

## ASSET PURCHASE AGREEMENT

202 THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made as of this day of May, 2010 by and between Pennyrite Christian Community, Inc. ("Seller") and Henson Media of Union County, LLC ("Buyer").

### Recitals

A. Seller has certain rights to own and operate FM translator W219CF (FCC Facility ID No. 90883), licensed to Madisonville, Kentucky (the "Translator") pursuant to certain authorizations issued by the Federal Communications Commission (the "FCC").

B. Pursuant to the terms and subject to the conditions set forth in this Agreement, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, the Assets (defined below).

### Agreement

NOW, THEREFORE, taking the foregoing into account, and in consideration of the mutual covenants and agreements set forth herein, the parties, intending to be legally bound, hereby agree as follows:

#### ARTICLE 1: PURCHASE OF ASSETS

1.1. Assets. On the terms and subject to the conditions hereof, at Closing (defined below), Seller shall sell, assign, transfer, convey and deliver to Buyer, and Buyer shall purchase and acquire from Seller all right, title and interest of Seller in and to the following assets (the "Assets"): (a) all licenses, permits and other authorizations issued to Seller by the FCC with respect to the Translator and listed on Schedule 1.1(a) (the "FCC Licenses"), including any renewals or modifications thereof between the date hereof and Closing; (b) all goodwill and rights to which Seller has in the frequency and call letters of the Translator (the "Intangibles"). The Assets shall be transferred to Buyer free and clear of liens, claims and encumbrances ("Liens"), liens for taxes not yet due and payable, and liens that will be released at or prior to Closing (collectively, "Permitted Liens").

1.2. No Assumption of Obligations. Buyer is not assuming any obligations of Seller.

1.3. Purchase Price. In consideration for the sale of the Assets to Buyer, Buyer shall pay Seller the total sum of Twenty Thousand Dollars (\$20,000.00) (the "Purchase Price") by certified check or wire transfer of immediately available funds at Closing.

1.4. Closing. The consummation of the sale and purchase of the Assets provided for in this Agreement (the "Closing") shall take place on or before the fifth (5th) business day after the date of the FCC's order granting the Assignment Application, or on such later day after such consent as Buyer and Seller may mutually agree, subject to the

satisfaction or waiver of the conditions set forth in Articles 3 or 4 below. The date on which the Closing is to occur is referred to herein as the "Closing Date."

1.5. FCC Matters.

(a) Assignment Application. Within five business (5) days from the date hereof, Buyer and Seller shall file an application with the FCC (the "Assignment Application") requesting FCC consent to the assignment of the FCC Licenses to Buyer. Buyer and Seller shall diligently prosecute the Assignment Application and otherwise use their commercially reasonable efforts to obtain the FCC's consent to the Assignment Application as soon as possible.

(b) Cooperation. Buyer and Seller shall notify each other of all documents filed with or received from any governmental agency with respect to this Agreement or the transactions contemplated hereby. Buyer and Seller shall furnish each other with such information and assistance as the other may reasonably request in connection with their preparation of any governmental filing hereunder.

(c) Displacement Application. Seller agrees to prepare, file and prosecute an application for a construction permit on FCC Form 349 seeking a displacement channel for the Translator within ten (10) business days from the date hereof in order to accommodate Seller's construction of a new FM broadcast station on Channel 219 pursuant to the construction permit for a new FM broadcast station at Madisonville, KY (File No. BPED-19981211MA) (the "Displacement Application"). Seller agrees to use Anderson & Associates to prepare the engineering portion of the Displacement Application and shall pay one-half of all costs associated with the Displacement Application up to a total cost not to exceed Nine Hundred Dollars (\$900.00). Buyer and Seller shall cooperate in preparation of the Displacement Application and shall jointly agree on the specifications proposed therein.

