

## **ASSET PURCHASE AGREEMENT**

THIS ASSET PURCHASE AGREEMENT (this "Agreement"), made this 9th day of February, 2011, by and between Horizon Christian Fellowship, a California not-for-profit corporation ("Seller"), and Dierking Communications, Inc., a Kansas corporation ("Buyer").

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

WHEREAS, Seller is the holder of a license issued by the Federal Communications Commission ("FCC" or "Commission") for FM translator station K231AX, Marysville, Kansas (FCC Facility ID 143150) (hereinafter referred to as the "Station"):

WHEREAS, Seller desires to sell Station and certain related assets to Buyer, under the terms and conditions stated herein;

WHEREAS, Buyer desires to purchase Station and certain related assets, under the terms and conditions stated herein; and

WHEREAS, consummation of this Agreement is subject to the prior approval of the FCC.

NOW, THEREFORE, in consideration of the mutual covenants and conditions herein contained, it is hereby agreed as follows:

1. Subject to the prior approval of the FCC, which shall be obtained by its grant of the Assignment Application (defined below), Seller agrees to sell, transfer, assign, convey, and deliver to Buyer, and Buyer agrees to purchase: (a) the FCC authorizations for the Station (the "FCC License"), (b) any equipment previously used by the Station that exists and is recoverable by Buyer from the Station's transmitter site (the "Equipment"), and (c) all goodwill and rights which Seller has in the frequency and call letters of Station (the "Intangibles", and collectively

the FCC License, Equipment and Intangibles hereinafter the “Station Assets”). All Station Assets to be conveyed shall be free and clear of any security interests, mortgages, or other encumbrances. Buyer understands that no site leases are being assigned in this transaction. Except as expressly set forth herein, Buyer is not agreeing to, and shall not, assume any liability, obligation, undertaking, expense or agreement of Seller of any kind, absolute or contingent, known or unknown

2. In consideration for the Station Assets to be conveyed by Seller to Buyer, Buyer shall pay to Seller the total sum of Eight Thousand Seven Hundred Fifty Dollars (\$8,750.00) (the “Purchase Price”), which shall be paid as follows:

a. Upon execution of this Agreement, Buyer shall pay One Thousand Dollars (\$1,000.00) to Seller, by wire transfer, which shall constitute the “Down Payment”.

b. Buyer shall pay to Seller at Closing (defined below), by wire transfer, the additional sum of Seven Thousand Seven Hundred Fifty Dollars (\$7,750.00);

c. In the event the transaction does not close due to an uncured breach by Buyer, Seller shall retain the Down Payment as liquidated damages, which shall serve as Seller’s sole remedy.

d. In the event the transaction does not close due to an uncured breach by Seller or due to the fault of neither Seller nor Buyer, Seller shall promptly return the Down Payment to Buyer. Buyer shall be entitled to specific performance as its sole remedy for an uncured breach by Seller.

3. Seller hereby warrants and covenants and agrees that: (a) Seller holds a valid authorization from the FCC to operate the Station (FCC File BLFT-20070525AJI), that there are no outstanding unsatisfied FCC citations or cease and desist orders against the Station, and that any such FCC citations or orders subsequently issued shall be satisfied prior to closing; (b) the

Station has been silent since May 6, 2010 pursuant to a Special Temporary Authority ("STA") from the FCC to remain silent (FCC File No. BLSTA-20100524AHO, as extended by BLESTA-20101129AGB) and must return to on air operation on or before May 6, 2011 to avoid automatic termination of the license under 47 U.S.C. Sec. 312(g); (c) Seller is aware of no ongoing investigation of Seller or the Station by the FCC or by any other federal or state governmental agency, or of any conditions at the Station which are in violation of any FCC Rule or policy; (d) Seller is aware of no litigation, proceeding, or investigation whatsoever, pending or threatened, against or relating to Seller, its business, or the property to be transferred hereunder and that it knows of no reason why the FCC would not find it qualified to assign its license; (e) Seller will deliver the Station Assets at closing free and clear of all debts, liens, or other encumbrances; (f) Seller has full power and authority to enter into and perform this Agreement, the execution and delivery of this Agreement and the performance of all obligations hereunder shall have been duly authorized, and this Agreement constitutes a valid and binding agreement of the Seller, enforceable in accordance with its terms; (g) Seller shall cooperate with Buyer to, but not be required to incur any costs related to, return the licensed Station to on-air operation prior to May 6, 2011; (h) to the best of Seller's knowledge, Seller has filed all forms and reports with the FCC which are required to be filed with respect to the Station, including any required requests for silence authorizations; and (i) Seller indemnifies and holds Buyer harmless from any and all claims of trade creditors, judgment creditors, lien holders, purported owners, or any other person making a claim by or through Seller or asserting any claim on the assets purchased under this Agreement, and ownership or operation of the Station prior to the Closing Date.

4. Buyer hereby warrants and covenants and agrees that: (a) Buyer is legally, financially, and otherwise qualified to become the licensee of the Station; (b) Buyer knows of no reason why the FCC would not approve its acquisition of the Station's license; (c) Buyer has full

power and authority to enter into and perform this Agreement; and (d) the execution and delivery of this Agreement and the performance of all obligations hereunder has been duly authorized and this Agreement constitutes a valid and binding agreement of Buyer, enforceable in accordance with its terms; and (e) Buyer indemnifies and holds Seller harmless from any and all claims having to do with Buyer's actions in the ownership or operation of the Station by Buyer subsequent to the Closing Date.

