

## ASSET PURCHASE AGREEMENT

**THIS AGREEMENT** (“Agreement”), dated as of the 2nd day of September, 2005, is by and between WVRM, Inc., a New Jersey for-profit corporation (hereinafter “Seller”); and Domestic Church Media Foundation, Inc., a New Jersey non-profit corporation (hereinafter “Buyer”).

**WHEREAS**, Seller is the licensee and operator of non-commercial educational FM Broadcast Station WDDM, 89.3 MHz, Hazlet, New Jersey, FCC Facility ID #70644 (the “Station”); and

**WHEREAS**, the Seller desires to sell and the Buyer desires to purchase certain of the assets, authorizations and goodwill of the Station in order to serve the public interest, convenience and necessity; and

**WHEREAS**, the grant by the Federal Communications Commission (“Commission” or “FCC”) of an application on FCC Form 314 for Commission consent for assignment of license of the Station described in Paragraph 6 below (which will contain this Agreement), is an express condition precedent to the obligation of the parties to consummate this Agreement;

**NOW, THEREFORE**, the parties hereto agree as follows:

1. **Assets to Be Sold.** In consideration for the payments and other good and valuable consideration stated in the paragraphs below, and upon the terms and conditions set forth herein, on the Closing Date (as defined in paragraph 7 below), Seller shall sell, assign, transfer, convey and deliver to Buyer, free and clear of all liens, claims, encumbrances, security interests, charges and restrictions (except as specifically stated in paragraphs 3 and 4 below and except for Permitted Liens, as defined below), all of the assets used or useful by the Station, including without limitation the following (hereinafter the “Sale Assets”):

a. The license for the Station as issued by the FCC, File No. BRED-19980130ZT, granted March 28, 2001, through and including its normal expiration date of June 1, 2006, together with any licenses for auxiliary broadcast stations and any Antenna Structure Registrations associated with the Stations that may exist. A list of all licenses and FCC authorizations associated with the Station is appended hereto as Schedule A and incorporated herewith by reference (the “Licenses”);

b. All of the personal property of the Station located at the Station’s Transmitter Site, and all of the personal property of the Station located at the Station’s main studio and office location in Edison, New Jersey used and useful in the operation of WDDM(FM), as set forth in Schedule B attached hereto and incorporated by reference herein (the “Personal Property”).

c. All of Seller's right, title and interest in and to the agreement for use of the Station's "Transmitter Site" located near Holmdel, New Jersey, east of Route 34, just north of the Marlboro-Matawan Township line, NAD27 coordinates 40° 23' 6.6" N. Lat., 74° 12' 41.0" W. Long., subject to the execution of a superseding land use agreement by Buyer and the landlord of the Transmitter Site

d. All logs and records pertaining to the broadcast operations of the Station, including the Station's 47 C.F.R. §73.3526 "Public File".

e. The call letters "WDDM" (or those call letters assigned to the Station by the FCC as of the Closing Date) and all goodwill of the Station.

The Sale Assets shall be transferred to Buyer free and clear of any debts, liens or encumbrances of any kind or nature ("Liens"), except for assumed liabilities as provided for in Paragraph 5 ("Permitted Liens"); provided, however, it is acknowledged that Buyer must pay certain operating costs of the Station pursuant to the Time Brokerage Agreement, the terms of which are incorporated herein by reference.

2. **Consideration.** The purchase price for the Sale Assets shall be FIVE HUNDRED THOUSAND DOLLARS (US\$500,000.00) plus any sums due and owing by Buyer to Seller pursuant to the Time Brokerage Agreement on the Closing Date in lawful money of the United States of America, which shall be the total consideration for Seller's sale of the Sale Assets stated in paragraph 2. There will be no down payment; the parties are simultaneously entering into the Time Brokerage Agreement described in Section 4 below which calls for certain non-refundable payments to be made which will be applied to the purchase price. At closing, Buyer shall pay to the Seller FIVE HUNDRED THOUSAND DOLLARS (US\$500,000.00), less the sum of the non-refundable payments made pursuant to Section 4 below. At closing, Buyer may pay the brokerage commission described in Section 9q below directly to the broker and may pay such funds as are necessary to pay off the Station's indebtedness, judgments, liens and hypothecations, provided such payments are approved by Seller. Any such payments made by Buyer on behalf of Seller shall be credited toward the purchase price. In the event that all contingencies and conditions precedent as listed below are not met through no fault of Buyer by December 31, 2006, Buyer shall be entitled to rescind this agreement without penalty. In the event that all contingencies and conditions precedent as listed below are not met through no fault of Seller by December 31, 2006, Seller shall be entitled to rescind this agreement without penalty.

3. **Excluded Assets.** Notwithstanding anything to the contrary contained herein: It is specifically agreed and understood that any cash on hand at the Station as of the Closing Date shall be retained by the Seller. Further, Seller shall retain any bank accounts, cash equivalents and securities and other investments owned by Seller as of the Closing Date. All pledges receivable of the Station and notes receivable in favor of

Seller in existence as of the day before the commencement of the term of the Time Brokerage Agreement shall be the property of the Seller, subject to the provisions of paragraph x below. Further, the Sale Assets shall not include (a) Seller's books and records pertaining to corporate organization, taxation, employee pension, and other benefit plans, accounts receivable, insurance policies, pension, profit sharing or cash or deferred plans, (b) all consideration to be delivered by Buyer pursuant to this Agreement and (c) all personal property, plant, furniture, fixtures and equipment, and other assets listed on Schedule 3 attached hereto.

