

ASSET PURCHASE AGREEMENT

This Agreement is entered into this 9th day of August, 2005, by and between THE SISTER SHERRY LYNN FOUNDATION, INC. (hereafter the "Seller") and FAMILY WORSHIP CENTER CHURCH, INC. (hereafter the "Buyer"), for valuable consideration, the receipt of which is hereby acknowledged, the Parties do hereby agree, stipulate and contract as follows:

WHEREAS, Seller hold construction permits for a noncommercial FM broadcast Permits at Norman, Oklahoma, and a noncommercial FM broadcast Permits at Ada, Oklahoma from the Federal Communications Commission (hereafter "FCC") (hereafter the "Permits"); and

WHEREAS, Seller desires to sell to Buyer, and Buyer desires to acquire from Seller, the FCC Permits; and

WHEREAS, the Parties jointly understand that the proposed sale of the license for the Permits must be approved by the FCC prior to closing.

NOW THEREFORE, the Parties wishing to be legally bound do hereby stipulate and agree to the following.

- I. **ASSETS TO BE SOLD**. Seller agrees to convey to Buyer all of its right, title and interest in the license for the Permits (as shown in Exhibit A hereto), validly in effect under the rules of the FCC. No assets will convey in connection with this transaction other than the Permits, since the Seller has not constructed either station and holds solely the Permits issued by the FCC.
- II. **PURCHASE PRICE AND TERMS**. The Buyer will pay the total sum of FIVE HUNDRED THOUSAND DOLLARS (\$500,000.00). Buyer will place the \$50,000 of the purchase price in escrow with the Buyer's legal counsel, John C. Trent, upon the execution of this Agreement, and the funds will released to Seller on the closing date.
- III. **THE FCC APPLICATIONS**. Within 5 days after the execution of this Agreement, the Parties agree to cooperate with each other in the filing of an FCC assignment application (hereafter the "Assignment Application") seeking consent for the proposed sale of the Permits. The Parties agree to cooperate in supplying the FCC with all information it may require in connection with the FCC assignment application, which shall be filed by the Seller's counsel.

IV. REPRESENTATIONS OF SELLER. The Seller represents and warrants to Buyer that:

- a) Seller is legally qualified to execute this Agreement and there are no legal impediments to the execution of consummation of the transaction contemplated herein;
- b) Seller holds clear, unencumbered title to the Permits to be conveyed hereunder;
- c) The FCC Permits are in full force and effect and may be assigned to Buyer without any adverse conditions; and
- d) Seller knows of no reason that the contemplated transaction cannot be consummated as proposed herein.

V. REPRESENTATIONS AND WARRANTIES OF BUYER. The Buyer hereby represents and warrants;

- a) Buyer is legally qualified to enter into this Agreement and consummate the transaction contemplated herein; and
- b) Buyer knows of no reason that the transaction contemplated herein may not be consummated.

VI. CLOSING. The closing on the sale shall take place five (5) days after the FCC has approved the assignment of the Permits to the Buyer without any conditions adverse to Buyer and that action has become a final order under the rules and regulations of the FCC; provided, however, that the Buyer has the right to close the transaction prior to a final order being in effect, in its sole discretion.

VII. DAMAGES. In the event Buyer shall breach its obligation to purchase the Permits under this Agreement, Seller shall receive damages in the amount of \$50,000.00 held in escrow by the Seller's counsel. In the event the Seller shall breach its obligation to sell the Permits, Buyer shall have the right to seek actual damages, or seek specific performance under the Agreement due to the unique nature of the assets to be acquired.

VIII. ASSUMPTION OF LIABILITIES. The Buyer shall not assume, or be responsible for, any of the liabilities or obligations of the Seller.

IX. EXCLUSIVE DEALINGS. The Seller agrees that for as long as this Agreement is in effect it will not discuss the sale of the Permits with any other person or party.

X. TERMINATION. This Agreement may be terminated by the Seller, in its sole discretion, if the transaction contemplated herein has not been

closed as of four months from the execution date and the funds in escrow will be returned to the Buyer.

