

## ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made as of August 22, 2017 between Three Angels Broadcasting Network, Inc. ("Seller") and American Christian Television Services Inc. ("Buyer").

### Recitals

A. Seller owns and operates the following television station (the "Station") pursuant to certain authorizations issued by the Federal Communications Commission (the "FCC");

W23DE-D, Lima, Ohio (FCC Facility ID #74373)

B. Pursuant to the terms and subject to the conditions set forth in this Agreement, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, the Station Assets (defined below).

### Agreement

NOW, THEREFORE, taking the foregoing into account, and in consideration of the mutual covenants and agreements set forth herein, the parties, intending to be legally bound, hereby agree as follows:

#### ARTICLE 1: SALE AND PURCHASE

1.1 Station Assets. On the terms and subject to the conditions hereof, on the Closing Date (defined below), Seller shall sell, assign, transfer, convey and deliver to Buyer, and Buyer shall purchase and acquire from Seller, all right, title and interest of Seller in and to all assets, properties, interests and rights of Seller, real and personal, tangible and intangible, that are used or held for use in the operation of the Station, except the Excluded Assets (defined below) (the "Station Assets"), including without limitation the following:

(a) all licenses, permits and other authorizations issued to Seller by the FCC with respect to the Station (the "FCC Licenses"), including those described on *Schedule 1.1(a)*, including any renewals or modifications thereof between the date hereof and Closing (defined below);

(b) all of Seller's equipment, transmitters, antennas, cables, towers, vehicles, furniture, fixtures, spare parts and other tangible personal property of every kind and description that are used or held for use in the operation of the Station (the "Tangible Personal Property"), including without limitation those items listed on *Schedule 1.1(b)*;

(c) Seller's owned and leased real property (including any appurtenant easements and improvements located thereon) that is listed on *Schedule 1.1(c)* (the "Real Property");

(d) all agreements entered into in the ordinary course of business for the sale of advertising time on the Station for cash at customary rates that are cancelable without penalty that exist on the Closing Date, and all other operating contracts, agreements and leases that are used in the operation of the Station and listed on *Schedule 1.1(d)* attached hereto (the "Station Contracts");

(e) all of Seller's rights in and to the Station's call letters and Seller's rights in and to the trademarks, trade names, service marks, copyrights, domain names, computer software, jingles, slogans, logos and other intangible property that is used or held for use in the operation of the Station (the "Intangible Property");

(f) Seller's rights in and to all the files, documents, records and books of account (or copies thereof) relating to the operation of the Station, including the Station's local public files, programming information and studies, blueprints, technical information and engineering data, advertising studies, marketing and demographic data, sales correspondence, lists of advertisers, credit and sales reports, and logs; and

(g) all claims (including warranty claims), deposits, prepaid expenses, and Seller's goodwill in, and the going concern value of, the Station.

The Station Assets shall be transferred to Buyer free and clear of liens, claims and encumbrances ("Liens") except for the Assumed Obligations (defined below) and statutory liens for taxes not yet due and payable and, with respect to the Owned Real Property (if any), such other easements, rights of way, building and use restrictions and other exceptions that do not in any material respect detract from the value of the property subject thereto or impair the use thereof in the ordinary course of the business of the Station (collectively, "Permitted Liens").

1.2 Excluded Assets. Notwithstanding anything to the contrary contained herein, the Station Assets shall not include Seller's cash and cash equivalents, accounts receivable existing as of the Closing Date, insurance policies and all coverages and proceeds thereunder, employee benefit plans, all contracts not listed on *Schedule 1.1(c)* or *Schedule 1.1(d)*, Seller's corporate name and Seller's charter documents and books and records relating to the organization, existence or ownership of Seller (collectively, the "Excluded Assets").