4. **Time Brokerage Agreement.** In addition to the Sale Assets listed above, Seller will sell to Purchaser for the period commencing on the date hereof and ending on the Closing Date all of the broadcast time of the Station (other than that required to meet FCC requirements for public service programming), in consideration of Buyer paying all of the operating expenses of the Station and SEVEN THOUSAND DOLLARS (\$7,000.00) per month, subject to the execution of the "Time Brokerage Agreement" appended hereto as Schedule C. These payments are deemed to be non-refundable; provided that each monthly \$7,000.00 payment shall be applied against the purchase price (for example, should the Time Brokerage Agreement run for nine months and closing take place on June 1, 2006, Buyer will receive a credit against the purchase price stated in Section 1 above of \$63,000.00).

5. **No Liabilities Assumed Other Than Those Expressly Disclosed.** The parties hereto agree and understand that this Agreement is for the sale and purchase of the Sale Assets, free and clear of all liens and encumbrances, except for Permitted Liens, subject only to the Transmitter Site lease described in paragraph 1c above and attached hereto as Schedule C. There are no other operating contracts or agreements to be assigned or assumed. Therefore, except as specifically agreed to and stated herein or listed on Schedule C appended hereto and incorporated herein by reference, Buyer does not assume, or agree to pay or discharge any debts or obligations of Seller with respect to the Station; Seller shall timely pay such debts and obligations; provided, however, it is acknowledged that Buyer must pay certain operating costs of the Station pursuant to the Time Brokerage Agreement. Any and all liabilities pertaining to the Station which are incurred by or on behalf of the Station subsequent to the Closing Date shall be incurred by the Buyer and shall be discharged by the Buyer. Buyer agrees to hold Seller harmless with respect to any liabilities incurred by Buyer subsequent to closing.

6. **FCC Consent.** It is understood and agreed by all parties that the prior written consent of the FCC to an application on FCC Form 314 (the "Application") for consent to the voluntary assignment of the licenses of the Station is required before consummation of this Agreement can occur. Communications counsel for Buyer will prepare the FCC application, submit it to Seller for approval, and then submit to the FCC a copy of the Contract and related documents required to be filed at the FCC. Such application shall be submitted within fifteen (15) days of the date hereof. Buyer represents that it is a non-profit corporation, and the application will contain a showing that Buyer is eligible to be a licensee in the reserved portion of the FM band pursuant to

47 CFR §73.503. The parties agree and pledge to each other total mutual cooperation to achieve approval by the FCC of the Application, including but not limited to prosecuting the Application in good faith and in due diligence so as to achieve grant and finality thereof as expeditiously as practicable, and to take no action to delay or defeat approval. Buyer shall provide a copy of any and all correspondence submitted to the FCC to Seller immediately upon the submission of same, and shall provide to Seller a copy of any and all correspondence received by Buyer from the FCC immediately upon the receipt thereof. Buyer shall pay all costs and expenses in connection with the application and the prosecution thereof.

7. **Closing Date.** Closing shall not take place unless and until the FCC has granted its consent to the Application described in the preceding paragraph and all consents relating to the transfer of the Transmitter Site agreement to Buyer have been obtained. So long as said Application and consents has been granted, Closing shall take place at the offices of Seller's counsel in New Jersey, or, as the parties may agree, on June 1, 2006 or five calendar days subsequent to the later of the FCC Form 314 application and the FCC's grant of the Station's license renewal application and consents to the transfer of the Transmitter Site agreement have been obtained, whichever is later, subject to Section 11, 12, 13 and 14 hereof.

8. **Time of the Essence.** Time is of the essence in the completion of this Agreement and the consummation thereof.

9. **Seller's Representations and Warranties.** Seller represents and warrants to Buyer as of the date hereof, the truth and accuracy of each of the following being expressly material to Buyer's execution of this Agreement, as follows:

a. *Organization, Standing and Authority.* Seller is a non-profit corporation duly organized and validly existing under the laws of the State of New Jersey. Seller has all requisite corporate power and authority (i) to own, lease, and use the Sale Assets as now owned, leased, and used, (ii) to conduct the business and operations of the Station as now conducted, and (iii) to execute and deliver this Agreement and the documents contemplated hereby and thereby, and to perform and comply with all of the terms, covenants, and conditions to be performed and complied with by Seller hereunder and thereunder. Seller is not a participant in any joint venture or partnership with any other person or entity with respect to any part of the operations of the Station or any of the Sale Assets.

b. *Authorization and Binding Obligation.* The execution, delivery, and performance of this Agreement by Seller have been duly authorized by all necessary actions on the part of Seller and its shareholders. This Agreement have been duly executed and delivered by Seller and constitute the legal, valid, and binding obligations of Seller, enforceable against it in accordance with their respective terms except as the enforceability of this Agreement may be affected by bankruptcy, insolvency, or similar

laws affecting creditors' rights generally, and by judicial discretion in the enforcement of equitable remedies.

c. *Absence of Conflicting Agreements.* Other than with respect to the License and the FCC and the Transmitter Site agreement and the parties thereto, the execution, delivery, and performance by Seller of this Agreement and the documents contemplated hereby and thereby (with or without the giving of notice, the lapse of time, or both): (i) do not require the consent of any third party; (ii) will not conflict with any provision of the organizational documents of Seller; (iii) to Seller's Knowledge, will not conflict with, result in a breach of, or constitute a default under, any applicable law, judgment, order, ordinance, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality; (iv) to Seller's Knowledge, will not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of, any agreement, instrument, license, or permit to which Seller is a party or by which Seller may be bound; and (v) will not create any claim, liability, mortgage, lien, pledge, condition, charge, or encumbrance of any nature whatsoever upon any of the Sale Assets.

d. *Governmental Licenses.* Schedule A includes a true and complete list of the Licenses. Seller has delivered to Buyer true and complete copies of the Licenses (including any amendments and other modifications thereto). Seller is the authorized legal holder of the Licenses. None of the Licenses listed on Schedule A is subject to any restriction or condition not disclosed therein that would limit the full operation of the Station as now operated. To Seller's Knowledge, the Licenses are in full force and effect, and the conduct of the business and operations of the Station is in accordance therewith in all material respects. Seller has no reason to believe that any of the Licenses would not be renewed by the FCC or other granting authority in the ordinary course. To Seller's Knowledge, there are no FCC enforcement proceedings or investigations ongoing pertaining to the Station, and Seller has no knowledge of or reason to believe that any such proceedings or investigations are pending or threatened against the Station. For purposes of this Agreement, "Knowledge" shall mean the party's actual or constructive awareness of the particular fact or event in question.

e. *Transmitter Site.*

(i) Seller has not subjected the Transmitter Site to any easements, rights, duties, obligations, covenants, conditions, restrictions, limitations or agreements not of record.

