

## ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT is dated as of the \_\_\_\_ day of August, 2008, by and between METROPOLITAN RADIO GROUP, INC. (hereinafter "MRG" or "Seller"), and HOUSTON CHRISTIAN BROADCASTERS, INC., ("Buyer").

### RECITALS

A. MRG is the licensee of KORI (FM) Mansfield, LA (the "Station") and owns the tangible assets used and utilized in the operation of the Station.

B. Seller desires to sell, and Buyer desires to buy, substantially all the assets that are used or useful in the business or operations of the Station, for the price and on the terms and conditions set forth in this Agreement.

### AGREEMENT

In consideration of the above recitals and of the mutual agreements and covenants contained in this Agreement, Buyer and Seller, intending to be bound legally, agree as follows:

#### SECTION 1 - DEFINITIONS

The following terms, as used in this Agreement, shall have the meanings set forth in this Section:

"Accounts Receivable" means the rights of Seller to payment for the sale of advertising time run on the Station by Seller as of 11:59 p.m., EST, on the day prior to the Closing Date.

"Assets" means the assets to be sold, transferred, or otherwise conveyed to Buyer under this Agreement, as specified in Section 2.1.

"Assumed Contracts" means (i) all Contracts listed in Schedule 3.7 and (ii) any Contracts entered into by Seller between the date of this Agreement and the Closing Date that Buyer agrees in writing to assume.

"Closing" means the consummation of the purchase and sale of the Assets pursuant to this Agreement in accordance with the provisions of Section 8.

"Closing Date" means the date on which the Closing occurs, as determined pursuant to Section 8.

"Consents" means the consents, permits, or approvals of government authorities and other third parties necessary to transfer the Assets to Buyer or otherwise to consummate the transactions contemplated by this Agreement.

"Contracts" means all contracts, leases, non-governmental licenses, and other agreements (including leases for personal or real property and employment agreements), written or oral (including any amendments and other modifications thereto) to which Seller is a party or which are binding upon Seller and which relate to or affect the Assets or the business or operations of the Station, and (i) which are in effect on the date of this Agreement or (ii) which are entered into by Seller between the date of this Agreement and the Closing Date.

"Earnest Money" shall mean the deposit to be held by the Escrow Agent in the sum of \$15,000.00.

"Escrow Agent" shall mean John Pierce & Company.

"FCC" means the Federal Communications Commission.

"FCC Consent" means action by the FCC granting its consent to the assignment of the FCC Licenses to Buyer as contemplated by this Agreement.

"FCC Licenses" means all Licenses (including modifications, renewals and extensions thereof) issued by the FCC to Seller in connection with the business or operations of the Station.

"Final Order" means an action by the FCC that has not been reversed, stayed, enjoined, set aside, annulled, or suspended, and with respect to which no requests are pending for administrative or judicial review, reconsideration, appeal, or stay, and the time for filing any such requests and the time for the FCC to set aside the action on its own motion have expired.

"Intangibles" means all FCC Call Signs, domain names, URL registrations, copyrights, trademarks, trade names, service marks, service names, licenses, patents, permits, jingles, proprietary information, technical information and data, machinery and equipment warranties, and other similar intangible property rights and interests (and any goodwill associated with any of the foregoing) applied for, issued to, or owned by Seller or under which Seller is licensed or franchised and which are used or useful in the business and operations of the Station, together with any additions thereto between the date of this Agreement and the Closing Date.

"Licenses" means all licenses, permits, and other authorizations issued by the FCC, the Federal Aviation Administration, or any other federal, state, or local governmental authorities to Seller in connection with the conduct of the business or operations of the Station, together with any additions thereto between the date of this Agreement and the Closing Date.

"Purchase Price" means the purchase price specified in Section 2.3.

"Real Property" means the Station's existing transmitter site, as more particularly described on Schedule 3.5.

"Tangible Personal Property" means all machinery, equipment, tools, vehicles, furniture, leasehold improvements, office equipment, plant, inventory, spare parts, and other tangible personal property which are listed on Schedule 3.6 together with any additions thereto between the date of this Agreement and the Closing Date, and less any deletions therefrom arising in the ordinary course of business between the date hereof and the Closing Date, all of which are "where is, as is".

"Transmission Equipment" means the transmitters and related equipment necessary and currently utilized by the Station for the Station to broadcast its signal as more particularly described on Schedule 3.6.

## SECTION 2. PURCHASE AND SALE OF ASSETS

2.1 Agreement to Sell and Buy. Subject to the terms and conditions set forth in this Agreement, Seller hereby agrees to sell, transfer, and deliver to Buyer on the Closing Date, and Buyer agrees to purchase, all of the Assets, together with any additions thereto between the date of this Agreement and the Closing Date, but excluding the assets described in Section 2.2, and those assets disposed of in the ordinary course of business between the date hereof and the Closing Date; provided, however, that any material assets disposed of must be replaced with assets of comparable value and use, free and clear of any claims, liabilities, security interests, mortgages, liens, pledges, conditions, charges, or encumbrances of any nature whatsoever (except for those arising pursuant to the terms of the Assumed Contracts or liens for current taxes not yet due and payable), including the following:

- (a) The Tangible Personal Property;
- (b) The Licenses; and any pending applications associated with same;
- (c) The Assumed Contracts;

- (d) The Real Property;
- (e) The Intangibles, and all intangible assets of Seller relating to the Station that are not specifically included within the Intangibles, including the goodwill of the Station, if any;
- (f) All of Seller's proprietary information, technical information and data, machinery and equipment warranties, maps, computer discs and tapes, plans, diagrams, blueprints, and schematics, including filings with the FCC, relating solely to the business or operation of the Station;
- (g) All books and records relating solely to the business or operations of the Station, including executed copies of the Assumed Contracts, and all records required by the FCC to be kept by the Station including a complete public inspection file, subject to the right of Seller to have such books and records made available to Seller for a reasonable period, not to exceed one (1) year after the Closing Date.