XI. DELIVERIES AT THE CLOSING. At the closing, the Seller will deliver the following to the Buyer:

- a) A Bill of Sale for all the Permits; and
- b) Such other instruments as Buyer may reasonably request.

At the closing, the Buyer will deliver to the Seller the following:

- a) A release for the \$50,000.00 payment in escrow and the remainder of the \$450,000 of the purchase price, all to be wired to the Southmayd & Miller Escrow Account upon instructions from the Seller's counsel.

XII. SURVIVAL OF REPRESENTATIONS AND WARRANTIES.

The representations and warranties given herein shall survive the closing for a period of two years.

XIII. NOTICES. Any notices to be given by the Parties to each other shall be in writing and sent by first class U.S. mail to the following:

If to Seller: Sherry L. Austin
President
The Sister Sherry Lynn Foundation, Inc.
1101 North 81 Highway
Marlow, Oklahoma 73055

and Jeffrey D. Southmayd
Southmayd & Miller
1220 19th Street N.W.
Suite 400
Washington, D.C. 20036
888-557-3686 FAX

If to Buyer: Family Worship Center Church, Inc.
Jimmy Swaggart, President and CEO
8919 World Ministry Avenue
Baton Rouge, LA 70821

and John C. Trent, Esquire
Putbrese, Hunsaker & Trent, P.C.
200 South Church Street
Woodstock, VA 22664

XIV. FCC APPLICATIONS. The Seller agrees to file such applications to modify the Permits as the Buyer shall desire to file with the FCC while the subsequent to the execution date hereof and while the assignment applications for the Permits are pending before the FCC. Buyer shall pay all expenses applicable to the filing of such applications by the Seller and shall provide Seller's counsel with all necessary components to such applications. The Closing hereunder shall not, however, be contingent or conditioned upon FCC approval of any such applications.

XV. BROKER. David F. Reeder of American Media Services - Brokerage, LLC is the exclusive broker on this transaction. The Buyer will pay the brokerage commission that is due to Mr. Reeder.

XVI. GOVERNING LAW. The laws of the United States of America and the State of Oklahoma will govern the interpretation of this Agreement.

XVII. COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement.

WHEREFORE, the Parties have caused their signatures to be affixed to this Agreement intending to be legally bound.

**THE SISTER SHERRY LYNN
FOUNDATION, INC.**

**FAMILY WORSHIP CENTER
CHURCH, INC.**

By: _____
SHERRY L. AUSTIN
President

By: 

JIMMY SWAGGART
President

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XV. BROKER. David F. Reeder of American Media Services - Brokerage, LLC is the exclusive broker on this transaction. The Buyer will pay the brokerage commission that is due to Mr. Reeder.

XVI. GOVERNING LAW. The laws of the United States of America and the State of Oklahoma will govern the interpretation of this Agreement.

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THE SISTER SHERRY LYNN
FOUNDATION, INC.

FAMILY WORSHIP CENTER
CHURCH, INC.

By: 
SHERRY L. AUSTIN
President

By: _____
JIMMY SWAGGART
President

EXHIBIT A
PERMITS TO BE ASSIGNED

United States of America
FEDERAL COMMUNICATIONS COMMISSION
FM BROADCAST STATION CONSTRUCTION PERMIT

Authorizing Official:

Official Mailing Address:

SISTER SHERRY LYNN FOUNDATION INC
1101 NORTH 81 HIGHWAY
MARLOW OK 73055

Rodolfo F. Bonacci
Assistant Chief
Audio Division
Media Bureau

Facility ID: 77089

Grant Date: March 07, 2005

Call Sign: 950714MD

This permit expires 3:00 a.m.
local time, 36 months after the
grant date specified above.

Permit File Number: BPEd-19950714MD

This authorization re-issued July 13, 2005 to correct the Class and the Height Above Average Terrain.

