

**Asset Purchase Agreement**

between

**IGLESIA NUEVA VIDA OF HIGH POINT**

and

**TRUTH BROADCASTING CORPORATION**

Dated May 4, 2010

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## ASSET PURCHASE AGREEMENT

**THIS ASSET PURCHASE AGREEMENT** (the "Agreement") is made as of the 4th day of May 2010, by and between, **TRUTH BROADCASTING CORPORATION**, a North Carolina corporation ("Seller"), and **IGLESIA NUEVA VIDA OF HIGH POINT**, a North Carolina non-profit corporation ("Buyer").

### WITNESSETH

WHEREAS, Seller owns and has operated commercial radio broadcasting station WEGO (AM), licensed to Winston-Salem, North Carolina (the "Station"), and Seller holds licenses and other authorizations issued by the Federal Communications Commission ("FCC") for the operation of the Station; and

WHEREAS, Buyer desires to acquire certain assets relating to the Station and operation of the station under the terms and conditions herein set forth, and Seller desires to sell such assets; and

WHEREAS, the consummation of the purchase and sale of such assets is subject to the satisfaction of certain conditions precedent including, without limitation, Buyer's obtaining the approval of the FCC.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein contained, the parties hereto agree as follows:

#### 1. SALE OF ASSETS AND PAYMENT OF CONSIDERATION.

1.1 Sale of Station Assets. Upon the terms and subject to the conditions set forth in this Agreement, at the Closing (as defined herein), Seller shall assign, transfer, convey and deliver to Buyer, all right, title and interest in and to the following assets, properties, interests and rights (the "Transferred Assets"), free and clear of all liens, security interests, charges, encumbrances and rights of others (other than Permitted Liens as defined herein), but expressly excluding those assets listed in Section 1.3 hereof:

(a) all licenses, permits, auxiliary authorizations and other authorizations issued by the FCC ("FCC Licenses") or any other governmental authority for the operation of or useful to the operation of, the Station, together with any and all renewals, extensions and modifications thereof, any temporary or special authorization issued in connection with the business operations of the Station, and any and all pending applications therefor including, but not limited to, those set forth in Schedule 1.1 (a) (all such licenses, including, without limitation, the FCC Licenses are the "Governmental Licenses");

(b) all of Seller's office fixtures, office materials and supplies, furniture, equipment, electrical devices, antennae, towers, cables, tools, hardware, inventory, spare parts and other tangible personal property owned, held or used in the operation of the Station, including, but not limited to, such tangible personal property listed on Schedule 1.1(b), except any retirements or dispositions thereof made between the date hereof and Closing in the ordinary course of business and consistent with past practices (but only to the extent Seller, at its cost and

expense, replaces the items so retired or disposed of), and any assignable vendor warranties with respect thereto (the "Tangible Personal Property");

(c) all rights in and to the Station's local public files, blueprints, technical information and engineering data, and filings with the FCC, the Assumed Contracts (as defined below) to be assigned hereunder and logs, but excluding records relating to the Retained Obligations (defined below) (the "Station Records");

(d) the leases to the real property (including, without limitation, any appurtenant easements, improvements, structures and fixtures located thereon) used by the Station for its offices, studios and transmitter and tower site described on Schedule 1.1(d) (the "Real Property"); and

(e) such other contracts, agreements, and leases related to the continuing operation of the Station listed on Schedule 1.1(e), together with the contracts, agreements and leases entered by Seller between the date hereof and Closing (the "New Contracts") to the extent (but only to the extent) Buyer in its sole discretion approves such New Contracts (collectively, the "Assumed Contracts"). At the Closing, Buyer shall assume the contractual obligations under the Assumed Contracts from and after the date of Closing, as the same may be amended through the Closing Date with the mutual consent of Seller and Buyer, and Buyer agrees to pay and perform the Assumed Contracts after the Closing Date (except to the extent such obligations and liabilities relate to activities, events or matters occurring prior to Closing which shall remain Seller's obligations). Further, Purchaser agrees that on or before January 1, 2012, it will enter into a tower lease agreement substantially in the form attached to Schedule 1.1(e) with tower rent at the initial rate of \$1500.00 per month which currently is part of the monthly expense amount referenced in Section 1.4 below.

1.2. Excluded Liabilities. Except as specifically set forth in Schedule 1.1(e), Buyer does not assume and shall in no event be liable for any debt, obligation, responsibility or liability of the Station, Seller or any subsidiary or any affiliate or successor of Seller or its members or managers, or any claim against any of the foregoing, whether known or unknown, contingent or absolute, or otherwise ("Retained Obligations"). Without limiting the foregoing, Buyer shall not be liable for any contractual obligation of Seller unless specifically stated on Schedule 1.2(e), or for any obligations regarding Seller's employees, including but not limited to any liability or obligation of Seller arising out of any employment contract, collective bargaining agreement, insurance, pension, retirement, deferred compensation, incentive bonus or profit sharing or employee benefit plan or trust, or any litigation, proceeding or claim by any person or entity relating to the business or operation of the Station prior to the Closing, whether or not such litigation, proceeding or claim is pending, threatened or asserted before, on or after the Closing Date.

1.3. Excluded Assets. Notwithstanding anything to the contrary contained herein, (but subject to Sections 14.4 and 16.2), the Transferred Assets shall not include the following assets, along with all rights, title and interest therein (the "Excluded Assets"):

(a) Ownership interests in any of Seller's real property and any other assets listed on Schedule 1.2(a);

(b) all of Seller's cash and cash equivalents, prepaid expenses, and security deposits, including without limitation certificates of deposit, commercial paper, treasury bills, marketable securities, asset or money market accounts and all such similar accounts or investments;

(c) all of Seller's accounts receivable or notes receivable arising from the operation of the Station prior to Closing;

(d) all of Seller's tangible and intangible personal property disposed of or consumed in the ordinary course of business of the Station between the date of this Agreement and Closing;

(e) all of Seller's contracts, agreements and leases except for Assumed Contracts (but including those Assumed Contracts that terminate or expire prior to Closing);

(f) Seller's name and its corporate minute books, charter documents, corporate membership records and such other books and records as pertain to the organization, existence or capitalization of Seller, duplicate copies of the records of the Station, and all records not relating to the ownership or operation of the Station;

(g) all pension, profit sharing or cash or deferred (Section 401(k)) plans and trusts and the assets thereof and any other employee benefit plan or arrangement and the assets thereof, if any, maintained by Seller;

(h) all of Seller's programming materials and elements of whatever form or nature used in connection with the operation of the Station, programming information and studies, advertising studies, records, tapes, discs, newsreels, marketing and demographic data, sales correspondence, lists of advertisers, credit and sales reports, software programs and books and records relating to employees and operational matters; and

(i) assets owned by any member or employee of Seller (but the Excluded Assets do not include any tangible or intangible asset identified in Schedules 1.1(a) through (e) attached hereto).

1.4. Purchase Price. As consideration for the Transferred Assets, Buyer shall pay to Seller Five Hundred Thousand Dollars (\$500,000.00) of which One Hundred Seventy-five Thousand Dollars (\$175,000) shall be paid upon execution of this Agreement (to be refunded by Seller should the FCC not consent to the transfer of the FCC Licenses), with the balance of Three Hundred Twenty-Five Thousand Dollars (\$325,000) paid pursuant to a promissory note, executed by Buyer and guaranteed by Javier Fernandez, in thirty-two equal monthly installments of Ten Thousand Eight Hundred Sixty-Nine Dollars and Forty-Nine Cents (\$10,869.49) beginning June 1, 2010 (the "Purchase Price"). Should, under the Time Sales Agreement between Seller and Iglesia Luz Admirable ("Iglesia"), referenced in Schedule 1.1(e), Iglesia fails to make its time broker payments to Purchaser other than based on the fault of Purchaser, Seller will relieve Purchaser from having to make the monthly payments of up to \$10,869.49 on a per rata basis, for the following periods: during the first six months following execution of this Agreement, ninety (90) days; second six months, sixty (60) days; and the third six months, thirty (30) days. To receive this relief Purchaser must promptly have notified Seller via telephone and

electronic mail of any technical complaints by Iglesia and have worked reasonably with Seller to remedy any complaints. As additional consideration, Purchaser agrees to pay Licensee Two Thousand Six Hundred Thirty-Seven Dollars and Fifty Cents (\$2637.50) per month in expenses as set forth on Schedule 1.4 for a period of thirty-two (32) months. All payments of such monthly expenses under the Time Brokerage Agreement of even date here with shall count towards the 32 payments of expenses referenced here.

