

## EXECUTION VERSION

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (the "Agreement") is entered into as of this 5<sup>th</sup> day of March, 2012 (the "Effective Date") by and between LAKE AREA EDUCATIONAL BROADCASTING FOUNDATION, a Missouri charitable trust which has been granted tax-exempt status pursuant to 26 U.S.C. § 501(c)(3) by the Internal Revenue Service ("Buyer"), and CALVARY CHAPEL OF JOPLIN, a Missouri nonprofit corporation ("Seller") (each a "Party" and, collectively, the "Parties").

RECITALS

A. Seller holds a Federal Communications Commission ("FCC") license (the "FCC License") for noncommercial educational FM broadcast radio station KITG(FM), Sarcouxie, Missouri, Facility ID No. 175649 (the "Station"); and

B. Subject to the terms and conditions set forth herein, and the prior consent of the FCC, Seller desires to sell to Buyer, and Buyer desires to buy from Seller, the assets of the Station as herein described.

AGREEMENT

NOW, THEREFORE, taking the foregoing into account, and in consideration of the mutual covenants and agreements set forth herein, the sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, hereby agree to the following terms and conditions:

## ARTICLE 1: SALE AND PURCHASE

1.1 Station Assets. Subject to the terms and conditions herein contained, Seller shall grant, convey, sell, assign, transfer and deliver to Buyer on the Closing Date the Station's property consisting of the FCC License, the Station's call sign, and the equipment listed in Schedule 1.1 (collectively, the "Station Assets"). All other assets held by Seller, including cash and cash equivalents, publicly traded securities, insurance policies, employee benefit plans, prepaid deposits, and accounts receivable are not considered part of the Station Assets.

1.2 Liabilities.

(a) Except as otherwise provided herein and in the related Promissory Note and Security Agreement, the Station Assets shall be sold and conveyed to Buyer free and clear of all mortgages, liens, deeds of trust, security interests, pledges, restrictions, prior assignments, charges, claims, defects in title and encumbrances of any kind or type whatsoever (collectively, "Liens").

(b) Buyer shall assume the obligations, unless otherwise noted, of Seller with respect to the Station Assets. Seller shall ensure that all existing Station underwriting agreements (the "Underwriting Agreements") will be terminated on or before Closing, unless Buyer expressly agrees to assume any one or more of such Underwriting Agreements, in which event Buyer shall be solely responsible under any assumed Underwriting Agreements as of the Closing Date. Seller shall have no further obligations or responsibilities with respect to any assumed or terminated Underwriting Agreements.

### 1.3 Purchase Price.

(a) Purchase Price. The purchase price to be paid for the Station Assets will be One Hundred Thirty-Three Thousand Dollars (\$133,000.00) (the "Purchase Price"). The Purchase Price shall be paid by Buyer to Seller as follows:

(i) Upon execution of this Agreement, Buyer shall pay to Seller Eight Thousand Dollars (\$8,000.00) as downpayment on the Purchase Price.

(ii) Upon Closing, Buyer shall execute and deliver to Seller a promissory note substantially in the form attached hereto as Exhibit A (the "Note") in the aggregate principal amount of One Hundred Twenty-Five Thousand Dollars (\$125,000.00). The loan evidenced by the Note shall bear interest at the rate of five point five percent (5.5%) and shall be paid in sixty (60) monthly installments over a five (5) year period. Principal and interest shall be paid monthly beginning on the first day of the sixth month after the Closing Date, as further described in the Note.

(b) Security. To secure Buyer's payment obligations under the Note, Buyer shall execute and deliver to Seller on the Closing Date a Security Agreement substantially in the form attached hereto as Exhibit B (the "Security Agreement").

(c) Allocation of Purchase Price. Buyer and Seller shall negotiate in good faith an allocation of the Purchase Price to the assets acquired hereunder in a manner which complies with Section 1060 of the Internal Revenue Code of 1986, as amended to the date hereof (the "Code"), prior to Closing.

1.4 Closing. The consummation of the sale and purchase of the Station Assets provided for in this Agreement (the "Closing") shall occur at a place and time and in a manner that is mutually agreeable to Buyer and Seller (the "Closing Date"). The Closing Date shall occur within five (5) business days after FCC Consent (as defined in Section 4) occurs.

## ARTICLE 2: REPRESENTATIONS AND WARRANTIES OF SELLER

Seller makes the following representations and warranties to Buyer:

2.1 Status. Seller is a nonprofit corporation duly organized, validly existing and in good standing under the laws of the State of Missouri. Seller has the requisite power to enter into and complete the transactions contemplated by this Agreement.

2.2 Authority. All actions necessary to be taken by or on the part of Seller in connection with the transactions contemplated by this Agreement have been duly and validly taken, or will be taken by the Closing Date, and this Agreement has been duly and validly authorized, executed and delivered by Seller and constitutes the legal, valid and binding obligation of Seller, enforceable against Seller in accordance with and subject to its terms.

2.3 Taxes. Seller has filed all applicable federal, state, local and foreign tax returns required to be filed, and has paid all taxes and assessments required to have been paid with respect to the Station.

2.4 License. The FCC License constitutes all of the licenses and authorizations required under the Communications Act of 1934, as amended (the "Communications Act") used in the operation of the Station. There is not pending or threatened any action by or before the FCC to revoke or modify the FCC License. During the period from the Effective Date to the Closing Date, Seller will continue to operate the Station in conformity with the FCC License.