1.6 Control of Station. Notwithstanding anything herein to the contrary, at all times Seller shall maintain control over the Translator, including, but not limited to, the absolute rights to review and reject any material to be transmitted over its facilities which Seller in its sole discretion deems undesirable or inappropriate. Nothing set forth herein limits Seller's right to refuse to broadcast any programming that violates FCC rules or policy or other applicable law or does not comply with Seller's program standards or violates third party rights. Buyer shall provide Seller with a copy of any letters of complaint it receives concerning the programming for inclusion in its public inspection file. Buyer shall cooperate with Seller to ensure that EAS transmissions are properly performed in accordance with Seller's instructions. Seller further reserves the right to preempt any programming of Buyer rebroadcast on the Translator in the event of a local, state, or national emergency.

## ARTICLE 2: REPRESENTATIONS, WARRANTIES AND COVENANTS

2.1 Each of Buyer and Seller represents, warrants, and covenants that (a) it has the full right and legal authority to enter into and fully perform this Agreement in accordance with the terms and conditions hereof; (b) the execution, delivery and performance of this Agreement does not and will not violate or cause a breach of any other agreements or obligations to which it is a party or by which it is bound; and (c) there is no broker, finder or other person who would have any valid claim for a commission or brokerage in connection with this Agreement or the transaction contemplated hereby as a result of any agreement, understanding or action by it.

2.2 Seller's Covenant. Between the date hereof and Closing, except as permitted by this Agreement or with the prior written consent of Buyer, which shall not be unreasonably withheld, delayed or conditioned, Seller shall not materially adversely modify, and in all material respects maintain in full force and effect, the FCC Licenses.

## ARTICLE 3: SELLER CLOSING CONDITIONS

The obligation of Seller to consummate the Closing hereunder is subject to satisfaction, at or prior to Closing, of each of the following conditions (unless waived in writing by Seller):

3.1. Representations and Covenants. The representations and warranties of Buyer made in this Agreement shall be true and correct in all material respects as of the Closing Date except for changes permitted or contemplated by the terms of this Agreement, and the covenants and agreements to be complied with and performed by Buyer at or prior to Closing shall have been complied with or performed in all material respects.

3.2. Proceedings. Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

3.3. FCC Authorization. The FCC's consent to the Assignment Application and Displacement Application shall have been obtained.

3.4. Deliveries. Buyer shall have complied with its obligations set forth in Section 5.2.

## ARTICLE 4: BUYER CLOSING CONDITIONS

The obligation of Buyer to consummate the Closing hereunder is subject to satisfaction, at or prior to Closing, of each of the following conditions (unless waived in writing by Buyer):

4.1. Representations and Covenants. The representations and warranties of

Seller made in this Agreement shall be true and correct in all material respects as of the Closing Date except for changes permitted or contemplated by the terms of this Agreement, and the covenants and agreements to be complied with and performed by Seller at or prior to Closing shall have been complied with or performed in all material respects.

4.2. Proceedings. Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

4.3. FCC Authorizations. The FCC's consent to the Assignment Application and the Displacement Application shall have been obtained.

4.4. Deliveries. Seller shall have complied with its obligations set forth in Section 5.1.

#### ARTICLE 5: CLOSING DELIVERIES

5.1. Seller Documents. At Closing, Seller shall deliver or cause to be delivered to Buyer a: (a) Bill of Sale covering the Intangibles conveyed and (b) an Assignment and Assumption of FCC Authorizations assigning the FCC Licenses (as they may have been modified) from Seller to Buyer.

5.2. Buyer Documents. At Closing, Buyer shall deliver or cause to be delivered to Seller the Purchase Price in accordance with Section 1.3 hereof.

#### ARTICLE 6: INDEMNIFICATION AND TERMINATION

6.1. Indemnification. Neither party shall be entitled to indemnification pursuant to this Agreement.

6.2. Termination. This Agreement may be terminated prior to Closing (a) by mutual written consent of Buyer and Seller or by written notice of Seller to Buyer or Buyer to Seller if Closing does not occur by the date eighteen (18) months after the date of this Agreement.

#### ARTICLE 7: MISCELLANEOUS

7.1. Expenses. Except as otherwise provided in Section 1.5(c) and this Section 7.1, each party shall be solely responsible for all costs and expenses incurred by it in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement. All fees and charges to the Assignment Application shall be shared equally. Buyer shall be solely responsible for all governmental taxes, fees and charges applicable to the transfer of the Assets under this Agreement. Seller shall provide to Buyer a copy of any adverse pleadings or comments filed concerning the applications contemplated in Section 1.5 hereof and permit Buyer's counsel to assist in

the defense of such applications at Buyer's expense.