1.5 Method of Payment. Subject to adjustments as provided for in Section 16.2 herein, Buyer shall pay the above-described initial portion of the Purchase Price, by bank check representing immediately available federal funds payable to and delivered to Seller. Thereafter, the monthly payments of the remainder of the Purchase Price shall be paid by delivery of a check to Seller at Seller's address on the first day of each succeeding month beginning June 1, 2010.

1.6 Allocation of Purchase Price. Buyer and Seller agree to allocate the Purchase price among the classes of Transferred Assets in accordance with an allocation schedule prepared by Buyer and reasonably acceptable to Seller (the "Allocation Schedule"). Provided Buyer has provided the Allocation Schedule to Seller within ninety (90) days after the Closing Date, the Allocation Schedule shall be deemed accepted by Seller unless, within ten (10) days after receipt, Seller notifies Buyer that it objects to the Allocation Schedule and provides the reasons therefor. Buyer and Seller agree, pursuant to Section 1060 of the United States Internal Revenue Code of 1986, as amended (the "Code"), that the Purchase Price shall be allocated in accordance with this Section 1.6, and that all tax returns and reports shall be filed consistent with such allocation.

1.7 Transfer Fees and Taxes. Seller shall bear and pay any and all state and local sales, gross receipts, use, transfer or similar taxes, and Buyer shall bear and pay any costs of recordation or filing fees to the extent applicable to, imposed upon or arising out of the sale and transfer of the Transferred Assets as contemplated by this Agreement.

## 2. CLOSING.

### 2.1. Time of Closing.

(a) The closing (the "Closing") for the sale of the Transferred Assets shall be at such place as may be selected by the parties on the date which is the later of (i) the first business day following the tenth day after the FCC Order shall become a Final Order (as such terms are defined herein below) or (ii) the satisfaction or waiver of all of the conditions precedent to the obligations of Buyer and Seller hereunder (other than the satisfaction or waiver of those conditions that by their nature are to be satisfied at the Closing and subject to satisfaction or due waiver of such conditions) or on such other date as may be agreed upon by the parties in writing (the "Closing Date"); provided, however, the Closing shall in no event occur prior to the date that the FCC Order becomes a Final Order. The Closing shall be deemed to be effective as of 12:01 a.m. Eastern time on the Closing Date.

(b) The parties shall prepare an application to be filed with the FCC requesting its consent to the assignment of all FCC Licenses relating to the operation of the Station to Buyer (the "Assignment Application"). Seller and Buyer shall promptly furnish to the

other any information necessary for the Assignment Application and shall jointly file the Assignment Application with the FCC, requesting that consent to such assignment be granted. Seller and Buyer shall file the Assignment Application by the close of business no later than ten (10) business days after the date of execution of this Asset Purchase Agreement. The parties agree that the Assignment Application will be prosecuted in good faith and with due diligence. The parties agree to use their commercially reasonable efforts to file additional information or amendments requested by the FCC orally or in writing and to timely commence preparation of such additional information or amendments upon request and to complete and file the same in a timely manner with the FCC. Each party will be solely responsible for the expenses incurred by it in the preparation, filing and prosecution of the Assignment Application (it being understood that the parties will share equally any FCC filing and grant fees). As used herein, the term "FCC Order" shall mean the order whereby the FCC has granted or given its initial consent, without any condition materially adverse to Buyer or Seller, to the Assignment Application; and the term "Final Order" shall mean that the FCC Order shall have ripened into an order that is final and incontestable and that such FCC Order has not been reversed, stayed, enjoined or set aside, and no timely request for stay, reconsideration, review, rehearing or notice of appeal is pending, and the time for filing any such request, petition or notice of appeal or for review by the FCC on its own motion has expired.

2.2. Closing Procedure. At the Closing, Seller shall deliver to Buyer such bills of sale, instruments of assignment, transfer and conveyance as Buyer shall reasonably request with respect to the Transferred Assets, in form and substance proposed by Buyer and approved by Seller, which approval shall not be withheld or delayed unreasonably. Each party will cause to be prepared, executed and delivered all other documents required to be delivered by such party pursuant to this Agreement and all other appropriate and customary documents as the other party or its counsel may reasonably request for the purpose of consummating the transactions contemplated by this Agreement. All actions taken at the Closing shall be deemed to have been taken simultaneously at the time the last of any such actions is taken or completed.

### 3. REPRESENTATIONS AND WARRANTIES OF SELLER.

3.1. Organization; Good Standing. Seller is a corporation duly organized, validly existing and in good standing under the laws of the State of North Carolina and has all requisite power and authority to own and lease its properties and assets and to carry on its business as currently conducted.

3.2. Due Authorization; Execution and Delivery. Subject to the issuance of the FCC Order, Seller has full power and authority to enter, into and perform this Agreement and to carry out the transactions contemplated hereby. Seller has taken all requisite action to approve the execution and delivery of this Agreement and the transactions contemplated hereby. This Agreement constitutes the legal, valid and binding obligation of Seller, enforceable against it in accordance with its terms, except as may be limited by the availability of equitable remedies or by applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally. Neither the execution and delivery by Seller of this Agreement nor the consummation by it of the transactions contemplated hereby will (i) conflict with or result in a breach of any provision of Seller's Articles of Organization or by-laws, (ii) subject to the issuance of the FCC Order, violate any statute, law, rule or regulation or any order, writ,

injunction or decree of any court or governmental authority; or (iii) violate or conflict with or constitute a default under, require the consent of any person or entity under, (or give rise to any right of termination, cancellation or acceleration under), or result in the creation of any lien on any of the Transferred Assets pursuant to, any agreement, indenture, mortgage or other contract to which Seller is a party by which it or its assets may be bound or affected.

3.3. Governmental Consents. No approval, authorization, consent, order or other action of, or filing with, any governmental authority or administrative agency or any other person or entity is required in connection with the execution and delivery by Seller of this Agreement or the consummation of the transactions contemplated hereby, other than those of the FCC.

3.4. Title to Assets. Except for Permitted Liens (as defined herein), Seller is the sole and exclusive legal owner of all right, title and interest in, and has good and marketable title to, all of the Transferred Assets, including but not limited to all broadcast towers located on the Real Property, free and clear of liens, claims and encumbrances. As used herein, "Permitted Liens" shall mean, in each case with respect to the Transferred Assets, only the following: (i) liens for current taxes and other governmental charges not yet due and payable, (ii) mechanics' liens and other similar liens arising in the ordinary course that will be discharged prior to Closing, (iii) statutory landlord's liens arising in the ordinary course and (iv) easements or other restrictions on the use of real property which do not impact the use or marketability of the property in a materially adverse manner.

3.5. Real Estate.

(a) Schedule 1.1(d) includes a description of each lease or similar agreement relating to any of the Real Property (the "Real Property Leases"), including the Lease Agreement for locating Purchaser's equipment on and using the tower at the location described in the Lease Agreement attached to Schedule 1.1(d), which the Parties will sign at the time of executing this Agreement. Seller has full legal and practical access to all of the Real Property described in Schedule 1.1(d) and such Real Property conforms in its current use and occupancy to all zoning requirements.

(b) The Real Property includes all the real property, easements, rights of Seller, and other real property interests at the Station's transmitter site. All buildings, structures, towers, antennae, improvements and fixtures comprising part of the Real Property are in sound operating condition and will be maintained in such condition until the Closing Date, reasonable wear and tear excepted. No improvements included within the Transferred Assets are located outside the boundaries of the Real Property, and no improvements included within the Transferred Assets have any latent structural mechanical or other defects of material significance. The improvements included in the Real Property are suitable for the purposes for which they are being used, and the Transferred Assets include adequate rights of ingress and egress, utility service for water and sewer, telephone, electric and/or gas, and sanitary service for the technical operations of the Station as presently conducted at the Station's transmitter site. The Real Property is not subject to any suit for condemnation or other taking by any public authority.

(a) Seller has not received any notice of, and has no actual knowledge of, any material violation of any law, rule or regulation applicable to the Transferred Assets (including,

without limitation, no material violation of any zoning, building, health, fire, water use or similar statute, ordinance, law, regulation or code). No fact or condition exists which may result in the termination or impairment of access to the Real Property or discontinuation of necessary sewer, water, electrical, gas, telephone or other utilities or services. Seller will provide to Buyer an accurate and complete copy of all annual inspection reports, if any, received by Seller from the applicable local fire marshal during the period of Seller's ownership of the Real Property.

