

CONSTRUCTION PERMIT PURCHASE AGREEMENT

Between

HARDIN-SIMMONS UNIVERSITY

as Seller

and

GOSPEL RADIO NETWORK

as Buyer

**For Purchase and Sale of
the Construction Permit for
A New Noncommercial FM Broadcast Station on
Channel 213, 90.5 MHz, at Abilene, Texas**

August 19, 2002

ASSET PURCHASE AGREEMENT

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Appendix A FCC Authorizations

CONSTRUCTION PERMIT PURCHASE AGREEMENT

THIS AGREEMENT, made and entered into this 19th day of Auguts, 2002 by and between HARDIN-SIMMONS UNIVERSITY, a Texas not-for-profit educational institution (hereinafter referred to as “Seller”), and GOSPEL RADIO NETWORK, a Texas not-for-profit corporation (hereinafter referred to as “Buyer”):

W I T N E S S E T H :

WHEREAS, Seller is the permittee of a construction permit for a noncommercial, educational FM broadcast station on Channel 213C2, 90.5 MHz, at Abilene, Texas (the “Construction Permit”) pursuant to an authorization issued by the Federal Communications Commission (“Commission” or “FCC”); and

WHEREAS, Buyer desires to acquire Seller’s rights, title and interest in and to the Construction Permit to build and operate a noncommercial, educational FM broadcast station on Channel 213C2, 90.5 MHz, at Abilene, Texas (“the Station”) and to secure an assignment of the Construction Permit issued by the Commission for authority to build the Station, and Seller desires to sell, assign, transfer and convey the same to Buyer; and

WHEREAS, Seller and Buyer will not be able to consummate this Agreement and the Construction Permit may not be assigned until after the Commission has granted its consent and approval to the transactions contemplated herein;

NOW THEREFORE, in consideration of the premises, and the mutual promises and covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties intending to be legally bound, hereby agree as follows:

1. DEFINITIONS. Unless otherwise stated in this Agreement, the following terms shall have the following meanings:

1.1 “Assignment Application” refers to an application which the parties hereto will join in and file with the Commission requesting its consent for the assignment of the Construction Permit from Seller to Buyer.

1.2 “Buyer” means Gospel Radio Network of Texas, Inc.

1.3 “Closing” (or “Closing Date”) means the date upon which this Agreement will be consummated, which date shall be no later than the tenth (10th) business day after the Commission’s grant of the Assignment Application becomes a Final Order or at such other date or time as the parties may mutually agree. Buyer, its in sole discretion, may waive finality such that the Closing may occur prior to Commission grant of the Assignment Application becoming a Final Order.

1.4 “Closing Place” means such convenient place as Buyer and Seller may mutually agree.

1.5 “Construction Permit” means the FCC authorization held by Seller to build a noncommercial, educational FM broadcast station on Channel 213C2, 90.5 MHz, at Abilene, Texas.

1.6 “Final Order” means a Commission order or action that by expiration of time or otherwise is no longer subject to administrative or judicial reconsideration, review or appeal.

1.7 “Seller” means Hardin-Simmons University.

2. ASSETS SOLD AND PURCHASED. Seller, on the Closing Date at the Closing Place, will sell, transfer, convey, assign and deliver to Buyer, and Buyer will purchase and accept from Seller the following:

2.1 FCC Construction Permit. The Construction Permit and all of Seller's rights, title and interest to and associated with the Construction Permit. A Copy of the Construction Permit is attached hereto as Appendix A and made a part of this Agreement.

2.2 Records. The technical information, engineering data and consultants' reports gathered by Seller in the course of obtaining a grant of the Construction Permit by the FCC.

3. EXCLUDED ASSETS. There shall be excluded from the assets sold or assigned to Buyer under this Agreement Seller's corporate books, tax returns, and other documents or records not related to the Construction Permit (the "Excluded Assets").

4. [INTENTIONALLY DELETED].