2.2 Excluded Assets. The Assets shall exclude the following assets:

- (a) Seller's cash on hand as of the Closing Date and all other cash in any of Seller's bank or savings accounts; any insurance policies, letters of credit, or other similar items and cash surrender value in regard thereto; and any stocks, bonds, certificates of deposit and similar investments;
- (b) MRG's corporate name, any books and records which Seller is required by law to retain, all records relating to the excluded assets described in this Section 2.2 and to Seller's accounts payable and accounts receivable and general ledger records, each subject to the right of Buyer to have access to and to copy that portion of such records which relate to the Station for a period of one (1) year from the Closing Date, and MRG's corporate minute books and other books and records relating to MRG's internal corporate matters;
- (c) Any pension, profit-sharing, or employee benefit plans, and any collective bargaining agreements;
- (d) The Accounts Receivable;
- (e) Any claims, rights and interest in and to any refunds of federal, state or local franchise, income or other taxes or fees of any nature whatsoever for periods prior to the Closing Date;
- (f) All property listed on Schedule 2.2 hereto.

2.3. The Purchase Price for the Assets shall be One Hundred Fifty Thousand Dollars (\$150,000.00) paid and adjusted as provided below:

- (a) Buyer shall pay to the Seller the entire Purchase Price (less a credit for the Earnest Money deposit paid by the Escrow Agent under Section 2.4 below).
- (b) Prorations. The Purchase Price shall be increased or decreased as required to effectuate the proration of expenses. All expenses arising from the operation of the Station, including business and license fees, utility charges, real and personal property taxes and assessments levied against the Assets, property and equipment rentals, applicable copyright or other fees, sales and service charges, taxes (except for taxes arising from the transfer of the Assets under this Agreement), FCC annual regulatory fees, ASCAP, BMI and SESAC licenses and similar prepaid and deferred items, shall be prorated between Buyer and Seller in accordance with the principle that Seller shall be responsible for all expenses, costs, and liabilities allocable to the period prior to the Closing Date, and Buyer shall be responsible for all expenses, costs, and obligations allocable to the period on and after the Closing Date. Notwithstanding the preceding sentence, there shall be no adjustment for, and Seller shall remain solely liable with respect to, any Contracts not included in the Assumed Contracts and any other obligation or liability not being assumed by Buyer in accordance with Section 2.5.

(c) Manner of Determining Adjustments. Any adjustments will, insofar as feasible, be determined and paid on the Closing Date, with final settlement and payment by the appropriate party occurring no later than ninety (90) days after the Closing Date or such other date as the parties shall mutually agree upon.

#### 2.4 Earnest Money.

(a) Within five (5) business days of the execution of this Agreement, Buyer shall deposit with John Pierce & Company as Escrow Agent the Earnest Money who shall hold the same pursuant to the terms of an Escrow Agreement. The Escrow Agent shall hold the Earnest Money under the terms of the Escrow Agreement in trust for the benefit of the parties hereto. Failure to remit Earnest Money within this time period shall make this Agreement null and void.

(b) Subject to the provisions of Section 9.3, if the Closing does not occur, the Earnest Money shall be returned to Buyer. If Closing does occur, the Earnest Money shall be applied to payment of the Purchase Price at Closing as provided in Section 2.3.

2.5. The Purchase Price, as adjusted, shall be paid by Buyer to Seller at Closing by wire transfer of same-day funds pursuant to wire instructions which shall be delivered by Seller to Buyer, at least two (2) days prior to the Closing Date.

2.6. As of the Closing Date, Buyer shall assume and undertake to pay, discharge, and perform all obligations and liabilities of Seller under the Licenses and the Assumed Contracts insofar as they relate to the time on and after the Closing Date or arise out of events occurring on and after the Closing Date. Buyer shall not assume any other obligations or liabilities of Seller, including (i) any obligations or liabilities under any Contract not included in the Assumed Contracts, (ii) any obligations or liabilities under the Assumed Contracts relating to the period prior to the Closing Date, (iii) any claims or pending litigation or proceedings relating to the operation of the Station prior to the Closing, (iv) any obligations or liabilities of Seller arising under capitalized leases or other financing agreements, (v) any obligations or liabilities of Seller under any employee pension, retirement, health and welfare or other benefit plans or collective bargaining agreements, or (vi) any obligation to any employee of Seller for severance benefits, vacation time, or sick leave accrued prior to the Closing Date, and all such obligations and liabilities shall remain and be the obligations and liabilities solely of Seller.