(b) Seller has complied in all material respects with all federal, state and local environmental laws, rules and regulations as in effect on the date hereof applicable to the Transferred Assets, including, but not limited to, the FCC's guidelines regarding RF radiation. To Seller's knowledge, the Transferred Assets do not contain any polychlorinated biphenyls ("PCBs"). Except as disclosed on Schedule 3.5(c), there is not located in, on or under the Real Property any hazardous, toxic waste, substance, material or pollutant (as those or similar terms are defined under the Comprehensive Environmental Response; Compensation and Liability Act of 1980, as amended, 42 U.S.C. §§ 9601 et seq. Toxic Substances Control Act, 15 U.S.C. §§ 2601 et seq., or any other applicable federal, state and local environment law, statute, ordinance, order, judgment, rule or regulation relating to the environment or the protection of human health ("Environmental Laws")), including, but not limited to, any asbestos or asbestos related products, oils or petroleum-derived compounds, CFCs, PCBs, or underground storage tanks, nor have any such items been released, emitted or discharged or are currently located in, on, under, or about the real property on which the Transferred Assets are situated, including the transmitter site(s), or contained in the Tangible Personal Property included within the Transferred Assets.

(c) Within 30 days of the date hereof, Seller shall have provided to Buyer accurate and complete copies of the most recent versions of all material wiring diagrams, engineering reports, surveys, studies, drawings, partial proofs, environmental reports, site assessments, tests, correspondence with governmental agencies and documentation/information related to the Real Property and improvements located thereon that are in Seller's possession or readily available to Seller.

3.6. Condition of Tangible Personal Property. Except as set forth on Schedule 3.6, the equipment and other Tangible Personal Property to be conveyed as part of the Transferred Assets are in good working order and condition.

3.7. Governmental Licenses. Schedule 1.1(a) lists and accurately describes all of the Governmental Licenses necessary for the lawful ownership and operation of the Station and the conduct of its business, except where the failure to hold such Governmental Licenses would not have a material adverse effect on the Station. Seller has furnished to Buyer true and accurate copies of all of the Governmental Licenses. Except as provided in Schedule 1.1(a), each such Governmental License is in full force and effect and is valid under applicable federal, state and local laws; the Station is being operated in compliance in all material respects with the Communications Act of 1934, as amended (the "Act") and all rules, regulations and policies of the FCC; and, to the knowledge of Seller, no event has occurred which (whether with or without notice, lapse of time or the happening or occurrence of any other event) is reasonably likely to result in the revocation or termination of any Governmental License or the imposition of any restriction of such a nature as would adversely affect the ownership or operation of the Station as now conducted, except for proceedings of a legislative or rule-making nature intended to affect

the broadcasting industry generally. Except as provided in Schedule 1.1(a), the Station, its physical facilities, electrical and mechanical systems and transmitting and studio equipment are being operated in all material respects in accordance with the specifications of the Governmental Licenses. The Governmental Licenses are unimpaired by any act or omission of Seller, any of Seller's affiliates or any of Seller's or its affiliate's officers, directors or employees, and Seller has fulfilled and performed in all material respects all of its obligations with respect thereto and has all power and authority thereunder. Except as provided in Schedule 1.1(a), no application, action or proceeding is pending for the renewal or modification of any of the Governmental Licenses.

3.8. Taxes. All tax reports and returns required to be filed relating to the Transferred Assets or operations (including sales, use, property and employment taxes) have been filed with the appropriate federal, state and local governmental agencies, and there have been paid all taxes, penalties, interest, deficiencies, assessments or other charges due as reflected on the filed returns or claimed to be due by such federal, state or local taxing authorities (other than taxes, deficiencies, assessments or claims which are being contested in good faith and which in the aggregate are not material).

3.9. Litigation. Except as set forth on Schedule 3.9, there is no order of any court, governmental agency or authority and no complaint, notice of violation, action, suit, proceeding or investigation, judicial, administrative or otherwise, that is pending or, to Seller's knowledge, threatened against Seller or affecting any of the Transferred Assets which, if adversely determined, could materially and adversely affect the ownership or use of any of the Transferred Assets or which challenges the validity or propriety of any of the transactions contemplated by this Agreement.

3.10. Reports. Seller has duly filed all reports required to be filed by applicable law, rule, regulation, order, writ or decree of any court, governmental commission, body or instrumentality and has made payment of all charges and other payments, if any, shown by such reports to be due and payable, except where the failure to so file or make payment would not have a material adverse effect upon the Government Licenses or any of the other Transferred Assets. All reports required to be filed by Seller with the FCC with respect to the Station have been filed, except where the failure to so file would not materially and adversely affect the Governmental Licenses or any of the other Transferred Assets or which challenges the validity or propriety of any of the transactions contemplated by this Agreement. Such reports and disclosures are complete and accurate in all material respects, and Seller shall have provided to Buyer a copy of all documents in its public file for the Station within 30 days of the date hereof.

3.11. Contracts and Agreements. Each Assumed Contract constitutes the valid and legally binding obligation of Seller and, to the knowledge of Seller, the other parties thereto. There is no default under any Assumed Contract by any party thereto and no event has occurred or circumstance exists that (with or without notice or lapse of time) contravenes, conflicts with, or results in a violation or breach of, or gives any party thereto the right to declare a default or exercise any remedy under, or to accelerate the maturity or performance of, or to cancel, terminate, or modify, any Assumed Contract, and each Assumed Contract is in full force and effect and is enforceable in accordance with its terms (except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer and similar

laws of general applicability relating to or affecting creditors' rights or by general equity principles). Accurate and complete copies of all Assumed Contracts have been delivered to Buyer on or prior to the date hereof.

3.12. Qualification of Seller. Seller does not have any knowledge of any facts or proceedings which are reasonably likely to disqualify it under the Act, the rules and regulations promulgated thereunder, and the policies of the FCC in respect thereof, from transferring the Transferred Assets or would otherwise cause the FCC not to approve the assignment of the Governmental Licenses to Buyer.

3.13. Finders and Brokers. Neither Seller nor any person or entity acting on Seller's behalf has incurred any liability for any finders' or brokers' fees or commissions in connection with the transactions contemplated by this Agreement for which Buyer could become liable or obligated.

3.14 Sufficiency of Assets. The Transferred Assets comprise all the property and rights that are necessary to conduct the business and operations of the Station. The Transferred Assets will permit the Station to be operated by Buyer in accordance with the terms of the FCC Licenses and the rules and regulations of the FCC.

#### 4. REPRESENTATIONS AND WARRANTIES OF BUYER.

4.1. Organization; Good Standing. Buyer is a non-profit corporation, duly organized, validly existing and in good standing under the laws of the State of North Carolina.

4.2. Due Authorization; Execution and Delivery. Subject to the issuance of the FCC Order and obtaining any other consents required to be obtained hereunder, Buyer has full power and authority to enter into and perform this Agreement and to carry out the transactions contemplated hereby. Buyer has taken all requisite action to approve the execution and delivery of this Agreement and the transactions contemplated hereby. This Agreement constitutes the legal, valid and binding obligation of Buyer, enforceable against it in accordance with its terms, except as may be limited by the availability of equitable remedies or by applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally. Neither the execution and delivery by Buyer of this Agreement nor the consummation by it of the transactions contemplated hereby will (i) conflict with or result in a breach of the articles of incorporation or bylaws of Buyer or (ii) subject to the issuance of the FCC Order and obtaining any other consents required to be obtained hereunder, violate any statute, law, rule or regulation or any order, writ, injunction or decree of any court or governmental authority, which violation, either individually or in the aggregate, might reasonably be expected to have a material adverse effect on the ability of Buyer to fulfill its obligations hereunder.

4.3. Governmental Consents. No approval, authorization, consent, order or other action of, or filing with, any governmental authority or administrative agency is required in connection with the execution and delivery by Buyer of this Agreement or the consummation of the transactions contemplated hereby, other than those of the FCC.

4.4. Finders and Brokers. Neither Buyer nor any person or entity acting on Buyer's behalf has incurred any liability for any finders' or brokers' fees or commissions in connection

with the transactions contemplated by this Agreement for which Seller could become liable or obligated.

4.5. Qualification of Buyer. Buyer does not have any knowledge of any facts or proceedings which are reasonably likely to disqualify it under the Act, the rules and regulations promulgated thereunder, and the policies of the FCC in respect thereof, from accepting title to the Transferred Assets or would otherwise cause the FCC not to approve the assignment of the Governmental Licenses to Buyer.