5. PURCHASE PRICE, PAYMENT.

5.1 Purchase Price and Other Payment and Obligations. The purchase price (the "Purchase Price") to be paid by Buyer to Seller for the Construction Permit shall be Eighteen Thousand Dollars (\$18,000), paid in accordance with Section 5.2 hereof. In addition to the Purchase Price, Buyer shall deliver and install or cause to be delivered and installed three digital audio workstations with a replacement value of at least Twelve Thousand Dollars (\$12,000) to be used for instructional purposes by the Seller ("Workstations"). Buyer also shall reimburse Seller for legal fees ("Legal Fees") incurred in connection with this Agreement and the Assignment Application, up to and including \$5,000.

5.2 Method of Payment or Delivery. The Purchase Price, Legal Fees and Workstations shall be paid or delivered by Buyer to Seller in the following manner:

5.2.1 Escrow Deposit for Purchase Price. On the date of execution of this Agreement, Buyer shall deposit with Drinker Biddle & Reath LLP, as Escrow Agent, the sum of Eighteen Thousand Dollars (\$18,000) (the “Escrow Deposit”) as the purchase price under this Agreement. Except as otherwise provided in this Agreement, the Escrow Deposit shall be delivered by wire transfer to Seller on the Closing Date. All interest on the Escrow Deposit shall be for the credit of and shall be remitted to Buyer on the Closing Date.

5.2.2 Payment of Legal Fees. On the Closing Date, upon proper documentation from Seller of the expenses incurred in connection with this Agreement and the Assignment Application, Buyer shall transfer by wire or pay by certified check the Legal Fees up to and including \$5,000.

5.2.3 Delivery of Workstations. Within two (2) days of the Closing Date, Buyer shall deliver and install or cause to be delivered and installed the Workstations at Seller’s premises.

6. CONSENT OF THE COMMISSION.

6.1 Prior Consent Required. It is specifically understood and agreed that the consummation of this Agreement shall be subject to the prior consent of the Commission without conditions or qualifications materially adverse to Seller or Buyer.

6.2 Filing and Prosecution of Assignment Application. Upon the execution of this Agreement, Seller and Buyer, each at their own expense, except in accordance with the payment of Legal Fees under this Agreement, will proceed to prepare and file with the Commission the requisite Assignment Application to secure such consent, together with such

other necessary instruments and documents as may be required. The parties further agree to tender the Assignment Application to the Commission within five (5) days of the date hereof, and thereafter to prosecute said Assignment Application with diligence, take no action which is adverse or may have an adverse impact on the Commission's consideration of the Assignment Application, and cooperate with each other in good faith and use their best efforts to obtain the requisite Commission consent and approval promptly and to carry out the provisions of this Agreement. Each party agrees to expeditiously prepare any application amendments, respond to oral or written inquiries and answer pleadings whenever such documents are required by the FCC or its rules.

7. LEGAL NOTICE OF ASSIGNMENT APPLICATION. Upon the filing of the Assignment Application, Seller shall be responsible for, and shall take the necessary steps, to provide timely local notice concerning the filing as is required by the Commission's rules. At the request of Buyer, Seller shall provide Buyer with evidence of Seller's compliance with the Commission's local notice requirements.

8. REPRESENTATIONS AND WARRANTIES OF SELLER. Seller hereby covenants, represents and warrants to Buyer that:

8.1 Organization. Seller is a nonprofit educational institution organized under the laws of the State of Texas and is qualified to do business in the State of Texas. Seller at the Closing Date will have all the requisite power and authority to own and assign the rights of the Construction Permit.

8.2 Authority. Seller has full power and authority to enter into, deliver and perform this Agreement and to consummate the transactions contemplated by this Agreement, and this Agreement constitutes the valid and binding obligation of Seller enforceable in

accordance with its terms, subject to the effect of applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, arrangement, moratorium or similar laws affecting the rights of creditors generally and the availability of equitable remedies.