2.5 Employment Matters. Buyer will have no duty, responsibility or liability with respect to Seller's or Station's employees.

2.6 Litigation. There are no legal proceedings or claims pending or threatened against the Station.

2.7 Brokers. There is no broker or finder or other person entitled to a commission or brokerage fee or payment in connection with this Agreement.

### ARTICLE 3: REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller:

3.1 Status. Buyer is a charitable trust which has been granted tax-exempt status pursuant to 26 U.S.C. § 501(c)(3) by the Internal Revenue Service, and which is duly organized, validly existing and in good standing under the laws of the State of Missouri. Buyer has the requisite power to carry on the business of the Station and to hold the FCC License for the Station, and Buyer has the requisite power to enter into and complete the transactions contemplated by this Agreement.

3.2 Authority. All actions necessary to be taken by or on the part of Buyer in connection with the transactions contemplated by this Agreement have been duly and validly taken, or will be taken by the Closing Date, and this Agreement has been duly and validly authorized, executed, and delivered by Buyer and constitutes the legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms.

3.3 No Conflicts. Neither the execution, delivery nor performance by Buyer of this Agreement nor the consummation by Buyer of the transactions contemplated hereby will violate any judgment, decree, order, statute, rule or regulation applicable to Buyer.

3.4 Qualification to hold FCC License. Buyer is qualified under the Communications Act and the existing rules and policies of the FCC to hold the FCC License.

#### ARTICLE 4: FCC APPLICATION

##### 4.1 Application for FCC Consent.

(a) Within five (5) calendar days after the Effective Date, Buyer and Seller shall jointly file an application with the FCC (the "FCC Application") requesting the FCC's consent to the assignment of the FCC License to Buyer from Seller and for the consummation of the transactions contemplated by this Agreement. Buyer and Seller shall cooperate fully in the preparation, submission and prosecution of the FCC Application and shall diligently take all steps that are necessary, proper or desirable to expedite the prosecution of the FCC Application to a favorable conclusion. No FCC filing fee is required in connection with the FCC Application.

(b) Closing is subject to the FCC publishing a public notice indicating its consent to the FCC Application (the "FCC Consent").

#### ARTICLE 5: CONDITIONS TO THE OBLIGATIONS OF SELLER

The obligations of Seller under this Agreement are subject to the fulfillment of the following conditions prior to or on the Closing Date. Upon the Closing, each such condition shall be deemed to have been satisfied.

##### 5.1 Representations, Warranties and Covenants.

(a) Each of the representations and warranties of Buyer contained in this Agreement was true and correct as of the date when made and is deemed to be made again on and as of the Closing Date and is then true and correct.

(b) Buyer shall have performed and complied with each and every covenant and agreement required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

5.2 Public notice of the FCC Consent has been issued by the FCC.

5.3 Buyer has complied with each and every one of its obligations set forth in Section 7.2.

## ARTICLE 6: CONDITIONS TO THE OBLIGATIONS OF BUYER

The obligations of Buyer under this Agreement are subject to the fulfillment of the following conditions prior to or on the Closing Date. Upon the Closing, each such condition shall be deemed to have been satisfied.

### 6.1 Representations, Warranties and Covenants.

(a) Each of the representations and warranties of Seller contained in this Agreement was true and correct as of the date when made and is deemed to be made again on and as of the Closing Date and is then true and correct.

(b) Seller shall have performed and complied with each and every covenant and agreement required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

6.2 Public notice of the FCC Consent has been issued by the FCC.

6.3 Seller has complied with each and every one of the obligations set forth in Section 7.1.

## ARTICLE 7: ITEMS TO BE DELIVERED AT CLOSING

7.1 Deliveries by Seller. At Closing, Seller shall deliver to Buyer, duly executed by Seller or such other signatory as may be required by the nature of the document:

(a) an Assignment and Assumption Agreement sufficient to sell, convey, transfer and assign the Station Assets (other than the FCC License) to Buyer free and clear of any Liens, in a form reasonably acceptable to Buyer and Seller (the "Assignment and Assumption Agreement");

(b) an FCC License Assignment and Assumption Agreement sufficient to assign the FCC License and the Station's call sign to Buyer, in a form reasonably acceptable to Buyer and Seller (the "FCC License Assignment and Assumption Agreement");

(c) the Security Agreement; and

(d) Certified copies of appropriate resolutions, duly adopted, which shall be in full force and effect at the time of the Closing, authorizing the execution, delivery and performance by Seller of this Agreement, and the consummation of the transactions contemplated hereby.

7.2 Deliveries by Buyer. At the Closing, Buyer shall deliver to Seller, duly executed by Buyer or such other signatory as may be required by the nature of the document:

(a) the Assignment and Assumption Agreement;

- (b) the FCC License Assignment and Assumption Agreement;
- (c) the Note;
- (d) the Security Agreement; and
- (e) Certified copies of appropriate resolutions, duly adopted, which shall be in full force and effect at the time of the Closing, authorizing the execution, delivery and performance by Buyer of this Agreement, and the consummation of the transactions contemplated hereby.