## 5. CERTAIN COVENANTS AND AGREEMENTS.

5.1 Access. Between the date of this Agreement and the Closing, Seller will take all action reasonably necessary to enable Buyer, its engineers and technical consultants to inspect the Station's facilities. Such access shall include the right of Buyer at its election, at Buyer's expense, to order and receive completed Phase I environmental assessments of the Real Property the lease of which is included in the Transferred Assets. The rights of Buyer under this section shall be exercised at Buyer's expense and shall not be exercised in such a manner as to interfere unreasonably with the business of the Station. Within 30 days of the date hereof, Buyer shall inspect the Tangible Personal Property and the improvements, structures and fixtures on the Real Property and provide a list to Seller, which shall be set forth on Schedule 3.6, of those items that are not in good working order and condition. Seller shall promptly repair such items at Seller's cost and expense. Should any Phase I environmental assessment of the Real Property indicate that further testing or sampling may be advisable to determine the presence of environmental contamination on, under or adjacent to the Real Property, then at Buyer's request, Seller shall provide a guaranty for the benefit of Buyer in a form reasonably acceptable to Buyer guaranteeing Seller's indemnity obligation under Section 10(b) with respect to environmental liability arising out of or related to the Real Property.

5.2 Public Announcements. Prior to the Closing Date, all notices to third parties and other publicity relating to the transaction contemplated by this Agreement shall be jointly planned and agreed to by Seller and Buyer; provided, however, Buyer and Seller shall be entitled to make such disclosure in their sole discretion as may be required by any applicable law or governmental regulation. Buyer and Seller agree to share equally the cost of any notices required to be published in connection with the assignment of the Government Licenses.

5.3 Preservation of Transferred Assets. Between the date of this Agreement and the Closing, Seller may operate the Station and use the Transferred Assets in a manner which will preserve the condition of the Station and the Transferred Assets, which shall include compliance in all material respects with all laws, regulations and administrative orders of any federal, state or local governmental authority that are applicable to Seller with respect to the Transferred Assets or the operation of the Station. Without limiting the generality of the foregoing:

(a) Seller shall (i) maintain the Transferred Assets in their present condition (reasonable wear and tear in normal use excepted), (ii) remove, cure and correct prior to the Closing any violations under applicable laws, statutes, rules or regulations that render (or if unremedied would render) inaccurate Seller's representations and warranties contained in this

Agreement or in any certificate delivered by Seller pursuant to this Agreement and (iii) maintain its existing insurance coverage on the Station and the Transferred Assets; and

(b) Seller shall not, without the written consent of Buyer create, assume or permit to exist any lien upon the Transferred Assets, except for Permitted Liens; and

(c) Seller shall not sell or agree to sell or otherwise dispose of any of the Transferred Assets, unless such sale or disposal occurs in the ordinary course of business, consistent with past practices and such Transferred Assets are replaced by Seller at its cost and expense with similar assets of equal or greater value and utility.

#### 5.4 Title Insurance and Surveys. [Intentionally Omitted]

5.5 Employees. Seller shall be responsible for any and all wages, salaries, bonuses, severance and other payments to which any of Seller's employees are entitled as of the Closing Date, including, without limitation, any amounts which may be due or become due by reason of Seller's termination of said employees. Buyer shall not assume any pre-closing liabilities with respect to such employees. All obligations, if any, under the Worker Adjustment and Retraining Notification Act as to the termination of any of the Seller's employees employed by the Seller prior to the Closing Date shall be the sole responsibility of the Seller. Buyer shall have the right, but not the obligation, to hire any of the employees that Seller terminates. In such case, Buyer shall be liable for all wages, salaries and payments related to such hired employees that accrue from and after the Closing Date.

## 6 CONDITIONS TO BUYER'S CLOSING.

The obligation of Buyer to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment at or prior to the Closing of the following conditions, it being understood that Buyer may, in its sole discretion, waive any or all of such conditions (except for the requirement of FCC consent) in whole or in part.

6.1 Representations. Seller shall have performed in all material respects the covenants and agreements contained in this Agreement that are to be performed by it at or prior to the Closing, and the representations and warranties of Seller contained in this Agreement shall be true and correct in all material respects as of the Closing Date with the same effect as though made at such time, except as contemplated or permitted by this Agreement.

6.2 Consents. All consents and approvals from the FCC and governmental agencies (including the FCC Order) and from other third parties required to consummate the transactions contemplated by this Agreement shall have been obtained (without conditions that materially and adversely effect Buyer or the Station) and shall be in full force and effect.

6.3 No Adverse Litigation. No order or temporary, preliminary or permanent injunction or restraining order shall have been entered (i) making any of the transactions contemplated hereby illegal, (ii) materially adversely affecting the condition of the Transferred Assets, (iii) making Buyer liable for the payment of damages to any person or entity as a result of the transactions contemplated hereby or (iv) enjoining the consummation of the transactions contemplated hereunder.

6.4 Closing Deliveries. Buyer shall have received each of the documents or items required to be delivered to it pursuant to Section 8.1 hereof.

6.5 No Material Adverse Change in Condition. Reasonable wear and tear excepted, there is no material adverse change in the physical condition of the Transferred Assets.

## 7. CONDITIONS TO SELLER'S CLOSING.

The obligation of Seller to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment at or prior to the Closing of the following conditions, it being understood that Seller may, in its sole discretion, waive any or all of such conditions (except for the requirement of FCC consent) in whole or in part.

7.1 Representations. Buyer shall have performed in all material respects the covenants and agreements contained in this Agreement that are to be performed by it at or prior to the Closing, and the representations and warranties of Buyer contained in this Agreement shall be true and correct in all material respects as of the Closing Date with the same effect as though made at such time, except as contemplated or permitted by this Agreement.

7.2 Consents. All consents and approvals from the FCC and governmental agencies (including the FCC Order) shall have been obtained (without conditions that materially and adversely affect Seller) and shall be in full force and effect.

7.3 No Adverse Litigation. No order or temporary, preliminary or permanent injunction or restraining order shall have been entered (i) making any of the transactions contemplated hereby illegal, (ii) materially adversely affecting the condition of the Transferred Assets, (iii) making Seller liable for the payment of damages to any person or entity as a result of the transactions contemplated hereby or (iv) enjoining the consummation of the transactions contemplated hereby.

7.4 Closing Deliveries. Seller shall have received each of the documents or items required to be delivered to it pursuant to Section 8.2 hereof.

## 8. DOCUMENTS TO BE DELIVERED AT CLOSING.

8.1 Closing Documents To Be Delivered by Seller. At the Closing, Seller shall deliver to Buyer (in form and substance reasonably satisfactory to Buyer):

(a) one or more assignments assigning to Buyer the Governmental Licenses as Buyer may request in a form reasonably acceptable to Buyer;

(b) a bill of sale conveying to Buyer all of the Transferred Assets constituting personal property within the Transferred Assets in a form reasonably acceptable to Buyer;

(c) an assignment and assumption agreement assigning to Buyer the lease of all Real Property in a form reasonably acceptable to Buyer;

(d) one or more assignment and assumption agreements by which Seller assigns to Buyer the Assumed Contracts in a form reasonably acceptable to Buyer, together with each consent obtained by Seller necessary for the assignments of such contracts;

(e) certified copies of resolutions and written consent of its board members authorizing the execution, delivery and performance of this Agreement;

(f) certificates executed by Seller, attesting to Seller's compliance with the matters set forth in Sections 6.1, 6.3 and 6.5;

(g) the Station Records;

(h) an opinion of counsel to Seller, dated as of the Closing, in form and substance reasonably acceptable to Buyer;

(i) All required Releases from Claimants described in Section 1.5; and

(j) such other instruments and further assurances of conveyance and such other certificates or other documentation as Buyer may reasonably request.

8.2 Closing Documents To Be Delivered by Buyer. At the Closing, Buyer shall deliver to Seller, or entities designated by Seller, the following documents (in form and substance reasonably satisfactory to Seller):

(a) counterparts of the assignment and assumption agreements described in Section 8.1(c) & (d) by which Buyer assumes the Assumed Contracts and agrees to perform, from and after the Closing Date, all of the Assumed Contracts;

(b) certified copies of resolutions of Buyer's Board of Directors authorizing the execution, delivery and performance of this Agreement;

(c) certificate executed by Buyer attesting to Buyer's compliance with the matters set forth in Section 7.1 and Section 7.3;

(d) a promissory note executed by Buyer and guaranteed by Javier Fernandez for the remainder of the monthly installments of the Purchase Price not yet paid at the time of Closing; and

(e) such other instruments and further assurances of conveyance and such other certificates or other documentation as Seller may reasonably request.

