wages, salaries, bonuses, accrued vacation, sick pay, or any other matter, (B) any liability arising out of any termination by Exchange Party of the employment of any employee of Exchange Party or any liability for any employee benefit plan or arrangement of Exchange Party for employees, (C) Exchange Party’s rights or interest in the ground lease (“WNLI Ground Lease”) for real property upon which the current WNLI tower is situated (“WNLI Tower Site”), or (D) any liability or obligation of Exchange Party arising under any other contracts.

(iv) The following assets and obligations relating to the business of WNLI shall be retained by Exchange Party and shall not be sold, assigned, transferred to, or assumed by EMF (the “WNLI Excluded Assets”):

(A) any and all cash, cash equivalents, cash deposits to secure contract obligations, all inter-company receivables from any affiliate of Exchange Party and all other accounts receivable, bank deposits and securities held by Exchange Party in respect of WNLI at the Closing Date;

(B) any and all claims of Exchange Party with respect to transactions prior to the Closing;

(C) all prepaid expenses;

(D) all contracts of insurance and claims against insurers;

(E) all employee benefit plans and the assets thereof and all employment contracts;

(F) all contracts that are terminated in accordance with the terms and provisions of this Agreement or have expired prior to Closing in the ordinary course of business, and all loans and loan agreements;

(G) all tangible personal property disposed of or consumed between the date hereof and Closing in the ordinary course of business;

(H) Exchange Party's corporate records;

(I) all commitments, contracts, leases and agreements except to the extent that they are specifically assumed in this Agreement; and

(J) the WNL Ground Lease.

(b) **W296CD Assets.**

(i) On the Closing Date (defined below), EMF shall assign and transfer to Exchange Party, and Exchange Party shall assume and receive from EMF, those certain assets, properties, interests and rights of EMF which are held by EMF and used in connection with W296CD, but excluding the W296CD Excluded Assets (defined below) (collectively, the "W296CD Assets"), which are identified below:

(A) to Covenant, the equipment, machinery, furniture, and other tangible personal property, used in the operation of the transmitter site of W296CD which is identified on Schedule 1(b)(i)(A) hereto (collectively, the "W296CD Equipment") together with any and all improvements and additions thereto and replacements thereof between the date hereof and the Closing Date;

(B) to JFLIV, all of the licenses, permits and other authorizations issued by the FCC (including, but not limited to, the W296CD FCC Authorizations), the FAA, if any, and any other federal, state or local governmental authorities to EMF in connection with the conduct of the business and operations of W296CD, as identified on Schedule 1(b)(i)(B) hereto (collectively, the "W296CD Licenses");

(C) to Covenant, all of EMF's right, title and interest in and to the real property lease or license described on Schedule 1(b)(i)(C) (the "W296CD Site Lease") used in the operation of the W296CD transmitter site (the "W296CD Real Property"); and

(D) to Covenant, all of EMF's logs, books, files, data, software, FCC and other governmental applications, equipment manuals and assignable warranties, and other records relating to the operation of W296CD, including without limitation, all electronic data processing files and systems related thereto, FCC filings, and all records required by the FCC to be kept by W296CD.

(ii) The W296CD Assets shall be transferred to Exchange Party free and clear of all Liens, except the following (collectively, "W296CD Permitted Encumbrances"): (A) liens for taxes not due and payable or that are being contested in good faith by appropriate proceedings; (B) with respect to the W296CD Site Lease, such other easements, rights of way, zoning, building and use restrictions and other exceptions of record that do not in any material respect detract from the value of the property subject thereto or impair the use thereof in the ordinary course of the business of W296CD or the use of the W296CD Assets, in each circumstance as currently utilized by EMF and (C) liens or mortgages, in each case that will be released on or before the Closing or otherwise satisfied by EMF with Exchange Party's consent.

(iii) Exchange Party is not agreeing to, and shall not, assume any liability, obligation, undertaking, expense or agreement of EMF of any kind, absolute or contingent, known or unknown, specifically including, without limitation, any liability, obligation or agreement to retain any EMF's employee, or with respect to termination thereof, or any employee benefit or expense, and the execution and performance of this Agreement shall not render Exchange Party liable for any such liability, obligation, undertaking, expense or agreement, except for the obligations of EMF arising after Closing under the W296CD Site Lease, or any other liabilities of EMF for which Exchange Party receives a credit under Section 2(d) of this Agreement (collectively, the "Exchange Party Assumed Liabilities"). All liabilities, except for the Exchange Party Assumed Liabilities, shall be retained by EMF ("EMF Retained Obligations"). Without limiting the generality of the foregoing, it is understood and agreed that Exchange Party is not agreeing to, and shall not, assume (A) any liability or obligation of EMF to EMF's employees under any existing written or oral agreements with EMF, including any such liability or obligation in respect of wages, salaries, bonuses, accrued vacation, sick pay, or any other matter, (B) any liability arising out of any termination by EMF of the employment of any employee of EMF or any liability for any employee benefit plan or arrangement of EMF for employees, (C) any liability or obligation of EMF arising under the W296CD Site Lease at or prior to Closing, or (D) any liability or obligation of EMF arising under any other contracts (other than the W296CD Site Lease).

(iv) The following assets and obligations relating to the business of W296CD shall be retained by EMF and shall not be sold, assigned, or transferred to, or assumed by Exchange Party (the "W296CD Excluded Assets"):

(A) any and all cash, cash equivalents, cash deposits to secure contract obligations, donations, and all other accounts receivable, bank deposits, and securities held by EMF in respect of W296CD at the Closing Date;

(B) any and all claims of EMF with respect to transactions prior to the Closing;

- (C) all prepaid expenses;
- (D) all contracts of insurance and claims against insurers;
- (E) all employee benefit plans and the assets thereof and all employment contracts;
- (F) all contracts that are terminated in accordance with the terms and provisions of this Agreement or have expired prior to Closing in the ordinary course of business, and all loans and loan agreements;
- (G) all tangible personal property disposed of or consumed between the date hereof and Closing in the ordinary course of business;
- (H) EMF's corporate records;
- (I) all commitments, contracts, leases and agreements except to the extent that they are specifically assumed in this Agreement; and
- (J) any items not specifically included in Section 1(b)(i).

2. **Consideration; Deposit; Prorations; New WNLI Tower Space Lease.**

(a) Upon satisfaction of all condition's precedent set forth herein, at Closing, EMF and Exchange Party shall exchange the W296CD Assets and the WNLI Assets, respectively and EMF and SEVEN MOUNTAINS MEDIA FAMILY, LLC ("Seven Mountains") shall enter into a tower space lease (the "New WNLI Tower Space Lease"), a copy of which is attached hereto as **Exhibit 2**.

