

## ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT by and between CSN International (ACSN@) and Educational Media Corp. (AEMC@):

### W I T N E S S E T H:

WHEREAS, EMC is licensee of noncommercial educational FM radio broadcast stations WJYJ(FM), Fredericksburg, Virginia, and WJYA(FM), Emporia, Virginia (the AStations@), and the FM translator stations that currently retransmit the signals of the Stations, identified in the attached Exhibit A hereto (the ATranslators@); and

WHEREAS, the parties seek by means of this Agreement to provide for the sale by EMC and the purchase by CSN of the licenses issued by the Federal Communications Commission (the AFCC@) for the operation of the Stations and Translators (collectively, the AFCC Licenses@) and certain tangible assets of the Station; and

WHEREAS, this Agreement may not be consummated without the prior consent of the FCC;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties intending to be legally bound, CSN and EMC do hereby mutually agree as follows:

1. Assets Purchased. Upon the terms and subject to the conditions of this Agreement,

EMC shall sell, assign and convey to CSN, , and CSN shall purchase and accept from EMC on the Closing Date (as hereinafter defined) the following assets owned or leased by EMC (collectively, the APurchased Assets@):

- (a) the FCC Licenses, copies of which are attached as Exhibit B hereto;
- (b) the transmission equipment used in the operation of Station WJYJ(FM) identified in Exhibit C1 hereto (the AWJYJ Equipment@) ;
- (c) the transmission equipment and satellite downlink equipment used in the operation of Station WJYA(FM) identified in Exhibit C2 hereto (the AWJYA Equipment@);
- (d) the transmission equipment and satellite downlink equipment used in the operation of the Translators identified in Exhibit C3 hereto (the ATranslator Equipment@);
- (e) the studio trailer, satellite uplink equipment and van identified in Exhibit C4 hereto;

(f) all assignable leases for real estate and/or towers on which the aforementioned transmission facilities are located (the ~~A~~Site Leases~~@~~) as more specifically identified in Exhibit D hereto; and

(g) existing agreements other than the Site Leases (the ~~A~~Other Agreements~~@~~) that are identified in Exhibit E hereto and pursuant to which EMC has obligations which first accrue or are to be performed or satisfied after the Closing Date.

(h) All engineering records in EMC's possession, including but not limited to maintenance logs and transmission equipment repair records, that relate to the technical operations of the Stations and Translators and all documents that are to be maintained in the Stations' local public inspection files pursuant to the rules of the FCC.

The Purchased Assets do not include (i) studio and production equipment owned by EMC; (ii) cash, bank deposits and bank accounts; (iii) monies receivable for the broadcast of programming and underwriting announcements prior to the Closing Date; (iv) EMC's corporate minutes, tax records and other records and accounts which do not relate to the technical operation of the Station; (v) any contracts, agreements or understandings between EMC and any third party other than the Site Leases and Other Agreements identified at 1(f) and 1(g) above; and (vi) the identifications, phrases and slogans ~~A~~JOY-FM~~@~~, ~~A~~joyradio.org~~@~~ and ~~A~~worship of God, service to the world~~@~~.

2. Tower Leases. At the Closing, EMC and CSN shall execute a mutually agreeable lease in the form of Exhibit F hereto for each of the towers owned by EMC and identified in Exhibit G hereto.

3. Consideration. As consideration for the sale, assignment, transfer and conveyance of the Purchased Assets, CSN hereby agrees to pay to EMC, and EMC hereby agrees to accept, the sum of Three Million Three Hundred Twenty Thousand Dollars (\$3,320,000.00), payable as follows:

(a) Two Hundred Fifty Thousand Dollars (\$250,000.00), in twelve equal monthly payments of Ten Thousand Dollars (\$10,000.000) commencing on the first day of the first complete month after the initial closing of the transaction, and a payment of \$130,000.00 on the first day of the thirteenth month, as consideration for the equipment to be sold to CSN by EMC and identified in Exhibit C1, C2 and C3 hereto;

(b) Seventy Thousand Dollars (\$70,000.00) in six equal monthly payments of Eleven Thousand Six Hundred Sixty-six and 67/100 Dollars (\$11,666.67) commencing on the first day of the first complete month after the initial closing of the transaction, as consideration of the equipment identified in Exhibit C4 hereto;

(c) Three Million Dollars (\$3,000,000.00) in one hundred eighty-two equal monthly payments

of Sixteen Thousand Four Hundred Eighty Three and 52/100 Dollars (\$16,483.52) commencing on the first day of the first complete month after the initial closing of the transaction, as consideration for the balance of the assets to be conveyed to CSN pursuant to this Agreement.