## 9. SURVIVAL.

All representations, warranties, covenants and agreements made by any party to this Agreement or pursuant hereto shall be deemed to have been relied upon by the parties hereto, and shall survive the Closing for a period of three (3) years; provided, however, that representations as to title, ownership, environmental matters and taxes shall survive until the expiration of the applicable statutes of limitation. All statements contained herein or in any

certificate, exhibit, list or other document delivered pursuant hereto or in connection with the transactions contemplated hereby shall be deemed to be representations and warranties. No representation or warranty contained herein shall be deemed to be made at any time after the date of this Agreement, or if made in a certificate, the date of such certificate.

10. INDEMNIFICATION OF BUYER.

Subject to the limitations set forth in Sections 9 and 12, from and after the Closing Seller shall protect, defend, indemnify and hold Buyer harmless from, against, for and in respect of:

(a) any and all damages, losses, settlement payments, obligations, liabilities, claims, actions or causes of action and encumbrances suffered, sustained, incurred or required to be paid by Buyer because of the breach of any representation, warranty, agreement or covenant of Seller contained in this Agreement or any document, certificate or agreement executed in connection with this Agreement;

(b) any and all liabilities, obligations, claims and demands arising out of the ownership and operation of the Station or any of the Transferred Assets at all times prior to the Closing Date, including, without limitation, any environmental liability arising out of or relating to the Real Property;

(c) the Retained Obligations;

(d) any and all liabilities, obligations, claims and demands of third parties claiming a brokerage commission, finder's fee or other like payment in connection with the transactions contemplated hereby as a result of the actions or omissions of Seller; and

(e) all reasonable costs and expenses (including, without limitation, reasonable attorneys' fees, interest and penalties) incurred by Buyer in connection with any action, suit, proceeding, demand, assessment or judgment incident to any of the matters indemnified against in this Section 10.

11. INDEMNIFICATION OF SELLER.

Subject to the limitations set forth in Sections 9 and 12, from and after the Closing Buyer shall protect, defend, indemnify and hold Seller harmless from, against, for and in respect of:

(a) any and all damages, losses, settlement payments, obligations, liabilities, claims, actions or causes of action and encumbrances suffered, sustained, incurred or required to be paid by Seller because of the breach of any representation, warranty, agreement or covenant of Buyer contained in this Agreement or any document, certificate or Agreement executed in connection with this Agreement;

(b) any and all liabilities, obligations, claims and demands arising out of the ownership and operation of the Station or any of the Transferred Assets at all times following the Closing Date;

(c) any and all liabilities, obligations, claims and demands of third parties claiming a brokerage commission, finder's fee or other like payment in connection with the transactions contemplated hereby as a result of the actions or omissions of Buyer; and

(d) all reasonable costs and expenses (including, without limitation, reasonable attorneys' fees, interest and penalties) incurred by Seller in connection with any action, suit, proceeding, demand, assessment or judgment incident to any of the matters indemnified against in this Section 11.

## 12. GENERAL RULES REGARDING INDEMNIFICATION.

The obligations and liabilities of each indemnifying party hereunder with respect to claims resulting from the assertion of liability by the other party shall be subject to the following terms and conditions:

(a) The indemnified party shall give written notice to the indemnifying party of any claim which might give rise to a claim by the indemnified party against the indemnifying party based on the indemnity agreements contained in Section 10 or 11 hereof, stating the nature and basis of said claim and the amount thereof, to the extent known.

(b) If any action, suit or proceeding is brought against the indemnified party with respect to which the indemnifying party may have liability under the indemnity agreements contained in Section 10 or 11 hereof, the action, suit or proceeding shall be defended (including all proceedings on appeal or for review which counsel for the indemnified party shall deem appropriate) by the indemnifying party. The indemnified party shall have the right to employ its own counsel in any such case, but the fees and expenses of such counsel shall be at the indemnified party's own expense unless (i) the employment of such counsel and the payment of such fees and expenses both shall have been specifically authorized in writing by the indemnifying party in connection with the defense of such action, suit or proceeding or (ii) counsel to such indemnified party and the indemnifying party shall have reasonably concluded that there may be specific defenses available to the indemnified party which are different from or additional to those available to the indemnifying party or that such action, suit or proceeding involves or could have an effect upon matters beyond the scope of the indemnity agreements contained in Sections 10 and 11 hereof, in any of which events the indemnifying party, to the extent made necessary by such defenses, shall not have the right to direct the defenses of such action, suit or proceeding on behalf of the indemnified party. In the latter such case only that portion of such fees and expenses of the indemnified party's separate counsel reasonably related to matters covered by the indemnity agreements contained in Sections 10 and 11 hereof shall be borne by the indemnifying party. The indemnified party shall be kept fully informed of such action, suit or proceeding at all stages thereof whether or not it is represented by separate counsel.

(c) The indemnified party shall make available to the indemnifying party and its attorneys and accountants all books and records of the indemnified party relating to such proceedings or litigation and the parties hereto agree to render to each other such assistance as they may reasonably require of each other in order to ensure the proper and adequate defense of any such action, suit or proceeding.

(d) The indemnifying party shall not make any settlement of any claim that seeks in whole or in part any non-monetary relief or that could affect the indemnified party without the written consent of the indemnified party, which consent shall not be unreasonably withheld or delayed. The indemnified party shall not make any independent settlement of any claims unless in doing so it releases the indemnifying party from all obligations under this indemnification provision.

(e) If any claims are made by third parties against an indemnified party for which an indemnifying party would be liable, and it appears likely that such claims might also be covered by the indemnified party's insurance policies, the indemnified party shall make a timely claim under such policies and to the extent that such party obtains any recovery from such insurance, such recovery shall be offset against any sums due from an indemnifying party (or shall be repaid by the indemnified party to the extent that an indemnifying party has already paid any such amounts). The parties acknowledge, however, that if an indemnified party is self-insured as to any matters, either directly or through an insurer which assesses retroactive premiums based on loss experience, then to the extent that the indemnified party bears the economic burden of any claims through self-insurance or retroactive premiums or insurance ratings, the indemnifying party's obligation shall only be reduced by any insurance recovery in excess of the amount paid or to be paid by the indemnified party in insurance premiums.

(f) The aggregate liability of either Seller under paragraph 10 hereof or of Buyer under paragraph 11 hereof shall not exceed the sum of the Purchase Price; provided, however such limitation on liability shall not apply to breaches of any covenant required to be performed hereunder. Neither party shall have any obligation to indemnify the other party under Sections 10 and 11 hereof except to the extent that the aggregate liability to the other exceeds the threshold amount of Twenty-Five Thousand Dollars (\$25,000), at which point the indemnitor shall be liable for the total owing of such indemnifications, including the sums constituting the threshold amount, subject to the limits on aggregate liability in the preceding sentence.

### 13. SPECIFIC PERFORMANCE.

Seller and Buyer acknowledge that the Transferred Assets and the transactions contemplated hereby are unique, that a failure by Seller or Buyer to complete such transactions will cause irreparable injury to the other, and that actual damages for any such failure may be difficult to ascertain and may be inadequate. Consequently, Seller and Buyer agree that each shall be entitled, in the event of a default by the other, to specific performance of any of the provisions of this Agreement in addition to any other legal or equitable remedies to which the non-defaulting party may otherwise be entitled under this Agreement. In the event any action is brought, the prevailing party shall be entitled to recover court costs, arbitration expenses and reasonable attorneys' fees.

### 14. TERMINATION AND RESCISSION RIGHTS, RISK OF LOSS.

14.1 Termination Prior to Closing. This Agreement may be terminated by the mutual written consent of Seller and Buyer, or by either Seller or Buyer, if the terminating party is not then in material breach of its obligations hereunder, upon written notice to the other upon the occurrence of any of the following:

(a) by the terminating party, if the other party is in material breach of its obligations hereunder, and such breach has not been cured by the other party within 30 days of written notice of such breach;

(b) if the FCC designates the Assignment Application contemplated by Section 2.1(b) hereof for hearing at any time, or if the Assignment Application should be dismissed or denied; or

(c) if the Closing has not occurred on or before such date which is 180 days after the filing of the Assignment Application; provided, however, such period shall be extended from 180 days to 270 days if the Assignment Application is subject to opposition before the FCC;

14.2 Seller's Remedy. IF SELLER TERMINATES THIS AGREEMENT PURSUANT TO THE TERMS OF SECTION 14.1(a) ABOVE, THEN SELLER MAY, SUBJECT TO THE PROVISIONS OF THIS SECTION 14.2, SUE FOR SPECIFIC PERFORMANCE AS SET FORTH IN SECTION 13 OR IN LIEU THEREOF SELLER SHALL BE ENTITLED TO SUE FOR SUCH DAMAGES AS SELLER CAN PROVE.