(b) In addition, and as additional consideration for this Agreement, EMF agrees to pay Exchange Party a cash payment at Closing in the amount of Two Hundred Thousand Dollars (\$200,000) ("Cash Payment") by wire transfer. Other than the exchange of assets, the New WNLI Tower Space Lease and the Cash Payment, no additional consideration, will be due to or from either Party on the Closing Date, except to the extent of net prorations or reimbursement or payments required under subsection 2(d) below.

(c) At a date not later than two (2) business days after the Effective Date, EMF shall deliver to Robert F. Wright, Jr. (the "Deposit Agent") the sum of Ten Thousand Dollars and 0/100 (\$10,000.00) to be held as a Deposit (the "Deposit") in a non-interest bearing account, pursuant to the escrow terms set forth in **Exhibit 1**. The Deposit shall be paid to Exchange Party as partial payment of the Cash Payment due to Exchange Party at Closing, or shall otherwise be paid to Exchange Party or returned to EMF in accordance with the provisions of this Agreement.

(d) The parties shall prorate all expenses arising out of the operation of the WNLI Assets and W296CD Assets which are incurred, accrued or payable, as of 11:59 p.m. local time of the day preceding the Closing. The items to be prorated shall include, but not be limited to, FCC regulatory fees (if any), utilities charges, real property and personal property taxes (based upon the most recent tax bills and/or assessments), security deposits, rent under the W296CD Site

Lease and any other prepaid amounts. The prorations shall be determined and accounted for on the closing statement as of the Closing Date, with any reconciliation to such prorations to be made between the parties within sixty (60) days after the Closing Date.

3. **FCC Consent; FCC Applications; Non-Commercial Application.**

(a) At a date not later than five (5) business days after the Effective Date, EMF and JFLIV shall execute, file and vigorously prosecute applications with the FCC (each an “Assignment Application,” collectively, the “Assignment Applications”) requesting its consent (the “FCC Consent”) to the assignment (i) from JFLIV to EMF of the WNLI FCC Authorizations and (ii) from EMF to JFLIV of the W296CD FCC Authorizations. EMF and Exchange Party shall take all reasonable steps to cooperate with each other and with the FCC to secure each such FCC Consent, without delay, and to promptly consummate this Agreement in full.

(b) In connection with the filing of the Assignment Application with respect to WNLI, JFLIV agrees to cooperate with EMF to modify the WNLI FCC Authorizations to specify operation of WNLI as a non-commercial facility (“Non-Commercial Application”), with such modification to be effective on or after the Closing Date, so long as the Non-Commercial Application is filed on a basis that is contingent and effective only upon a prior Closing and does not adversely affect the operations of WNLI. The grant of the Non-Commercial Application shall not be a condition of Closing hereunder. The Non-Commercial Application shall be made and prosecution thereof shall be conducted solely at EMF’s expense. JFLIV will provide a written statement to EMF authorizing the filing of the Non-Commercial Application as required by FCC rules.

4. **Closing Date; Closing Place.** The closing of the transactions contemplated by this Agreement (the “Closing”) shall take place remotely by facsimile and email, or in such other manner and at such other place as Exchange Party and EMF may agree in writing. Such Closing date shall be fixed by mutual agreement of the parties, but may be no sooner than ten (10) days following the latest date on which the FCC Consent for WNLI and the FCC Consent for W296CD shall have become a Final Order (defined below) and the other conditions to closing set forth in Section 9 of this Agreement have either been waived or satisfied (the “Closing Date”). For purposes of this Agreement, “Final Order” means an FCC Consent (a) that is no longer subject to review, set aside, or rehearing by the FCC or any court, and (b) that has received no timely requests for stay, petition for rehearing or appeal.

5. **Representations and Warranties of Exchange Party.** Exchange Party hereby makes the following representations and warranties to EMF which shall be true as of the date hereof and on the Closing Date:

(a) Covenant is a limited liability company, duly formed, validly existing and in good standing under the laws of the Commonwealth of Pennsylvania, and JFLIV is a limited liability company, duly formed, validly existing and in good standing under the laws of the State of Delaware. Each of Covenant and JFLIV has the power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by Exchange Party and no other proceedings on the part of Exchange Party



are necessary to authorize this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Exchange Party and constitutes the legal, valid and binding obligation of Exchange Party, enforceable in accordance with its terms;

(b) The execution, delivery, and performance of this Agreement by Exchange Party will not (i) constitute a violation of or conflict with Exchange Party's organizational documents or applicable law, (ii) result in a default (or give rise to any right of termination, cancellation or acceleration) under or conflict with any of the terms, conditions or provisions of any note, bond, mortgage, indenture, agreement, lease or other instrument or obligation relating to the business of WNLI and to which Exchange Party or any of the WNLI Assets may be subject, except for such defaults (or rights of termination, cancellation, or acceleration) as to which requisite waivers or consents have been obtained and delivered to EMF, (iii) violate any law, statute, rule, regulation, order, writ, injunction, or decree of any federal, state or local governmental authority or agency and which is applicable to Exchange Party or any of the WNLI Assets, (iv) result in the creation or imposition of any Lien of any nature whatsoever on any of the WNLI Assets, or (v) require the consent or approval of any governmental authority or other third party, other than the FCC Consent and any consents required to enter into the New WNLI Tower Space Lease.

(c) Schedule 1(a)(i)(A) hereto contains a complete and accurate list of the WNLI Equipment that is necessary to conduct the operation of WNLI in the manner in which it is currently operated and will be acquired by EMF (other than those assets which are WNLI Excluded Assets). Exchange Party owns and has, and will have on the Closing Date, good and marketable title to the WNLI Equipment. Each material item of WNLI Equipment (i) is in good condition and repair, ordinary wear and tear excepted, (ii) has been maintained in a manner consistent with generally accepted standards of good engineering practice, and (iii) is capable of operating in substantial compliance with all WNLI Licenses, including, but not limited to, the WNLI FCC Authorizations and rules and regulations of all relevant federal and state governments, agencies, or departments, including, but not limited to, the FCC and FAA. None of the WNLI Equipment is subject to any capitalized lease or similar conditional sales agreement.