2.7. The Purchase Price shall be allocated among the Assets by mutual agreement of Buyer and Seller in a writing executed at Closing, and, if not mutually agreed upon, in accordance with an appraisal performed by a qualified appraiser jointly selected by Seller and Buyer, the fees of which shall be divided equally between Seller and Buyer. Each of Seller and Buyer agree (i) to jointly complete and separately file Form 8594 with its federal income tax return for the tax year in which the Closing occurs and (ii) that neither Seller nor Buyer will take a position on any income, transfer or gains tax return before any governmental agency charged with the collection of any such tax or in any judicial proceeding that is in any manner inconsistent with the terms of any such allocation without the written consent of the other.

### SECTION 3 – SELLER’S REPRESENTATIONS AND WARRANTIES

Seller represents and warrants to Buyer as follows:

3.1. MRG is a corporation duly organized under the laws of the State of Texas. Seller has all requisite power and authority (i) to own, lease, and use the Assets as now owned, leased, and used, (ii) to conduct the business and operations of the Station as now conducted, and (iii) to execute and deliver this Agreement, the Escrow Agreement and the documents contemplated hereby and thereby, and to perform and comply with all of the terms, covenants, and conditions to be performed and complied with by Seller hereunder and thereunder.

3.2. The execution, delivery, and performance of this Agreement by Seller have been duly authorized by all necessary actions on the part of Seller and its shareholders. This Agreement has been duly executed and delivered by Seller and constitute the legal, valid, and binding obligations of Seller, enforceable against it in

accordance with their respective terms except as the enforceability of this Agreement may be affected by bankruptcy, insolvency, or similar laws affecting creditors' rights generally, and by judicial discretion in the enforcement of equitable remedies.

3.3. Subject to obtaining the Consents, the execution, delivery, and performance by Seller of this Agreement and the documents contemplated hereby and thereby (with or without the giving of notice, the lapse of time, or both): (i) do not require the consent of any third party; (ii) will not conflict with any provision of the Articles of Incorporation or Bylaws of Seller; (iii) will not conflict with, result in a breach of, or constitute a default under, any applicable law, judgment, order, ordinance, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality; and (iv) will not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of, any agreement, instrument, license, or permit to which Seller is a party or by which Seller may be bound.

3.4. Schedule 3.4 includes a true and complete list of the Licenses. Seller has delivered to Buyer true and complete copies of the Licenses (including any amendments and other modifications thereto). The Licenses have been validly issued, and MRG is the authorized legal holder thereof. The Licenses listed on Schedule 3.4 comprise all of the licenses, permits, and other authorizations required from any governmental or regulatory authority for the lawful conduct of the business and operations of the Station in the manner and to the full extent they are now conducted, and none of the Licenses is subject to any restriction or condition that would limit the full operation of the Station as now operated. The Licenses are in full force and effect.

3.5. Schedule 3.5 contains a complete and accurate description of the Real Property and Seller's interests therein (including street address, legal description, owner, and use and the location of all improvements thereon, used in connection with the operation of the Station). Seller has good and marketable fee simple title, to all fee estates (including the improvements thereon) included in the Real Property, free and clear of all liens, mortgages, pledges, covenants, easements, restrictions, encroachments, leases, charges, and other claims and encumbrances of any nature whatsoever, and without reservation or exclusion of any mineral, timber, or other rights or interests, except for any mortgages, liens for real estate taxes not yet due and payable and covenants, restrictions and easements disclosed on Schedule 3.5 or on any title commitment associated with the Real Property. Seller has legally assignable leasehold interests in any leaseholds used in connection with the operation of the Station. All Real Property (including the improvements thereon) (i) is available for immediate use in the conduct of the business and operation of the Station. Subject to matters of public record, Seller has full legal and practical access to the Real Property. At the Closing, Seller shall convey the Real Property to Buyer (as to fee estate land) by warranty deeds free and clear of any encumbrances except as set forth on Schedule 3.5 or on any title commitment associated with the Real Property and by assignment of lease as to any leasehold interests.

3.6. Schedule 3.6 lists all material items of Tangible Personal Property. The Tangible Personal Property listed on Schedule 3.6 comprises all material items of tangible personal property currently used to conduct the business and operations of the Station as now conducted. Except as described in Schedule 3.6, Seller owns and has good title to each item of Tangible Personal Property, and none of the Tangible Personal Property owned by Seller is subject to any security interest, mortgage, pledge, conditional sales agreement, or other lien or encumbrance, except for liens for current taxes not yet due and payable or as described on Schedule 3.3 or 3.6. Each item of Tangible Personal Property is available for immediate use in the business and operations of the Station. All items of transmitting and studio equipment included in the Tangible Personal Property are in operating condition and sold "as is, where is".

3.7. Schedule 3.7 is a true and complete list of all Assumed Contracts except contracts with advertisers for the sale of advertising time on the Station for cash at prevailing rates and which have not been prepaid and which may be canceled by the Station without penalty on not more than thirty days' notice. Seller has delivered to Buyer true and complete copies of all Assumed Contracts. Other than the Assumed Contracts listed on Schedule 3.7 and cash advertising contracts, Seller requires no contract, lease, or other agreement to enable it to carry on its business as now conducted. Except for the need to obtain the Consents listed in Schedule 3.8, Seller has full legal power and authority to assign its rights under the Assumed Contracts to Buyer in accordance with this Agreement, and such assignment will not affect the validity, enforceability, or continuation of any of the Assumed Contracts.