(d) CSN's obligations to EMC as set forth in Section 3(a), 3(b) and 3(c) will be evidenced by three non-interest bearing promissory notes in the form of Exhibit H hereto that provide, among other things, that (i) each payment will be due on the first day of the month for which payment is to be made and (ii) the entire sum of the promissory note will become due and payable upon CSN's uncured failure to make monthly payments under such note for three (3) consecutive months; provided, however, that CSN will have the right to cure such default by paying the sums due within thirty (30) days after having received notice of default from EMC. Upon CSN's failure to cure default and the subsequent receipt of a written demand from EMC, CSN shall pay, within thirty (30) days of its receipt of EMC's demand, the unpaid balance of such note plus a penalty equal to five percent (5%) of such balance. Each promissory note will be secured by a security agreement in the form of Exhibit I hereto that establishes a lien on all of the tangible assets (but not licenses issued by the FCC) used for CSN's broadcast operations at radio stations licensed to CSN, including but not limited to the assets of the Stations and Translators that are the subject of this Agreement; provided, however, that EMC will be required to first proceed against the assets of the Stations and Translators and that CSN and EMC jointly will agree in identifying the additional assets, if any, that will be subject to foreclosure until such time that CSN's obligations to EMC have been fully satisfied. There will be no penalty for prepayment of any sums due under the promissory note.

#### 4. Assumption of Liabilities.

(a) CSN will assume and undertake to pay, satisfy, or discharge the liabilities, obligations and commitments of EMC under the Site Leases assigned by EMC to CSN at the Closing, or which first accrue or are to be performed or satisfied after the Closing under the agreements identified in Exhibit E hereto.

(b) The Purchased Assets shall be sold and conveyed to CSN free and clear of all liabilities (absolute or contingent), obligations, liens (including tax, mechanics' and materialmen's liens), pledges, conditional sales agreements, charges, mortgages, security interests, encumbrances and restrictions of any type or amount (collectively, "Liens") created or suffered by EMC prior to the Closing Date, whether existing now or in the future.

(c) Except as provided in Section 4(a) of this Agreement, CSN is not agreeing to, and shall not, assume any other liability, obligation, undertaking, expense or agreement of EMC of any kind, absolute or contingent, known or unknown, and the execution and performance of this Agreement shall not

render CSN liable for any such liability, obligation, undertaking, expense or agreement.

5. FCC Consent; Control of Station.

(a) The parties will proceed as expeditiously as practicable to file or cause to be filed an application, substantially complete and in suitable form and substance, with the FCC requesting consent to the assignment of the FCC Licenses from EMC to CSN. Said application shall be duly filed with the FCC not later than ten (10) business days after the date of this Agreement. CSN and EMC shall prosecute such application in good faith and with due diligence. EMC, following the filing of the application, shall broadcast the requisite public notices as required by the rules and regulations of the FCC. CSN and EMC will provide whatever additional information the FCC reasonably requests in processing said application and information will be furnished within the time established by the FCC in its request. Copies of any amendatory material or other papers filed by either party with the FCC pertaining directly or indirectly to the application simultaneously shall be mailed to the other party. Each party hereto shall bear its own legal fees and any and all costs and expenses not specified herein with respect to the sale and purchase of the assets covered by this Agreement.

(b) Between the date of this Agreement and the Closing, CSN shall not directly or indirectly control, or attempt to control the Stations or Translators; such control shall be maintained by, and be the responsibility of, EMC.