(d) Schedule 1(a)(i)(B) contains a true and complete list of the WNLI FCC Authorizations and all other WNLI Licenses that are required for the lawful conduct of the business and operations of WNLI in the manner and to the full extent it is presently operated. JFLIV lawfully holds each of the WNLI FCC Authorizations and other WNLI Licenses listed on Schedule 1(a)(i)(B). Exchange Party has operated WNLI in all material respects in accordance with the WNLI FCC Authorizations, the Communications Act of 1934, as amended, and all applicable rules, regulations and policies of the FCC (collectively, the "Communications Laws"). WNLI is, and on the Closing Date will be, transmitting at no less than ninety percent (90%) of its authorized power. To the best of Exchange Party's knowledge, when in operation WNLI does not transmit or receive any objectionable interference to or from any other station, and is not short-spaced to any other station. There is not now pending or, to the best of Exchange Party's knowledge, threatened any action by or before the FCC to revoke, cancel, rescind, modify, or refuse to renew any of the WNLI FCC Authorizations, and Exchange Party has not received any notice of and has no knowledge of any pending, issued, or outstanding order by or before the FCC, or of any investigation, order to show cause, notice of violation, notice of apparent liability, notice of

forfeiture, or material complaint against either WNLI or Exchange Party with respect to WNLI. Except as set forth in Schedule 1(a)(i)(B), all material reports and filings required to be filed with the FCC by Exchange Party with respect to the operation of WNLI have been timely filed, and all such reports and filings are accurate;

(e) Once executed, the New WNLI Tower Space Lease will provide sufficient access to the real property for the WNLI Tower Site without the need to obtain any other access rights. To Exchange Party's knowledge, no part of the real property subject to the WNLI Ground Lease is subject to any pending or threatened suit for condemnation or other taking by any public authority. The WNLI Ground Lease is in full force and effect, and is binding upon Exchange Party and, to Exchange Party's knowledge, the other party thereto (subject to bankruptcy, insolvency, reorganization or other similar laws relating to or affecting the enforcement of creditors' rights generally). Exchange Party has performed its obligations under the WNLI Ground Lease in all material respects and is not in material default thereunder, and to Exchange Party's knowledge, the other party to the WNLI Ground Lease is not in default thereunder in any material respect. Exchange Party has delivered to EMF a copy of the WNLI Ground Lease, together with all amendments thereto. Upon execution of the New WNLI Tower Space Lease, EMF will have full legal and practical access to the WNLI Tower Site and all utilities necessary for EMF's continued use of the WNLI Tower Site as a radio tower facility are installed and are in good working order, and are subject to valid easements, where necessary. To Exchange Party's knowledge, the buildings, towers, guys and other fixtures situated on the WNLI Tower Site and required for the operation of WNLI are free of structural defects and, suitable for their intended uses, and are in good state of maintenance and repair, ordinary wear and tear excepted and comply in all material respects with applicable zoning, health and safety laws and codes. No certificates of occupancy are required for Exchange Party's use of the WNLI Tower Site as currently conducted and to Exchange Party's knowledge there are no other consents and approvals required to be obtained for use of the WNLI Tower Site as a tower site from any governmental authority, association or board with jurisdiction.

(f) To Exchange Party's knowledge, no hazardous or toxic substance or waste (including, without limitation, petroleum products) or other material regulated under any applicable environmental, health or safety law has been generated, stored, transported or released on, in, from or to the real property subject to the WNLI Ground Lease. Exchange Party is in compliance in all material respects with all environmental, health and safety laws applicable to WNLI or the WNLI Assets. Exchange Party has not received any written notice or claim to the effect that Exchange Party is or may be liable under any environmental, health or safety law with respect to the WNLI Assets. To Exchange Party's knowledge, neither WNLI nor any WNLI Asset is the subject of any investigation by any governmental authority with respect to a violation of any environmental, health or safety law.

(g) JFLIV is legally, financially and otherwise qualified to be the licensee of, acquire, own and operate W296CD under the Communications Laws. There are no facts about Exchange Party that would, under existing law and the existing rules, regulations, policies and procedures of the FCC, (a) disqualify Exchange Party as an assignee of the W296CD Licenses or as the owner and operator of W296CD or (b) cause the FCC to fail to grant the Assignment Applications in a timely manner. No waiver of or exemption from any FCC rule or policy is



necessary to be obtained by Exchange Party in order for the FCC Consent for W296CD to be granted.

(h) There is no broker or finder or other person who would have any valid claim against EMF for a commission or brokerage in connection with this Agreement or the transactions contemplated hereby as a result of any agreement, understanding or action by Exchange Party;

(i) Exchange Party is not subject to any order, writ, injunction, judgment, arbitration decision or decree having binding effect and affecting the business of WNLI or the WNLI Assets or which restrains or enjoins the transactions contemplated hereby, and no such proceeding is pending. There is no material litigation pending by or against Exchange Party, or to the best of Exchange Party's knowledge, threatened against Exchange Party. To the best of Exchange Party's knowledge, Exchange Party has complied in all material respects with all applicable laws, regulations, orders or decrees in connection with the operation of WNLI. The present uses by Exchange Party of the WNLI Assets do not violate any such laws, regulations, orders or decrees in any material respect, and Exchange Party has no knowledge of any basis for any claim for compensation or damage or other relief from any violation of the foregoing;

(j) There is now, and through the Closing there shall be, in full force and effect with reputable insurance companies fire and property insurance with respect to all WNLI Equipment in commercially reasonable amounts sufficient to repair or replace the applicable WNLI Equipment;

(k) Exchange Party has duly, timely, and in the required manner filed all federal, state, and local income, franchise, sales, use, property, excise, payroll and other tax returns and forms required to be filed, and has paid in full or discharged all taxes, assessments, excises, interest, penalties, deficiencies and losses required to be paid prior to the Closing Date. No event has occurred which imposes on EMF any liability for any taxes, penalties or interest due or to become due from Exchange Party from any taxing authority. Notwithstanding anything contained herein to the contrary, this Section shall survive the expiration or earlier termination of this Agreement, until the expiration of any applicable statute of limitations relating to any claim against either EMF or Exchange Party that could result from Exchange Party's breach of this Section;

(l) EMF shall have no obligation to offer employment to any employee of Exchange Party, and shall have no liability with respect to any such employee or for benefits of any kind or nature. Notwithstanding anything contained herein to the contrary, this Section shall survive the expiration or earlier termination of this Agreement, until the expiration of any applicable statute of limitations relating to any claim that could result from Exchange Party's breach of this Section;

(m) On or before the Closing Date, Exchange Party shall furnish to EMF revised Schedules to this Agreement as may be necessary to render such Schedules accurate and complete as of the Closing Date. Exchange Party shall give detailed written notice to EMF promptly upon the occurrence of or becoming aware of the impending or threatened occurrence of, any event which would cause or constitute a breach or would have caused a breach had such event occurred or been known to Exchange Party prior to the date hereof, of any of Exchange Party's representations or warranties contained in this Agreement or in any Schedule. Exchange Party

shall promptly disclose to EMF any significant problems or developments with respect to the WNLI Assets; and

(n) No representation or warranty made by Exchange Party in this Agreement, and no statement made in any certificate, document, exhibit or schedule furnished or to be furnished in connection with the transactions herein contemplated, contains or will contain any untrue statement of a material fact or omits or will omit to state any material fact necessary to make such representation or warranty or any such statement not misleading to EMF.