8.3 FCC Authorizations. Seller is now and on the Closing Date will be the holder of the Construction Permit attached in Appendix A. The Construction Permit is now and on the Closing Date will be in full force and effect. There is not now and on the Closing Date there will not be pending or threatened any action by the Commission to revoke, cancel, rescind, modify or refuse to renew in the ordinary course the Construction Permit other than as permitted under this Agreement or any of the other agreements which the parties have entered into to implement the transactions described and contemplated by this Agreement. There is not now and on the Closing Date there will not be pending, issued or outstanding, or to the knowledge of Seller threatened, any complaint, Notice of Violation, Notice of Apparent Liability or of Forfeiture related to the Seller or the Construction Permit. The Construction Permit is in compliance in all material respects with the Communications Act of 1934 (“the Communications Act”), as amended, and the current rules, regulations, and policies of the FCC. Seller has filed all reports, forms, applications and statements required to be filed by Seller with the FCC.

8.4 FCC Qualifications.

8.4.1 Seller is qualified under the Communications Act to assign the Construction Permit to Buyer.

8.4.2 Seller knows of no facts which would cause the Commission to withhold its consent to the assignment of the Construction Permit to Buyer, and should any such facts come to Seller’s attention, it will promptly notify Buyer and use reasonable

efforts and take such steps as may be necessary to remove any such impediment to the Assignment.

8.5 Litigation. There is no litigation or proceeding or, to the best of Seller's knowledge, investigation of any nature pending or threatened against or affecting Seller that would substantially impair Seller's ability fully to carry out the transactions contemplated by this Agreement and would be of such a serious nature as to prevent Seller from curing or making adequate provision therefore. Seller is not in default of any order, writ, injunction or decree of any court or federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, relating to the Construction Permit.

8.6 Insolvency. No insolvency proceedings of any character including without limitation, bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, affecting Seller, or any of Seller's respective assets or properties are now, or on the Closing Date will be, pending. Seller has not, and at the Closing Date shall not have made, any assignment for the benefit of creditors, or have taken any action with a view to, or which would constitute the basis for, the institution of any such insolvency proceedings.

8.7 Absence of Restrictions. The execution, delivery and consummation of this Agreement by Seller does not, and on the Closing Date will not, conflict with, or result in a breach of, the terms, conditions or provisions of, or constitute a default under, any agreements, instruments, laws or regulations to which Seller is now or on the Closing Date will be subject, or result in the creation or imposition of any lien, charge or encumbrance on, or give others any interest or rights in the Construction Permit. Except for the Commission's consent to the Assignment Application, no consent, approval or authorization of or designation, declaration or

filing with, any governmental authority or any other person or entity is required in connection with the execution, delivery and performance of this Agreement and the transfer of the Construction Permit.

8.8 Disclosure. To the best of Seller's knowledge, no covenant, representation or warranty by Seller and no written statement, schedule or certificate furnished or to be furnished by Seller pursuant thereto or pursuant to the Closing contains or will contain any untrue statement of a material fact or will omit to state a material fact necessary to make the statements contained therein not misleading.

9. AFFIRMATIVE COVENANTS OF SELLER. Seller shall, through the Closing Date, with respect to the Station:

9.1 Continued Possession of Construction Permit. Seller shall continue to hold the Construction Permit in compliance in all material respects with all applicable laws, FCC rules and regulations, and the Communications Act. Seller will promptly execute any necessary application for renewal, modification or extension of the Construction Permit only as is required to maintain the effectiveness of the Construction Permit, and will cooperate with Buyer in the event Buyer desires to submit to the FCC an application to modify the Construction Permit. Seller will deliver to Buyer copies of any reports, applications or responses to or from the FCC related to the Construction Permit which are filed or received between the date of this Agreement and the Closing Date.

9.2 Notification.

9.2.1 Give written notice to Buyer promptly upon becoming aware of the occurrence or impending occurrence of any event that would cause or constitute a

breach of any of Seller's representations or warranties contained in this Agreement or in any schedule or Appendix referred to herein.

9.2.2 Promptly notify Buyer in writing upon becoming aware of any offer or decree or any complaint praying for an order or decree restraining or enjoining the consummation of this Agreement or the transactions contemplated by it, or upon receiving any notice from any governmental department, court, agency, or commission of its intention to institute an investigation into, or institute a suit or proceeding to restrain or enjoin the consummation of this Agreement or such transactions, or to nullify or render ineffective this Agreement or such transactions if consummated.