6. Closing.

(a) The Closing of the purchase of the Purchased Assets (the ~~A~~Closing~~@~~) shall take place at the offices of EMC. Except as provided in Section 6(b) below, the Closing shall occur on the tenth business (10th) day after the date that FCC grant of the parties' application has become a Final Order (the ~~A~~Initial Closing Date~~@~~). The parties shall jointly use their best efforts to obtain such approval. For purposes of this Agreement, the term ~~A~~Final Order~~@~~ means action by the FCC consenting to an application which is not reversed, stayed, enjoined, set aside, annulled or suspended, and with respect to which action no timely request for stay, petition for rehearing or appeal is pending, and as to which the time for filing any such request, petition or appeal or for reconsideration by the FCC on its own motion has expired.

(b) EMC will transfer possession and ownership of either the studio trailer or satellite uplink equipment identified in Exhibit C4 hereto to CSN after CSN has made three (3) monthly payments to EMC under the Seventy Thousand Dollar (\$70,000.00) promissory note, and will transfer possession and ownership of the remaining equipment identified in Exhibit C4 to CSN upon full payment of such

note by CSN. CSN will have the choice whether to acquire possession and ownership of the studio trailer or of the satellite uplink equipment after CSN has made the third monthly payment.

7. Representations and Warranties of EMC. EMC represents and warrants to CSN as follows:

(a) Organization and Standing. EMC is a not-for-profit corporation in good standing under the laws of the state in which it is incorporated and is qualified to do business in the state of Virginia. EMC has full corporate power and authority to carry on the business now conducted by it.

(b) Authorization. EMC has full power and authority to enter into this Agreement. The consummation of the transactions contemplated hereby have been or by the Closing Date will be duly and validly authorized by EMC and no other proceedings on the part of EMC are necessary to authorize this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by EMC and constitutes the legal, valid and binding obligation of EMC enforceable in accordance with its terms, except as may be limited by bankruptcy, insolvency or other laws affecting generally the enforcement of creditors' rights or the application of principles of equity.

(c) Licenses.

(1) Exhibit B hereto contains true and complete copies of the FCC Licenses. EMC is the authorized legal holder of the FCC Licenses, none of which is subject to any restrictions or conditions which would limit in any respect the full operation of the Stations and Translators as set forth in the FCC Licenses. All reports and filings required to be filed with the FCC by EMC with respect to the operation of the Stations have been timely filed, and all such reports and filings are accurate and complete in all material respects. EMC maintains an appropriate public inspection file for the Stations in accordance with FCC rules.

(2) The FCC Licenses are in good standing, in full force and effect and have not been revoked, canceled or rescinded. EMC is operating the Stations and Translators in accordance in all material respects with the FCC Licenses, the underlying construction permits and all rules, regulations and policies of the FCC. There is not now pending or, to the knowledge of EMC, threatened any action by or before the FCC to revoke, cancel, rescind, modify or refuse to renew any of such FCC

Licenses, and no event has occurred which permits, or after notice or lapse of time or both would permit, the revocation, cancellation or rescission of any of the FCC Licenses. EMC has no knowledge of any protests, applications, or proceedings of any kind, whether pending or threatened before the FCC or other authority, which might adversely affect the Stations and Translators or EMC's ability to assign the FCC Licenses to CSN. There is not now issued or outstanding, or to the knowledge of EMC, pending or threatened, by or before the FCC, any order to show cause, notice of violation, notice of apparent liability, or notice of forfeiture or complaint against EMC with respect to the Stations and Translators. To the knowledge of EMC, the Stations and Translators are not causing interference in violation of FCC rules to the transmissions of any other broadcast station or communications facility and EMC has not received any complaints with respect thereto, and no other broadcast station or communications facility is causing interference in violation of FCC rules to the transmissions of the Stations and Translators or the public's reception of such transmissions.