(ii) To the Knowledge of Seller there is no pending condemnation or similar proceeding affecting the Transmitter Site or any portion thereof, and to the Knowledge of Seller, no such action is presently contemplated or threatened.

(iii) Seller has received no notices from any insurance company of any defects or inadequacies in the facilities located on the Transmitter Site or any part

thereof which would adversely affect the insurability of the Transmitter Site or the premiums for the insurance thereof. Seller has received no notice from any insurance company which has issued or refused to issue a policy with respect to any portion of the Transmitter Site or by any board of fire underwriters (or other body exercising similar functions) requesting the performance of any repairs, alterations or other work with which compliance has not been made.

(iv) To the knowledge of Seller, there are no parties in possession of any portion of the Transmitter Site other than Seller, whether as lessees, tenants at will, trespassers or otherwise.

(v) To the knowledge of Seller, no zoning, building or other federal, state or municipal law, ordinance, regulation or restriction is violated by the continued maintenance, operation or use of the Transmitter Site or any tract or portion thereof or interest therein in its present manner except for such violations which would not have an adverse effect on the operation of the Station. To the knowledge of Seller, the use of the Transmitter Site and all parts thereof as aforesaid does not violate any restrictive covenants affecting the Transmitter Site.

(vi) To the knowledge of Seller, there is no law, ordinance, order, regulation or requirement now in existence, which would require any expenditure to modify or improve any portion of the Transmitter Site in order to bring it into compliance therewith.

(vii) To Seller's Knowledge, there are no structural, electrical, mechanical, plumbing, air conditioning, heating or other defects in the buildings located on the Transmitter Site and the roofs of the building located on the Transmitter Site are free from leaks and in good condition.

f. *Title and Condition of Tangible Personal Property.* Schedule B lists all material items or groups of items of Personal Property. Except as described in Schedule B, Seller owns and has good title to each item of Personal Property, and, as of the Closing Date, none of the Personal Property owned by Seller will be subject to any security interest, mortgage, pledge, conditional sales agreement, or other lien or encumbrance. Each item of Personal Property is available for immediate use in the business and operations of the Station. All items of transmitting equipment included in the Personal Property (i) are in operating condition, normal wear and tear excepted, and have been maintained in a commercially reasonable manner, (ii) comply with all applicable federal laws and regulations, including but not limited to the rules and regulations of the FCC, Federal Aviation Administration (FAA) and the Occupational Safety and Health Administration (OSHA) and (iii) to the knowledge of Seller, will permit the Station and any auxiliary broadcast facilities related to the Station to operate in accordance with the terms of the FCC Licenses and the rules and regulations of the FCC, and with all other applicable federal, state, and local statutes, ordinances, rules, and regulations.

g. *Assumed Contracts.* Other than the Transmitter Site Lease, no contracts are to be assigned by Seller to Buyer or to be assumed by Buyer from Seller. Seller represents and warrants that there are no programming and/or advertising contracts obligating the Station to broadcast any programming, advertising messages or other announcements beyond the Closing Date.

h. *Consents.* Except for the FCC Consent described in Paragraphs 6 and 7 above, and the Consent to the assignment of the Transmitter Site Lease, no consent, approval, permit, or authorization of, or declaration by or filing with any governmental or regulatory authority, or any other third party is required (i) to consummate this Agreement and the transactions contemplated hereby, or (ii) to permit Seller to assign or transfer the Sale Assets to Buyer

i. *Intangibles.* All of Seller's right, title and interest in and to intangible personal property (the "Intangibles") subject to this Agreement, if any, to Seller's Knowledge, is valid, in good standing and uncontested. Seller has delivered to Buyer copies of all documents establishing or evidencing the Intangibles. To Seller's Knowledge, it is not infringing upon or otherwise acting adversely to any trademarks, trade names, service marks, service names, copyrights, patents, patent applications, know-how, methods, or processes owned by any other person, persons, entity or entities, and there is no claim or action pending, or to Seller's Knowledge threatened, with respect thereto.

j. *Reports.* To Seller's Knowledge, all reports, and statements that Seller is currently required to file with the FCC or with any other governmental agency with respect to the Station have been filed, and all reporting requirements of the FCC and other governmental authorities having jurisdiction over Seller with respect to the Station have been complied with in all material respects. All of such reports, and statements are substantially complete and correct as filed. If Seller has obtained an "Antenna Structure Registration Number" for the tower at the Station's licensed transmitter site, it will cooperate with Buyer in the assignment of said Number.

k. *Personnel.*

(1) Employee and Compensation. On or prior to the Closing Date, Seller shall terminate all of its employees employed exclusively at the Station, and shall be solely responsible for compliance with all obligations imposed by federal and state law as a consequence thereof. Buyer expressly refuses to assume any liability or obligation of Seller under any employee benefit plans or arrangements that may be in existence as of the Closing Date relative to the Station's employees. With respect to any such employee benefit plans that may exist, Seller is not aware of the existence of any governmental audit or examination of any of such plans or arrangements. No action, suit or claim with respect to any of such plans or arrangements (other than routine claims for benefits) is pending or, to Seller's Knowledge, threatened.