9.3 Fulfill Conditions. Use its reasonable efforts to fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement and to cause the transactions contemplated by this Agreement to be fully carried out.

10. NEGATIVE COVENANTS OF SELLER. Prior to the Closing Date, Seller will not, without the prior written consent of Buyer, by any act or omission surrender, modify, forfeit or fail to seek timely renewal or extension of the Construction Permit from the Commission or cause the Commission to institute any proceedings for revocation, cancellation or modification of the Construction Permit (other than as specifically contemplated by the parties in this Agreement or any other agreement between them), or fail to prosecute with due diligence, or participate in the prosecution of the Assignment Application, including all amendments to it as necessitated by FCC rules and regulations or as requested by the Commission's staff.

11. BUYER'S REPRESENTATIONS AND WARRANTIES. Buyer represents and warrants to Seller that:

11.1 Organization and Standing. Buyer is a not-for-profit corporation organized under the laws of the State of Texas.

11.2 Authorization. Buyer has full power and authority to enter into and consummate the transactions contemplated by this Agreement, and this Agreement constitutes a valid and binding obligation of Buyer enforceable in accordance with its terms, subject to the effect of applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, arrangement, moratorium or similar laws affecting the rights of creditors generally and the availability of equitable remedies. The execution, delivery and performance of this Agreement by Buyer has been duly authorized by all necessary action. The purchase of the Construction Permit by Buyer will not violate any provision of the Articles, Bylaws or other organizational documents of Buyer.

11.3 FCC Qualifications. To the best of its knowledge, Buyer is fully qualified to become the FCC permittee of the Construction Permit.

11.4 Litigation. There is no litigation or proceeding or, to the best of Buyer's knowledge, investigation of any nature pending or threatened against or affecting Buyer that would affect Buyer's ability fully to carry out the transactions contemplated by this Agreement, and Buyer knows of no facts which would form the basis for such claim, litigation, proceeding or investigation.

11.5 Insolvency. No insolvency proceedings of any character, including without limitation, bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, affecting Buyer or any of Buyer's respective assets or properties, are pending. Buyer has not, and at the Closing Date shall not have made any

assignment for the benefit of creditors, or have taken any action with a view to, or which would constitute the basis for, the institution of any such insolvency proceedings.

12. CONDITIONS PRECEDENT TO BUYER'S OBLIGATIONS. The obligation of the Buyer to consummate the transaction contemplated by this Agreement is subject to the fulfillment prior to or on the Closing Date of each of the following conditions:

12.1 Commission Approval. The Commission shall have consented to the Assignment Application without conditions or qualifications materially adverse to Buyer.

12.2 Taxes, Fees and Expenses. Except as otherwise provided herein, Seller shall have paid at or before Closing all sales, documentary, transfer or other taxes or fees assessed or levied against it in connection with the sale to Buyer hereunder, together with all costs and expenses of its performance of and compliance with all agreements and covenants contained in this Agreement to be performed or complied with by it.

12.3 Representations and Warranties. The representations and warranties of Seller contained in this Agreement, or in any related document attached or delivered pursuant hereto, shall be true and correct at and as of the Closing Date as though such representations and warranties were made at and as of such time.

12.4 Performance of Obligations. Seller shall have materially performed and complied with all covenants, agreements and conditions required by this Agreement to be performed or complied with by it prior to or at the Closing Date.

12.5 FCC Authorizations. On the Closing Date, Seller shall be the holder of the Construction Permit, or regular renewals and extensions thereof, as listed in Appendix A, which shall be in full force and effect. No proceedings shall be pending which may result in revocation, cancellation, suspension or modification of any such Construction Permit.