(d) Absence of Conflicting Agreements or Required Consents. The execution, delivery and consummation of this Agreement are not prohibited by, and will not conflict with, constitute grounds for termination of, or result in a breach of, the terms, conditions or provisions of, or constitute a default under, the Certificate of Incorporation or By-Laws of EMC or any agreement or instrument to which EMC is now a party or otherwise subject. The execution, delivery and performance of this Agreement by EMC will not: (a) result in a default (or give rise to any right of termination, cancellation or acceleration) under or conflict with any of the terms, conditions or provisions of any note, bond, mortgage, indenture, agreement, lease or other instrument or obligation to which EMC is subject or to which any of the Purchased Assets may be subject or (b) result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever on any of the Purchased Assets.

(e) Title of Assets. EMC has, and on the Closing Date will have, good, valid, marketable and legal title to all of the Purchased Assets, none of which is or will be subject to any security interest, mortgage, pledge, lien, conditional sales agreement or other claim, encumbrance or charge of any nature whatsoever, and the instruments to be executed by EMC and delivered to CSN at the Closing shall deliver good and marketable title to the Assets.

(f) Site Leases; Consent to Assignment. Each Site Lease is in full force and effect, and enforceable in accordance with its terms; no party thereto is in breach, and no claim of breach has been made. Exhibit D contains a true and complete copy of each Site Lease. Each Site Lease may be

assigned to CSN pursuant to the terms thereof, and all necessary consents to such assignment by the parties thereto have been, or by the Closing Date will be, obtained in writing by EMC and conveyed to CSN in form and substance reasonably satisfactory to CSN.

(g) Litigation. There are no claims, actions, suits, proceedings, disputes or investigations pending or, to the knowledge of EMC threatened, before any court or governmental or regulatory authority, or before any arbitrator of any nature, brought by or against EMC or the Stations, which might result in any material adverse effect upon the assets or operations (financial or otherwise) of the Stations and Translators or which questions the validity of any action taken or to be taken pursuant to or in connection with this Agreement. EMC knows of no basis for any such claim, action, suit, proceeding, dispute or investigation.

(h) Debts, Liens and Consents. EMC is and will be solely responsible for all debts, taxes, impositions or obligations imposed or arising by reason of EMC's ownership of the Purchased Assets and the operation of the Stations and Translators prior to the Closing. Any debts or obligations which have given or may give rise to liens against the Purchased Assets shall be discharged by EMC on or before the Closing. No consent, approval, authorization or order of (or registration or filing with) any governmental authority, lending institution or other third party is required in connection with the execution, delivery or performance by EMC of this Agreement or in connection with the transactions contemplated hereby (including transfer of any or all of the Assets), except for the FCC consent and the consent of the lessors with respect to the Site Leases.

(i) Normal Operation of the Stations. EMC is now operating and on the Closing Date will be operating the Stations and Translators in material compliance with the applicable technical rules of the FCC. Between the date of this Agreement and the Closing Date, EMC shall conduct the operations of the Stations and Translators in their normal manner, and in compliance with FCC rules and policies, and shall file with the FCC all applications and other documents required to be filed in connection with the operations of the Stations and Translators.

(j) Equipment. The WJYJ Equipment, WJYA Equipment and the Translator Equipment (i) is in good condition and repair, ordinary wear and tear excepted, (ii) has been maintained in a manner consistent with generally accepted standards of good engineering practice, and (iii) enables the Stations and Translators to operate in compliance with the FCC Licenses and with rules and regulations of the FCC. The tower on which the WJYJ antenna is mounted is free of structural defects and is suitable for its intended use. The towers are obstruction-marked and lighted to the extent required by, and in accordance with, the rules and regulations of the FAA and the FCC, and the towers have been registered to the extent that

registration is required by the FCC's rules and regulations.

(k) Tangible Property. Between the date hereof and the Closing Date none of the Purchased Assets will be sold or otherwise disposed of unless any such property is replaced by other property of equal or better quality and usefulness.

(l) Complete Disclosure. EMC's representations and warranties in this Agreement do not contain any untrue statement of any material fact and do not omit to state any material fact required to make such representations and warranties not misleading.