(2) Labor Relations. Seller is not a party to or subject to any collective bargaining agreements with respect to the Station. Seller has no written or oral contracts of employment with any employee of the Station. Seller has complied in all material respects with all laws, rules, and regulations relating to the employment of labor, including, without limitation, those related to wages, hours, collective bargaining, occupational safety, discrimination, and the payment of social security and other payroll related taxes, and it has not received any notice alleging that it has failed to comply in any material respect with any such laws, rules, or regulations. No controversies, disputes, or proceedings are pending or, to the best of Seller's Knowledge, threatened, between Seller and any employee (singly or collectively) of the Station. No labor union or other collective bargaining representative represents or, to Seller's Knowledge, claims to represent any of the employees of the Station. To Seller's Knowledge, there is no union campaign being conducted to solicit cards from employees to authorize a union to request a National Labor Relations Board certification election with respect to any employees at the Station.

l. *Taxes.* Seller has filed or caused to be filed all federal income tax returns and all other federal, state, county, local, or city tax returns which are required to be filed, and it has paid or caused to be paid all taxes shown on those returns or on any tax assessment received by it to the extent that such taxes have become due, or has set aside on its books adequate reserves (segregated to the extent required by generally accepted accounting principles) with respect thereto. To Seller's Knowledge, there are no governmental investigations or other legal, administrative, or tax proceedings pursuant to which Seller is or could be made liable for any taxes, penalties, interest, or other charges, the liability for which could extend to Buyer as transferee of the business of the Station, and no event has occurred that would impose on Buyer any transferee liability for any taxes, penalties, or interest due or to become due from Seller.

m. *Claims and Legal Actions.* Except for any investigations or rulemaking proceedings generally affecting the broadcasting industry, there is no claim, legal action, counterclaim, suit, arbitration, governmental investigation or other legal, administrative, or tax proceeding, nor any order, decree or judgment, in progress or pending, or to Seller's Knowledge threatened, against or relating to Seller with respect to its ownership or operation of the Station or otherwise relating to the Sale Assets or the business or operations of the Station. In particular, but without limiting the generality of the foregoing there are no applications, complaints or proceedings pending or, to the best of Seller's Knowledge, threatened (i) before the FCC relating to the business or operations of the Station other than rule making proceedings which affect the radio industry generally, (ii) before any federal or state agency relating to the business or operations of the Station involving charges of illegal discrimination under any federal or state employment laws or regulations, or (iii) before any federal, state, or local agency relating to the business or operations of the Station involving zoning issues under any federal, state, or local zoning law, rule, or regulation.

n. *Environmental Matters.*



(i) To Seller's knowledge, Seller has complied in all material respects with all laws, rules, and regulations of all federal, state, and local governments (and all agencies thereof) concerning the environment, public health and safety, and employee health and safety, and no charge, complaint, action, suit, proceeding, hearing, investigation, claim, demand, or notice has been filed or commenced against Seller in connection with its ownership or operation of the Station alleging any failure to comply with any such law, rule, or regulation.

(ii) To Seller's knowledge, Seller has no liability relating to its ownership and operation of the Station (and there is no basis related to the past or present operations of the Station by Seller for any present or future charge, complaint, action, suit, proceeding, hearing, investigation, claim, or demand against Seller giving rise to any such liability) under any law, rule, or regulation of any federal, state, or local government (or agency thereof) concerning release or threatened release of hazardous substances, public health and safety, or pollution or protection of the environment.

(iii) To Seller's knowledge, Seller has no liability relating to its ownership and operation of the Station (and Seller has not handled or disposed of any substance, arranged for the disposal of any substance, or owned and operated any property or facility relating to the Station in any manner that could form the basis for any present or future charge, complaint, action, suit, proceeding, hearing, investigation, claim, or demand against Seller) under the common law or pursuant to any statute giving rise to any such liability for damage to any site, location, or body of water (surface of subsurface) or for illness or personal injury.

o. *Compliance with Laws.* To Seller's Knowledge, Seller has complied in all material respects with the Licenses and all federal, state, and local laws, rules, regulations, and ordinances applicable or relating to the ownership and operation of the Station. To the best of Seller's knowledge, neither the ownership or use of the properties of the Station nor the conduct of the business or operations of the Station conflicts with the rights of any other person or entity.

p. *Interference.* As of the Closing Date, Seller shall have cured any and all complaints of interference from any broadcast station, cable television system or non-broadcast radio facility should they exist, and the Station shall be operating with its full authorized operating power during all hours.

q. *Broker.* Seller has retained Touchdown Ventures Inc., 11 Bridge Street, Metuchen, NJ 08840 (TVI), as business chance broker relative to the sale of the Station; Seller has agreed to compensate TVI through a brokerage fee equal to ten percent (10%) of the gross purchase price stated in Section 1 above. Upon instructions to be executed by Seller and TVI and closing, Buyer will withhold that portion of the purchase price and remit it directly to TVI. Seller is solely liable for any brokerage commission, percentage, fees or costs due to TVI with respect to this transaction; Buyer has no liability to TVI whatsoever. No other business chance brokers, agents or

intermediaries were involved in this transaction who would be entitled to a commission, percentage or brokerage fee.

r. *Full Disclosure.* No representation or warranty made by Seller in this Agreement or in any financial statement, profit and loss statement, balance sheet, certificate, document, or other instrument furnished or to be furnished by Seller pursuant hereto contains or will contain any untrue statement of a material fact, or omits or will omit to state any material fact required to make any statement made herein or therein not misleading. There are no contingent or undisclosed liabilities; and in the event that there are any contingent or undisclosed liabilities, Seller will be solely liable for any and all of them, subject to the terms of the Time Brokerage Agreement.