12.6 Proceedings.

12.6.1 No action or proceeding shall have been instituted before any court or governmental body to restrain or prohibit, or to obtain substantial damages in respect of, the consummation of this Agreement which, in the reasonable opinion of Buyer, may be expected to result in an injunction against such consummation or, if consummated, an order to nullify or render ineffective such consummation or the recovery against Seller of substantial damages.

12.6.2 None of the parties to this Agreement shall have received written notice from any governmental body of its intention to institute any action or proceeding to restrain or enjoin or nullify this Agreement or the transactions contemplated by it, or to commence any investigation (other than a routine letter of inquiry) into the consummation of this Agreement.

12.7 Closing Documents. Seller shall have delivered at Closing all assignments and other documents necessary to complete the transactions contemplated by this Agreement in a form and manner acceptable to Buyer in the reasonable judgement of Buyer's counsel.

13. CONDITIONS PRECEDENT TO SELLER'S OBLIGATIONS. The obligation of Seller to consummate the transaction contemplated by this Agreement is subject to the fulfillment prior to or on the Closing Date of each of the following conditions:

13.1 Commission Approval. The Commission shall have consented to the Assignment Application without conditions or qualifications materially adverse to Seller.

13.2 Representations and Warranties. The representations and warranties of Buyer contained in this Agreement, or in any related document attached or delivered pursuant

hereto, shall be true and correct at and as of the Closing Date as though such representations and warranties were made at and as of such time.

13.3 Performance of Obligations. Buyer shall have materially performed and complied with all covenants, agreements and conditions required by this Agreement to be performed or complied with by it prior to or at the Closing.

13.4 Purchase Price and Other Payments and Obligations. Buyer shall release the Escrow Deposit to Seller, pay the Legal Fees to Seller and promptly begin to install the Workstations at Seller's premises as set forth in Section 5 of this Agreement.

14. SELLER'S PERFORMANCE AT CLOSING. On the Closing Date at the Closing Place Seller shall execute and deliver or cause to be delivered to Buyer:

14.1 An Assignment to Buyer of the Construction Permit.

14.2 Such other instruments of transfer, assignment or conveyance as may be required by Buyer to effectuate the assignment, transfer and conveyance to Buyer of all the rights, privileges and immunities of Seller which are to be sold, transferred, conveyed and assigned to Buyer hereunder.

14.3 A certificate signed by Seller that the representations and warranties of Seller contained in this Agreement, or in any related document attached or delivered pursuant hereto, are true and correct as of the Closing Date, and that Seller has performed and complied with all covenants, agreements and conditions required by this Agreement that Seller is to perform or comply with prior to or at the Closing Date.

15. BUYER'S PERFORMANCE AT CLOSING. On the Closing Date at the Closing Place or upon a reasonable time after the Closing Date as specified in this section at a reasonable

location as specified in this section, Buyer shall, upon receipt of the releases, assurances and other documentation provided for by this Agreement:

15.1 Pay the Purchase Price to Seller in the amount set forth in Section 5 of this Agreement in accordance with the provisions of Section 5.2 of this Agreement;

15.2 Reimburse seller for the Legal Fees associated with this Agreement and the Assignment Application up to and including \$5,000;

15.3 Deliver and install or cause to be delivered and installed the Workstations at Seller's premises within two (2) business days of the Closing Date;

15.4 Execute and deliver a certificate signed by an Officer of Buyer that the representations and warranties of Buyer contained in this Agreement, or in any related document attached or delivered pursuant hereto, are true and correct as of the Closing Date and that Buyer has performed and complied with all covenants, agreements and conditions required by this Agreement to be performed or complied with by it prior to or at the Closing Date.

16. TERMINATION OF AGREEMENT, REMEDIES.

16.1 If the Commission has not acted upon and granted its consent and approval to the Assignment Application within one (1) year from the date the Commission gives public notice of its acceptance for filing of the Assignment Application, or if the Commission has denied its approval of the Assignment Application, or designated the Assignment Application for hearing, this Agreement, at the option of either Seller or Buyer, and upon fifteen (15) days written notice to the other party, will be terminated; provided, however, that the party giving such notice is not in material default of any provision of this Agreement. Upon such termination, the Escrow Deposit and all interest thereon shall be returned to Buyer and the parties shall have no other further obligation to each other.