8. Covenants of EMC. Between the date hereof and the Closing Date, EMC will

- (a) Maintain all of the WJYJ, WJYA and Translator Equipment in its present condition, ordinary wear and tear excepted;
- (b) Maintain in effect insurance coverage of the same type and coverage as that in effect on the date hereof with respect to the Purchased Assets;
- (c) Notify CSN of any material litigation pending or threatened against EMC or any material damage to or destruction of any assets included or to be included in the Purchased Assets;
- (d) Obtain all necessary consents to the assignment of the Site Leases, and shall not take any action or fail to satisfy any obligation where such action or failure to act may impair the continuing force and effect of the Site Leases;
- (e) Give notice to CSN of any unusual event or circumstance in the operation of the Stations and Translators prior to the Closing Date;
- (f) Notify CSN of facts known to EMC which would materially and adversely affect the future operations of the Stations and Translators by CSN in the event of the approval of the assignment of the FCC Licenses by the FCC;
- (g) Permit employees, agents, contractors and other representatives of CSN to inspect the WJYJ Equipment, WJYA Equipment and Translator Equipment during normal working hours;
- (h) EMC shall use its best 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.

9. Conditions Precedent to Closing by CSN. The duty of CSN to close this Agreement is, at the option of CSN, subject to compliance, at or prior to the Closing Date, with each of the following



conditions:

- (a) FCC Consent. The FCC's consent to the assignment of the FCC Licenses to CSN shall have been obtained without any conditions materially adverse to CSN.
- (b) Representations and Warranties. On the Closing Date all representations and warranties of EMC contained in this Agreement shall be true and correct in all material respects.
- (c) Covenants. As of the Closing Date, all of the terms, covenants and conditions to be complied with and performed by EMC on or prior to the Closing Date shall have been duly complied with or performed in all material respects.
- (d) Adverse Proceedings. As of the Closing Date, no suit, action, claim or governmental proceeding shall have been instituted, taken or presented against EMC which results or reasonably may result in a substantial adverse effect upon, or substantial disruption of, the operations of the Stations and Translators.
- (e) Material Adverse Change. As of the Closing Date, there shall not have been any material adverse change in the Purchased Assets.
- (f) Closing Documentation. On the Closing Date, EMC shall have delivered bills of sale and assignments transferring and assigning to CSN the Purchased Assets; and EMC shall have taken all steps necessary to put CSN in possession and operating control of such property.
- (g) Licenses. On the Closing Date, EMC shall be the holder of the FCC Licenses presently held by it and there shall not have been any material adverse modification of any of the FCC Licenses and no proceeding shall be pending, the effect of which would be to revoke, cancel, fail to renew, suspend or modify materially and adversely any of the FCC Licenses. Following Closing, the FCC Licenses shall be held by CSN.
- (h) Damage to the Assets. The Purchased Assets shall not have suffered damage on account of fire, explosion or other cause of any nature which shall not have been repaired as of the Closing Date; provided that if CSN elects to waive the condition set forth in this Section 9(h) and consummate the Closing, then CSN shall be entitled to collect and receive the proceeds of any insurance payable to EMC on account of such damages which have not been applied to the repair thereof.
- (i) Site Lease Consent. EMC shall have obtained and shall have delivered to CSN all necessary third-party consents to assignment of the Site Leases to

CSN.

10. CSN's Representations and Warranties. CSN represents and warrants to EMC as follows:

(a) Organization and Standing. CSN is a not-for-profit corporation in good standing under the laws of the State of California and is authorized to do business in the State of Virginia.

(b) Authorization. CSN has full power and authority to enter into this Agreement.

(c) Absence of Conflicting Agreements or Required Consents. The execution, delivery and consummation of this Agreement is not prohibited by, and will not conflict with, constitute grounds for termination of, or result in a breach of, the terms, conditions or provisions of, or constitute a default under the Certificate of Incorporation or By-Laws of CSN or any agreement or instrument to which CSN is now a party or otherwise subject.

(d) CSN's Qualifications. CSN is aware of no facts which would cause the FCC to conclude that CSN does not possess the legal, technical, and financial qualifications to acquire the Station Licenses.

(e) Assumption of Leases and Contracts. CSN will accept, at Closing, assignment of the Site Leases.

