

AGREEMENT IN PRINCIPLE

This concerns the FCC authorizations for new FM stations at New Whiteland and Lebanon, Indiana, to be gifted to Horizon Christian Fellowship San Diego (HSD) by Horizon Christian Fellowship Indianapolis (HI). The parties agree in principle as follows:

This agreement is intended to facilitate cooperation and local operation of these Indiana radio stations. This arrangement is intended to create a framework that allows for local input by HI into staffing, programming, promotion and public service. It is assumed that the implementation of this agreement will be done in a spirit of charity.

Notwithstanding anything else stated below, ultimate responsibility for station finances, programming and personnel will rest with HSD, which will be the FCC licensee of the stations.

HI has authorized the transfer of the construction permit for New Whiteland to HSD. Once the construction permit for Lebanon, Indiana, is granted, HI will similarly transfer that construction permit to HSD should HSD decide that it wants to operate that station as well.

HSD agrees to cooperate with HI, a locally-based organization, by including a significant local element in the programming of the Indiana stations it operates. National programs of a high caliber will share the program schedule with local and regional teachers. HI will introduce HSD to such local program sources.

HSD further agrees to periodically consult with an Advisory Board made up of HI representatives to discuss the following issues:

- **Local staffing**
- **Local programming**
- **Live church services**
- **Promotion of local events**
- **Public service announcement schedules**
- **Making airtime available to local charities**

It is agreed in principle that HSD, in consultation with HI, will choose a local staff. This staff will be responsible for making the programming and promotion of the stations a service to the local community.

HSD does not intend to make the Indiana stations satellites that merely broadcast a network feed. Instead, HSD intends to maximize local content and involvement whenever possible. HSD will make use of the HI Advisory Board mentioned above in fulfilling this obligation and maximizing the outreach of the local ministry.

HSD and HI agree that it will benefit of both ministries to develop maximum local interaction so the goals stated above will be pursued with a positive and cooperative attitude.

As licensee, HSD agrees to take responsibility for:

- **Fulfilling FCC obligations**
- **Establishing and maintaining the stations' public files**
- **Obtaining and renewing tower site leases**
- **Station maintenance and equipment replacement**
- **Payment of station expenses, including legal and engineering costs**
- **Site and studio insurance**
- **Staffing and provision of programming**
- **All utilities**

Additionally, HSD agrees to provide:

- **Thirty minutes each day for HI to produce and broadcast a teaching program**
- **The broadcast of HI's weekend and midweek live services**
- **Airing of HI event announcements**
- **Production of HI announcements**
- **Daily airing of an HI half-hour program on the Horizon Broadcast Network**
- **Cooperation in training HI broadcast interns**

HI agrees to provide a long-term lease of studio space on HI's campus in Indianapolis.

The parties have signed this Agreement in Principle as of this 28 day of October, 2005.

**HORIZON CHRISTIAN FELLOWSHIP
INDIANAPOLIS**

By: 
William Goodrich, Pastor and President

**HORIZON CHRISIAN FELLOWSHIP
SAN DIEGO**

By: 
Mike Macintosh, Pastor and President