Subject to the provisions of the Communications Act of 1934, as amended, subsequent acts and treaties, and all regulations heretofore or hereafter made by this Commission, and further subject to the conditions set forth in this permit, the permittee is hereby authorized to construct the radio transmitting apparatus herein described. Installation and adjustment of equipment not specifically set forth herein shall be in accordance with representations contained in the permittee's application for construction permit except for such modifications as are presently permitted, without application, by the Commission's Rules.

Commission rules which became effective on February 16, 1999, have a bearing on this construction permit. See Report & Order, Streamlining of Mass Media Applications, MM Docket No. 98-43, 13 FCC RCD 23056, Para. 77-90 (November 25, 1998); 63 Fed. Reg. 70039 (December 18, 1998). Pursuant to these rules, this construction permit will be subject to automatic forfeiture unless construction is complete and an application for license to cover is filed prior to expiration. See Section 73.3598.

Equipment and program tests shall be conducted only pursuant to Sections 73.1610 and 73.1620 of the Commission's Rules.

Callsign: 950714MD

Permit No.: BPED-19950714MD

Name of Permittee: SISTER SHERRY LYNN FOUNDATION INC

Station Location: OK-NORMAN

Frequency (MHz): 89.3

Channel: 207

Class: A

Hours of Operation: Unlimited

Transmitter: Type Accepted. See Sections 73.1660, 73.1665 and 73.1670 of the Commission's Rules.

Transmitter output power: As required to achieve authorized ERP.

Antenna type: Non-Directional

Antenna Coordinates: North Latitude: 35 deg 13 min 04 sec
 West Longitude: 97 deg 24 min 37 sec

| | Horizontally Polarized Antenna | Vertically Polarized Antenna |
|--|--------------------------------------|------------------------------------|
| Effective radiated power in the Horizontal Plane (kW): | 4.5 | 4.5 |
| Height of radiation center above ground (Meters): | 30 | 30 |
| Height of radiation center above mean sea level (Meters): | 396 | 396 |
| Height of radiation center above average terrain (Meters): | 50 | 50 |

Antenna structure registration number: Not Required

Overall height of antenna structure above ground: 30 Meters

Obstruction marking and lighting specifications for antenna structure:

It is to be expressly understood that the issuance of these specifications is in no way to be considered as precluding additional or modified marking or lighting as may hereafter be required under the provisions of Section 303(q) of the Communications Act of 1934, as amended.

None Required

Special operating conditions or restrictions:

- 1 During installation of the antenna authorized herein, AM Station(s) listed below shall determine operating power by the indirect method. Upon completion of the installation, antenna impedance measurements on the AM antenna shall be made and, prior to or simultaneous with the filing of the application for license to cover this permit, the results submitted to the Commission (along with a tower sketch of the installation) in an FCC Form 302-AM application for the AM station to return to the direct method of power determination.

(Revised January 28, 1983)

KREF(AM), Norman, OK

Callsign: 950714MD

Permit No.: BPED-19950714MD

Special operating conditions or restrictions:

- 2 THE AUTOMATIC PROGRAM TEST PROVISIONS OF 47 C.F.R. SECTION 73.1620 DO NOT APPLY IN THIS CASE. A FORMAL REQUEST FOR PROGRAM TEST AUTHORITY MUST BE FILED IN CONJUNCTION WITH FCC FORM 302-FM, APPLICATION FOR LICENSE, BEFORE PROGRAM TESTS WILL BE AUTHORIZED. This request should be submitted at least 10 days prior to the date on which program tests are desired to commence. This request must contain documentation which demonstrates compliance with the following special operating condition(s):
- 3 Permittee shall submit a statement certifying that a fence has been constructed at least 1 meter from the base of the tower and in such a manner as to prevent the exposure of humans to radiofrequency electromagnetic fields in excess of the FCC Guidelines in OET bulletin No. 65, Edition 97-01 August 1997. The fence must be of a type which will preclude casual or inadvertent access, and must include warning signs at appropriate intervals which describe the nature of the hazard.
- 4 Documentation demonstrating compliance with the special operating condition(s) may be submitted in advance of the filing of FCC Form 302-FM. The Commission's staff will review it for compliance and respond by letter stating whether automatic PTA has been reinstated.
- 5 The permittee/licensee in coordination with other users of the site must reduce power or cease operation as necessary to protect persons having access to the site, tower or antenna from radiofrequency electromagnetic fields in excess of FCC guidelines.
- 6 Warning signs which describe the radiofrequency electromagnetic field radiation hazard must be posted at appropriate intervals. Access must be restricted to prevent the exposure of humans to RF emissions in excess of the FCC guidelines (OET Bulletin 65, Edition 97-01, released August 1997). Permittee shall submit documentation of compliance with this special operating condition when filing FCC Form 302, application for license.