10. **Buyer's Representations and Warranties.** Buyer represents and warrants to Seller, the truth and accuracy of each of the following being expressly material to Seller's execution of this Agreement, as follows:

a. *Organization, Standing and Authority.* Buyer is a non-profit corporation duly organized and validly existing under the laws of the Commonwealth of Pennsylvania, and as of the Closing Date will be authorized to conduct business in the State of New Jersey as a foreign corporation. Buyer has all requisite corporate power and authority (i) to own, lease, and use the Sale Assets as now owned, leased, and used, (ii) to operate the Station, and (iii) to execute and deliver this Agreement, the Time Brokerage Agreement and the documents contemplated hereby and thereby, and to perform and comply with all of the terms, covenants, and conditions to be performed and complied with by Buyer hereunder and thereunder.

b. *Authorization and Binding Obligation.* The execution, delivery, and performance of this Agreement and the Time Brokerage Agreement by Buyer have been duly authorized by all necessary actions on the part of Buyer. This Agreement and the Time Brokerage Agreement have been duly executed and delivered by Buyer and constitute the legal, valid, and binding obligations of Buyer, enforceable against Buyer in accordance with their respective terms except as the enforceability of this Agreement and the Time Brokerage Agreement may be affected by bankruptcy, insolvency, or similar laws affecting creditors' rights generally and by judicial discretion in the enforcement of equitable remedies.

c. *Absence of Conflicting Agreements.* Subject to obtaining the Consents to the assignment of the Transmitter Site Lease and the consent of the FCC as set forth in Paragraph 6 hereof, the execution, delivery, and performance by Buyer of this Agreement and the Time Brokerage Agreement and the documents contemplated hereby and thereby (with or without the giving of notice, the lapse of time, or both): (i) do not require the consent of any third party with which Buyer has contract or other relations; (ii) will not conflict with the Articles of Incorporation or By-laws of Buyer; (iii) will not conflict with, result in a breach of, or constitute a default under, any law, judgment,

order, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality by which Buyer is bound; or (iv) will not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of, any agreement, instrument, license, or permit to which Buyer is a party or by which Buyer may be bound, such that Buyer could not acquire or operate the Sale Assets.

d. *Broker.* Buyer has not retained or engaged any brokers or agents to whom a finder's fee or commission would be due with respect to this transaction. Buyer is not liable for any finder's or broker's commissions and/or fees with respect to the transactions contemplated by this Asset Purchase Agreement.

e. *Qualification.* Buyer is legally and financially qualified under the Communications Act of 1934, as amended, and the rules, regulations and policies of the FCC to acquire the Station and no waiver will be necessary under the rules, regulations and policies of the FCC for Buyer to acquire the Station. Buyer knows of no fact which would prevent, or which would likely prevent, the transfer of the Licenses from Seller to Buyer or the consummation of the transactions contemplated herein.

f. *Full Disclosure.* No representation or warranty made by Buyer in this Agreement or in any certificate, document, or other instrument furnished or to be furnished by Buyer pursuant hereto contains or will contain any untrue statement of a material fact, or omits or will omit to state any material fact and required to make any statement made herein or therein not misleading.

g. *Financial Ability to Perform.* Buyer has and will have, as of the Closing Date, sufficient funds and/or financing arrangements with responsible financial institutions to deliver the Purchase Price at the Closing and to take such other actions as may be required by it to consummate the transactions contemplated herein.

h. *Buyer's Acts or Omissions.* Buyer acknowledges that it will have access to the Station pursuant to the Time Brokerage Agreement. Buyer acknowledges and agrees that the representations and warranties made by Seller hereunder shall be exclusive of any act or omission on the part of Buyer.

11. **Conditions Precedent to Buyer's Obligations.** The obligations of Buyer under this Agreement are, at its election, subject to the fulfillment on or prior to the Closing Date of each of the following conditions precedent:

a. That the Application shall have become a Final Order without the imposition on Buyer of any material conditions (i.e., conditions other than standard

conditions and instructions on FCC Form 732) requiring Buyer's compliance and Seller shall have complied with any conditions imposed on it by the FCC Consent.

b. That the landlord of the Transmitter Site shall have entered into a lease agreement upon terms and conditions acceptable to Buyer in its discretion and the Transmitter Site shall be in compliance with all applicable zoning requirements.

c. Seller shall be the holder of all FCC Licenses and there shall not have been any modification of any FCC License that could have a materially adverse effect on the Station or the conduct of its business and operations. No proceeding shall be pending or threatened the effect of which could be to revoke, cancel, fail to renew, suspend, or modify adversely any FCC License.

d. That all representations and warranties of Seller contained in this Agreement shall be true and complete in all respects at and as of the Closing Date as though made at and as of that time, subject to Section 10(i).

e. That Seller shall have performed and complied in all material respects with all covenants, agreements, and conditions required by this Agreement to be performed or complied with by it prior to or on the Closing Date

f. Seller shall have made all the deliveries to Buyer set forth in paragraph 13 below; and

g. Between the date of this Agreement and the Closing Date, there shall have been no material adverse change in the Personal Property, Transmitter Site or Licenses of the Station, including any damage, destruction, or loss affecting any material assets used in the conduct of the business of the Station, other than resulting from the acts or omissions of Buyer. A material environmental problem at the Transmitter Site shall constitute a material adverse change hereunder.

