

AGREEMENT TO MAKE A DONATION

Agreement to Make A Donation ("Agreement"), made and entered into this 21st day of July, 2011, by and between Horizon Christian Fellowship, a California not-for-profit corporation (hereinafter "Donor"), and Calvary Chapel of Costa Mesa, Inc., a California not-for-profit corporation (hereinafter "Donee").

WITNESSETH:

WHEREAS, Donor is the owner of a certain Non-Commercial Educational FM Broadcast Station having the call sign KWDS, FCC Facility ID No. 94214, and situated at Kettleman City, California (the "Station"); and

WHEREAS, Donor and Donee have common objectives and are dedicated to the dissemination of Christian and Biblical teachings; and

WHEREAS, Donor wishes to donate the Station to Donee, and Donee wishes to accept the donation;

NOW, THEREFORE, for and inconsideration of the sum of One Dollar (\$1.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, it is agreed as follows:

1. Assets to Be Donated: The assets to be donated consist of the broadcast equipment owned by Donor and used in the operation of the Station, including an antenna, cable and shelter, and the license issued by the Federal Communications Commission ("FCC") for the operation of the Station, subject to prior FCC consent to the assignment of such license from Donor to Donee. The Station's transmitter will not be donated, and the lease presently used in the operation of the Station will not be assigned to the Donee; it will be up to the Donee to acquire its own transmitter and such other equipment as may be needed and negotiate its own lease for the transmitter site. Similarly, this donation does not include the Donor's accounts receivable or any cash on hand, all of which are specifically excluded from this transaction.

2. Application to FCC: Within five (5) days of the date of this Agreement, the parties hereto will file an application with the FCC for its consent to the transactions contemplated by this Agreement. The parties will vigorously prosecute the application and do all things reasonably necessary and/or appropriate to obtain a grant thereof.

3. Closing Following FCC Consent: Within ten (10) days after the FCC issues an order granting its consent to the transactions contemplated by this Agreement, a Closing will take place by exchange of documents using Federal Express or other overnight

courier. At the Closing, the parties will exchange any and all documents required to carry out the terms of this Agreement, including but not limited to, an assignment of the Station's license from Donor to Donee.

4. **Warranties:** Because this transaction is a donation, the Donor makes absolutely no representations or warranties of any kind with respect to the assets to be conveyed hereunder. Donee warrants only that it is a nonprofit corporation qualified under Section 501(c)(3) of the Internal Revenue Code and is otherwise qualified to receive the assets, including the FCC license.

5. **Legal Expenses, Closing Costs and Filing Fees.** Each party will bear its own legal expenses connected with this transaction. If there are any FCC filing fees, they will be paid by Donee.

6. **California Contract:** This Agreement is a California contract and shall construed and interpreted in accordance with the laws of the State of California (other than those laws relating to conflict of laws).

7. **Counterparts:** This Agreement may be executed in counterpart and/or by telecopy and, when so executed the counterparts taken together shall constitute a completed and binding agreement.

8. **Notices:** Any notice required hereunder shall be in writing and any payment, notice or other communications shall be deemed given when delivered personally, or mailed by certified mail or Federal Express, postage prepaid, with return receipt request, and addressed as follows:

If to Calvary Chapel of Costa Mesa, Inc.:

Calvary Chapel of Costa Mesa, Inc.
ATTN: Charles W. Smith, President
3000 W. MacArthur Boulevard, Suite 500
Santa Ana, CA 92704

With a Copy to:

Lauren A. Colby, Esq.
Law Office of Lauren A. Colby
10 E. Fourth Street
P.O. Box 113
Frederick, MD 21701

If to Horizon Christian Fellowship:


Horizon Christian Fellowship
ATTN: John Laudadio, Chief Financial
Officer
5331 Mount Alifan Drive
San Diego, CA 92111

With a Copy to:

Kathleen Victory, Esq.
Fletcher, Heald & Hildreth, P.L.C.
1300 North 17th Street, 11th Floor
Arlington, VA 22209

WHEREFORE, the premises considered, the parties to this Agreement have set the hands and seals of their authorized representatives on the day and year above written.

HORIZON CHRISTIAN FELLOWSHIP

By: 
John Laudadio, Chief Financial Officer

CALVARY CHAPEL OF COSTA MESA, INC.

By: _____
Charles W. Smith, President

With a Copy to:

Kathleen Victory, Esq.
Fletcher, Heald & Hildreth, P.L.C.
1300 North 17th Street, 11th Floor
Arlington, VA 22209

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By: _____
John Laudadio, Chief Financial Officer

CALVARY CHAPEL OF COSTA MESA, INC.

By: 
Charles W. Smith, President