6. **Representations and Warranties of EMF.** EMF hereby makes the following representations and warranties to Exchange Party which shall be true as of the date hereof and on the Closing Date:

(a) EMF is a non-profit, religious corporation duly incorporated, validly existing and in good standing under the laws of the State of California and is qualified to business in the Commonwealth of Pennsylvania. EMF has the power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by EMF and no other proceedings on the part of EMF are necessary to authorize this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by EMF and constitutes the legal, valid and binding obligation of EMF, enforceable in accordance with its terms;

(b) The execution, delivery, and performance of this Agreement by EMF will not (i) constitute a violation of or conflict with EMF's organizational documents or applicable law, (ii) result in a default (or give rise to any right of termination, cancellation or acceleration) under or conflict with any of the terms, conditions or provisions of any note, bond, mortgage, indenture, agreement, lease or other instrument or obligation relating to the business of W296CD and to which EMF or any of the W296CD Assets may be subject, except for such defaults (or rights of termination, cancellation or acceleration) as to which requisite waivers or consents have been obtained and delivered to Exchange Party, (iii) violate any law, statute, rule, regulation, order, writ, injunction or decree of any federal, state or local governmental authority or agency and which is applicable to EMF or any of the W296CD Assets, (iv) result in the creation or imposition of any Lien of any nature whatsoever on any of the W296CD Assets, or (v) require the consent or approval of any governmental authority or other third party, other than the FCC Consent and any consents required to assign the W296CD Site Lease;

(c) Schedule 1(b)(i)(A) hereto contains a complete and accurate list of the W296CD Equipment that is necessary to conduct the operation of W296CD in the manner in which it is currently operated (other than those assets which are W296CD Excluded Assets) and will be acquired by Exchange Party. EMF owns and has, and will have on the Closing Date, good and marketable title to the W296CD Equipment. Each item of W296CD Equipment (i) is in good condition and repair, ordinary wear and tear excepted, (ii) has been maintained in a manner consistent with generally accepted standards of good engineering practice, and (iii) is capable of operating in substantial compliance with all W296CD Licenses, including, but not limited to, the W296CD FCC Authorizations and rules and regulations of all relevant federal and state

governments, agencies, or departments, including, but not limited to, the FCC and FAA. None of the W296CD Equipment is subject to any capitalized lease or similar conditional sales agreement.

(d) Schedule 1(b)(i)(B) contains a true and complete list of the W296CD FCC Authorizations and all other W296CD Licenses that are required for the lawful conduct of the business and operations of W296CD in the manner and to the full extent it is presently operated. EMF lawfully holds each of the W296CD FCC Authorizations and W296CD Licenses listed on Schedule 1(b)(i)(B). EMF has operated W296CD in all material respects in accordance with the W296CD FCC Authorizations, and all applicable Communications Laws. W296CD is, and on the Closing Date will be, transmitting at no less than ninety percent (90%) of its authorized power. To the best of EMF's knowledge, when in operation W296CD does not transmit or receive any objectionable interference to or from any other station, and is not short-spaced to any other station. There is not now pending or, to the best of EMF's knowledge, threatened any action by or before the FCC to revoke, cancel, rescind, modify or refuse to renew any of the W296CD FCC Authorizations, and EMF has not received any notice of and has no knowledge of any pending, issued or outstanding order by or before the FCC, or of any investigation, order to show cause, notice of violation, notice of apparent liability, notice of forfeiture, or material complaint against W296CD or EMF with respect to W296CD. Except as set forth in Schedule 1(b)(i)(B), all material reports and filings required to be filed with the FCC by EMF with respect to the operation of W296CD have been timely filed, and all such reports and filings are accurate.

(e) W296CD Real Property. The W296CD Site Lease provides sufficient access to the W296CD Real Property without the need to obtain any other access rights. To EMF's knowledge, no part of the real property subject to the W296CD Site Lease is subject to any pending or threatened suit for condemnation or other taking by any public authority. The W296CD Site Lease is in full force and effect, and is binding upon EMF and, to EMF's knowledge, the other party thereto (subject to bankruptcy, insolvency, reorganization or other similar laws relating to or affecting the enforcement of creditors' rights generally). EMF has performed its obligations under the W296CD Site Lease in all material respects and is not in material default thereunder, and to EMF's knowledge, the other party to the W296CD Site Lease is not in default thereunder in any material respect. EMF has delivered to Exchange Party a copy of the W296CD Site Lease, together with all amendments thereto. Exchange Party will have full legal and practical access to the WNLI Tower Site and all utilities necessary for Exchange Party's continued use of the WNLI Tower Site as a radio tower facility are installed and are in good working order, and are subject to valid easements, where necessary. To EMF's knowledge, the buildings, towers, guys and other fixtures situated on the W296CD Real Property are free of structural defects and, suitable for their intended uses, and are in good state of maintenance and repair, ordinary wear and tear excepted and comply in all material respects with applicable zoning, health and safety laws and codes. No certificates of occupancy are required for EMF's use of the W296CD Real Property as currently conducted and to Exchange Party's knowledge there are no other consents and approvals required to be obtained for use of the W296CD Real Property as a tower site from any governmental authority, association or board with jurisdiction.

(f) To EMF's knowledge, no hazardous or toxic substance or waste (including, without limitation, petroleum products) or other material regulated under any applicable environmental, health or safety law has been generated, stored, transported or released on, in, from or to the real property subject to the WNLI Ground Lease. EMF is in compliance in all material

respects with all environmental, health and safety laws applicable to W296CD or the W296CD Assets. EMF has not received any written notice or claim to the effect that Exchange Party is or may be liable under any environmental, health or safety law with respect the W296CD Assets. To EMF's knowledge, neither W296CD nor any W296CD Asset is the subject of any investigation by any governmental authority with respect to a violation of any environmental, health or safety law.

(g) EMF is legally, financially and otherwise qualified to be the licensee of, acquire, own and operate WNLI under the Communications Laws. There are no facts about EMF that would, under existing law and the existing rules, regulations, policies and procedures of the FCC, (a) disqualify EMF as an assignee of the WNLI Licenses or as the owner and operator of WNLI or (b) cause the FCC to fail to grant the Assignment Applications in a timely manner. No waiver of or exemption from any FCC rule or policy is necessary to be obtained by EMF in order for the FCC Consent for WNLI to be granted.