1.3 Assumed Obligations. On the Closing Date, Buyer shall assume the obligations of Seller arising on or after Closing under the Station Contracts (collectively, the "Assumed Obligations"). Except for the Assumed Obligations, Buyer does not assume and will not be deemed by execution and delivery of this Agreement or any agreement, instrument or document delivered pursuant to or in connection with this Agreement or otherwise by reason of the consummation of the transactions contemplated hereby, to have assumed, any liabilities, obligations or commitments of Seller of any kind, whether or not disclosed to Buyer, including, without limitation, any liability or obligation of Seller under any contracts not included in the Station Contracts (the "Retained Liabilities").

1.4 Purchase Price. The purchase price to be paid for the Station Assets shall be Two Hundred Thousand Dollars (\$200,000), subject to adjustment pursuant to Section 1.6 (the "Purchase Price"). The Purchase Price shall be paid at Closing in cash in immediately available funds pursuant to the written instructions of Seller to be delivered by Seller to Buyer at least three (3) business days prior to Closing.

1.5 Deposit. Buyer has previously deposited the amount of Ten Thousand Dollars (\$10,000) (the "Deposit") with Seller, and Seller hereby confirms receipt of the Deposit. At Closing, the Deposit shall be applied to the Purchase Price. If this Agreement is terminated by Seller pursuant to Section 10.1(c), then the Deposit shall be retained by Seller as liquidated damages and the sole and exclusive remedy of Seller, and Seller hereby waives all other legal and equitable remedies it may otherwise have as a result of any breach or default by Buyer under this Agreement. If this Agreement is terminated for any other reason, then within five (5) business days of the effective date of termination, Seller shall disburse the Deposit to Buyer in full, without offset.

1.6 Prorations. The operation of the Station and the income and operating expenses attributable thereto until 11:59 p.m. on the date preceding the day of Closing (the "Adjustment Time") shall be for the account of Seller and thereafter for the account of Buyer, and income and expenses shall be prorated between Seller and Buyer as of the Adjustment Time in accordance with generally accepted accounting principles ("GAAP"), and the Purchase Price shall be adjusted accordingly. Such prorations shall include, without limitation, all ad valorem, real estate and other property taxes (except transfer taxes as provided by Section 11.1), music license fees, FCC regulatory fees, utility expenses, rent and other amounts under Station Contracts and similar prepaid and deferred items. Prorations and adjustments shall be made at Closing to the extent practicable. As to those prorations and adjustments not capable of being ascertained at Closing, a final adjustment and proration shall be made by the parties in good faith within ninety (90) calendar days after Closing and any payment due as a result thereof shall be paid to the entitled party within five (5) business days thereof.

1.7 Allocation. Buyer and Seller shall allocate the Purchase Price for tax purposes in accordance with the respective fair market values of the Station Assets and the goodwill being purchased and sold in accordance with the requirements of Section 1060 of the Internal Revenue Code of 1986, as amended (the "Code"). Each party agrees to provide a copy of its allocation to the other and each of Buyer and Seller shall file its respective federal tax return reflecting its allocation as and when required under the Code.

1.8 Closing. The consummation of the sale and purchase of the Station Assets pursuant to this Agreement (the "Closing") shall take place on a mutually agreeable date within five (5) business days after the date that the FCC Consent (defined below) either (at Buyer's option) is initially granted or becomes Final (defined below), in any case subject to the satisfaction or waiver of the last of the conditions required to be satisfied or waived pursuant to Articles 6 or 7 below (other than those requiring a delivery of a certificate or other document, or the taking of other action, at Closing). The date on which Closing is to occur is referred to herein as the "Closing Date."

1.9 FCC Consent. Within five (5) business days after the date of this Agreement, or on any other date mutually agreed by Buyer and Seller, Buyer and Seller shall file an application (the "FCC Application") requesting FCC consent to the assignment of the FCC Licenses from Seller to Buyer (the "FCC Consent"). Seller and Buyer shall diligently prosecute the FCC Application. Each party shall promptly provide the other with a copy of any pleading, order or other document served on it relating to the FCC Application, and shall furnish all information required by the FCC. Buyer and Seller shall notify each other of all documents filed with or received from any governmental agency with respect to this Agreement or the transactions contemplated hereby. Buyer and Seller shall furnish each other with such information and assistance as the other may reasonably request in connection with their preparation of any governmental filing hereunder.