3.8. Except for the FCC Consent provided for in Section 6.1, and the Consents described in Schedule 3.8, no consent, approval, permit, or authorization of, or declaration to or filing with any governmental or regulatory authority, or any other third party is required (i) to consummate this Agreement and the transactions contemplated hereby, (ii) to permit Seller to assign or transfer the Assets to Buyer, or (iii) to enable Buyer to conduct the business and operations of the Station in essentially the same manner as such business and operations are now conducted. Buyer shall cooperate with Seller in obtaining any Consent described in Schedule 3.8, including but not limited to furnishing any third party with information necessary for that third party to furnish such Consent.

3.9. Schedule 3.9 is a true and complete list of all Intangibles, all of which are valid and in good standing and to Seller's knowledge, uncontested. Seller has delivered to Buyer copies of all documents establishing or evidencing all Intangibles. Seller is not aware that it is infringing upon or otherwise acting adversely to any trademarks, trade names, service marks, service names, copyrights, patents, patent applications, know-how, methods, or processes owned by any other person or persons, and there is no claim or action filed, or to the knowledge of Seller threatened, with respect thereto.

3.10. All reports and statements that the Station is currently required to file with the FCC or with any other governmental agency have been filed and all reporting requirements of the FCC and other governmental authorities having jurisdiction over Seller and the Station have been complied with. All of such reports and statements are substantially complete and correct as filed. Seller has paid to the FCC all annual regulatory fees payable with respect to the FCC Licenses required to be paid by Seller.

3.11. Neither Seller nor any person acting on Seller's behalf has incurred any liability for any finders' or brokers' fees or commissions in connection with the transactions contemplated by this Agreement for which Buyer could become liable, except for John Pierce & Co. pursuant to a separate agreement which Seller shall be responsible for payment.

#### SECTION 4 – BUYER'S REPRESENTATIONS AND WARRANTIES

Buyer represents and warrants to Seller as follows:

4.1. Buyer is a not for profit corporation duly organized, validly existing, and in good standing under the laws of the State of Texas. Buyer has all requisite power and authority to execute and deliver this Agreement and the Escrow Agreement and the documents contemplated hereby and thereby, and to perform and comply with all of the terms, covenants, and conditions to be performed and complied with by Buyer hereunder and thereunder.

4.2. The execution, delivery, and performance of this Agreement by Buyer have been duly authorized by all necessary actions on the part of Buyer. This Agreement have been duly executed and delivered by Buyer and constitute the legal, valid, and binding obligations of Buyer, enforceable against Buyer in accordance with their respective terms except as the enforceability of this Agreement may be affected by bankruptcy, insolvency, or similar laws affecting creditors' rights generally and by judicial discretion in the enforcement of equitable remedies.

4.3. Subject to obtaining the Consents, the execution, delivery, and performance by Buyer of this Agreement and the Escrow Agreement and the documents contemplated hereby and thereby (with or without the giving of notice, the lapse of time, or both): (i) do not require the consent of any third party; (ii) will not conflict with the Articles of Organization or Regulations of Buyer; (iii) will not conflict with, result in a breach of, or constitute a default under, any law, judgment, order, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality; or (iv) will not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of, any agreement, instrument, license, or permit to which Buyer is a party or by which Buyer may be bound, such that Buyer could not acquire or operate the Assets.

4.4. Neither Buyer nor any person acting on Buyer's behalf has incurred any liability for any finders' or brokers' fees or commissions in connection with the transactions contemplated by this Agreement for which Seller

could become liable. Neither Buyer nor any person acting on Buyer's behalf has engaged or hired any broker or discussed the contemplated transactions with any broker.

4.5. No representation or warranty made by Buyer in this Agreement or in any certificate, document, or other instrument furnished or to be furnished by Buyer pursuant hereto contains or will contain any untrue statement of a material fact, or omits or will omit to state any material fact and required to make any statement made herein or therein not misleading.

4.6. Buyer is legally and financially qualified to become licensee of the Station under the Communications Act of 1934, as amended, the rules and regulations of the FCC and Section 5301 of the Anti-Drug Act of 1988, as amended.

4.7. There is no action, suit, investigation or other proceedings pending, or, to Buyer's best knowledge, threatened which may adversely affect Buyer's ability to perform in accordance with the terms of this Agreement, and Buyer is unaware of any facts which could reasonably result in any such proceeding.

4.8. Buyer has the financial capacity to satisfy all of Buyer's obligations under this Agreement and the documents to be executed and exchanged at the Closing, and to perform all of Buyer's obligations at the Closing.

## SECTION 5 - SELLER'S COVENANTS

5.1. Seller agrees that, between the date of this Agreement and the Closing Date, Seller shall operate the Station diligently in the ordinary course of business in accordance with its past practices (except where such conduct would conflict with the following covenants or with Seller's other obligations under this Agreement), and in accordance with the other covenants in this Section 5.

5.2. Seller will not enter into any contract or commitment relating to the Station or the Assets, or amend or terminate any Assumed Contract (or waive any material right thereunder), or incur any obligation (including obligations relating to the borrowing of money or the guaranteeing of indebtedness) that will be binding on Buyer after Closing, except for cash time sales agreements made in the ordinary course of business.