(f) Complete Disclosure. CSN's representations and warranties in the Agreement do not contain any untrue statement of any material fact and do not omit to state any material fact required to make such representations and warranties not misleading.

11. Conditions Precedent to Closing by EMC. The duty of EMC to close this Agreement is, at the option of EMC, subject to compliance, at or prior to the Closing Date, with each of the following conditions:

(a) FCC Consent. The FCC's consent to the assignment of the FCC Licenses to CSN shall have been obtained without any conditions materially adverse to EMC.

(b) Performance by CSN. CSN shall have performed in all material respects the undertakings and agreements of CSN to be performed hereunder on or before the Closing Date.

12. Indemnification. EMC will defend, indemnify and hold CSN harmless from and against any and all losses, liability, damages, costs, or expenses incurred by CSN (including reasonable attorneys=

fees) payable from, arising out of, or incurred as a result of (i) any breach of a representation or warranty made by EMC in this Agreement; (ii) any failure by EMC to perform or fulfill any of its covenants or agreements set forth in this Agreement; and (iii) any obligation or liability that has not been assumed herein by CSN. CSN will defend, indemnify and hold EMC harmless from and against any and all losses, liability, damages, costs, or expenses incurred by EMC (including reasonable attorneys' fees) payable from, arising out of, or incurred as a result of (i) CSN's failure to discharge its obligations under the Site Leases or Other Agreements; and (ii) any obligation or liability arising out of CSN's operation of the Stations and Translators after the Closing.

13. Survival of Representations and Warranties. The representations, warranties and agreements made by each party hereto shall survive the Closing and shall be fully enforceable at law or in equity against such party and its successors and assigns by the other party and its successors and assigns for a period of one (1) year after the Closing. Any investigation at any time made by or on behalf of (or any disclosure to) either party hereto shall not diminish in any respect whatsoever its right to rely on the representations and warranties of the other party hereto.

#### 14. Termination.

(a) This Agreement may be terminated by either party upon written notice to other party if (1) the consent of the FCC to the assignment of the FCC Licenses has not been obtained within twenty-four (24) months after the filing of the parties' application requesting such consent, (2) if the FCC application is designated for hearing or denied by Final Order, (3) if a Petition to Deny filed with the FCC creates a substantial likelihood that there will be extended litigation before the FCC or a court of competent jurisdiction concerning the transaction contemplated by the parties or (4) if there shall be in effect any judgment decree or order that would prevent or make unlawful the Closing of this Agreement; provided, however, that the party desiring to terminate is not in breach of this Agreement at the time of such notice.

(b) In the event that either party fails to comply with any material term or obligation or breaches any representation or warranty contained in this Agreement in any material respect and does not cure such failure within twenty (20) days of receiving written notice from the other party, then the non-breaching party may at its option, by written notice to the breaching party, terminate this Agreement without further obligation or liability; provided, however, that the terminating party is not in material breach of this Agreement at the time of such notice.

15. Specific Performance. CSN and EMC agree that the FCC Licenses are unique properties and that there is no adequate remedy at law for damage which CSN might sustain upon a failure by the EMC to consummate this Agreement in accordance with its terms. Accordingly, CSN is entitled to the remedy of specific performance to enforce such consummation upon and subject to the terms and

conditions provided in this Agreement, in addition to whatever other remedies may be available to it at law or equity as a consequence of such failure, without posting bond or other surety for such equitable relief.

16. Instruments of Conveyance.

(a) At the Closing, EMC shall deliver to CSN:

- (1) An assignment of the FCC Licenses;
- (2) Bills of sale sufficient to place CSN in actual possession of the WJYJ Equipment, WJYA Equipment, Translator Equipment and other tangible Purchased Assets as listed in Exhibit C1, C2 and C3;
- (3) Assignment of the Site Leases and Other Agreements;
- (4) A lease for each of the towers owned by EMC and identified in Exhibit G hereto executed by a duly authorized officer of EMC;
- (5) A certificate dated the Closing Date executed by a duly authorized officer of EMC certifying that the conditions set forth in Section 9 hereof have been satisfied in all material respects; and
- (6) Bills and sale and titles sufficient to place CSN in actual possession of the studio trailer, satellite uplink equipment and van identified in Exhibit C4 hereto, at such times the ownership of such assets is transferred to CSN.