14.3 Buyer's Remedy. IF BUYER TERMINATES THIS AGREEMENT PURSUANT TO THE TERMS OF SECTIONS 14.1(a), ABOVE, THEN BUYER MAY, SUBJECT TO THE PROVISIONS OF THIS SECTION 14.3, SUE FOR SPECIFIC PERFORMANCE AS SET FORTH IN SECTION 13 OR IN LIEU THEREOF BUYER SHALL BE ENTITLED TO SUE FOR SUCH DAMAGES AS BUYER CAN PROVE.

14.4 Risk of Loss. Seller shall bear the risk of all damage to, loss of or destruction of any of the Transferred Assets between the date of this Agreement and the Closing Date. If any material portion of the Transferred Assets shall suffer any material damage or destruction prior to the Closing Date, Seller shall promptly notify Buyer in writing of such damage or destruction, shall promptly take all necessary steps to restore, repair or replace such assets at its sole expense, and shall advise Buyer in writing of the estimated cost to complete such restoration, repair (except to the extent Buyer has any duty to repair under any Time Brokerage Agreement or other written agreement with Seller) or replacement and all amounts actually paid as of the date of the estimate. Buyer may extend the Closing Date for a period not exceeding 45 days to accomplish such restoration, repair or replacement, but is not required to do so. If such restoration, repair or replacement is not accomplished prior to the Closing Date, whether or not extended as provided herein, Buyer may, at its option either (i) terminate this Agreement upon written notice to Seller or (ii) receive all insurance proceeds paid or payable to Seller in excess of amounts actually applied towards such restoration, repair or replacement, close this Agreement and thereafter complete such restoration, repair or replacement at its sole expense; provided, however, Seller shall have no further liabilities with respect to such damage or destruction after payment to Buyer of such insurance proceeds.

## 15. BOOKS AND RECORDS; TAX MATTERS.

Each party shall (i) provide the other with such assistance as may reasonably be requested by either of them in connection with the preparation of any return, audit or other examination by any taxing authority or judicial or administrative proceedings relating to liability for any taxes,

(ii) retain and provide the other with any records or other information that may be relevant to such return, audit or examination, proceeding or determination and (iii) provide the other with any final determination of any such audit or examination, proceeding, or determination that affects any amount required to be shown on any tax return of the other for any period. Without limiting the generality of the foregoing, each party shall retain (or cause to be retained), until the applicable statutes of limitations (including any extensions) have expired, copies of all tax returns, supporting work schedules, and other records or information that may be relevant to such returns for all tax periods or portions thereof ending on or before the Closing.

## 16. MISCELLANEOUS PROVISIONS.

16.1 Expenses. Except as otherwise expressly provided herein, the parties shall share evenly the fees and expenses, including all legal but not accounting fees, incurred by it in connection with the transactions contemplated by this Agreement. If any action is brought for breach of this Agreement to enforce any provision of this Agreement, the prevailing party shall be entitled to recover court costs, arbitration expenses and reasonable attorneys' fees.

### 16.2 Prorations.

(a) All items of income and expense arising from the operation of the Station and the Assumed Contracts before the Closing Date shall be for the account of Seller and thereafter shall be for the account of Buyer. Proration of the items described below between Seller and Buyer shall be effective as of 12:01 a.m., local time, Eastern time on the Closing Date and shall occur as set forth in subsections (b) through (d), below, with respect to those rights, liabilities and obligations of Seller transferred to and assumed by Buyer hereunder.

(b) [Intentionally blank]

(c) Prepaid items and accruals such as, without limitation, water, electricity, telephone, other utility and service charges, lease expenses, license fees (if any) and payments under any Assumed Contracts shall be prorated between Seller and Buyer on the basis of the period of time to which such liabilities, prepaid items and accruals apply. The amount of any security deposit held or to be held by Seller pursuant to an Assumed Contract prior to the Closing Date shall be credited to Buyer's account.

(d) All prorations shall be made and paid in cash insofar as feasible on the Closing Date. Any prorations not made on the Closing Date shall be made no later than 90 days thereafter. Seller and Buyer agree to assume, pay and perform all costs, liabilities and expenses allocated to each of them pursuant to this Section 16.2. Seller and Buyer shall use good faith efforts to resolve any dispute involving the proration adjustments to the Purchase Price. If the parties are unable to resolve any dispute within such 60-day period after the Closing Date, Seller and Buyer shall jointly designate an independent certified public accountant, who shall be knowledgeable and experienced in the operation of radio broadcasting stations and who shall not presently be or in the past have been a provider of services to either Buyer or Seller or their respective affiliates and principals, to resolve the dispute. Such accountant's resolution of the dispute shall be final and binding on the parties, and a judgment may be entered thereon in any

court of competent jurisdiction. Any fees of such accountant shall be paid one-half by Seller and one-half by Buyer.

16.3 Notices. All notices, requests, demands, applications, and other communications which are required to be or may be given under this Agreement shall be in writing and shall be deemed to have been duly given if sent by facsimile transmission (with receipt of written confirmation), delivered by overnight or other courier service, or mailed, certified first class mail, postage prepaid, return receipt requested, to the parties hereto at the following addresses:

(a) If to Buyer:

Iglesia Nueva Vida of High Point  
1841 Bethel Drive  
High Point, North Carolina 27260  
Attention: Rev. Javier Fernandez  
Telephone: (336) 434-5024  
Fax: (336) 887-9386

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

Leon E. Porter  
Wells Jenkins  
155 Sunnynoll Court  
Suite 200  
Winston-Salem, North Carolina 27106  
Telephone: (336) 714-2562  
Fax: (336) 724-1226

(b) If to Seller:

Truth Broadcasting Corporation  
4405 Providence Lane  
Winston-Salem, North Carolina 27106  
Attention: Stuart Epperson, Jr.  
Telephone: (336) 759-0363  
Fax: (336) 759-0366

or to any other address as any party shall have furnished to the other by notice given in accordance with this Section. Such notice shall be effective, (i) if sent by facsimile transmission, when written confirmation is received, or (ii) if mailed or sent by courier, upon the date of delivery or refusal as shown by the return receipt therefore.

16.4 Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, heirs and permitted assigns. Except as provided in

Section 16.11, neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto without the prior written consent of the other.

16.5 No Third Party Rights. This Agreement is not intended and shall not be construed to create any rights in any parties other than Seller and Buyer and no person or entity shall assert any rights as third party beneficiary hereunder.

16.6 Other Documents. The parties shall execute such other documents as may be necessary and desirable to the implementation and consummation of this Agreement. Seller or Buyer shall execute and deliver such additional documents following the Closing Date as Seller or Buyer, as the case may be, may reasonably deem necessary or desirable to vest in each title to the Transferred Assets and the Station, to confirm the assumption of the Assumed Contracts and the consummation of this Agreement and the transactions contemplated thereby.

16.7 Schedules. All Schedules attached to this Agreement shall be deemed part of this Agreement and incorporated herein, where applicable, as if fully set forth herein.

16.8 Construction. This Agreement shall be governed, construed and enforced in accordance with the laws of the State of North Carolina, without regard to its rules for conflict of laws.

16.9 Counterparts. This Agreement may be signed in any number of counterparts with the same effect as if the signature on each such counterpart were upon the same instrument.

16.10 Headings. The headings of the paragraphs of this Agreement are inserted as a matter of convenience and for reference purposes only and in no respect define, limit or describe the scope of this Agreement or the intent of any paragraph hereof.

16.11 1031 Exchange. To facilitate the transfer of the Transferred Assets as part of a like-kind exchange under Section 1031 of the Internal Revenue Code, Buyer may assign its rights under this Agreement (in whole or part) to a "qualified intermediary" under section 1.1031(k)-i (g)(4) of the treasury regulations. In such case, Seller shall convey the Transferred Assets (or such portion thereof as is designated in writing by Buyer or the qualified intermediary) to or on behalf of the qualified intermediary at Closing and Seller shall otherwise cooperate with Buyer and the qualified intermediary in consummating the 1031 exchange, provided, however, that any such Section 1031 Exchange shall not relieve Buyer of its duties and obligations under this Agreement.

