

## FM TRANSLATOR PURCHASE AGREEMENT

This FM TRANSLATOR PURCHASE AGREEMENT, dated this 24<sup>th</sup> day of February, 2005, by and between Steve Bumpous d/b/a Big Bend Broadcasting, a sole proprietorship ("Seller"), and IHR Educational Broadcasting, a California non-profit corporation ("Buyer"):

### WITNESSETH:

WHEREAS, Seller is the holder of construction permits from the Federal Communications Commission ("FCC") for FM Translator Stations K255AU, 98.9 MHz, Facility ID #138678, BNPFT-20030821AEQ, Corrales, New Mexico and K283AQ, 104.5 MHz, Facility ID #138653, BNPFT-20030821AEI, Eldorado, New Mexico (K255AU and K283AQ are collectively referred to as the "Translators"); and

WHEREAS, Seller believes that the public interest, convenience and necessity would be well served by an assignment of all of its right, title and interest in the Translators to Buyer; and

WHEREAS, the parties hereto agree and understand that this Agreement is subject to the Communications Act of 1934, as amended, the Rules and Regulations of the Federal Communications Commission, and that the prior consent of the

FCC is an express condition precedent to the obligations of both parties to perform hereunder:

NOW, THEREFORE, the parties agree as follows:

1. Agreement to Assign Translators; Application to FCC.

a. In consideration of the payment to be made by Buyer to Seller stated in paragraph 2 below, and subject to the conditions stated herein, Seller hereby agrees and contracts with Buyer to assign all of his right, title and interest in the Translators to Buyer. Seller agrees to sell, convey and assign, free and clear of all debts, liens, mortgages, claims and hypothecations, the following assets: (i) the FCC construction permits for the Translators, subject to their expirations on May 12, 2007 (K255AU) and July 15, 2007 (K283AQ), respectively, and the call letters K255AU and K283AQ; (ii) any and all legal and engineering studies in Seller's possession pertaining to the Station's technical facilities; and (iii) related goodwill. In the event that Buyer seeks to prosecute an application to the FCC for a modification of technical facilities of the Translators, Seller will grant its consent as required by 47 C.F.R. 73.3517(a), for Buyer to file an application in its own name to make facility changes contingent upon approval and consummation of the assignment. Buyer will be solely

responsible for any minor change filing fee if required by the Commission.

b. Within five (5) business days of the date hereof, the Seller and Buyer will file an application with the FCC on FCC Form 345, requesting the FCC to consent to the assignment of the licenses for the Translators from Seller to Buyer (the "Form 345 Application"). Buyer's counsel will prepare said Form 345, and Seller will fully cooperate with Buyer and its counsel in that regard. Buyer will pay all of any FCC filing fee that may be required (although it is the parties' understanding that no filing fee would be required). The parties will diligently prosecute the FCC Form 345 application, will extend to each other full cooperation in such prosecution, and will do all things reasonably necessary and/or appropriate to obtain a grant thereof.

2. Consideration. The total cash consideration for this transaction is ONE HUNDRED TWENTY FIVE THOUSAND DOLLARS AND NO CENTS (\$125,000.00) in lawful money of the United States. This shall constitute the entire consideration for this transaction. This is payable as follows: (a) Buyer as of the date hereof has remitted by wire transfer SIX THOUSAND TWO HUNDRED FIFTY DOLLARS (\$6,250.00) (the "Escrowed Funds") to Dennis J. Kelly, a member of the District of Columbia Bar (the "Escrow Agent"), as a good

faith earnest money deposit, to be held in his IOLTA account in Riggs Bank, N.A., Washington, DC. On the closing date as defined below, Escrow Agent shall deliver the Escrowed Funds to Seller or his counsel, according to written instructions, and Buyer shall deliver the balance of the purchase price, ONE HUNDRED EIGHTEEN THOUSAND SEVEN HUNDRED FIFTY DOLLARS (\$118,750.00) to Seller by wire transfer, plus or minus any adjustments, credits or set-offs allowed in the Contract. In the event that the transactions contemplated by this Agreement are not consummated through no fault of Buyer, Buyer will be entitled to the immediate return of the Escrowed Funds. The purchase price shall be allocated as follows: \$15,000 for K283AQ; and \$110,000 for K255AU.

3. Closing. For purposes of this Agreement, the Closing Date shall be a weekday not later than the fifth (5th) business day subsequent to the date upon which the FCC's grant of the Form 345 application shall have become final and no longer subject to administrative or judicial action, review, rehearing or appeal (a "Final Order"); provided that closing not take place prior to May 16, 2005. Closing shall take place through the exchange of a closing document executed by Seller entitled "Assignment of Translators" in exchange for the money payment described in the preceding paragraph.