#### ARTICLE 8: SURVIVAL AND INDEMNITY

The rights and obligations of Buyer and Seller under this Agreement shall be subject to the following terms and conditions:

8.1 Survival of Representations and Warranties. Except as otherwise explicitly set forth herein, the representations and warranties of Buyer and Seller contained in this Agreement shall survive the Closing for one (1) year from the Closing Date, unless otherwise specified herein. Neither Seller nor Buyer shall have any liability whatsoever with respect to any representation or warranty unless a claim is made hereunder or an action at law or in equity is commenced prior to expiration of the survival period for such representation or warranty. Notwithstanding the foregoing, the Note and the Security Agreement shall operate pursuant to their respective terms and conditions.

8.2 General Agreement to Indemnify.

(a) Seller on the one hand, and Buyer on the other hand, shall indemnify, defend and hold harmless each other and any employee, representative, agent, director, officer, Affiliate or permitted assign of each other (each, and "Indemnified Party") from and against any and all claims, losses and damages (collectively, "Losses") asserted against or suffered by any Indemnified Party as a result of, arising out of or relating to: (i) the failure of any representation or warranty of the Indemnifying Party made in the Agreement to have been true and correct when made or as of the Closing Date; or (ii) the breach by the Indemnifying Party of any covenant or agreement of such party contained in this Agreement or any collateral agreement to the extent not waived by the other Party.

(b) Seller further agrees to indemnify and hold harmless Buyer and any other Indemnified Party of Buyer from and against any Losses asserted against, incurred or suffered by Buyer or any other Indemnified Party of Buyer arising out of, resulting from, or relating to the operation of the Station and ownership of the Station Assets prior to the Closing.

(c) Buyer further agrees to indemnify and hold harmless Seller and any other Indemnified Party of Seller from and against any Losses asserted against, incurred or suffered by

Seller of any other Indemnified Party of Seller arising out of, resulting from, or relating to the operations of the Station and the Station Assets after the Closing.

#### ARTICLE 9: TERMINATION

9.1 Termination. This Agreement may be terminated at any time prior to Closing:

(a) by the mutual written consent of Seller and Buyer;

(b) by written notice of Seller to Buyer if Buyer: (i) does not satisfy the conditions or perform the obligations to be satisfied or performed by Buyer on or before the Closing Date in any material respect; (ii) breaches in any material respect any of Buyer's representations or warranties; or (iii) defaults in any material respect in the performance of any of Buyer's covenants or agreements under this Agreement; and in any of which events such breach or default is not cured within the Cure Period (as defined below), if applicable;

(c) by written notice of Buyer to Seller if Seller: (i) does not satisfy the conditions or perform the obligations to be satisfied or performed by Seller on or before the Closing Date in any material respect; (ii) breaches in any material respect any of Seller's representations or warranties; or (iii) defaults in any material respect in the performance of any of Seller's covenants or agreements under this Agreement; and in any of which events such breach or default is not cured within the Cure Period (as defined below), if applicable;

(d) by written notice of Seller to Buyer, or Buyer to Seller if the Closing has not been consummated within one (1) year after the Effective Date; provided, however, that the right to terminate this Agreement under this clause shall not be available to any Party whose breach of this Agreement has been the cause of, or resulted in, the failure of the Closing to occur on or before the expiration of such one (1) year period.

9.2 Cure Period. The term "Cure Period" as used herein means a period commencing with the date that Buyer or Seller receives from the other Party written notice of breach or default hereunder and continuing until the earlier of: (i) thirty (30) days thereafter; or (ii) the Closing Date; provided, however, that if the breach or default cannot reasonably be cured within such period but can be cured before the Closing Date, and if diligent efforts to cure promptly commence, then the Cure Period shall continue as long as such diligent efforts to cure continue, but not beyond the Closing Date. Except as set forth below, the termination of this Agreement shall not relieve any Party of any liability for breach or default under this Agreement prior to the date of termination.

9.3 Liability; Right to Terminate. A termination of this Agreement shall not relieve any Party hereto of any liability for which it otherwise would be subject. Notwithstanding anything in this Agreement to the contrary, no Party that is in material breach of this Agreement shall be entitled to terminate this Agreement except with the written consent of the other Party. The Parties agree that the downpayment of the Purchase Price constitutes sufficient liquidated damages and represents Buyer's sole right and remedy in the event of an uncured default by Seller.

## ARTICLE 10: MISCELLANEOUS

10.1 Governing Law. The construction and interpretation of this Agreement shall at all times and in all respects be governed by the laws of the State of Missouri (exclusive of those relating to conflicts of laws), the Communications Act and the rules and policies of the FCC. Any action at law, suit in equity or judicial proceeding arising directly or indirectly in connection with this Agreement shall be litigated only in the courts of the State of Missouri. The Parties hereby consent to the personal and subject matter jurisdiction of such courts and waive any right to transfer or change the venue of any litigation between them.

10.2 Expenses. Each Party hereto shall bear all of its expenses incurred in connection with the transactions contemplated by this Agreement.