12. **Conditions Precedent to Seller's Obligations.** The obligations of Seller under this Agreement are, at its election, subject to the fulfillment on or prior to the Closing Date of each of the following conditions precedent:

a. That the Application be granted without the imposition on Seller of any material conditions (i.e., conditions other than standard conditions and instructions pre-printed on FCC Form 732) requiring Seller's compliance, and Buyer shall have complied with any conditions imposed on it by the FCC Consent.

b. All representations and warranties of Buyer contained in this Agreement shall be true and complete in all material respects at and as of the Closing Date as though made at and as of that time, except for changes contemplated by this Agreement.

c. Buyer shall have performed and complied in all material respects with all covenants, agreements, and conditions required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

d. Buyer shall have made all the deliveries set forth in paragraph 14 below.

e. The landlord of the Transmitter Site shall have consented to the transfer of the Transmitter Site agreement to Buyer or otherwise has agreed to terminate the Transmitter Site agreement.

13. **Closing Deliveries By Seller.** At the time and place prescribed in Paragraph 7 above, Seller shall make the following Closing Deliveries to Buyer:

a. *Transfer Documents.* Duly executed bills of sale, assignments (including an assignment of the FCC Licenses), and other transfer documents which shall be sufficient to vest good and marketable title to the Sale Assets in the name of Buyer, free and clear of all claims, liabilities, security interests, mortgages, liens, pledges, conditions, charges or encumbrances.

b. *Officer's Certificate.* A certificate, dated as of the Closing Date, executed on behalf of Seller by an officer of Seller, certifying (1) that the representations and warranties of Seller contained in this Agreement are true and complete in all respects as of the Closing Date as though made on and as of that date (subject to Section 10(i) hereof); and (2) that Seller has in all material respects performed and complied with all of its obligations, covenants, and agreements set forth in this Agreement to be performed and complied with on or prior to the Closing Date.

c. *Licenses, Etc.* Copies of all Licenses (excluding those that are not transferable) and all files and records used by Seller in connection with its operations of the Station.

14. **Closing Deliveries By Buyer.** At the time and place prescribed in Paragraph 7 above, Buyer shall make the following Closing Deliveries to Seller:

a. *Purchase Price.* The purchase price as described in Paragraph 2a above, plus or minus any closing adjustments.

b. *Buyer's Certificate.* A certificate, dated as of the Closing Date, executed by Buyer, certifying (1) that the representations and warranties of Buyer contained in this Agreement are true and complete in all material respects as of the Closing Date as though made on and as of that date, and (2) that Buyer has in all material respects performed and complied with all of its obligations, covenants, and agreements set forth in this Agreement to be performed and complied with on or prior to the Closing Date.

**15. Termination.**

a. In the event that the Closing has not taken place on or before August 31, 2006, either party shall have the right to unilaterally terminate this agreement by giving written notice to the other party of its intention to do so, provided, however, that the party seeking to so terminate is not itself in material breach hereof. Upon such notice, this Agreement shall have no further force and effect.

b. If the Commission designates the Application for hearing, either party shall have the option of terminating this Agreement by notice to the other party prior to the commencement of the hearing if the terminating party shall not be in default under the provisions of this Agreement; provided that the terminating party shall not be entitled to terminate this Agreement if the hearing results from or was caused by (i) any failure on the part of such party to furnish or make available to the Commission information required to be supplied by such party, or (ii) the furnishing by such party of incorrect, inaccurate or incomplete information to the Commission, or (iii) a protest resulting from the solicitation of such protest by the party seeking to terminate this Agreement.

c. This Agreement may be terminated by Seller and the purchase and sale of the Station abandoned, if Seller is not then in material default, upon written notice to Buyer, upon the occurrence of any of the following:

(1) If on the date that would otherwise be the Closing Date any of the conditions precedent to the obligations of Seller set forth in this Agreement have not been satisfied by Buyer or waived in writing by Seller.

(2) If there shall be in effect on the date that would otherwise be the Closing Date any judgment, decree, or order that would prevent or make unlawful the Closing.

(3) Without limiting Seller's rights under the other provisions of this Agreement, if Buyer has failed to cure any material breach of any of its representations, warranties or covenants under this Agreement within fifteen (15) days after Buyer received written notice of such breach from Seller.

d. This Agreement may be terminated by Buyer and the purchase and sale of the Station abandoned, if Buyer is not then in material default, upon written notice to Seller, upon the occurrence of any of the following:

(1) If on the date that would otherwise be the Closing Date any of the conditions precedent to the obligations of Buyer set forth in this Agreement have not been satisfied by Seller or waived in writing by Buyer.

(2) If there shall be in effect on the date that would otherwise be the Closing Date any judgment, decree, or order that would prevent or make unlawful the Closing.

(3) If any event shall have occurred that permits Buyer to terminate this Agreement under Paragraph 18 hereof.

(4) If any event shall have occurred which prevents signal transmission by the Station (i) with any power level whatsoever for a continuous period of seven (7) days from the date hereof through the Closing Date; or (ii) with full power for a continuous period in excess of ten (10) days, unless caused by acts or omissions of Buyer.

(5) Without limiting Buyer's rights under the other provisions of this paragraph, if Seller has failed to cure any material breach of any of its representations, warranties or covenants under this Agreement within fifteen (15) days after Seller received written notice of such breach from Buyer.

e. Immediately and automatically upon the effective date of termination of the Time Brokerage Agreement.

**16. Seller's Default; Specific Performance.** It is agreed and understood that the Sale Assets are unique, as Station WDDM is the only radio broadcast station of any kind to be licensed by the FCC to the community of Hazlet, New Jersey. Therefore, in the event of Seller's breach of this Agreement which is the result of Seller's refusal to sell the Station to Buyer despite Buyer being ready, willing and able to close, Buyer may and shall be entitled to seek the equitable remedy of specific performance to enforce Seller's obligations hereunder to sell the Station to Buyer. Accordingly, Seller waives any defense to such action in equity that Buyer has an adequate remedy at law. In other situations where Buyer has a claim that Seller has breached this Agreement (for example, should certain tangible assets not be in condition comparable to that during the period immediately prior to execution of this Agreement), Buyer shall give written notice to Seller, and Seller shall have fifteen (15) business days in which to cure such breach.