4. Conditions Precedent. The conditions precedent to Buyer's obligation and duty to perform hereunder and to consummate this Agreement are as follows:

a. That the FCC grant the FCC Form 345 application filed by Seller and Buyer and described hereinabove.

b. That the construction permits for K255AU and K283AQ be in full force and effect, through and including their respective expiration dates; and

c. No existing or new FM Broadcast Station shall have received a construction permit to relocate its transmitter site or alter its facilities in such a way as to preclude or materially and adversely affect either K255AU and/or K283AQ's ability to provide service the areas which they are authorized to serve at present.

5. Miscellaneous Mutual Representations. There are no agreements or understandings for other consideration by Buyer to Seller. Further, Seller and Buyer agree and understand that Seller will not have any retained interest of any kind in the Translators, and there are no agreements or understandings of any kind for Seller to retain an interest of any kind in the Translators or to have an option to obtain in the future an interest of any kind in the Translators. Finally, the parties represent to each other that the signatories to this agreement have all actual

authority to bind themselves to this Agreement, and that this is the valid Agreement of the parties enforceable in accordance with its terms.

6. Termination. This Agreement shall be deemed binding upon the parties and may not be unilaterally terminated by either party unless the FCC has not granted its consent to the Assignment Application as of January 1, 2006. In that event, either party to this Agreement, so long as said party is not in material breach hereof, may unilaterally terminate this agreement by giving written notice of its intention to so terminate to the other.

7. No Brokers. The following business chance broker has been involved in this transaction: Steve Atkin (whose commissions, fees and costs will be paid for solely by the Buyer). Other than such person, there are no persons or entities involved in this transaction to which a brokerage commission or finder's fee would be due as the result of this transaction.

8. Public Notices. Seller shall prepare and give the required public notices as are required pursuant to 47 C.F.R. §73.3580.

9. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their heirs, personal representatives, successors and assigns. No party may assign any of its rights,

interests or obligations under this Agreement without the prior written consent of the other party hereto, except that without the consent of Seller, Buyer may assign its rights, interests and obligations under this Agreement to any entity controlled by, controlling or under common control with Buyer, provided that such entity is legally qualified to be an FCC licensee. Such an assignment shall not relieve Buyer from the performance of its obligations hereunder. Notwithstanding the forgoing, no assignment by Buyer shall be permitted after the filing of the Form 345 Application if such an assignment would result in a situation where a new file number will be assigned to that application. Moreover, in no event shall any assignment of Buyer rights, interests and obligations under this Agreement delay the FCC approval or the closing of this transaction.

10. Governing Law; Judicial Forum. This Agreement shall be governed by and construed in accordance with the laws of the State of New Mexico. The judicial forum for all litigation in connection with this Agreement shall be the courts of Santa Fe County, New Mexico.

11. Headings. The headings of the paragraphs of this Agreement are for the convenience of the parties only, and do not in any way modify, interpret or construe the meaning of the provisions hereof.

12. Notices. All notices required or permitted to be given hereunder shall be in writing and copies shall be effective when sent by registered or certified mail, postage and fees prepaid, addressed as follows:

If to Seller:

Mr. Steve Bumpous  
Big Bend Broadcasting  
Post Office Box 1863  
Santa Fe, NM 87504

with a copy to:

Lee J. Peltzman, Esquire  
Shainis & Peltzman, Chartered  
1850 M Street, NW, Suite 240  
Washington, DC 20036

If to Buyer:

Mr. Douglas M. Sherman, President  
IHR Educational Broadcasting  
Post Office Box 180  
Tahoma, CA 96142

with a copy to:

Dennis J. Kelly, Esquire  
Law Office of Dennis J. Kelly  
Post Office Box 41177  
Washington, DC 20018-0577

13. Entire Agreement. The foregoing constitutes the entire and whole agreement of the parties, and may not be modified, amended or changed in any way unless in writing signed by all parties hereto. The failure of any party hereto to enforce at any time any provision of this Agreement shall not be construed to be a waiver of such provision, nor in any way to affect the validity of this

Agreement or any part hereof, or the right of any party thereafter to enforce each and every such provision. No waiver of any breach of this Agreement shall be held to constitute a waiver of any other or subsequent breach.

14. Counterparts. This Agreement may be signed in one or more counterparts, each of which shall be considered an original counterpart, and shall become a binding Agreement when the parties shall have each, executed one counterpart.

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SIGNATURES APPEAR ON FOLLOWING PAGE(S)]

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IN WITNESS WHEREOF, THE PARTIES HERETO HAVE EXECUTED  
THIS AGREEMENT AS OF THE DAY AND YEAR FIRST WRITTEN ABOVE.

BIG BEND BROADCASTING

By Steve Bumpous  
Steve Bumpous  
Sole Proprietor

IHR EDUCATIONAL BROADCASTING

By \_\_\_\_\_  
Douglas M. Sherman  
President

- 10 -

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By \_\_\_\_\_  
**Steve Buspous  
Sole Proprietor**

**IHR EDUCATIONAL BROADCASTING**

By  \_\_\_\_\_  
**Douglas M. Sherman  
President**