10.3 Entire Agreement; Amendment; No Waiver. This Agreement, including its schedule and Exhibits, constitutes the entire agreement and understanding by and between the parties, and no other representations, promises, agreements, or understandings, written or oral, not contained herein shall be of any force or effect. This Agreement may only be amended in writing. No failure or delay in exercising any right hereunder shall be deemed or construed to be a waiver of such right. The remedies provided in this Agreement shall be cumulative and shall not preclude the assertion by any Party hereto of any other rights or the seeking of any other remedies against the other Party hereto. This Agreement has been prepared by all of the Parties hereto, and no inference of ambiguity against the drafter of a document therefore applies against any Party hereto.

### 10.4 Public Announcements.

(a) Prior to the Closing Date, no Party shall, without the approval of the other Party, make any press release or other public announcement concerning the transactions contemplated by this Agreement, except (i) to announce it has been entered into, and (ii) as and to the extent that such Party shall be so obligated by law.

(b) Notwithstanding the foregoing, the Parties acknowledge that the rules and regulations of the FCC require that local public notice of the transaction contemplated by this Agreement be made after the Application has been filed with the FCC and that a copy of this Agreement be included as a material part of the Application, which will be made available for public inspection at the Station and in the FCC's records. The form and substance of the required public notice, to the extent not dictated by the rules and regulations of the FCC, shall be mutually agreed upon by Seller and Buyer.

10.5 Risk of Loss. The risk of loss, damage or destruction to any of the Station Assets shall be borne by Seller at all times up to 12:01 a.m. local time on the Closing Date, and it shall be the responsibility of Seller to repair or cause to be repaired and to restore the Station Assets to their condition prior to any such loss, damage, or destruction. In the event of any such loss, damage, or destruction, the proceeds of any claim for any loss, payable under any insurance policy with respect thereto, shall be used to repair, replace, or restore any such property to its former condition, subject to the conditions stated below. In the event of any loss or damage to any of the Station Assets, Seller shall notify Buyer thereof in writing. Buyer may consummate

the Closing and accept the Station Assets in their then condition, in which event Seller shall pay to Buyer all proceeds of insurance and assign to Buyer the right to any unpaid proceeds.

10.6 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties, and their respective representatives, successors and assigns. Neither Party may assign this Agreement or any part hereof without the prior written consent of the other Party.

10.7 Notices. All notices and other communications in connection with this Agreement shall be in writing (which shall include facsimile and electronic transmissions) and shall be deemed to have been duly made and received when personally served, or when delivered by Federal Express or a similar overnight courier service, expenses prepaid, or, if sent by electronic or other facsimile communications equipment, delivered by such equipment, addressed as set forth below:

If to Seller, then to:

Calvary Chapel of Joplin  
4899 E 7th Street  
Joplin, MO 64801  
Fax: (417) 782-9141  
E-mail: ccoj@cableone.net

and to (which shall not constitute notice):

David A. O'Connor, Esq.  
Wilkinson Barker Knauer, LLP  
2300 N Street, NW  
Suite 700  
Washington, DC 20037  
Fax: (202) 783-5851  
E-mail: doconnor@wbklaw.com

If to Buyer, then to:

Mr. James J. McDermott, President  
Lake Area Educational Broadcasting Foundation  
Post Office Box 800  
Camdenton, MO 65020  
Fax: (573) 346-1010  
E-mail: jim@spiritfm.org

Any Party may change its contact information by giving notice of such change in conformity with the provisions of this section.

10.8 Program Carriage. Following the Closing, and continuing until the last payment is made under the Note, or the sixth anniversary of the Closing Date, whichever is later, Buyer shall broadcast on the Station a daily half-hour program produced by or at the direction of Calvary Chapel of Joplin (the "Program"). The Program shall air free of charge on a fixed basis between the hours of 7:00 a.m. and 8:00 p.m. On an initial basis, the Program shall air at 5:30 p.m. daily, but this timeslot may be changed upon the mutual written consent of the Parties, provided the new timeslot is consistent with this provision. This provision shall survive the Closing and is not subject to the time limitations set forth in Article 8 of this Agreement.

10.9 Further Assurances. From time to time prior to, on and after the Closing Date, each Party hereto will execute such instruments and take such actions as any other Party shall reasonably request, in connection with effectuating the intent and purpose of this Agreement.

10.10 Counterparts. This Agreement may be executed by facsimile or electronic transmission and in counterparts, each of which shall constitute an original but together will constitute a single document.

[SIGNATURE PAGE FOLLOWS]

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the date first above written.