(h) There is no broker or finder or other person who would have any valid claim against Exchange Party for a commission or brokerage in connection with this Agreement or the transactions contemplated hereby as a result of any agreement, understanding or action by EMF;

(i) EMF is not subject to any order, writ, injunction, judgment, arbitration decision or decree having binding effect and affecting the business of W296CD or the W296CD Assets or which restrains or enjoins the transactions contemplated hereby, and no such proceeding is pending. There is no material litigation pending by or against, or to the best of EMF's knowledge of EMF, threatened against EMF. To the best of EMF's knowledge, with respect to W296CD, EMF has complied in all material respects with all applicable laws, regulations, orders or decrees. The present uses by EMF of the W296CD Assets do not violate any such laws, regulations, orders or decrees in any material respect, and EMF has no knowledge of any basis for any claim for compensation or damage or other relief from any violation of the foregoing;

(j) There is now, and through the Closing there shall be, in full force and effect with reputable insurance companies fire and property insurance with respect to all W296CD Equipment in commercially reasonable amounts sufficient to repair or replace the applicable W296CD Equipment;

(k) EMF has duly, timely, and in the required manner filed all federal, state, and local income, franchise, sales, use, property, excise, payroll and other tax returns and forms required to be filed, and has paid in full or discharged all taxes, assessments, excises, interest, penalties, deficiencies and losses required to be paid prior to the Closing Date. No event has occurred which imposes on Exchange Party any liability for any taxes, penalties or interest due or to become due from EMF from any taxing authority. Notwithstanding anything contained herein to the contrary, this Section shall survive the expiration or earlier termination of this Agreement, until the expiration of any applicable statute of limitations relating to any claim against either Exchange Party or EMF that could result from EMF's breach of this Section;

(l) Exchange Party shall have no obligation to offer employment to any employee of EMF, and shall have no liability with respect to any such employee or for benefits of any kind or nature. Notwithstanding anything contained herein to the contrary, this Section shall

survive the expiration or earlier termination of this Agreement, until the expiration of any applicable statute of limitations relating to any claim that could result from EMF's breach of this Section;

(m) On or before the Closing Date, EMF shall furnish to Exchange Party revised Schedules to this Agreement as may be necessary to render such Schedules accurate and complete as of the Closing Date. EMF shall give detailed written notice to Exchange Party promptly upon the occurrence of or becoming aware of the impending or threatened occurrence of, any event which would cause or constitute a breach or would have caused a breach had such event occurred or been known to EMF prior to the date hereof, of any of EMF's representations or warranties contained in this Agreement or in any Schedule. EMF shall promptly disclose to Exchange Party any significant problems or developments with respect to the W296CD Assets; and

(n) No representation or warranty made by EMF in this Agreement, and no statement made in any certificate, document, exhibit or schedule furnished or to be furnished in connection with the transactions herein contemplated, contains or will contain any untrue statement of a material fact or omits or will omit to state any material fact necessary to make such representation or warranty or any such statement not misleading to Exchange Party.

7. **Exchange Party Covenants.** Except as otherwise provided in this Agreement, Exchange Party covenants with EMF that, between the date hereof and the Closing Date, it shall act in accordance with the following:

(a) Exchange Party shall maintain the WNLI Equipment in accordance with standards of good engineering practice and replace any of such property, which shall be worn out, lost, stolen or destroyed with like property of substantially equivalent kind and value;

(b) Exchange Party, with respect to WNLI, shall remain in material compliance with all applicable laws, rules, and regulations. Exchange Party shall deliver to EMF, promptly after filing, copies of any reports, applications or responses to the FCC or any communications from the FCC or any other party directed to the FCC related to WNLI which are filed between the Effective Date and the Closing Date. Exchange Party shall not file any application to modify WNLI's facilities except such modifications as are required by the public interest as determined in the sole discretion of Exchange Party, exercised in good faith after consultation with EMF, and Exchange Party shall take all actions necessary to keep the WNLI Licenses valid and in full force and effect;

(c) Exchange Party shall maintain insurance on all of the WNLI Equipment in such amounts as necessary to repair or rebuild the applicable WNLI Equipment;

(d) Exchange Party shall not, without the prior written consent of EMF, sell, lease, transfer or agree to sell, lease or transfer any of the WNLI Assets;

(e) Exchange Party shall afford, and shall cause its respective officers, directors, employees and agents to afford, to EMF, its prospective financing sources and its and their respective officers, employees, advisors and agents reasonable access during regular business hours to Exchange Party's officers, employees, independent contractors, agents, properties, records and contracts relating to the WNLI Assets, and shall furnish EMF all operating and other



data and information with respect to the WNLI Assets as EMF, through its respective officers, employees, advisors or agents, may reasonably request;

(f) Exchange Party shall be in material compliance with all federal, state and local laws, rules and regulations; and

(g) Exchange Party shall use commercially reasonable efforts to take all action and to do all things necessary, proper or advisable to satisfy any condition to the parties' obligations hereunder in its power to satisfy and to consummate and make effective as soon as practicable the transactions contemplated by this Agreement.

8. **EMF Covenants.** Except as otherwise provided in this Agreement, EMF covenants with Exchange Party that, between the date hereof and the Closing Date, EMF shall act in accordance with the following:

(a) EMF shall maintain the W296CD Equipment in accordance with standards of good engineering practice and replace any of such property, which shall be worn out, lost, stolen or destroyed with like property of substantially equivalent kind and value;

(b) EMF shall maintain W296CD in accordance with the terms of the W296CD Licenses and in material compliance with all applicable laws, rules, and regulations. EMF shall deliver to Exchange Party, promptly after filing, copies of any reports, applications or responses to the FCC or any communications from the FCC or any other party directed to the FCC related to W296CD which are filed between the Effective Date and the Closing Date. EMF shall not file any application to modify the W296CD facilities except such modifications as are required by the public interest as determined in the sole discretion of EMF, exercised in good faith after consultation with Exchange Party, and EMF shall take all actions necessary to keep the W296CD Licenses valid and in full force and effect;

(c) EMF shall maintain insurance on all of the W296CD Equipment in such amounts as necessary to repair or rebuild the applicable W296CD Equipment;

(d) EMF shall not, without the prior written consent of Exchange Party, sell, lease, transfer or agree to sell, lease or transfer any of the W296CD Assets;

(e) EMF shall afford, and shall cause its respective officers, directors, employees and agents to afford, to Exchange Party, its prospective financing sources and its and their respective officers, employees, advisors and agents reasonable access during regular business hours to EMF's officers, employees, independent contractors, agents, properties, records and contracts relating to the W296CD Assets, and shall furnish Exchange Party all operating and other data and information with respect to the W296CD Assets as Exchange Party, through its respective officers, employees, advisors or agents, may reasonably request;

(f) EMF shall be in material compliance with all federal, state and local laws, rules and regulations;

(g) EMF shall not amend, terminate or fail to renew the W296CD Site Lease;

(h) If requested by Exchange Party, EMF shall request an estoppel certificate from the lessor of the W296CD Site Lease in a form reasonably acceptable to Exchange Party; provided, however, receipt of such estoppel certificate shall not be a condition to Closing; and

(i) EMF shall use commercially reasonable efforts to take all action and to do all things necessary, proper or advisable to satisfy any condition to the parties' obligations hereunder in its power to satisfy and to consummate and make effective as soon as practicable the transactions contemplated by this Agreement.