*** END OF AUTHORIZATION ***

United States of America
FEDERAL COMMUNICATIONS COMMISSION
FM BROADCAST STATION CONSTRUCTION PERMIT

Authorizing Official:

Official Mailing Address:

AMERICAN FAMILY ASSOCIATION
P.O. DRAWER 2440
TUPELO MS 38803

Brian J. Butler
Supervisory Engineer
Audio Division
Media Bureau

Facility ID: 81301

Grant Date: April 15, 2003

Call Sign: KOUJ

This permit expires 3:00 a.m.
local time, 36 months after the
grant date specified above.

Permit File Number: BPED-19960404MB

Subject to the provisions of the Communications Act of 1934, as amended, subsequent acts and treaties, and all regulations heretofore or hereafter made by this Commission, and further subject to the conditions set forth in this permit, the permittee is hereby authorized to construct the radio transmitting apparatus herein described. Installation and adjustment of equipment not specifically set forth herein shall be in accordance with representations contained in the permittee's application for construction permit except for such modifications as are presently permitted, without application, by the Commission's Rules.

Commission rules which became effective on February 16, 1999, have a bearing on this construction permit. See Report & Order, Streamlining of Mass Media Applications, MM Docket No. 98-43, 13 FCC RCD 23056, Para. 77-90 (November 25, 1998); 63 Fed. Reg. 70039 (December 18, 1998). Pursuant to these rules, this construction permit will be subject to automatic forfeiture unless construction is complete and an application for license to cover is filed prior to expiration. See Section 73.3598.

Equipment and program tests shall be conducted only pursuant to Sections 73.1610 and 73.1620 of the Commission's Rules.

Name of Permittee: AMERICAN FAMILY ASSOCIATION

Station Location: OK-ADA

Frequency (MHz): 88.7

Channel: 204

Class: C2

Hours of Operation: Unlimited

Callsign: KQUJ

Permit No.: BPED-19960404MB

Transmitter: Type Accepted. See Sections 73.1660, 73.1665 and 73.1670 of the Commission's Rules.

Transmitter output power: AS required to achieve authorized ERP.

Antenna type: Non-Directional

Antenna Coordinates: North Latitude: 34 deg 46 min 32 sec
West Longitude: 96 deg 35 min 18 sec

| | Horizontally Polarized Antenna | Vertically Polarized Antenna |
|--|--------------------------------------|------------------------------------|
| Effective radiated power in the Horizontal Plane (kW): | 31 | 31 |
| Height of radiation center above ground (Meters): | 22 | 22 |
| Height of radiation center above mean sea level (Meters): | 339 | 339 |
| Height of radiation center above average terrain (Meters): | 73 | 73 |
| Antenna structure registration number: Not Required | | |

Special operating conditions or restrictions:

- 1 THE AUTOMATIC PROGRAM TEST PROVISIONS OF 47 C.F.R. SECTION 73.1620 DO NOT APPLY IN THIS CASE. A FORMAL REQUEST FOR PROGRAM TEST AUTHORITY MUST BE FILED IN CONJUNCTION WITH FCC FORM 302-FM, APPLICATION FOR LICENSE, BEFORE PROGRAM TESTS WILL BE AUTHORIZED. This request should be submitted at least 10 days prior to the date on which program tests are desired to commence. This request must contain documentation which demonstrates compliance with the following special operating condition(s): RF measurements and restrictive fence.
- 2 The permittee/licensee shall, upon completion of construction and during the equipment test period, make proper radiofrequency electromagnetic (RF) field strength measurements throughout the transmitter site area to determine if there are any areas that exceed the FCC guidelines for human exposure to RF fields. If necessary, a fence must be erected at such distances and in such a manner as to prevent the exposure of humans to RF fields in excess of the FCC Guidelines (OET Bulletin No. 65, Edition 97-01, August 1997). The fence must be a type which will preclude casual or inadvertent access, and must include warning signs at appropriate intervals which describe the nature of the hazard. Any areas within the fence found to exceed the recommended guidelines must be clearly marked with appropriate visual warning signs.
- 3 Documentation demonstrating compliance with the special operating conditions may be submitted in advance of the filing of FCC Form 302-FM. The Commission's staff will review it for compliance and respond by letter stating whether automatic PTA has been reinstated.

Callsign: KQUJ

Permit No.: BPED-19960404MB

Special operating conditions or restrictions:

- 4 The permittee/licensee in coordination with other users of the site must reduce power or cease operation as necessary to protect persons having access to the site, tower or antenna from radiofrequency electromagnetic fields in excess of FCC guidelines.

*** END OF AUTHORIZATION ***

**UNITED STATES OF AMERICA
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554**

(FOR CHIEF, AUDIO DIVISION, MEDIA BUREAU)

DATE: 09/27/2004

| | |
|---|--|
| <input checked="" type="checkbox"/> CONSENT TO ASSIGNMENT: <input type="checkbox"/> CONSENT TO TRANSFER: | FROM: AMERICAN FAMILY ASSOCIATION TO: THE SISTER SHERRY LYNN FOUNDATION, INC. |
| Licensee/Permittee: (for transfer only) | |

| <u>CLASS</u> | <u>CALL SIGN</u> | <u>FACILITY ID</u> | <u>FILE#</u> | <u>STATION LOCATION</u> | <u>AUXILIARY STATIONS</u> |
|--------------|------------------|--------------------|-------------------|-------------------------|--|
| FM | KQUJ | 81301 | BAPED-20040813AAP | ADA, OK | ALL CURRENTLY AUTHORIZED AUXILIARY STATIONS |

This construction permit expires on April 15, 2006. New Commission rules which became effective on February 16, 1999, have a bearing on this construction permit. See Report & Order, Streamlining of Mass Media Applications, MM Docket No. 98-43, 13 FCC RCD _____, Para. 77-90 (November 25, 1998); 63 Fed. Reg. 70039 (December 18, 1998). Pursuant to these new rules, consummation of the assignment consented to herein will NOT extend the expiration date of the permit. The construction permit will be subject to automatic forfeiture unless construction is complete and an application for license to cover is filed prior to expiration.

Under authority of the Communications Act of 1934, as amended, the consent of the Federal Communications Commission is hereby granted to the transaction indicated above.

The Commission's consent to the above is based on the representations made by the applicants that the statements contained in, or made in connection with, the application are true and that the undertakings of the parties upon which this transaction is authorized will be carried out in good faith.

The actual consummation of voluntary transactions shall be completed within 90 days from the date hereof, and notice in letter form thereof shall promptly be furnished to the Commission by the buyer showing the date the acts necessary to effect the transaction were completed. Upon furnishing the Commission with such written notice, this transaction will be considered completed for all purposes related to the above described station(s).

FCC Form 323, Ownership Report, must be filed within 30 days after consummation, by the licensee/permittee or assignee.

ADDITIONAL REQUIREMENTS FOR ASSIGNMENTS ONLY:

Upon consummation the assignor must deliver the permit/license, including any modifications thereof to the assignee.

It is hereby directed that, upon consummation, a copy of this consent be posted with the station authorization(s) as required by the Commission's Rules and Regulations.

The assignee is not authorized to construct nor operate said station(s) unless and until notification of consummation in letter form has been forwarded to the Commission.