**17. Buyer's Default; Liquidated Damages.** Where Seller has a claim that Buyer has breached this Agreement, Seller shall give written notice to Buyer, and Buyer shall have fifteen (15) business days in which to cure such breach, provided, however, that no such notice shall be required nor cure opportunity afforded for Buyer's inability or unwillingness to tender the full Purchase Price on the Closing Date upon the satisfaction of all conditions precedent. Should said breach occur (if no notice need be given in accordance with the foregoing) or remain uncured upon the end of said fifteen business day period (if notice need be given in accordance with the foregoing), Buyer shall be in default. At that point, Seller may terminate this Agreement and/or shall be entitled to all applicable remedies in law and at equity. In the event that Seller terminates this Agreement in accordance herewith, then Seller shall be free to sell the Sale Assets and assign the license of the Station to any other party of its choosing.

18. **Risk of Loss; Set-off.** Seller shall bear all risk of loss in connection with the Station prior to the Closing Date, other than due to the actions or inactions of Buyer. Should the Station, or any of the Sale Assets which are material to the operation of the Station, be substantially damaged or destroyed and—not replaced or repaired promptly, Buyer at its sole option may agree to either terminate this Agreement or to consummate its purchase of the Station upon an agreement of set-off or credit for such damaged or destroyed Sale Assets having been reached.

19. **Taxes.** Taxes shall be borne by the parties as set forth in the Time Brokerage Agreement.

20. **Allocations.** The purchase price shall be allocated as set forth on Schedule 20 hereof and the parties will jointly prepare IRS Form 8594 at the Closing consistent therewith.

21. **Interference with Operations.** From the date hereof onward until the Closing Date, Buyer shall not attempt to interfere with the operations of Seller and the Station; however, Buyer shall be permitted a reasonable opportunity to review books and records of the Station and to inspect the physical condition of the Sale Assets. Upon the Closing Date, and thereafter, Seller shall make no attempt to control the Station, incur any debts or obligations against the Station, or otherwise interfere in the operations of the Station. However, and notwithstanding any provision in this Agreement, prior to the Closing Seller may not, without the prior written consent of the Buyer, such consent not to be unreasonably withheld or delayed (failure of Buyer to respond to Seller's request within two (2) days thereof shall be deemed an approval):

a. Make any substantial change in the business of the Station, except such changes which will not have any material adverse impact upon the Sale Assets;

b. Sell, lease, transfer or otherwise dispose of any Sale Asset, other than in the ordinary course of business, without obtaining a suitable replacement acceptable to Buyer before the Closing Date;

c. Mortgage, pledge or encumber any Sale Asset;

d. Waive or agree to waive any rights of material value relating to the Sale Assets or allow to lapse or fail to keep in force any license, permit, authorization or other right relating to the Station;

e. Except in the ordinary course of business, make or permit any amendment or termination of any material contract, agreement or license included in the Sale Assets;

f. Enter into any agreement with any employee binding Seller and/or Buyer to utilize said employee's services in connection with the Station other than an employment agreement terminable at will; or



g. Become a party to any cash, trade or barter agreement for the sale of air time requiring announcements to be made over the Station subsequent to the Closing Date.

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

23. **Confidentiality.** Except as necessary for the consummation of the transaction contemplated by this Agreement and, except as and to the extent required by law, including, without limitation, disclosure requirements of federal or state securities laws and the rules and regulations of securities markets, each party will keep confidential any information obtained from the other party in connection with the transactions contemplated by this Agreement. If this Agreement is terminated, each party will return to the other party all information obtained by the such party from the other party in connection with the transactions contemplated by this Agreement. Prior to Closing, neither party shall publish any press release, make any other public announcement or otherwise communicate with any news media concerning this Agreement or the transactions contemplated hereby or thereby without the prior written consent of the other party, except the 47 C.F.R. §73.3580 public notice described in the preceding paragraph; *provided, however*, that nothing contained herein shall prevent either party from promptly making all filings with governmental authorities as may, in its judgment be required or advisable in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby.

24. **Indemnification.**

a. *By Seller.* Seller shall indemnify, defend and save Buyer, its officers, directors, insurers, affiliates, successors and assigns, harmless against and from all liabilities, claims, losses, damages, cost and expenses (including reasonable attorney's fees) resulting from (i) the conduct of business and operations by Seller of the Station or Sale Assets prior to the Closing Date, (ii) any misrepresentation of breach of warranty, representation or covenant contained in this Agreement by Seller, (iii) any claims or actions brought by any shareholder of Seller against Buyer as a result of or in connection with this transaction, (iv) any claim or action of any kind by or on behalf of any employee or former employee of Seller or the unlawful conduct of any such employee, and (v) all actions, suits, proceedings, demands, damages, assessments, judgments, costs, reasonable attorney's fees on any appeal, and expenses incident to any of the foregoing or incident to any enforcement by Buyer of any covenant of agreement on the part of Seller set forth in this Agreement; *provided, however*, the foregoing indemnification shall not apply to liabilities, claims, losses, damages, cost and expenses (including reasonable attorney's fees) resulting from the actions or inactions of Buyer.

b. *By Buyer.* Buyer will indemnify, defend and save Seller, its affiliates, successors and assigns harmless against and from all liabilities, claims, losses, damages, costs and expenses (including reasonable attorney's fees) resulting from (i) any

misrepresentation or breach of warranty, representation or covenant by Buyer contained in this Agreement, (ii) the conduct of business and operations by Buyer of the Sale Assets following the Closing, (iii) any claims or actions brought by any principal of Buyer against Seller as a result of or in connection with this transaction, and (iv) all actions, suits, proceedings, demands, damages, assessments, judgments, costs, reasonable attorney's fees (including reasonable attorney's fees on any appeal) and expenses incident to any of the foregoing or incident to any enforcement by Seller of any covenant or agreement on the part of Buyer set forth in this Agreement, provided, however, the foregoing indemnification shall not apply to liabilities, claims, losses, damages, cost and expenses (including reasonable attorney's fees) resulting from the actions or inactions of Seller.

c. *Claims Pursuant to Indemnities.* If any claim covered by the foregoing indemnities is asserted against any other indemnified party (the "Indemnitee"), the Indemnitee shall promptly give the other party (the "Indemnitor") notice of such claim. Under no circumstance shall any claim for indemnification hereunder arise until the aggregate amount of all such claims exceeds the sum of one percent (1%) of the Purchase Price with exceptions for fraud or intentional misrepresentation and in no event shall it exceed ten percent (10%) of the Purchase Price.