9. **Conditions Precedent to Obligation to Close.**

(a) The performance of the obligations of EMF hereunder is subject to the satisfaction of each of the following express conditions precedent:

(i) Exchange Party shall have performed and complied in all material respects with all of the agreements, obligations and covenants required by this Agreement to be performed or complied with by Exchange Party prior to or as of the Closing Date;

(ii) The representations and warranties of Exchange Party set forth in this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same effect as if made on and as of the Closing Date;

(iii) The FCC Consent for WNLI shall have become a Final Order;

(iv) The FCC Consent for W296CD shall have become a Final Order;

(v) No suit, action, claim or governmental proceeding shall be pending, and no order, decree or judgment of any court, agency or other governmental authority shall have been rendered, against any party hereto which: (A) would render it unlawful, as of the Closing Date, to effect the transactions contemplated by this Agreement in accordance with its terms; (B) questions the validity or legality of any transaction contemplated hereby; or (C) seeks to enjoin any transaction contemplated hereby;

(vi) There shall not be any Liens on the WNLI Assets, other than any WNLI Permitted Encumbrances;

(vii) Seven Mountains shall have entered into an amendment of the WNLI Ground Lease extending the lease term (taking into account renewal options) for at least ten (10) additional years from its current expiration date on financial terms reasonably acceptable to EMF;

(viii) The lessor of the WNLI Ground Lease shall have consented to EMF and Seven Mountains entering into the New WNLI Tower Space Lease if such consent is required by the terms of the WNLI Ground Lease, and

(ix) Exchange Party shall have delivered to EMF, on the Closing Date, the documents required to be delivered pursuant to Section 10(a).

(b) The performance of the obligations of Exchange Party hereunder is subject to the satisfaction of each of the following express conditions precedent:

(i) EMF shall have performed and complied in all material respects with all the agreements, obligations and covenants required by this Agreement to be performed or complied with by EMF prior to or as of the Closing Date;

(ii) The representations and warranties of EMF set forth in this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same effect as if made on and as of the Closing Date;

(iii) The FCC Consent for W296CD shall have become a Final Order;

(iv) The FCC Consent for WNLI shall have become a Final Order;

(v) No suit, action, claim or governmental proceeding shall be pending, and no order, decree or judgment of any court, agency or other governmental authority shall have been rendered, against any party hereto which: (A) would render it unlawful, as of the Closing Date, to affect the transactions contemplated by this Agreement in accordance with its terms; (B) questions the validity or legality of any transaction contemplated hereby; or (C) seeks to enjoin any transaction contemplated hereby;

(vi) There shall not be any Liens on the W296CD Assets, other than W296CD Permitted Encumbrances; and

(vii) The lessor of the W296CD Site Lease shall have granted its consent to the assignment of the W296CD Site Lease from EMF to Covenant; and

(viii) EMF shall have delivered to Exchange Party, on the Closing Date, the documents required to be delivered pursuant to Section 10(b).

#### 10. **Closing Deliveries.**

(a) At the Closing, Exchange Party will execute and deliver to EMF the following, each of which shall be in form and substance satisfactory to EMF and its counsel:

(i) A Bill of Sale to transfer WNLI Equipment, duly executed by Exchange Party;

(ii) An Assignment and Assumption of the WNLI Licenses, duly executed by JFLIV;

(iii) An Assignment and Assumption of the W296CD Licenses, duly executed by JFLIV;

(iv) The New WNLI Tower Space Lease, duly executed by Seven Mountains;

(v) An Assignment and Assumption of the W296CD Site Lease as amended, duly executed by Covenant;

(vi) a closing statement, signed by Exchange Party;

(vii) written instructions from Exchange Party to the Deposit Agent requesting payment of the Deposit to Exchange Party;

(viii) A certificate, dated the Closing Date, executed by an officer of each Exchange Party, certifying the fulfillment of the conditions set forth in Sections 9(a)(i) and 9(a)(ii) hereof; and

(ix) Such other documents, instruments and agreements necessary to consummate the transactions contemplated by this Agreement or as EMF shall reasonably request, each in form and substance satisfactory to EMF and its counsel.

(b) Prior to or at the Closing, EMF will execute and deliver to Exchange Party the following, each of which shall be in form and substance satisfactory to Exchange Party and its counsel:

(i) A Bill of Sale to transfer the W296CD Equipment to Covenant, duly executed by EMF;

(ii) An Assignment and Assumption of the W296CD FCC Authorizations to JFLIV, duly executed by EMF;

(iii) An Assignment and Assumption of the WNLI FCC Authorizations, duly executed by EMF;

(iv) The New WNLI Tower Space Lease, duly executed by EMF;

(v) An Assignment and Assumption of the W296CD Site Lease, duly executed by EMF;

(vi) If required by the terms thereof, lessor consent to assignment of W296CD Site Lease as amended, to Exchange Party, duly executed by the lessor thereunder;

(vii) the Cash Payment;

(viii) a closing statement; duly executed by EMF;

(ix) written instructions from EMF to the Deposit Agent requesting payment of the Deposit to Exchange Party;

(x) A certificate, dated the Closing Date, executed by an officer of EMF, certifying the fulfillment of the conditions set forth in Sections 9(b)(i) and 9(b)(ii) hereof; and

(xi) Such other documents, instruments and agreements necessary to consummate the transactions contemplated by this Agreement or as Exchange Party shall reasonably request, each in form and substance satisfactory to Exchange Party and its counsel.

**11. Indemnification; Survival.**

(a) Exchange Party shall indemnify, defend and hold harmless EMF with respect to any and all demands, claims, actions, suits, proceedings, assessments, judgments, costs, losses, damages, liabilities and expenses (including, without limitation, interest, penalties, court costs and reasonable attorneys' fees) ("Damages") asserted against, resulting from, imposed upon or incurred by EMF directly or indirectly relating to or arising out of: (i) either the breach by Exchange Party of any of its representations or warranties or the failure by Exchange Party to perform any of its covenants, conditions or agreements set forth in this Agreement; (ii) any and all claims, liabilities and obligations of any nature, absolute or contingent, relating to the ownership and operation of WNLI prior to the Closing or W296CD subsequent to Closing; or (iii) the Exchange Party Retained Obligations.

(b) EMF shall indemnify, defend and hold harmless Exchange Party with respect to any and all Damages asserted against, resulting from, imposed upon or incurred by Exchange Party directly or indirectly relating to or arising out of: (i) either the breach by EMF of any of its representations or warranties or the failure by EMF to perform any of its covenants, conditions or agreements set forth in this Agreement; (ii) any and all claims, liabilities and obligations of any nature, absolute or contingent, relating to the ownership and operation of W296CD prior to the Closing or WNLI subsequent to Closing or (iii) the EMF Retained Obligations.