**SELLER:**

**CALVARY CHAPEL OF JOPLIN**

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

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

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

*[Handwritten Signature]*  
*DEPT. Kingery*  
President

**BUYER:**

**LAKE AREA EDUCATIONAL BROADCASTING  
FOUNDATION**

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

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

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

*[Handwritten Signature]*  
JAMES McDERMOTT  
President + GM

Exhibits

- Exhibit A Promissory Note
- Exhibit B Security Agreement

Schedules

- 1.1(d) Equipment

Schedule 1.1(d)  
Equipment

BE 10 KW TRANSMITTER  
4 - ALDENA YAGI ANTENNAS W/ POWER DIVIDERS AND CABLING  
12' X 12' SHELTER AT TRANSMITTER SITE  
BACK UP GENERATOR  
TRANSFER POWER SWITCH  
MAIN AC LINE LIGHTNING SURGE PROTECTOR  
EQUIPMENT RACK  
1 5/8" COAX CABLE (APPROX. 250')  
MOSELEY-SL9003T1-STUDIO-TRANSMITTER LINK (2)  
AIRTOOLS-6000 BROADCAST AUDIO DELAY-ENGINEERED BY SYMETRIX  
BROADCAST TOOLS SS 2.1 SWITCHER/ROUTER  
MATCHBOX HD-HENRYENG.COM-IHF PRO STEREO INTERFACE AMPLIFIER  
TLR300B2-TIELINE CODEC SOLUTION-COMMANDER G3  
PSI POWERED BY 101 PROPHET SYSTEMS  
AUDIOARTS-ENGINEERING  
ACER (2) (MONITOR)  
KEYBOARDS (2)  
BURKE REMOTE CONTROL  
OMNIA ONE PROCESSOR  
MISCELLANEOUS ANTENNA PARTS AND ACCESSORIES LOCATED AT THE  
TRANSMITTER SITE WHICH ARE SPECIFICALLY RELATED TO THE ONGOING  
OPERATION OF THE STATION OR EQUIPMENT IN USE

**EXHIBIT A**

**PROMISSORY NOTE**

\$125,000

[DATE]

FOR VALUE RECEIVED, the undersigned, **LAKE AREA EDUCATIONAL BROADCASTING FOUNDATION**, a Missouri charitable trust (the "Maker"), hereby promises to pay to the order of Calvary Chapel of Joplin, a Missouri nonprofit corporation (the "Holder"), at 4899 E 7th Street, Joplin, MO 64801, or at such other address specified by the Holder to the Maker, in lawful money of the United States of America and in immediately available funds, the principal amount of ONE HUNDRED TWENTY-FIVE THOUSAND DOLLARS (\$125,000.00), together with interest accrued thereon in like money.

This Note is issued pursuant to that certain Asset Purchase Agreement, dated as of [February \_\_, 2012], by and between the Maker and the Holder (the "Purchase Agreement") relating to the Maker's purchase from Holder of Station Assets of radio station KITG(FM), Sarcouxie, Missouri (the "Station"), and is issued on the Closing Date of the transaction contemplated by the Purchase Agreement. Capitalized terms used in this Note and not defined herein shall have the meaning assigned to them in the Purchase Agreement.

The loan evidenced by the Note shall bear interest at an annual rate of five point five percent (5.50%). Principal and interest in the amount of Two Thousand Three Hundred Eighty-Seven Dollars and Sixty-Five Cents (\$2,387.65) shall be paid over five (5) years in sixty (60) monthly increments, beginning on the first day of the sixth month following the Closing Date. If any payment date shall be a day that is not a regular business day, then payment shall be due on the next regular business day thereafter.

Interest shall be calculated on the basis of a year of 365 days for the actual number of days elapsed, including any time extended by reason of payments falling due on Saturdays, Sundays or legal holidays. Maker may prepay all or any portion of the principal of the Note from time to time without penalty, with appropriate adjustments to interest payments as may be necessary.

If any of the following events or conditions (each, an "Event of Default") shall occur:

- (a) Default by the Maker in the payment of any amount owed under this Note when the same becomes due and payable, which default continues uncured for a period of ten (10) business days after written notice of such default has been given by the Holder to the Maker;
- (b) The Maker shall make an assignment for the benefit of creditors, or shall file a voluntary petition in bankruptcy;
- (c) There shall be filed against the Maker any petition or application for relief under any bankruptcy or similar law which is not

discharged or dismissed within sixty (60) days after the filing of such petition or application;

(d) Default by the Maker under that certain Security Agreement of even date herewith executed by Maker in favor of the Holder (the "Security Agreement"), which default continues uncured within the applicable cure period set forth therein; or

(e) The transfer or assignment of the main station license issued by the Federal Communications Commission for the operation of the Station, in which event all principal and interest due hereunder shall be due no later than the Closing Date of such transaction;

then, and in any such event, the Holder may at any time, by written notice to the Maker, declare the entire amount of all principal and interest remaining unpaid on this Note due and payable, whereupon the same shall forthwith become due and payable.

All notices and other communications permitted under this Note shall be in writing (which shall include notice by electronic and facsimile transmission) and shall be deemed to have been duly made and received when personally served, or when delivered by Federal Express or a similar overnight courier service, expenses prepaid, or, if sent by facsimile or electronic communications equipment, delivered by such equipment, addressed as set forth below:

If to Holder, then to:

Calvary Chapel of Joplin  
4899 E 7th Street  
Joplin, MO 64801  
Fax: (417) 782-9141  
E-mail: ccoj@cableone.net

and to (which shall not constitute notice):

David A. O'Connor, Esq.  
Wilkinson Barker Knauer, LLP  
2300 N Street, NW  
Suite 700  
Washington, DC 20037  
Fax: (202) 783-5851  
E-mail: doconnor@wbklaw.com

If to Maker, then to:

Mr. James J. McDermott, President  
Lake Area Educational Broadcasting Foundation  
Post Office Box 800  
Camdenton, MO 65020

Fax: [ ]  
E-mail: jim@spiritfm.org

This Note is secured by the Security Agreement and by a first priority security interest in the collateral as defined therein (the "Collateral"). Upon the occurrence of an Event of Default, the Holder may exercise all rights and remedies set forth in such Security Agreement.