16.2 This Agreement may be terminated upon written notice from either Buyer or Seller if the other party breaches in any material respect any of its representations, warranties, covenants or agreements contained herein and such breach has not been cured within thirty (30) days of the date written notice of breach is received by the breaching party; provided, however, that the party providing written notice of termination is itself not in material breach under this Agreement.

16.1 Upon termination of this Agreement by Seller due to an uncured breach by Buyer, the Escrow Deposit (but not any interest thereon) shall be promptly paid to Seller as Liquidated Damages and not as a penalty, and in full payment and discharge of all obligations of Buyer under this Agreement (and any interest on the Escrow Deposit shall be paid to Buyer), and neither party hereto shall have any further liability to the other under this Agreement.

16.2.2 Upon termination of this Agreement by Buyer due to an uncured breach by Seller, the Escrow Deposit and all interest thereon shall promptly be paid to Buyer, unless Buyer seeks the remedy of specific performance. In the event of any controversy concerning the rights of Buyer under this Agreement, these rights, as well as the obligations of Seller, shall be enforceable by a decree of specific performance in Texas courts under Texas law, subject to FCC consent.

16.3 In the event this Agreement is terminated, or otherwise not consummated, for any other reason not specifically set forth in this Section, the Escrow Deposit and all interest thereon shall promptly be paid to Buyer, neither party hereto shall have any liability to the other under this Agreement.

17. INDEMNIFICATION.

17.1 Indemnification by Seller. It is understood and agreed that Buyer does not assume and shall not be obligated to pay any Excluded Liabilities of Seller under the terms of this Agreement or otherwise and shall not be obligated to perform any obligations of Seller, of any kind or manner. Seller hereby agrees to indemnify and hold Buyer, its successors and assigns, harmless from and against:

17.1.1 Any and all claims, liabilities and obligations of every kind and description, contingent or otherwise, arising from or related to the grant of the Construction Permit.

17.1.2 Any and all damages or deficiency resulting from any material misrepresentations, breach of warranty or covenant, or nonfulfillment of any agreement or obligation on the part of Seller under this Agreement, or from any material misrepresentation in or omission from any certificate or other instrument furnished to the Buyer pursuant to this Agreement or in connection with any of the transactions contemplated hereby.

17.1.3 Any and all actions, suits, proceedings, damages, assessments, judgments, costs and expenses, including reasonable attorneys' fees incident to any of the foregoing provisions.

17.2 Indemnification by Buyer. Buyer hereby agrees to indemnify and hold Seller, its successors and assigns, harmless from and against:

17.2.1 Any and all claims, liabilities and obligations of every kind and description, contingent or otherwise, arising from or related to the Construction Permit after the close of business on the Closing Date.

17.2.2 Any and all damages or deficiency resulting from any misrepresentations, breach of warranty or covenant, or nonfulfillment of any agreement or

obligation on the part of Buyer under this Agreement, or from any misrepresentation in or omission from any certificate or other instrument furnished to the Seller pursuant to this Agreement or in connection with any of the transactions contemplated hereby.

17.2.3 Any and all actions, suits, proceedings, damages, assessments, judgments, costs and expenses, including reasonable attorneys' fees incident to any of the foregoing provisions.

17.3 Notice. Each party agrees to give the other prompt written notice of any event or assertion of a claim of which each has knowledge concerning any matter as to which a party may request indemnification hereunder. Each party will cooperate with the other in determining the validity of any such matter and in the diligent and vigorous defense of any claim which might give rise to indemnification hereunder.

18. SURVIVAL OF COVENANTS, REPRESENTATIONS AND WARRANTIES. The parties hereto understand and agree that all representations, covenants and warranties and agreements contained in this Agreement shall be deemed to be continuing and shall survive the Closing Date, the delivery of the Construction Permit to Buyer, the payment of the Purchase Price and Legal Fees to Seller, and the delivery and installation of the Workstations to the Seller for a period of nine (9) months. The parties agree that after the Closing neither party shall assert a claim against the other with respect to any matter arising under this Agreement unless the matter exceeds Five Thousand Dollars (\$5,000) in value.

