

FM TRANSLATOR ASSET PURCHASE AGREEMENT

THIS FM TRANSLATOR ASSET PURCHASE AGREEMENT (the "Agreement") is made and entered into as of the 26 day of February, 2016 by and between COVENANT NETWORK, a Missouri non-profit corporation ("CN" or "Seller"), and WGEM License, LLC ("Buyer"), a Missouri limited liability company.

Recitals

WHEREAS, CN has been granted a construction permit by the Federal Communications Commission ("FCC") for a new FM Translator Station K273CG, 102.5 MHz, LaBelle, Missouri, FCC Facility ID Number 156892 ("K273CG"), File No. BMPFT-20160121AGG, granted February 2, 2016, expires May 7, 2016 (the "Permit"); and

WHEREAS, subject to prior approval of the FCC, which is an express condition precedent to all transactions contemplated by this Agreement, Buyer desires to acquire the construction permit for the Station from CN and to then construct and operate the Station to serve the public interest, convenience and necessity; and

NOW, THEREFORE, in consideration of the premises and agreements 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, agree as follows:

Agreement

1. SALE ASSETS; PURCHASE PRICE.

a. CN agrees to assign, convey and sell to Buyer all of its right, title and interest in and to the construction permits for the Stations.

b. The purchase price to be paid by Buyer to CN for the construction permit of the Station being assigned, conveyed and sold hereunder shall be TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00), in lawful money of the United States of America, payable as follows:

i. A down payment of SIX THOUSAND TWO HUNDRED FIFTY DOLLARS (\$6,250.00) by wire transfer or cashier's check directly to CN, non-refundable unless this transaction fails to close for one or more reasons which are not the fault of the Buyer; and

ii. A final payment of EIGHTEEN THOUSAND SEVEN HUNDRED FIFTY DOLLARS (\$18,750.00) by wire transfer or cashier's check at Closing. Closing shall take place no later than the fifth (5th) business day subsequent to the grant of consent to the transactions contemplated herein by the FCC or its staff acting pursuant to delegated authority.

2. **EXCLUSIVITY; FCC APPLICATION.** The parties agree that from the date hereof until the expiration of the Agreement, neither party will seek to transfer or sell to, or entertain any

offers to buy from, third parties, respectively, the construction permits for the Stations. CN will be responsible for publishing the public notices required by Section 73.3580 of the FCC's Rules. Other than said public notice, neither party will publicly discuss this transaction with anyone other than their own officers, directors, employees, agents, attorneys, accountants or advisers. CN and Buyer will work together to file in good faith the required FCC Form 345 application for FCC consent to the transactions contemplated by this Agreement as soon hereafter as is practicable (the "Assignment Application"). If an application filing fee is required, it will be paid by Buyer.. CN will be responsible for publishing the public notice of the filing of the FCC Form 345 application required by Section 73.3580 of the FCC's Rules; Buyer will reimburse CN for the cost of said publication. Additionally, pursuant to Section 73.3517(a) of the FCC's Rules CN hereby grants written permission to Buyer to File an FCC Form 349 application to make one or more minor changes in the authorized technical facilities of the Station (the "Modification Application"). On the same day that the Assignment Application is filed, Seller will add the Buyer's "federal registration number" (FRN), 0025-0180-45, to the FCC's records for Station K273CG through the so-called "FRN Manager" utility on the fcc.gov website. Buyer will be therefore solely be responsible for filing the Modification Application on FCC Form 349 prepared at its sole expense to

modify the Station's technical facilities. Seller will also prepare and file as soon hereafter as is practicable at its expense a letter request with the FCC's Media Bureau asking for "tolling" of the Permit's current expiration date for at least six months pursuant to footnote 36 of the FCC's AM Revitalization Order, FCC 15-142, released October 23, 2015.

3. CN'S REPRESENTATIONS AND WARRANTIES. CN represents that it is the authorized legal holder of the Station's construction permit, and that it is validly existing and has not yet expired. There are no retransmission consent or other agreements entered into by CN which are inconsistent with this Agreement; in other words, subject to applicable FCC rules such as but not limited to 47 C.F.R. §74.1232, Buyer may use the Station to rebroadcast a primary station licensed to it immediately upon constructing the Station.

4. BUYER'S FCC QUALIFICATIONS. Buyer represents, warrants, and covenants to CN that it meets all FCC basic qualifications to hold the FCC Authorization which is the subject of this Agreement. Buyer is financially qualified to acquire, construct and operate each Station subject to this Agreement.

5. CONDITIONS PRECEDENT TO BUYER'S OBLIGATION TO CLOSE. Buyer's obligations to close hereunder are expressly conditioned upon the FCC or its staff acting pursuant to delegated authority grant the above-described FCC Form 345 application and that such

action shall have become final and no longer subject to administrative or judicial action, review, rehearing or appeal (a "Final Order").

6. **TRANSFER FEES AND TAXES.** Buyer shall be solely responsible for any and all bulk transfer fees, transfer taxes, sales taxes or other taxes, assessments or fees. It is agreed and understood that there is no FCC application filing fee applicable to the Form 345 application described herein.

7. **GOVERNING LAW AND VENUE.** This agreement is governed by the laws of the State of Missouri, and the venue for any dispute arising hereunder shall be the courts of St. Louis City, Missouri.

8. **NOTICES.** All notices required or permitted to be given hereunder shall be in writing and shall be deemed effective three (3) business days after mailing by registered or certified mail, postage and fees prepaid at the addresses listed below:

If to CN:

Mr. John Anthony Holman, President
Covenant Network
4424 Hampton Avenue
St. Louis, MO 63109

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

Dennis J. Kelly, Esquire
Law Office of Dennis J. Kelly
Post Office Box 41177
Washington, DC 20018-0577

If to Buyer:

Mr. Brady Dreasler
WGEM License, LLC
130 South Fifth Street
PO Box 909 (62306)
Quincy, IL 62301

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

Stephen Hartzell, Esquire
Brooks Pierce
PO Box 1800
Raleigh, NC 27602

9. **MISCELLANEOUS.** This Agreement represents the entire agreement of the parties with respect to the subject matter hereof and supersedes any prior agreement with respect thereto whether it is in writing or otherwise. This Agreement may be amended only in writing by an instrument duly executed by both parties. This Agreement may be executed in counterparts. The undersigned represent and warrant that, respectively, they possess all requisite legal authority and mental capacity to sign this Agreement and to be bound by the terms thereof.

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

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by them as of the date first above written.

COVENANT NETWORK

By: 
John Anthony Holman
President

WGEM LICENSE, LLC

By: 
Ralph Oakley
President