Holder may assign this Note upon written notice to Maker identifying the new holder of the Note and providing payment instructions. Every legal holder of this Note shall have and may exercise all of the rights and powers given to Holder in this Note. Maker may not assign its obligations under this Note without the prior written consent of Holder.

This Note may not be changed orally, but only by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought. This Note shall be governed by the laws of the State of Missouri. The Maker hereby waives presentment, demand for payment, notice of dishonor and any and all other notices or demands in connection with the delivery, acceptance, performance, default or enforcement of this Note.

*[Signature page follows]*

[SIGNATURE PAGE TO PROMISSORY NOTE]

**IN WITNESS WHEREOF**, the undersigned has executed this Note as of the date first above written.

**LAKE AREA EDUCATIONAL  
BROADCASTING FOUNDATION**

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

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

**EXHIBIT B**

## SECURITY AGREEMENT

THIS SECURITY AGREEMENT (the "Agreement"), dated as of \_\_\_\_\_, 2012, is entered into by and between LAKE AREA EDUCATIONAL BROADCASTING FOUNDATION, a Missouri charitable trust ("Debtor"), and CALVARY CHAPEL OF JOPLIN, a Missouri nonprofit corporation (the "Secured Party").

Concurrently herewith, and in accordance with that certain Asset Purchase Agreement, dated as of [February \_\_, 2012] (the "Purchase Agreement"), entered into by and between Debtor and Secured Party pursuant to which Debtor agreed to purchase from Secured Party the Station Assets of KITG(FM), Sarcoxie, Missouri (the "Station"), Secured Party is lending an aggregate principal amount of One Hundred Twenty-Five Thousand Dollars (\$125,000.00) to Debtor, which is evidenced by a certain Promissory Note of even date herewith in favor of the Secured Party (the "Note") executed by Debtor in connection with the Purchase Agreement and delivered to Secured Party.

All capitalized terms, unless otherwise defined herein, shall have the meanings set forth in the Purchase Agreement.

### SECTION 1. Security.

(a) As security for the payment of the \$125,000 principal indebtedness under the Note referenced above, and any interest that shall accrue thereon (collectively, the "Obligations"), Debtor hereby grants to Secured Party a continuing security interest in the collateral set forth in Schedule 1 hereto (collectively, the "Collateral").

(b) Debtor irrevocably appoints Secured Party as its lawful attorney-in-fact and agent to execute, on its behalf, financing statements and any assignment documents and to file on its behalf appropriate financing statements with respect to this Agreement.

(c) Debtor hereby represents and warrants to Secured Party that: (i) except for the lien granted by the Debtor in favor of the Secured Party pursuant to this Security Agreement, Debtor is the owner of the Collateral free from any adverse lien, security interest or encumbrance; and (ii) to the best of Debtor's knowledge, no financing statement covering the Collateral is on file in any public office, other than the financing statements filed pursuant to this Agreement.

**SECTION 2. Covenants of Debtor.**

Debtor hereby covenants that:

(a) Debtor will defend the Collateral against any claims and demands of all other persons at any time claiming the same or an interest therein which would conflict with any claim or interest of Secured Party. Debtor will maintain the tangible property included within the Collateral in good operating condition and repair. Debtor will not encumber, sell, transfer, assign, abandon or otherwise dispose of the Collateral without Secured Party's prior written approval, except for: (i) the sale or transfer of Inventory, and cancellation of Insurance (subject to Section 2(b) hereof) in the ordinary course of business, (ii) liens arising from taxes, assessments, charges, levies or claims that are not yet due or that remain payable without penalty or which are being contested in good faith by appropriate proceedings, (iii) liens arising from legal proceedings, so long as such proceedings are being contested in good faith by appropriate proceedings diligently conducted and so long as execution is stayed on all judgments resulting from any such proceedings, (iv) liens created by this Security Agreement, (v) dispositions of items of Equipment no longer useful to Debtor in the ordinary course of business, and (vi) trade-ins, replacements or exchanges of items of Equipment for other items of Equipment having an equal or greater value (in excess of any purchase money liens on such items) and useful in Debtor's business.

(b) Debtor will have and maintain insurance with financially sound and reputable insurance companies or associations in such amounts and covering such risks as are usually carried by companies engaged in the same or a similar business and similarly situated, including without limitation, property and casualty insurance and public liability insurance.

(c) Upon reasonable advance notice to Debtor, Secured Party may examine and inspect the Collateral owned by Debtor at any reasonable time and at any reasonable place, wherever located.

(d) Debtor will pay promptly when due all taxes and assessments upon the Collateral owned by Debtor or upon its use or sale unless such taxes or assessments are being contested in good faith by Debtor. At its option, Secured Party may discharge taxes, liens or other encumbrances at any time levied against or placed on the Collateral which have not been stayed as to execution and contested with due diligence in appropriate legal proceedings, and Secured Party may pay for insurance on the Collateral if Debtor has failed to comply with such obligation and may pay for maintenance and preservation of the Collateral if Debtor fails to do so. Debtor shall reimburse Secured Party on demand for any such expense incurred by Secured Party pursuant to the foregoing authorization.

(e) Debtor will from time to time upon demand furnish to Secured Party such further information and will execute and deliver to Secured Party such financing statements and assignments and other papers and will do all such acts and things as may be necessary or appropriate to establish, perfect and maintain a valid

security interest in the Collateral as security for the Obligations, and Debtor hereby authorizes Secured Party to execute and file at any time and from time to time one or more financing statements or copies thereof or of this Security Agreement with respect to the Collateral signed only by Secured Party.