19. FINDERS, CONSULTANTS AND BROKERS. Seller and Buyer hereby mutually represent and warrant that there are no finders, consultants or brokers involved in this transaction.

20. NOTICES. All necessary notices, demands and requests required or permitted to be given under the provisions of this Agreement shall be deemed duly given if mailed by certified mail, return receipt requested and postage prepaid, or delivered via overnight courier service, and addressed as follows:

IF TO SELLER: Mr. Harold Preston
Vice President Finance & Management
Hardin-Simmons University
2200 Hickory Street
Abilene, Texas 79601

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

Howard M. Liberman, Esquire
Drinker Biddle & Reath LLP
1500 K Street, N. W., Suite 1100
Washington, DC 20005

IF TO BUYER: Tim Walker
Director
Gospel Radio Network
500 Chestnut Street #1717
Abilene, Texas 79602

with copy (which shall not constitute notice) to:

Barry Skidelsky, Esquire
185 East 85th Street, 23D
New York, NY 10028

21. ASSIGNMENT; BENEFIT. The parties hereto understand and agree that this Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and permitted assigns. No assignment of the rights and obligations of the parties under this Agreement may occur without the prior written consent of the other party.

22. FURTHER ASSURANCES. Each party pledges to the other that it shall take whatever steps are reasonably necessary, in good faith, and use its best efforts to carry out its

obligations under this Agreement in order that the purposes and objectives contemplated by this Agreement may be fulfilled.

23. OTHER DOCUMENTS. The parties shall execute such other documents as may be necessary and desirable for the implementation and consummation of this Agreement.

24. APPENDICES. All Appendices attached to this Agreement shall be deemed part of this Agreement and incorporated herein, where applicable, as if fully set forth in the body of this Agreement.

25. COUNTERPARTS. This Agreement may be signed by any number of counterparts with the same effect as if the signature of each such counterpart were upon the same instrument.

26. HEADINGS. The headings of the Sections or subparagraphs of this Agreement are inserted as a matter of convenience and for reference purposes only and in no way define, limit or describe the scope of this Agreement nor the intent of any Section or subparagraph hereof.

27. AMENDMENT. This Agreement may not be altered or modified except by written amendment thereto duly executed by an authorized representative of each of the parties.

28. WAIVER. The failure of either party to this Agreement to object to or to take affirmative action with respect to any conduct of the other which is in violation of the terms of this Agreement shall not be construed as a waiver of that violation or breach, or any further violation or breach.

29. CONSTRUCTION. This Agreement shall be construed and enforced in accordance with the laws of the State of Texas.

30. SEVERABILITY. Whenever possible, each provision of this Agreement will be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

31. ENTIRE AGREEMENT. This Agreement (including the appendices hereto) contains all the terms agreed upon by the parties hereto with respect to the subject matter hereof and supersedes all prior agreements, promises, covenants, arrangements, communications, representations and warranties, whether oral or written, by any owner, officer, partner, member, employee or representative of any party hereto, with regard to the subject matter hereof.

32. JUDICIAL INTERPRETATION. Should any provision of this Agreement require judicial interpretation, the Parties agree that the court interpreting or construing the same shall not apply a presumption that the terms hereof shall be more strictly construed against one party by reason of that party acting as drafter.

[THE NEXT PAGE IS THE SIGNATURE PAGE ONLY]

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

SELLER:

HARDIN-SIMMONS UNIVERSITY

By: /s/ Harold Preston
Name: Harold Preston
Title: Vice President Finance &
Management

BUYER:

GOSPEL RADIO NETWORK

By: /s/ Tim Walker
Name: Tim Walker
Title: President

APPENDICES

Appendix A FCC Authorizations

APPENDIX A
FCC AUTHORIZATIONS

Details of Construction Permit:

Call Sign: 9720724MD

File No. BPED-19970724MD

Expires: 04/17/2005