7.2. Further Assurances. After Closing, each party shall from time to time, at the request of and without further cost or expense to the other, execute and deliver such other instruments of conveyance and assumption and take such other actions as may reasonably be requested in order to more effectively consummate the transactions contemplated hereby.

7.3. Assignment. Neither party may assign its rights or obligations under this Agreement without the prior written consent of the other party hereto, provided, however, that Buyer may assign its rights hereunder to an affiliate of Buyer upon written notice to, but without consent of, Seller, provided that (i) any such assignment does not delay processing of the Assignment Application, grant of the Assignment Application or Closing, (ii) any such assignee delivers to Seller a written assumption of this Agreement, and (iii) Buyer shall remain liable for all of its obligations hereunder. The terms of this Agreement shall bind and inure to the benefit of the parties' respective successors and any permitted assigns, and no assignment shall relieve any party of any obligation or liability under this Agreement.

7.4. Notices. Any notice pursuant to this Agreement shall be in writing and shall be deemed delivered on the date of personal delivery or confirmed facsimile transmission or confirmed delivery by a nationally recognized overnight courier service, and shall be addressed as follows (or to such other address as any party may request by written notice):

if to Seller:

Pennyrile Christian Community, Inc.

1100 EAST 18<sup>th</sup> STREET

HOPKINSVILLE KY 42240

Facsimile: 270-885-7210

Email: [winkj@winkj.org](mailto:winkj@winkj.org) / [youngfarm@bellsouth.net](mailto:youngfarm@bellsouth.net)

if to Buyer:

Henson Media of Union County, LLC

455 South Fourth Avenue

Louisville, KY 40202-2508

Fax: (502) 589-0058

Email: [edhenson1@cs.com](mailto:edhenson1@cs.com)

7.5. Amendments. No amendment or waiver of compliance with any provision hereof or consent pursuant to this Agreement shall be effective unless evidenced by an instrument in writing signed by the party against whom enforcement of such amendment, waiver, or consent is sought.

7.6. Entire Agreement. This Agreement (including the Schedules hereto) constitutes the entire agreement and understanding among the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings with

respect to the subject matter hereof, except any confidentiality agreement among the parties with respect to the Translator, which shall remain in full force and effect. No party makes any representation or warranty with respect to the transactions contemplated by this Agreement except as expressly set forth in this Agreement.

7.7. Severability. If any court or governmental authority holds any provision in this Agreement invalid, illegal or unenforceable under any applicable law, then, so long as no party is deprived of the benefits of this Agreement in any material respect, this Agreement shall be construed with the invalid, illegal or unenforceable provision deleted and the validity, legality and enforceability of the remaining provisions contained herein shall not be affected or impaired thereby.

7.8. No Beneficiaries. Nothing in this Agreement expressed or implied is intended or shall be construed to give any rights to any person or entity other than the parties hereto and their successors and permitted assigns.

7.9. Governing Law. The construction and performance of this Agreement shall be governed by the laws of the State of Kentucky without giving effect to the choice of law provisions thereof.

7.10. Counterparts. This Agreement may be executed in separate counterparts, each of which will be deemed an original and all of which together will constitute one and the same agreement.

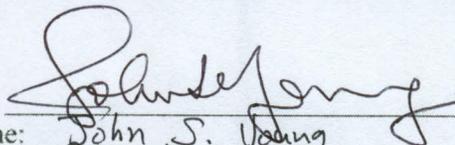
[SIGNATURE PAGE FOLLOWS]

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

SELLER:

**PENNYRILE CHRISTIAN COMMUNITY, INC.**

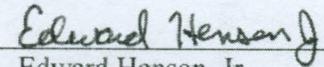
By: 

Name: John S. Young

Title: President

BUYER:

**HENSON MEDIA OF UNION COUNTY, LLC**

By: 

Edward Henson, Jr.

[Title] Member