**SECTION 3. Events of Default.**

(a) Debtor shall be in default under this Agreement upon the occurrence of any of following events or conditions (each, an "Event of Default"):

(i) an "Event of Default" shall occur under the Note and Secured Party shall exercise its right of acceleration of such Note; or

(ii) any representation or warranty made by Debtor in this Security Agreement or the Purchase Agreement shall prove to have been incorrect in any material respect on or as of the date made or deemed made, and such inaccuracy is not cured to the satisfaction of Secured Party within thirty (30) days after the date on which Secured Party gives Debtor written notice of such failure; or

(iii) Debtor shall fail to perform or observe any material term, covenant, or agreement contained in this Security Agreement, and such failure is not cured to the satisfaction of Secured Party within thirty (30) days after the date on which Secured Party gives Debtor written notice of such failure.

(b) Upon the occurrence of an Event of Default, Secured Party shall have all of the rights, powers and remedies set forth in the Note and this Agreement, together with the rights and remedies of a secured party under the applicable Uniform Commercial Code, including without limitation the right to sell, lease or otherwise dispose of any or all of the Collateral and to take possession of the Collateral as permitted by law. Secured Party may require Debtor to assemble its Collateral and make it available to Secured Party at a place to be designated by Secured Party that is reasonably convenient to both parties. Unless the Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, Secured Party will send to Debtor reasonable advance notice of the time and place of any public sale or reasonable advance notice of the time after which any private sale or any other disposition thereof is to be made. The requirement of sending reasonable advance notice shall be met if such notice is mailed, postage prepaid, to Debtor at least ten (10) days before the time of the sale or disposition. After deducting all expenses incurred by Secured Party in protecting or enforcing its rights in the Collateral, the residue of any proceeds of collection or sale of the Collateral shall be applied to the payment of principal, first, and then interest of Debtor's Obligations, and Debtor shall remain liable for any deficiency. Secured Party may bid for the Collateral at any public or private sale and Secured Party shall be entitled to a "credit bid" equal to the aggregate amount of principal and interest outstanding on the Note.

(c) Upon the occurrence and continuing existence of an Event of Default, Secured Party shall have the right, which shall not be challenged by Debtor, to

require that Debtor join with the successful bidder or other purchaser at a foreclosure sale regarding the Collateral in seeking from the FCC all applicable prior approvals of the assignment of the Station's FCC License to such bidder or other purchaser. In that regard, Debtor agrees to execute and deliver all applications, certificates, instruments, assignments and other documents and papers that may be required to obtain any necessary FCC consent, approval or authorization. It is expressly understood that such sale shall be subject to all applicable consents and prior approvals of the FCC. In the event Debtor fails to execute any such application or other document, the clerk of any court that has jurisdiction over this Agreement may execute or authorize and file the same on behalf of Debtor.

#### **SECTION 4. Collection.**

Upon the occurrence of an Event of Default pursuant to Section 3(a) hereof, Secured Party shall have the following rights and powers in addition to those specified in Section 3 above:

(a) Secured Party shall have the right to notify the contract obligors obligated on any or all of Debtor's Insurance to make payment thereof directly to Secured Party, and Secured Party may take control of all proceeds of any of the Insurance or General Intangibles.

(b) Debtor hereby irrevocably appoints Secured Party to be Debtor's true and lawful attorney-in-fact, with full power of substitution, in Secured Party's name or Debtor's name or otherwise for Secured Party's sole use and benefit, but at Debtor's cost and expense, to exercise at any time after the occurrence and continuing existence of an Event of Default pursuant to Section 3(a), but subject to the provisions of Section 8 hereof, the power to sell, transfer, assign or otherwise deal in or with the same or the proceeds thereof and to apply for and obtain any required consents of any governmental authority for any such sale or other disposition, as full and effectually as if Secured Party were the absolute owner thereof.

(c) Secured Party may seek, in a court of competent jurisdiction, the appointment of a receiver or trustee to take possession of all or any portion of the Collateral or to operate same; provided, that upon appointment of such receiver or trustee, an FCC Form 316 application for involuntary transfer or assignment of license (or successor form) shall be filed within ten (10) days of the entry of a Final Order (defined below) appointing such receiver or trustee and Debtor agrees to assist in the preparation and filing of the FCC Form 316 and any other documents required to authorize an involuntary transfer or assignment to such receiver or trustee. For purposes of this Agreement, the term "Final Order" means action by a court of competent jurisdiction that is not reversed, stayed, enjoined, set aside, annulled or suspended, and with respect to which action no timely request for stay, petition for rehearing or appeal is pending, and as to which the time for filing any such request, petition or appeal has expired or been waived by Debtor.

#### **SECTION 5. Limitations.**

With respect both to Obligations and Collateral, Debtor assents to any extension or postponement of the time of payment or any other indulgence, to any substitution, exchange or release of Collateral, to the addition or release of any party or person primarily or secondarily liable, to the acceptance of partial payments thereon and the settlement, compromising or adjusting of any thereof, all in such time or times as Secured Party may deem advisable. Secured Party shall have no duty as to the collection or protection of Collateral not in Secured Party's possession, and Secured Party's duty with reference to Collateral in its possession shall be to use reasonable care in the custody and preservation of such Collateral, but such duty shall not require Secured Party to engage in:

- (i) the collection of income thereon;
- (ii) the collection of debt;
- (iii) the taking of steps necessary to preserve rights against prior parties, although Secured Party is authorized to reasonably undertake any such action if deemed appropriate by Secured Party.