(c) If either party hereto (the "Indemnitee") receives notice or otherwise obtains knowledge of any matter with respect to which another party hereto (the "Indemnifying Party") may be obligated to indemnify the Indemnitee under this Section 11(c), then the Indemnitee shall promptly deliver to the Indemnifying Party written notice describing such matter in reasonable detail and specifying the estimated amount of the Damages or liability that may be incurred by the Indemnitee in connection therewith. The Indemnifying Party shall have the right, at its option, to assume the complete defense of such matter at its own expense and with its own counsel, provided such counsel is reasonably satisfactory to the Indemnitee. If the Indemnifying Party elects to assume the defense of such matter, then (i) notwithstanding anything to the contrary contained herein, the Indemnifying Party shall not be required to pay or otherwise indemnify the Indemnitee against any such matter following the Indemnifying Party's election to assume the defense of such matter, (ii) the Indemnitee shall fully cooperate as reasonably requested by the Indemnifying Party in the defense or settlement of such matter, (iii) the Indemnifying Party shall keep the Indemnitee informed of all material developments and events relating to such matter, and (iv) the Indemnitee shall have the right to participate, at its own expense, in the defense of such matter. In no event shall the Indemnifying Party be liable for any settlement or admission of liability with respect to such matter without its prior written consent.

(d) Except for any representations impacting a party's ability transfer valid title to assets (free and clear of any Liens) which shall survive until the applicable statute of limitations, the representations and warranties in this Agreement shall survive Closing for a period of twelve



(12) months from the Closing Date whereupon they shall expire and be of no further force or effect, except (i) as otherwise expressly stated herein and (ii) that if within such applicable period, the indemnified party gives the indemnifying party written notice of a claim for breach thereof, describing in reasonable detail the nature and basis of such claim, then such claim shall survive until the earlier of resolution of such claim or expiration of the applicable statute of limitations. The covenants and agreements in this Agreement shall survive Closing until performed.

## 12. **Termination.**

(a) This Agreement may be terminated by either EMF or Exchange Party, if the party seeking to terminate is not in default or breach of any of its material obligations under this Agreement, upon written notice to the other upon the occurrence of any of the following: (i) if, on or prior to the Closing Date, the other party breaches any of its material obligations contained herein, and such breach is not cured by the earlier of the Closing Date or thirty (30) days after receipt of the notice of breach from the non-breaching party, provided however that such opportunity to cure shall not apply to the failure of a party to perform its obligations set forth in Section 4 or Section 9 of this Agreement, hereof; (ii) if either Assignment Application is denied by Final Order; (iii) if there shall be in effect any judgment, final decree or order that would prevent or make unlawful the Closing of this Agreement; or (iv) if the Closing has not occurred within twelve (12) months after the Effective Date.

(b) If after the cure period provided in Section 12(a) above, EMF terminates this Agreement due to an uncured breach by Exchange Party of any of its material obligations under this Agreement, EMF shall be entitled to liquidated damages in the amount of Ten Thousand Dollars (\$10,000.00) unless EMF elects, in its sole discretion, to consummate the transaction contemplated hereby via specific performance.

(c) If after the cure period provided in Section 12(a) above, Exchange Party terminates this Agreement due to an uncured breach by EMF of any of its material obligations under this Agreement, Exchange Party's shall be entitled to the Deposit as liquidated damages unless Exchange Party elects, in its sole discretion, to consummate the transaction contemplated hereby via specific performance.

(d) THE DELIVERY OF THE LIQUIDATED DAMAGES DESCRIBED ABOVE SHALL BE CONSIDERED LIQUIDATED DAMAGES AND NOT A PENALTY AND SHALL BE THE RECIPIENT'S SOLE REMEDY AT LAW OR IN EQUITY FOR A BREACH HEREUNDER IF CLOSING DOES NOT OCCUR. EMF AND EXCHANGE PARTY EACH ACKNOWLEDGE AND AGREE THAT THE LIQUIDATED DAMAGE AMOUNTS SET FORTH HEREIN ARE REASONABLE IN LIGHT OF THE ANTICIPATED HARM THAT WILL BE CAUSED BY A BREACH OF THIS AGREEMENT, THE DIFFICULTY OF PROOF OF LOSS, THE INCONVENIENCE AND NON-FEASIBILITY OF OTHERWISE OBTAINING AN ADEQUATE REMEDY, AND THE VALUE OF THE TRANSACTION TO BE CONSUMMATED HEREUNDER.

(e) Upon a termination of this Agreement for any reason other than as a result of a breach by either party of any of its material obligations under this Agreement, the parties shall

cause the Deposit Agent to return the Deposit to EMF and thereafter neither party shall have any further obligation to the other under this Agreement.

13. **Specific Performance.** The parties acknowledge that the WNLI Assets and the W296CD Assets each are unique sets of assets not readily available on the open market and that in the event that either EMF, with respect to W296CD, or Exchange Party, with respect to WNLI, fails to perform its obligation to consummate the transaction contemplated hereby, irreparable harm may occur to the other party as to which money damages alone will not be adequate to compensate such party for its injury. The parties therefore agree and acknowledge that in the event of a failure by either EMF or Exchange Party to perform its obligation to convey their respective assets in connection with the consummation of the transactions contemplated hereby, the opposing party shall be entitled to specific performance of the terms of this Agreement.

14. **Confidentiality.**

(a) Neither party (the “Receiving Party”) shall disclose the Confidential Information of the other (the “Disclosing Party”) to any third party. The Receiving Party shall also limit access to the Confidential Information of the Disclosing Party within its own organization only to those employees who need to know such Confidential Information in order to implement this Agreement and who are expressly obligated to maintain such Confidential Information in confidence and in accordance with the restrictions set forth herein. These obligations shall not apply to any Confidential Information received by the Receiving Party which the Receiving Party can reasonably demonstrate (i) was in the public domain at the time of receipt by the Receiving Party; (ii) entered the public domain after receipt by the Receiving Party, but through no fault of the Receiving Party; (iii) was known by the Receiving Party prior to its receipt; (iv) is lawfully disclosed to the Receiving Party by a third party that was not under an obligation of confidence to the Disclosing Party; or (v) which the Receiving Party is compelled to disclose by law or legal process, provided the Disclosing Party is given prompt written notice of any such requirement and an opportunity to contest such disclosure. This confidentiality provision shall survive the expiration or earlier termination of this Agreement, until all Confidential Information disclosed hereunder becomes publicly known or made generally available through no action or inaction of the Receiving Party.

(b) “Confidential Information” means the confidential information of the Disclosing Party, which has not been released to the public by the Disclosing Party, including, but not limited to, this Agreement, technical information, designs, procedures, processes, configurations, formulas, discoveries, inventions, improvements, concepts, ideas, techniques, know-how, pricing and sales information, or any other non-public information, whether disclosed through written, oral or visual means.

(c) In the event that either party determines in good faith that a press release or other public announcement is desirable under any circumstances, the parties shall consult with each other to determine the appropriate timing, form and content of such release or announcement. Notwithstanding anything contained herein to the contrary, prior to either party distributing any press release or announcement regarding this Agreement or any of the transactions contemplated hereby, such party shall obtain the other party’s written consent to distribute such press release or announcement.