5.3. Seller shall not sell, assign, lease, or otherwise transfer or dispose of any of the Assets, except in the ordinary course of Seller's business, where no longer used or useful in the business or operations of the Station or in connection with the acquisition of replacement property of equivalent kind and value.

5.4. Seller shall not take any action that is inconsistent with its obligations under this Agreement or that could hinder or delay the consummation of the transactions contemplated by this Agreement.

5.5. Seller shall use its best efforts to maintain all of the Assets in their current condition and use, operate, and maintain all of the Assets in a reasonable manner and in material accordance with the terms of the FCC Licenses, all rules and regulations of the FCC and generally accepted standards of good engineering practice.

5.6. Seller shall use its best efforts to obtain the Consents without any change in the terms or conditions of any Contract or License that could be less advantageous to the Station than those pertaining under the Contract or License as in effect on the date of this Agreement. Seller shall promptly advise Buyer of any difficulties experienced in obtaining any of the Consents and of any conditions proposed, considered, or requested for any of the Consents.

## SECTION 6 - PRIOR TO CLOSING

6.1.

(a) The assignment of the FCC Licenses in connection with the purchase and sale of the Assets pursuant to this Agreement shall be subject to the prior consent and approval of the FCC.

(b) Seller and Buyer shall promptly prepare an appropriate application for the FCC Consent and shall file the application with the FCC within ten (10) days of the execution of this Agreement. The parties shall prosecute the application with all reasonable diligence and otherwise use their best efforts to obtain a grant of the application as expeditiously as practicable and shall oppose any objections to the grant of the application for the FCC Consent. Each party agrees to comply with any condition imposed on it by the FCC Consent, except that no party shall be required to comply with a condition if (1) the condition was imposed on it as the result of a circumstance the existence of which does not constitute a breach by the party of any of its representations, warranties, or covenants under this Agreement, and (2) compliance with the condition would have a material adverse effect upon it. Buyer and Seller shall oppose any requests for reconsideration or judicial review of the FCC Consent. If the Closing shall not have occurred for any reason within the original effective period of the FCC Consent, and neither party shall have terminated this Agreement under Section 9, the parties shall jointly request an extension of the effective period of the FCC Consent. No extension of the FCC Consent shall limit the exercise by either party of its rights under Section 9.

6.2. Prior to Closing, Buyer shall not, directly or indirectly, control, supervise, direct, or attempt to control, supervise, or direct, the operations of the Station; such operations, including complete control and supervision of all of the Station's programs, employees, and policies, shall be the sole responsibility of Seller until the Closing.

6.3.

(a) The risk of any loss, damage, impairment, confiscation, or condemnation of any of the Assets from any cause whatsoever shall be borne by Seller at all times prior to the Closing.

(b) If any damage or destruction of the Assets or any other event occurs which prevents signal transmission by the Station in the normal and usual manner and Seller cannot restore or replace the Assets so that such conditions are cured and normal and usual transmission is resumed before the Closing Date, the Closing Date shall be postponed, at Buyer's option, for a period of up to ninety (90) days, to permit the repair or replacement of the damage or loss.

(c) In the event of any damage or destruction of the Assets described above, if such Assets have not been restored or replaced and the Station's normal and usual transmission resumed within the ninety (90) day period specified above, Buyer may terminate this Agreement forthwith without any further obligation hereunder by written notice to Seller. Alternatively, Buyer may, at its sole option, proceed to close this Agreement and complete the restoration and replacement of such damaged Assets at Buyer's expense after the Closing Date, in which event Seller promptly shall deliver to Buyer following receipt thereof insurance proceeds received prior to or after Closing in connection with such damage or destruction of the Assets equal in amount to the Buyer's costs and expense in connection with such restoration and replacement.

6.4. Except as necessary for the consummation of the transaction contemplated by this Agreement, including Buyer's obtaining of financing related hereto, and except as and to the extent required by law, including, without limitation, disclosure requirements of federal or state securities laws and the rules and regulations of securities markets, each party will keep confidential any information obtained from the other party in connection with the transactions contemplated by this Agreement. If this Agreement is terminated, each party will return to the other party all information obtained by such party from the other party in connection with the transactions contemplated by this Agreement.

6.5. Buyer and Seller shall cooperate fully with each other and their respective counsel and accountants in connection with any actions required to be taken as part of their respective obligations under this Agreement, and Buyer and Seller shall execute such other documents as may be reasonably necessary and desirable to the implementation and consummation of this Agreement, and otherwise use their best efforts to consummate the transaction contemplated hereby and to fulfill their obligations under this Agreement. Notwithstanding the foregoing, neither Seller nor Buyer shall have an obligation (i) to expend funds to obtain any of the Consents except for the FCC Consent and Seller's obligation to cure any default of Seller under any License or Assumed Contract or (ii) to agree to any adverse change in any License or Assumed Contract to obtain a Consent required with respect thereto.



6.6. Buyer shall provide Seller access and the right to copy for a period of one year from the Closing Date any books and records relating to the Assets.

## SECTION 7 OBLIGATIONS AT CLOSING

7.1. All obligations of Buyer at the Closing are subject at Buyer's option to the fulfillment prior to or at the Closing Date of each of the following conditions:

(a) Representations and Warranties. All representations and warranties of Seller contained in this Agreement shall be true and complete in all material respects at and as of the Closing Date as though made at and as of that time, except for changes contemplated by this Agreement.