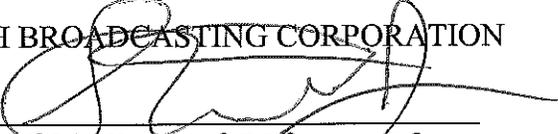
16.12 Entire Agreement. This Agreement, all Schedules and Exhibits hereto and all agreements and other instruments to be delivered by the parties pursuant hereto represent the entire understanding and agreement between the parties hereto with respect to the subject matter hereof, supersede all prior negotiations between such parties, and can be amended, supplemented or changed only by an agreement in writing which makes specific reference to this Agreement or the agreement or other instrument delivered pursuant hereto, as the case may be, and which is signed by the party against whom enforcement of any such amendment, supplement or modification is sought.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers on the day and year first above written.

IGLESIA NUEVA VIDA OF HIGH POINT

By: Javier Fernandez.  
Name: Javier Fernandez.  
Title: President.

TRUTH BROADCASTING CORPORATION

By:   
Name: STUART EPPERSON JR.  
Title: President

**SCHEDULE 1.1(a)**  
**GOVERNMENTAL LICENSES AND PENDING APPLICATIONS**

None other than any local business license required for the Buyer

**SCHEDULE 1.1(b)**  
**TANGIBLE PERSONAL PROPERTY**

1 TRANSMITTER BUILDING W/PRIVACY FENCE

NAUTEL XR3 SOLID STATE 3KW AM TRANSMITTER

1 TTM-1 1kW ANTENNA TUNING UNIT (TCA-10 TORID METER)

1 8 CHANNEL REMOTE CONROL SN: 105766

2 TELOS/OMINA 3 AM DIGITAL AUDIO PROCESSOR

1 TFT EAS CODEC/4-CHANNEL/PRINTER W/DIG. VOICE RECORDER

1 TFT 4 CHANNEL TRANSMITTER/PROG INTERUPPT

1 BARIX IP MP3 AUDIO DECODER

1 BARIX IP MP3 AUDIO ENCODER

2 COMREX ACCESS RACK MT STEREO IP

1 PHANTOM W/DUAL 60 GB AUTOMATION SYSTEM

**SCHEDULE 1.1(d)**  
**REAL PROPERTY**

None other than the tower Lease Agreement attached hereto which the parties will execute at the time of signing this Agreement, the term of such Lease Agreement to begin January 1, 2012.

## LEASE AGREEMENT

This Lease Agreement (Lease) is entered into by and between Truth Broadcasting Corporation or Stuart Epperson, Jr. (Landlord) and Iglesia Nueva Vida or High Point (Tenant).

WHEREAS, Landlord owns that certain real property described in Exhibit A attached hereto (Property); and

WHEREAS, Tenant desires to lease a portion of the Property for the purpose of constructing, operating and maintaining its communications equipment or facilities.

IN CONSIDERATION of the mutual agreements and rents described herein, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant agree as follows:

1. Lease. Upon the terms and conditions hereinafter set forth, Landlord leases to Tenant and Tenant leases from Landlord, space on Landlord's Property to house Tenant's communications equipment and antennas, all of such space to be mutually agreed upon (all of which leased portions are collectively referred to as the Premises, defined in Exhibit A).

2. Term. The initial term (Initial Term) of this Lease shall begin on the later to occur of May 4, 2010 or the date of first installation/relocation of Tenant's communications equipment, (Commencement Date) and shall run continuously until ten (10) years after the Commencement Date. Tenant shall have the right to extend the term of this Lease for three (3) consecutive terms of ten (10) years each (each a Renewal Term). This Lease shall automatically renew for each successive Renewal Term unless Tenant notifies Landlord of Tenant's intention not to renew at least thirty (30) days prior to the expiration of the Initial Term or Renewal Term, as applicable. Each Renewal Term shall be on the same terms and conditions as set forth herein except that the rent shall be adjusted as described in paragraph 3.

3. Rent. During the Term of this Lease, Tenant shall pay Landlord rent each month in advance, on or before the 5th day of each calendar month, in the amount of One Thousand Five Hundred Dollars (\$1,500) for the first thirty-six months and One Thousand Six Hundred Dollars (\$1,600) for the balance of the Initial Term. For the first thirty-two months, payment of the Lease will be included as part of the reimbursed, monthly expenses as detailed in the Purchase Agreement dated same between the parties. Should parties agree to extend the Lease into any, or all of the successive Renewal Terms, parties agree to negotiate a monthly rent amount which is mutually-satisfactory at least thirty (30) days prior to the expiration of the Initial Term or Renewal Term. If this Lease commences on a date other than the 1st day of a month, rent shall be prorated as of and paid on, the Commencement Date. If this Lease is terminated at any time other than the last day of a month, rent shall be prorated as of the date of termination. In the event of termination for any reason other than nonpayment of rent, all prepaid rent shall be refunded to Tenant.

4. Surveys and Testing. Tenant has the right to perform surveys, soils and environmental tests and other engineering tests and procedures on, under, and over the Premises. If any defects are shown by such survey or tests which, in the opinion of Tenant, may adversely affect Tenant's use of the Premises or Tenant's ability to obtain leasehold financing, Tenant shall have the right to terminate this Lease immediately upon written notice to Landlord and have no further obligation hereunder.

5. Licenses and Permits. Landlord agrees to cooperate with Tenant in obtaining and maintaining, at Tenant's expense, all licenses and permits required for Tenant's use of the Premises.

6. Improvements. Landlord shall have the right, at its expense, to erect and maintain on the Premises improvements, personal property and facilities, including without limitation, antennae, cable transmission lines and such other equipment as is necessary for Tenant's radio broadcasting business (collectively, the Facilities). The Facilities shall be and remain the exclusive property of Landlord.

7. Access. Landlord represents, warrants and covenants to Tenant that Tenant shall enjoy ingress, egress and access from an open and improved public road to the Premises adequate to service the Premises and the Facilities at all times during this Lease at no additional charge to Tenant. If such access is across Landlord's property, Landlord shall execute an easement evidencing this right upon Tenant's request. Landlord shall provide Tenant with parking space for its vehicles.

8. Utilities. Landlord represents, warrants and covenants to Tenant that Tenant shall enjoy proper engineering and utilities to properly operate the radio broadcasting business.

9. Interference. Landlord shall not use, nor shall Landlord permit its employees, tenants, licensees, invitees or agents to use any portion of Landlord's property surrounding the Premises in any way which interferes with the operations of Tenant. Upon notice from Tenant, Landlord agrees to take all actions necessary to correct and eliminate said interferences, at Landlord's cost. Such interference shall be deemed a material breach of this Lease by Landlord. If any such interference does not cease promptly, the parties acknowledge that continuing interference will cause irreparable injury to Tenant, and Tenant shall have the right, in addition to any other rights that it may have at law or in equity, to bring action to enjoin such interference or to terminate this Lease immediately upon notice to Landlord.

10. Taxes. Tenant shall pay any property taxes assessed on the Facilities. Landlord shall pay when due all real property taxes and other fees and assessments attributable to the Property. However, Tenant shall pay, as additional rent, any increase in real property taxes levied against the Premises which are directly attributable to Tenant's use of the Premises, and Landlord agrees to furnish evidence of such increase to Tenant.

11. Insurance.

- a. Tenant and Landlord shall at each parties' respective expense, purchase and maintain throughout each Term of this Lease, commercial liability insurance in an aggregate amount adequate to protect the respective facilities and equipment used to operate Tenant's radio broadcasting business.
- b. Tenant and Landlord each waive, for itself and its insurers, all rights of recovery against the other for loss of or damage to property (including, without limitation, loss or damage arising out of the negligence of the other party), to the extent that such loss or damage is insured. Each party shall use its best efforts to cause each insurance policy obtained by it to provide that the insurance company waives all right of recovery by way of subrogation against the other party in connection with any

damage covered by such policy. If any insurance policy cannot be obtained with a waiver of subrogation provision, the party obtaining such insurance shall notify the other party of this fact.

12. Indemnification. Tenant shall defend, indemnify and hold harmless Landlord, and his employees and agents from and against all claims, damages, costs, expenses, liabilities, actions, suits, fines and penalties (including, without limitation, reasonable attorneys' fees and expenses) of any kind or nature whatsoever, suffered or incurred by any of such indemnified parties, based upon or arising out of or related to Tenant's lease, use or occupancy of the Premises, except to the extent such claims arise from the negligent or intentional acts or omissions of Landlord, his agents or independent contractors.

13. Environmental. Landlord represents and warrants to Tenant that no hazardous substance, pollutant or contaminant (as may be defined by any present or future laws of any governmental authority or by any administrative or judicial decisions) have been generated, stored or disposed of on the Premises, nor have the same been transported to or over the Premises. Landlord shall hold Tenant harmless from, defend and indemnify Tenant against and from any damage, loss, expense or liability resulting from any breach of this representation and warranty, including, all reasonable, actual attorneys' fees and costs incurred as a result thereof.