25. **Benefit and Binding Effect; Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither party hereto may assign this Agreement without the prior written consent of the other party hereto.

26. **Further Assurances.** The parties shall take any reasonable actions and execute any other documents that may be necessary or desirable to the implementation and consummation of this Agreement, including, in the case of Seller, any additional bills of sale, deeds, or other transfer documents that, in the reasonable opinion of Buyer, may be necessary to ensure, complete, and evidence the full and effective transfer of the Sale Assets to Buyer pursuant to this Agreement.

27. **Governing Law; Venue.** This Agreement shall be governed, construed and enforced by and in accordance with the laws of the State of New Jersey, without regard to the "Choice of Law" provisions thereof. Each of the parties hereto hereby consents to the jurisdiction of any State or federal court located within the State of New Jersey and irrevocably agrees that all actions and proceedings relating to this Agreement or the transactions contemplated hereby may properly be litigated in such courts. Each of the parties hereto waives any objection that it may have to the conduct of any action or proceeding in any such court based on improper venue or forum non conveniens, waives personal service of any and all process upon it, and consents that all service of process may be made by mail or courier service directed to it at the address set forth herein and that service so made shall be deemed to be completed upon the earlier of actual receipt or ten (10) days after the same shall have been posted. Nothing contained in this Section shall affect the right of any party hereto to serve legal process in any other matter

permitted by law or affect the right of any party hereto to bring any action or proceeding against any other party hereto or any party's property in the courts in any other jurisdiction.

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

29. **Gender and Number.** Words used in this Agreement, regardless of the gender and number specifically used, shall be deemed and construed to include any other gender, masculine, feminine, or neuter, and any other number, singular or plural, as the context requires.

30. **Notices.** All notices, demands, and requests required or permitted to be given under the provisions of this Agreement shall be (a) in writing, (b) delivered by personal delivery, commercial delivery service or registered or certified mail, return receipt requested, (c) deemed to have been given on the date of personal delivery, or the date set forth in the records of the commercial delivery service or three (3) business days after being sent by registered or certified mail, and (d) addressed as follows:

If to Seller:

WVRM, Inc.  
505 Thornall Street  
Suite 306  
Edison, NJ 08837  
Attn: Paul Suri, President

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

Peter Greenbaum, Esq.  
Wilentz, Goldman & Spitzer, P.A.  
90 Woodbridge Center Drive  
Woodbridge, New Jersey 07095

If to Buyer:

Mr. James Manfredonia, President  
Domestic Church Media Foundation, Inc.  
Post Office Box 192  
Fairless Hills, PA 19030

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

Dennis J. Kelly, Esquire

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

31. **Entire Agreement.** This Agreement, the schedules, hereto, and all documents, certificates, and other documents to be delivered by the parties pursuant hereto, collectively represent the entire understanding and agreement between Buyer and Seller with respect to the subject matter hereof. This Agreement supersedes all prior negotiations between the parties and cannot be amended, supplemented, or changed except by an agreement in writing that makes specific reference to this Agreement and which is signed by the party against which enforcement of any such amendment, supplement, or modification is sought.

32. **Waiver of Compliance; Consents.** Except as otherwise provided in this Agreement, any failure of any of the parties to comply with any obligation, representation, warranty, covenant, agreement, or condition herein may be waived by the party entitled to the benefits thereof only by a written instrument signed by the party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, representation, warranty, covenant, agreement, or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure. Whenever this Agreement requires or permits consent by or on behalf of any party hereto, such consent shall be given in writing in a manner consistent with the requirements for a waiver of compliance as set forth in this paragraph.


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

[THIS SECTION INTENTIONALLY LEFT BLANK;  
SIGNATURES APPEAR ON FOLLOWING PAGE]

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

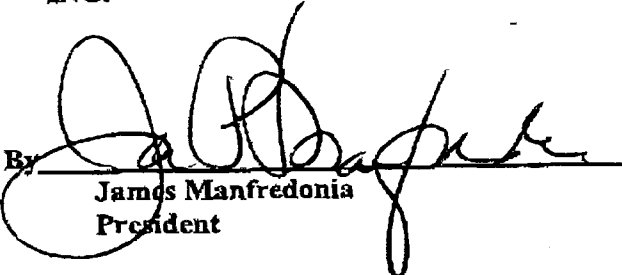
**SELLER**

WVRM, INC.

By   
Jaspal Singh Suri  
President

**BUYER**

DOMESTIC CHURCH MEDIA FOUNDATION,  
INC.

By   
James Manfredonia  
President

Schedule A  
License and FCC Authorizations

FM Broadcast Station WDDM, 89.3 MHz, Hazlet, New Jersey, FCC Facility ID #70644

Schedule B  
Material Personal Property and Liens

Schedule C  
Transmitter Site Agreement and Time Brokerage Agreement



Schedule 3  
Excluded Assets

Schedule 20  
Allocation

TO BE DETERMINED AT CLOSING.