(b) Covenants and Conditions. Seller shall have performed and complied in all material respects with all covenants, agreements, and conditions required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

(c) Consents. All Consents for the Assumed Contracts on Schedule 3.7 shall have been obtained and delivered to Buyer without any adverse change in the terms or conditions of any agreement or any governmental license, permit, or other authorization.

(d) FCC Consent. The FCC Consent shall have been granted without the imposition on Buyer of any conditions that need not be complied with by Buyer under Section 6.1 hereof, Seller shall have complied with any conditions imposed on it by the FCC Consent, and the FCC Consent shall have become a Final Order.

(e) Governmental Authorizations. Seller shall be the holder of all Licenses and there shall not have been any modification of any License that could have a materially adverse effect on the Station or the conduct of its business and operations. No proceeding shall be pending or threatened the effect of which could be to revoke, cancel, fail to renew, suspend, or modify adversely any License.

(f) Deliveries. Seller shall have made or stand willing to make all the deliveries to Buyer set forth in Section 8.2.

(g) Adverse Change. Between the date of this Agreement and the Closing Date, there shall have been no material adverse change in the Tangible Personal Property, Real Property or Licenses of the Station, including any damage, destruction, or loss affecting any assets used or useful in the conduct of the business of the Station.

7.2. All obligations of Seller at the Closing are subject at Seller's option to the fulfillment prior to or at the Closing Date of each of the following conditions:

(a) Representations and Warranties. All representations and warranties of Buyer contained in this Agreement shall be true and complete in all material respects at and as of the Closing Date as though made at and as of that time, except for changes contemplated by this Agreement.

(b) Covenants and Conditions. Buyer shall have performed and complied in all material respects with all covenants, agreements, and conditions required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

(c) Deliveries. Buyer shall have made or stand willing to make all the deliveries set forth in Section 8.3.

(d) FCC Consent. The FCC Consent shall have been granted without the imposition on Seller of any conditions that need not be complied with by Seller under Section 6.1 hereof and Buyer shall have complied with any conditions imposed on it by the FCC Consent.

## SECTION 8 - CLOSING PROCEDURES

### 8.1.

(a) Closing Date. The Closing shall take place at 10:00 a.m. on a date, to be set by Buyer on at least five days' written notice to Seller, that is (1) not earlier than the first business day after the FCC Consent is granted, and (2) not later than ten business days following the date upon which the FCC Consent has become a Final Order, subject to satisfaction or waiver of all other conditions precedent to the holding of the Closing. If Buyer fails to specify the date for Closing prior to the fifth business day after the date upon which the FCC Consent becomes a Final Order, the Closing shall take place on the tenth business day after the date upon which the FCC Consent becomes a Final Order.

(b) Closing Place. The Closing shall be held at any place that is agreed upon by Buyer and Seller.

8.2. Prior to or on the Closing Date, Seller shall deliver to Buyer the following, in form and substance reasonably satisfactory to Buyer and its counsel:

(a) Transfer Documents. Duly executed warranty deeds, bills of sale, motor vehicle titles, assignments, and other transfer documents which shall be sufficient to vest good and marketable title to the Assets in the name of Buyer, free and clear of all claims, liabilities, security interests, mortgages, liens, pledges, conditions, charges or encumbrances, except for those arising pursuant to the terms of the Assumed Contracts or for liens for current taxes not yet due and payable;

(b) Consents. An executed copy of any instrument evidencing receipt of any Consent;

(c) Officer's Certificate. A certificate, dated as of the Closing Date, executed on behalf of Seller by an officer of Seller, certifying (1) that the representations and warranties of Seller contained in this Agreement are true and complete in all material respects as of the Closing Date as though made on and as of that date; and (2) that Seller has in all material respects performed and complied with all of its obligations, covenants, and agreements set forth in this Agreement to be performed and complied with on or prior to the Closing Date;

(d) Licenses, Contracts, Business Records, Etc. Copies of all Licenses, Assumed Contracts, blueprints, schematics, working drawings, plans, projections, engineering records, and all files and records used by Seller in connection with its operations of the Station;

8.3. Prior to or on the Closing Date, Buyer shall deliver to Seller the following, in form and substance reasonably satisfactory to Seller and its counsel:

(a) Purchase Price. The Purchase Price as provided in Section 2.3;

(b) Assumption Agreements. Appropriate assumption agreements pursuant to which Buyer shall assume and undertake to perform Seller's obligations under the Licenses and Assumed Contracts insofar as they relate to the time on and after the Closing Date or arise out of events occurring on or after the Closing Date.

(c) Officer's Certificate. A certificate, dated as of the Closing Date, executed on behalf of Buyer by an officer of Buyer, certifying (1) that the representations and warranties of Buyer contained in this Agreement are true and complete in all material respects as of the Closing Date as though made on and as of that date, and (2) that Buyer has in all material respects performed and complied with all of its obligations, covenants, and agreements set forth in this Agreement to be performed and complied with on or prior to the Closing Date;

## SECTION 9 - TERMINATION

9.1. This Agreement may be terminated by Seller and the purchase and sale of the Station abandoned, if Seller is not then in material default, upon written notice to Buyer, upon the occurrence of any of the following:

(a) Conditions. If on the date that would otherwise be the Closing Date any of the conditions precedent to the obligations of Seller set forth in this Agreement have not been satisfied or waived in writing by Seller.