**SECTION 6. Successors and Assigns.**

The covenants, representations, warranties and agreements herein set forth shall be binding upon Debtor, his legal representatives, successors and assigns, as joint and several obligations, and shall inure to the benefit of Secured Party, its successors and assigns.

**SECTION 7. Miscellaneous.**

(a) No delay or omission by Secured Party in exercising any of its rights hereunder shall be deemed to constitute a waiver thereof. All rights and remedies of Secured Party hereunder shall be cumulative and may be exercised singularly or concurrently.

(b) This Agreement shall be governed by and construed under the laws of the State of Missouri, without regard to its principles of conflict of laws. None of the terms or provisions of this Agreement may be waived, altered, modified, or amended except by an agreement in writing signed by Secured Party and Debtor. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original instrument and all of which together shall constitute a single agreement.

(c) All notices and other communications permitted under this Agreement shall be in writing (which shall include notice by electronic and facsimile transmission) and shall be deemed to have been duly made and received when personally served, or when delivered by Federal Express or a similar overnight courier service,

expenses prepaid, or, if sent by facsimile or electronic communications equipment, delivered by such equipment, addressed as set forth below:

If to Secured Party, to:

Calvary Chapel of Joplin  
4899 E 7th Street  
Joplin, MO 64801  
Fax: (417) 782-9141  
E-mail: ccoj@cableone.net

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

David A. O'Connor, Esq.  
Wilkinson Barker Knauer, LLP  
2300 N Street, NW  
Suite 700  
Washington, DC 20037  
Fax: (202) 783-5851

If to Debtor, to:

Mr. James J. McDermott, President  
Lake Area Educational Broadcasting Foundation  
Post Office Box 800  
Camdenton, MO 65020  
Fax: [ ]  
E-mail: jim@spiritfm.org

**SECTION 8. FCC Approval.**

(a) Notwithstanding anything to the contrary contained herein, any foreclosure on, sale, transfer or other disposition of any Collateral or any other action taken or proposed to be taken hereunder that would affect the operational, voting, or other control of Debtor or affect the ownership of the FCC License, shall be pursuant to Section 310(d) of the Communications Act of 1934, as amended (the "Communications Act"), and to the applicable rules and regulations of the FCC and, if and to the extent required thereby, subject to the prior consent to the FCC and any other applicable governmental authority. Notwithstanding anything to the contrary contained herein, Secured Party will not take any action pursuant hereto that would constitute or result in any assignment of the FCC License if such assignment would require under then existing law (including the Communications Act), the prior approval of the FCC, without first obtaining such approval of the FCC and notifying the FCC of the consummation of such assignment (to the extent required to do so).

(b) Debtor agrees to take any action, at its sole cost and expense, that Secured Party may reasonably request in order to perfect and protect the security interest granted herein or to enable Secured Party to exercise and enforce its rights and remedies hereunder with respect to any of the Collateral, specifically including the use of its best efforts to assist in obtaining approval of the FCC or any other government agency or regulatory body for any action or transaction contemplated by this Agreement that is then required by law.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO SECURITY AGREEMENT]

**IN WITNESS WHEREOF**, the parties hereto have caused this Security Agreement to be executed by their duly authorized officers as of the date and year first above written.

**DEBTOR:**

**LAKE AREA EDUCATIONAL  
BROADCASTING FOUNDATION**

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

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

**SECURED PARTY:**

**CALVARY CHAPEL OF JOPLIN**

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

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

## SCHEDULE 1

The following Equipment, Inventory, General Intangibles and Insurance are collectively referred to as the "Collateral":

(a) All personal property of Debtor used in connection with the operation of KITG(FM), Sarcoxie, Missouri (the "Station") as well as any replacements for such property and the proceeds or products from the sale of such property (the "Equipment");

(b) All of the Debtor's inventory, merchandise and goods in all forms, used primarily in connection with the operation of the Station, whether now existing or hereafter acquired, and the proceeds and products thereof (the "Inventory");

(c) All of Debtor's presently existing and hereafter acquired or arising general intangibles and other intangible personal property used primarily in the operation of the Station, including without limitation, rights under all contract rights and all present and future authorizations, permits, licenses, franchises, government authorizations, including Debtor's rights under present and future authorizations, permits and licenses issued or granted to Debtor by the FCC (each, an "FCC License") for the ownership and operation the Station, and all rights incident or appurtenant to such authorizations, permits and licenses (but only to the extent it currently is, or hereafter may become, lawful to grant a security interest in such FCC License), together with the rights to receive all proceeds derived from or in connection with the sale, assignment or transfer of any FCC License used for ownership or operation of the Station (the "General Intangibles"); and

(d) All insurance policies held by the Debtor or naming the Debtor as loss payee (or naming Debtor as an additional insured as its interest may appear) relating to the operation of the Station, including without limitation, casualty insurance and property insurance, and the proceeds thereof (the "Insurance").