5. Seller and Buyer agree to engage their own counsel and pay their own legal fees associated with the preparation of this Agreement and the preparation and filing of the required assignment application. Filing fees, if any, attributable to the Assignment Application will be paid by Buyer. The parties shall otherwise bear their respective expenses incident to the contemplated transaction. Buyer represents to Seller that no brokers or finders have been employed by Buyer who would be entitled to a fee by reason of such a transaction. Seller indemnifies and holds Buyer harmless with respect to any brokerage or finders' fees attributable to Seller's arrangements with brokers or finders.

6. The parties hereto agree to join in the submission of an application on FCC Form 345 seeking Commission consent to the assignment of the FCC License from Seller to Buyer (the "Assignment Application") within five (5) days from the date of this Agreement, and to cooperate fully and diligently in the prosecution of the Assignment Application.

7. Seller agrees to cooperate so that Buyer may prepare and file with the FCC (in Buyer's name) one or more applications to modify the licensed facilities of the Station (the "Modification Application"), if Buyer determines that such a Modification Application is necessary, including providing the necessary written consent to permit Buyer to file the Modification Application. Buyer shall be responsible for all costs and fees associated with such Modification Application. Neither the grant nor finality of the grant of any such Modification

Application shall be a precondition to Buyer's obligations to close under this Agreement. Prior to Buyer's obligation to perform its obligations hereunder on the Closing Date, the FCC License shall be in full force and effect and shall not be subject to automatic cancellation due to the Station's failure to broadcast for twelve (12) months, and Seller's representations and warranties hereunder shall be true and correct in all material respects on and as of the Closing Date.

8. Time is of the essence of this Agreement. If the FCC has refused or failed to grant the Assignment Application within nine (9) months of the date of filing of the application for assignment thereof, either party may terminate this Agreement by giving the other party ten (10) days' prior written notice of such intent by overnight national courier service, provided that the FCC has not granted its consent to Station's license assignment within such 10-day period, and provided further that the party seeking cancellation is not in material breach of this Agreement.

9. Closing shall take place by an exchange of documents by fax, e-mail and overnight courier service, with a wire transfer of the remainder of the Purchase Price, within ten (10) days subsequent to the date of grant of the Assignment Application. At Closing, the parties will deliver to each other such documents as may reasonably be deemed necessary to assign the FCC Licenses and any Equipment and Intangibles included in the deal and any other document the parties may feel reasonably necessary to fully assign to Buyer the rights and assets contemplated hereunder. In addition, at Closing, Buyer shall pay to Seller by wire transfer of funds the remainder of the Purchase Price as provided in Section 2(b).

11. Prior to Closing, Seller shall have ultimate control over the property and operations of Station. After closing, Buyer shall have complete control of the Station, and Seller shall retain no reversionary interest in the licenses or assets of the Station. This Agreement may be terminated by Buyer in its sole discretion if the Station FCC License is subject to automatic cancellation due to the Station's failure to broadcast for twelve (12) months. Notwithstanding

the foregoing sentence, if this Agreement is terminated by Buyer as a result of the Station not returning to on air operation on or before May 6, 2011, solely as a result of Buyer's failure to act, Seller shall be entitled to retain the Escrow Deposit.

12. Notices which are to be sent by either party pursuant to the terms of this Agreement shall effective as of the first business day after they are sent by overnight national courier service as follows:

If to Buyer, to:

Bruce E. Dierking, President  
Dierking Communications, Inc.  
937 Jayhawk Road  
Marysville, KS 66508  
(785) 562-2361

with a copy, which shall not constitute notice, to

Brendan Holland, Esq.  
Davis Wright Tremaine LLP  
1919 Pennsylvania Ave., NW, Suite 800  
Washington, DC 20006  
(202) 973-4244

If to Seller, to:

John A. Laudadio, CFO  
Horizon Christian Fellowship  
210 N. University Drive, Suite 404  
Coral Springs, FL 33071

with a copy, which shall not constitute notice, to

Kathleen Victory, Esq.  
Fletcher, Heald & Hildreth, P.L.C.  
1300 North 17<sup>th</sup> Street  
11<sup>th</sup> Floor  
Arlington, VA 22209  
(703) 812-0415

13. This Agreement may be terminated by either party in the event of a default or breach of warranty by the other party, or under Section 9 if the FCC does not timely approve the Assignment Application.

14. This document constitutes the entire understanding and agreement between the parties hereto with respect to its subject matter and shall be amended only by written agreement signed by both parties. This document shall be binding on the heirs, successors, and assigns of the parties hereto and shall be construed under the laws of the Kansas.

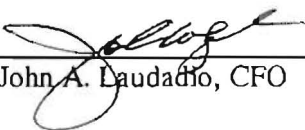
15. This Agreement may be executed in counterpart copies. When exchanged, such executed counterpart copies shall together have the same force and effect as a single executed Agreement.

*[Signature page follows]*

**Signature Page to Asset Purchase Agreement**

IN WITNESS WHEREOF, the parties hereto have hereunto set our hands and seals on  
the date first above written.

**HORIZON CHRISTIAN FELLOWSHIP**

By: \_\_\_\_\_  
John A. Laudadio, CFO

**DIERKING COMMUNICATIONS, INC.**

By: \_\_\_\_\_  
Bruce E. Dierking, President



**Signature Page to Asset Purchase Agreement**

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**HORIZON CHRISTIAN FELLOWSHIP**

By: \_\_\_\_\_  
John A. Laudadio, CFO

**DIERKING COMMUNICATIONS, INC.**

By:  \_\_\_\_\_  
Bruce E. Dierking, President