(b) Judgments. If there shall be in effect on the date that would otherwise be the Closing Date any judgment, decree, or order that would prevent or make unlawful the Closing.

(c) Upset Date. If the Closing shall not have occurred by December 31<sup>st</sup>, 2008.

(d) Breach. Without limiting Seller's rights under the other provisions of this Section 9.1, if Buyer has failed to cure or commenced to cure any material breach of any of its representations, warranties or covenants under this Agreement within fifteen days after Buyer received written notice of such breach from Seller.

9.2. This Agreement may be terminated by Buyer and the purchase and sale of the Station abandoned, if Buyer is not then in material default, upon written notice to Seller, upon the occurrence of any of the following:

(a) Conditions. If on the date that would otherwise be the Closing Date any of the conditions precedent to the obligations of Buyer set forth in this Agreement have not been satisfied or waived in writing by Buyer.

(b) Judgments. If there shall be in effect on the date that would otherwise be the Closing Date any litigation, lis pendens, judgment, decree, or order that would prevent or make unlawful the Closing.

(c) Upset Date. If the Closing shall not have occurred by December 31<sup>st</sup>, 2008.

(d) Interruption of Service. If any event within the control of Seller shall have occurred that prevented signal transmission of the Station as specified in Section 6.3 hereof.

(e) Breach. Without limiting Buyer's rights under the other provisions of this Section 9.2, if Seller has failed to cure or commenced to cure any material breach of any of its representations, warranties or covenants under this Agreement within fifteen days after Seller received written notice of such breach from Buyer.

9.3. Buyer has, simultaneous with the execution of this Agreement deposited with Escrow Agent a cash deposit in the amount of Fifteen Thousand Dollars (\$15,000.00) (the "Deposit"). Such funds shall be held and disbursed in accordance with the following provisions:

(a) At the Closing, Seller shall apply such amount to the Purchase Price paid by Buyer as a credit.

(b) If this Agreement is terminated by Seller pursuant to Section 9.1 hereof due to Buyer's material breach of this Agreement, and Seller is not in material breach of any provision of this Agreement, Seller shall be entitled to receipt of the Deposit from the Escrow Agent.

9.4. If this Agreement is terminated pursuant to Section 9.1 or 9.2 and neither party is in material breach of any provision of this Agreement, the parties hereto shall not have any further liability to each other with respect to the purchase and sale of the Assets and Seller shall return the Deposit to Buyer. If this Agreement is terminated by Seller due to Buyer's material breach of this Agreement and Seller is not in material breach of any provision of this Agreement, then the retention of the Deposit by Seller pursuant to Section 9.3(b) hereof shall be liquidated damages and shall constitute full payment and the exclusive remedy for any damages suffered by Seller by reason of Buyer's material breach of this Agreement. Seller and Buyer agree in advance that actual damages would be difficult to

ascertain and that the amount of the Deposit in accordance with Section 9.3 hereof, together with any interest or other proceeds from the investment of that amount, is a fair and equitable amount to reimburse Seller for damages sustained due to Buyer's material breach of this Agreement. If this Agreement is terminated by Buyer due to Seller's material breach of any provision of this Agreement, and Buyer is not in material breach of any provision of this Agreement, Buyer shall have all rights and remedies available at law or equity, including the right to seek specific performance of this Agreement.

SECTION 10 - ADDITIONAL FCC APPLICATIONS. Seller shall cooperate with Buyer in connection with filing an application seeking a modification in the license for the Station specifying noncommercial, educational use subsequent to consummation of the transaction contemplated herein and an application seeking a main studio waiver to allow the station to operate as a satellite of KHCB-FM, Houston, Texas, subsequent to consummation of the transaction completed herein. Buyer shall pay all of legal, engineering and other expenses in connection with these applications.

#### SECTION 11 – NOTICES, MISCELLANEOUS

11.1. Any federal, state, or local sales or transfer tax arising in connection with the conveyance of the Assets by Seller to Buyer pursuant to this Agreement shall be paid by Seller. Except as otherwise provided in this Agreement, each party shall pay its own expenses incurred in connection with the authorization, preparation, execution, and performance of this Agreement, including all fees and expenses of counsel, accountants, agents, and representatives.

11.2. All notices, demands, and requests required or permitted to be given under the provisions of this Agreement shall be (a) in writing, (b) delivered by personal delivery, or sent by commercial delivery service or registered or certified mail, return receipt requested, (c) deemed to have been given on the date of personal delivery or the date set forth in the records of the delivery service or on the return receipt, and (d) addressed as follows:

If to Seller:

Metropolitan Radio Group, Inc.  
2010 S. Stewart  
Springfield, MO 65804  
Telephone: 417.862.0852

With a copy to:

Anthony T. Lepore, Esq., P.A.  
P.O. Box 823662  
South Florida, FL 33082-3662  
Telephone: 954.433.2126  
Facsimile: 954.436.6288

If to Buyer, to:

Mr. Bruce Munsterman  
President  
Houston Christian Broadcasters, Inc.  
2424 South Boulevard  
Houston, Texas 77098

With a copy to: Jeffrey D. Southmayd, Esquire  
Southmayd & Miller,  
1220 19th Street, N.W.  
Suite 400  
Washington, DC 20036

or to any other or additional persons and addresses as the parties may from time to time designate in a writing delivered in accordance with this Section 11.2.