(b) At the Closing, CSN shall deliver to EMC:

- (1) The Promissory Notes executed by a duly authorized representative of CSN;
- (2) The Security Agreement executed by a duly authorized representative of CSN and other documents reasonably supplied by EMC to perfect its security interest in the assets covered by the Security Agreement; and
- (3) A certificate dated the Closing Date executed by a duly authorized representative of CSN certifying that the conditions set forth in Section 11 hereof have been satisfied in all material respects.

17. Broker's Commissions. Each party hereto represents and warrants to the other that there

are no commissions due to any person growing out of this Agreement, and that neither it nor any party acting on its behalf has agreed to pay any other person or entity a commission, finder's fee or similar payment in regard to this Agreement or any matter related hereto or has taken any action on which a claim for any such payment could be based.

18. Right of First Refusal. In the event that CSN determines that it will accept a bona fide offer by a third party to acquire the license of either or both of the Stations, CSN shall promptly notify EMC of such determination in writing, identifying the material terms of such offer and supplying proof thereof, such as a copy of the offer with the identity of the third party redacted. EMC shall thereafter, within thirty (30) days after receipt of such notice from CSN, notify CSN in writing whether it desires to enter into such an agreement under such terms with CSN. If CSN does not receive notice from EMC within such thirty (30) day period that EMC wishes to enter into such agreement, CSN may accept such offer and enter such agreement with the third party; provided, however, that the terms of such agreement shall not differ materially from those set forth in CSN's notice to EMC.

19. Notice. All necessary notices, demands and requests shall be deemed duly given upon receipt, if mailed by certified mail, return receipt requested, postage prepaid, or sent by overnight courier service and addressed to the following (or to a substituted address as to which the other party has been notified consistent with the provisions of this Section).

If to CSN:

CSN International  
c/o Jeff Smith, Vice President  
3232 W. MacArthur Blvd.  
Santa Ana, CA 92704

If to EMC:

Educational Media Corp.  
c/o Peter Stover, President  
830 Gunnery Hill Road  
Spotsylvania, VA 22553

20. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the transactions contemplated and supersedes all prior negotiations and agreements between the parties concerning the subject matter contained herein. No change, modification or waiver of any provision hereof will be valid unless in writing and signed by the party to be bound, except that the attorney for either party hereto may bind his client in writing as to a change in the Closing Date.

21. No Waiver. No delay or failure on the part of either party in exercising any rights

hereunder, and no partial or single exercise thereof, will constitute a waiver of such rights or of any other rights hereunder.

22. Assignment. This Agreement may not be assigned by a party absent the prior written consent of the other party.

23. Binding Upon Successors. This Agreement will be binding upon, inure to the benefit of and be enforceable by the parties hereto and their respective successors and permitted assigns.

24. Governing Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of Virginia.

25. Attorneys= Fees. In the event either party institutes litigation to enforce the terms and provisions of this Agreement, the prevailing party shall be entitled to the award of such reasonable attorneys= fees and court costs as may be fixed and determined by a court of competent jurisdiction.

26. Counterparts; Effective Date. This Agreement may be executed in counterpart, each of which shall be deemed an original. This Agreement will become effective on the later of the dates on which it has been signed by both parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates set forth below:

CSN INTERNATIONAL

EDUCATIONAL MEDIA CORP.

By: \_\_\_\_\_  
Vice President

By: \_\_\_\_\_  
President

Date: January 18, 2002 Date: January 22, 2002

#### SCHEDULE OF EXHIBITS

Exhibit A: List of Translators

Exhibit B: Copies of FCC Licenses

Exhibit C1 - C4: Lists of Equipment

Exhibit D: Copies of Site Leases

Exhibit E: Copies of Other Contracts

Exhibit F: Form of EMC/CSN Tower Lease

Exhibit G: List of Sites to be leased by EMC to CSN

Exhibit H: Form of Promissory Note

Exhibit I: Form of Security Agreement