15. **Notices.** All notices, elections and other communications permitted or required under this Agreement shall be in writing and shall be deemed effectively given or delivered upon personal delivery (or refusal thereof), or twenty-four (24) hours after delivery to a courier service which guarantees overnight delivery, or five (5) days after deposit with the U.S. Post Office, by registered or certified mail, postage prepaid, and, in the case of courier or mail delivery, addressed as follows (or at such other address for a party as shall be specified by like notice):

**If to Exchange Party, to:**

Covenant Communications, LLC  
JFLIV, LLC  
36 E. Shore Drive  
Jefferson Township, PA 18436  
Attn: James F. Loftus, IV  
Email: [jloftus@7mountainsmedia.com](mailto:jloftus@7mountainsmedia.com)

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

Robert F. Wright, Jr., Esq.  
2604 Commons Blvd.  
Augusta, GA 30909  
Email: [rwrightatty@hotmail.com](mailto:rwrightatty@hotmail.com)

**If to EMF, to:**

Educational Media Foundation  
2000 Mallory Lane, Suite 130-388  
Franklin, TN 37067-8231  
Attn: Todd Woods  
Email: [TWoods@kloveair1.com](mailto:TWoods@kloveair1.com)

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

Paige K. Fronabarger, Esq.  
Wilkinson Barker Knauer, LLP  
1800 M Street, N.W.  
Suite 800N  
Washington, D.C. 20036

16. **Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania, without giving effect to the State's choice or conflicts of law provisions.

17. **Partial Invalidity.** Wherever possible, each provision hereof shall be interpreted in such manner as to be effective and valid under applicable law, but in case any provision contained herein shall, for any reason, be held to be invalid or unenforceable, such provision shall be ineffective to the extent of such invalidity or unenforceability without invalidating the

remainder of such provision or any other provisions hereof, unless such a construction would be unreasonable.

18. **Counterparts.** This Agreement may be executed in several counterparts, each of which will be deemed to be an original but all of which together will constitute one and the same instrument. This Agreement may be executed via original or digital signature and such signature page may be exchanged by facsimile or other electronic mechanism (including electronic signatures and signature transmitted by electronic means), with the same legal effect as if the signatures had appeared in original handwriting on the same physical document. At the request of any party hereto or to any such agreement or instrument, each other party hereto or thereto shall re-execute original forms thereof and deliver them to all other parties. No party hereto or to any such agreement or instrument shall raise the use of an electronic signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of a facsimile machine or electronic mail as a defense to the formation of a contract and each such party forever waives any such defense.

19. **Expenses.** Except as otherwise set forth in this Section, each party hereto shall be solely responsible for all costs and expenses incurred by it in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement. The FCC filing fees relating to the Assignment Applications and all real estate transfer taxes, if any, shall be shared equally between EMF and Exchange Party. Any other federal, state, local and other transfer and sales taxes applicable to, imposed upon or arising out of the transfer of the WNLI Assets or W296CD Assets as contemplated hereby shall be paid by the party responsible for such amounts under applicable law.

20. **Risk of Loss.**

(a) The risk of any loss, taking, condemnation, damage or destruction of or to (each, an “Event of Loss”) any of the WNLI Equipment on or prior to the Closing Date shall be upon Exchange Party. Exchange Party shall use all commercially reasonable efforts to repair or replace any damaged or lost WNLI Equipment, provided, however, that in the event that the assets with a value of greater than Ten Thousand Dollars (\$10,000.00) are damaged or lost on the date otherwise scheduled for Closing, EMF may, at its option, either (i) postpone Closing for a period of up to sixty (60) days while such assets are repaired or replaced, or (ii) elect to close with the assets in their current condition, in which all proceeds from insurance on such lost or damaged assets shall be assigned to EMF, and EMF shall have the responsibility to repair or replace the assets. Exchange Party shall have no responsibility to repair or replace damaged or destroyed assets not covered by insurance if the cost of such repair exceeds Ten Thousand Dollars (\$10,000.00), provided, however, in that event, EMF may terminate this Agreement without penalty upon written notice to Exchange Party.

(b) The risk of any Event of Loss to any of the W296CD Equipment on or prior to the Closing Date shall be upon EMF. EMF shall use all commercially reasonable efforts to repair or replace any damaged or lost W296CD Equipment, provided, however, that in the event that the assets with a value of greater than Ten Thousand Dollars (\$10,000.00) are damaged or lost on the date otherwise scheduled for Closing, Exchange Party may, at its option, either (i) postpone Closing for a period of up to sixty (60) days while such assets are repaired or replaced, or (ii) elect

to close with the assets in their current condition, in which all proceeds from insurance on such lost or damaged assets shall be assigned to Exchange Party, and Exchange Party shall have the responsibility to repair or replace the W296CD Equipment. EMF shall have no responsibility to repair or replace damaged or destroyed assets not covered by insurance if the cost of such repair exceeds Ten Thousand Dollars (\$10,000.00), provided, however, in that event, Exchange Party may terminate this Agreement without penalty upon written notice to EMF.

21. **No Strict Construction.** The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise from favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

22. **Assignment.** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. No party may voluntarily or involuntarily assign its interest or delegate its duties under this Agreement without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed.

23. **Entire Agreement.** This Agreement, and the Exhibits and Schedules attached hereto supersede all prior agreements and understandings between the parties with respect to the subject matter hereof and may not be changed or terminated orally, and no attempted change, amendment, or waiver of any of the provisions hereof shall be binding unless in writing and signed by both parties.

24. **Schedules and Exhibits.** Unless otherwise specified herein, each Schedule or Exhibit referred to in this Agreement is attached hereto, and each such Schedule and Exhibit (if any) is hereby incorporated herein by this reference.

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IN WITNESS WHEREOF, the parties hereto have executed this Asset Exchange Agreement as of the Effective Date.

**COVENANT COMMUNICATIONS, LLC**

**EDUCATIONAL MEDIA FOUNDATION**

By: 

Name: James F. Loftus, IV

Title: President & Manager

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

Name: \_\_\_\_\_

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

and

**JFLIV, LLC**

By: 

Name: James F. Loftus, IV

Title: President & Manager

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

Name: \_\_\_\_\_

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

**IN WITNESS WHEREOF**, the parties hereto have executed this Asset Exchange Agreement as of the Effective Date.

**COVENANT COMMUNICATIONS, LLC**

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

Name: James F. Loftus, IV

Title: President & Manager

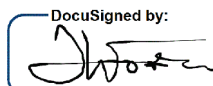
**JFLIV, LLC**

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

Name: James F. Loftus, IV

Title: President & Manager

**EDUCATIONAL MEDIA FOUNDATION**

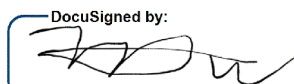
By:  \_\_\_\_\_  
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Todd woods

Name: \_\_\_\_\_

Title: Chief Executive Officer

and

By:  \_\_\_\_\_  
DocuSigned by:  
9281311B34B5494...

Matt Reynolds

Name: \_\_\_\_\_

Title: Chief Financial Officer