11.3. Neither party hereto may assign this Agreement without the prior written consent of the other party hereto; provided, however, that Buyer may assign its rights and obligations under this Agreement, in whole or in part, to one or more subsidiaries or commonly controlled affiliates of Buyer without seeking or obtaining Seller's prior approval. Notwithstanding any such assignment, Buyer shall not be relieved of any liability hereunder unless and until it shall have obtained the prior written consent of Seller. Upon any permitted assignment by Buyer or Seller in accordance with this Section 11.3, all references to "Buyer" herein shall be deemed to be references to Buyer's assignee and all references to "Seller" herein shall be deemed to be references to Seller's assignee, as the case may be. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

11.4. The parties shall take any reasonable actions and execute any other documents that may be necessary or desirable to the implementation and consummation of this Agreement, including, in the case of Seller, any additional bills of sale, deeds, or other transfer documents that, in the reasonable opinion of Buyer, may be necessary to ensure, complete, and evidence the full and effective transfer of the Assets to Buyer pursuant to this Agreement.

11.5. **THIS AGREEMENT SHALL BE GOVERNED, CONSTRUED, AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS (WITHOUT REGARD TO THE CHOICE OF LAW PROVISIONS THEREOF). ANY LITIGATION ARISING OUT OF THIS AGREEMENT SHALL BE FILED IN A STATE COURT OF COMPETENT JURISDICTION IN TEXAS.**

11.6. Buyer shall be responsible for any FCC related filing fees associated with this Transaction. All other expenses incurred in the preparation and consummation of this Agreement, except as provided to the contrary herein or in such other agreement into which the parties may enter, shall be borne by the party incurring such expenses.

11.7. The headings in this Agreement are included for ease of reference only and shall not control or affect the meaning or construction of the provisions of this Agreement.

11.8. Words used in this Agreement, regardless of the gender and number specifically used, shall be deemed and construed to include any other gender, masculine, feminine, or neuter, and any other number, singular or plural, as the context requires.

11.9. This Agreement, the schedules, hereto, and all documents, certificates, and other documents to be delivered by the parties pursuant hereto, collectively represent the entire understanding and agreement between Buyer and Seller with respect to the subject matter hereof. This Agreement supersedes all prior negotiations between the parties and cannot be amended, supplemented, or changed except by an agreement in writing that makes specific reference to this Agreement and which is signed by the party against which enforcement of any such amendment, supplement, or modification is sought.

11.10. Except as otherwise provided in this Agreement, any failure of any of the parties to comply with any obligation, representation, warranty, covenant, agreement, or condition herein may be waived by the party entitled to the benefits thereof only by a written instrument signed by the party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, representation, warranty, covenant, agreement, or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure. Whenever this Agreement requires or permits consent by or on behalf of any party hereto, such consent shall be given in writing in a manner consistent with the requirements for a waiver of compliance as set forth in this Section 11.10.

11.11 Neither party shall publish any press release, make any other public announcement or otherwise communicate with any news media concerning this Agreement or the transactions contemplated hereby or thereby until after the FCC Form 314 Assignment Application appears in "Broadcast Applications" as published daily by the FCC.

11.12. This Agreement may be signed in counterparts with the same effect as if the signature on each counterpart were upon the same instrument.

*[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]*

IN WITNESS WHEREOF, the parties hereto have duly executed this Asset Purchase Agreement as of the day and year first above written.

METROPOLITAN RADIO GROUP, INC.

By: \_\_\_\_\_  
Name: Mark L. Acker  
Title: President

HOUSTON CHRISTIAN BROADCASTERS, INC.

By: \_\_\_\_\_  
Name: Bruce Munsterman  
Title: President

SCHEDULE 2.2  
EXCLUDED ASSETS

Studio Assets located at 222 Main Street, Logansport, LA not included  
Studio lease for 222 Main Street, Logansport, LA not included



SCHEDULE 3.4  
FCC LICENSES

KORI (FM) – Mansfield, LA and all auxiliary facilities associated therewith  
(WMU613 – AS).

SCHEDULE 3.5  
REAL PROPERTY  
(Leased)

FM Transmitter Site – (lease agreement dated 9/15/2004 with E. Carlton McCoy located at 13840 Highway 84 East, Stanley, LA

SCHEDULE 3.6  
Tangible Personal Property  
(Equipment List)

	90 sq ft Metal Transmitter Shed
CCA	FM10kw GX Transmitter
	289 ft FM guyed tower w/air heliax cable & 1 tank
	nitrogen w/connections
	8 ft Equipment rack
	Large Window Air Conditioner
	Watt Meter
	Receiver & Transmitter & associated
Marti	antennas and cables
SINE	RFC-1B w SP-1 Remote Facilities Controller
	Standard ATT&T one line phone
	Optimod-FM Model 8100A
	Shively FM Antenna

SCHEDULE 3.7  
ASSUMED CONTRACTS

FM Transmitter Site Lease Agreement (as Lessee) with E. Carlton McCoy;  
Telephone Service;

SCHEDULE 3.8  
REQUIRED CONSENTS

FM Transmitter Site Lease Agreement with E. Carlton McCoy.

SCHEDULE 3.9  
INTANGIBLES

The Call Sign “KORI” & “WMU613”