14. Title. Landlord represents and warrants that it has full right, power and authority to execute this Lease and has good and unencumbered title to the Premises, free and clear of any liens, encumbrances and mortgages except as set forth in Exhibit B attached hereto.

15. Title Report. Tenant has the right to obtain a title report or a commitment for a leasehold title policy from a title insurance company of its choice. If in the opinion of Tenant, such title report or commitment shows any defects of title or any liens or encumbrances which may adversely affect Tenant's use of the Premises, or Tenant's ability to obtain leasehold financing, Tenant shall have the right to cancel this Lease immediately upon written notice to Landlord and have no further obligation hereunder.

16. Quiet Enjoyment. If Tenant pays the rent and all other charges provided for in this Lease, performs all of its obligations under and observes all of the other provisions of this Lease, Tenant shall be entitled to the peaceful use and quiet enjoyment of the Premises in accordance with the terms of this Lease without any interruption or disturbance whatsoever.

17. Termination. Except as otherwise provided herein, this Lease may be terminated, without penalty or further liability, on thirty (30) days written notice as follows:

- a. by either party, upon a default of any covenant or term hereof by the other party, which default is not cured within sixty (60) days (except for the payment of rent which must be cured within ten (10) days) of receipt of written notice of default (without limiting any other rights available to the parties pursuant to any other provisions hereof);
- b. by Tenant, if it is unable to obtain or maintain any license, permit or other governmental authority necessary for the construction and/or operation of the Facilities or Tenant's business;

- c. by Tenant, if the Premises becomes unacceptable under Tenant's design or engineering specifications for its Facilities or its communications system; or
- d. by Tenant, if its Facilities are destroyed or damaged by fire or other disaster.

18. Condemnation. If a condemning authority takes all of the Premises, or a portion sufficient, in Tenant's determination, to render the Premises unsuitable for the use which Tenant was then making of the Premises, this Lease shall terminate as of the date title vests in the condemning authority. Landlord and Tenant shall share in the condemnation proceeds in proportion to the values of their respective interests in the Premises (which for Tenant and if awarded shall include, where applicable, the value of its Facilities, moving expenses, prepaid rent and business dislocation expenses). Sale of all or part of the Premises to a purchaser with the power of eminent domain in the face of the exercise of the power, shall be treated as a taking by condemnation.

19. Assignment. Tenant may assign this Lease upon notice to, and approval of the Landlord which approval will not be unreasonably withheld. Tenant may sublease the Premises or any portion thereof to others whose primary business is the provision of communications services. Any sublease entered into by Tenant shall be subject to the provisions of this Lease. Tenant's sublessee(s) shall be entitled to rights of ingress and egress to the Premises and the right to install utilities on the Premises as if said sublessee were the tenant under this Lease. Additionally, Tenant may, upon written notice to Landlord, mortgage or grant a security interest in this Lease and Facilities and may assign this Lease and the Facilities to any such mortgagees or holders of security interest including their successors or assigns (collectively, the Mortgagees). In such event, Landlord shall execute such leasehold financing documents as may be reasonably required by the Mortgagees. Landlord shall notify Tenant and Tenant's Mortgagees simultaneously of any default by Tenant and shall give the Mortgagees the same right to cure any default as Tenant, except that the cure period for any Mortgagee shall not be less than ten (10) days after receipt of the default notice.

20. Landlord's Lien. Landlord hereby waives any and all lien rights it may have, statutory or otherwise, in the Facilities or any portion thereof, regardless of whether or not the same is deemed real or personal property under applicable laws.

21. Notice of Sale. Prior to selling the Property, Landlord shall notify Tenant in writing and give Tenant the opportunity to bid on the Property.

22. Successors. This Lease shall run with the Premises and shall be binding upon and inure to the benefit of the parties hereto and their respective successors, personal representatives, heirs and assigns.

23. Entire Agreement. This Lease and the exhibits, if any, attached hereto and forming a part hereof, set forth all the promises, agreements, and understandings between Landlord and Tenant concerning the construction, installation, maintenance and operation of Tenant's Facilities on the Premises. No alteration, amendment, change or addition to this Lease nor any surrender of the term, shall be binding upon Landlord or Tenant unless reduced to writing and signed by them. This Lease shall be governed by the laws of the State in which the Property is located. This Lease

may be executed in any number of counterparts, all of which shall constitute one and the same agreement.

24. Further Documents. Landlord shall execute any documents (including without limitation a memorandum of lease) necessary to protect Tenant's rights hereunder or Tenant's use of the Premises. Landlord acknowledges that a memorandum of lease may be recorded in the records of the register of deeds where the Property is located.

25. Severability. If any provision of this Lease is held to be invalid, such invalidation shall not affect the other provisions of this Lease.

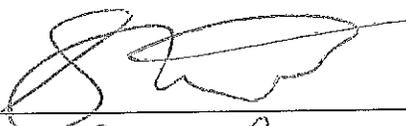
26. Notices. All notices and other communications under this Lease shall be in writing and shall be deemed to have been duly given on the date of personal delivery, on the third day after deposit in U.S. Mail if mailed by registered or certified mail, postage prepaid and return receipt requested, on the day after delivery to a nationally recognized overnight courier service if sent by such courier service for next morning delivery, or on the same day sent by telefax (if confirmed by telephone) and if addressed to a party at his address stated on the signature page of this Lease or at any other address as any party may specify for this purpose by notice to the other party.

27. References. As used in this Lease, references to the singular shall include the plural and vice versa, and references to the masculine gender shall include the feminine and neuter genders and vice versa, as appropriate.

IN WITNESS WHEREOF, the parties have executed or caused this Lease to be executed by its duly authorized officer on the dates written below to be effective as of the date of the latest signature below.

LANDLORD:

TENANT:

BY:   
TITLE: President  
Date: 5 / 4 / 10

IGLESIA NUEVA VIDA OF HIGH POINT  
BY: Javier Ferna  
TITLE: President  
Date: 05 / 04 / 10

Address: 4405 Providence Lane  
Winston-Salem, NC 27106

Telephone: (336) 759-0363

Facsimile: (336) 759-0366

Address: 1841 Bethel Drive  
High Point, NC 27260

Telephone: (336) 434-5024

Facsimile: (336) 887-9386

EXHIBIT A

<Description of Property>

Current Location Street Address: **215 E. Northwest Boulevard, Winston-Salem, NC 27105**

or

WPOL Facility Street Address: **1107 Salem Valley Road, Winston-Salem, NC 27101**

Equipment to be installed to include one antennae at or above \_\_\_\_\_' level, one towertop RF unit, one run of Cat 5 cable up tower. Landlord to provide space in Landlord's air conditioned shelter for one rack approximately 2'x2'x8 and one table with personal computer. Electricity for operation of equipment is included in rent.

**EXHIBIT B**

*<Any outstanding liens or mortgages>*

**SCHEDULE 1.1(e)**  
**ASSUMED CONTRACTS**

Time Sales Agreement between Licensee and Iglesia Luz Admirable dated November 6, 2009

**SCHEDULE 1.2(a)**  
**EXCLUDED ASSETS**

None

SCHEDULE 1.4

WEGO MONTHLY EXPENSE REIMBURSEMENT

<b><u>Expense</u></b>	<b><u>Amount</u></b>	<b><u>Who Pays</u></b>
<b>Tower Rent</b>	<b>\$1,500.00</b>	<b>Fernandez</b>
<b>Studio Rental</b>	<b>\$200.00</b>	<b>Fernandez</b>
<b>Power Bill</b>	<b>\$325.00</b>	<b>Fernandez</b>
<b>Audio Line – Tower</b>	<b>\$120.00</b>	<b>Fernandez</b>
<b>Audio Line – Church</b>	<b>\$120.00</b>	<b>Fernandez</b>
<b>Back-up Line – I/Net</b>	<b>\$75.00</b>	<b>Fernandez</b>
<b>Transmitter Phone</b>	<b>\$35.00</b>	<b>Fernandez</b>
<b>Miscellaneous</b>	<b><u>\$262.50</u></b>	<b>Fernandez</b>
<b>Fernandez Total</b>	<b>\$2,637.50</b>	

**SCHEDULE 3.5(c)**  
**ENVIRONMENTAL MATTERS**

None

**SCHEDULE 3.6**  
**CONDITION OF ASSETS**

[Buyer to provide Seller with list of repair items within 30 days of the date of this Agreement]

**SCHEDULE 3.9  
LITIGATION**

None