## ARTICLE 2: SELLER REPRESENTATIONS AND WARRANTIES

Seller represents and warrants to Buyer as follows:

2.1 Organization. Seller is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization and is qualified to do business in each jurisdiction in which the Station Assets are located. Seller has the requisite power and authority to own and operate the Station, to carry on the Station's business as now conducted by it, and to execute, deliver and perform this Agreement and the documents to be made pursuant hereto.

2.2 Authorization. The execution, delivery and performance of this Agreement and the documents to be made pursuant hereto have been duly authorized and approved by all necessary action of Seller (the "Seller Authorization") and does not require any further authorization or consent of Seller. This Agreement and the documents to be made pursuant hereto are legal, valid and binding agreements of Seller enforceable in accordance with their respective terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

2.3 No Conflicts. The execution, delivery and performance by Seller of this Agreement and the documents to be made pursuant hereto does not conflict with any organizational documents of Seller or any law, judgment, order, or decree to which Seller is subject, and, except for the FCC Consent and counter-party consent to assign those Station Contracts designated on *Schedule 1.1(c)* and *Schedule 1.1(d)* (if any), does not require the consent, approval or authorization, or filing with, any third party or any court or governmental authority.

2.4 FCC Licenses.

(a) Seller holds the FCC Licenses listed and described on *Schedule 1.1(a)*. Such FCC Licenses constitute all of the authorizations required under the

Communications Act of 1934, as amended (the "Communications Act") or the rules, regulations and policies of the FCC for the present operation of the Station. The FCC Licenses are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired. There is not pending or, to Seller's knowledge, threatened any action by or before the FCC to revoke, suspend, cancel, rescind or modify any of the FCC Licenses (other than proceedings relating to FCC rules of general applicability), and there is no order to show cause, notice of violation, notice of apparent liability, or notice of forfeiture or complaint pending or, to Seller's knowledge, threatened against Seller or the Station by or before the FCC. Seller and the Station are in compliance in all material respects with the FCC Licenses, the Communications Act and the rules, regulations and policies of the FCC. The Station is operating at full power in accordance with its FCC-licensed parameters.

(b) Seller and the Station Assets are in compliance in all material respects with all rules and regulations of the Federal Aviation Administration applicable to the Station. All reports and filings required to be filed with, and all regulatory fees required to be paid to, the FCC by Seller with respect to the Station have been timely filed and paid. All such reports and filings are accurate and complete in all material respects.

(c) The operation of the Station does not expose workers or others to levels of radio frequency radiation in excess of the "Radio Frequency Protection Guides" recommended in "American National Standard Safety Levels with Respect to Human Exposure to Radio Frequency Electromagnetic Fields 3 kHz to 300 GHz" (ANSI/IEEE C95.1-1992), issued by the American National Standards Institute, and renewal of the FCC Licenses would not constitute a "major action" within the meaning of Section 1.1301, *et seq.*, of the FCC's rules.

(d) All of the multichannel video program distributors ("MVPDs") carrying the Station's signal are described on *Schedule 2.4(d)*, together with the name of the MVPD operator, and channel position.

(e) To Seller's knowledge, the Station is not being reassigned to a new channel in the repacking process (the "Repack") associated with the broadcast television spectrum incentive auction conducted by the FCC pursuant to Section 6403 of the Middle Class Tax Relief and Job Creation Act (Pub. L. No. 112-96, § 6403, 126 Stat. 156, 225-230 (2012)). To Seller's knowledge, the Station is not being and has not been displaced as a result of the Repack.

(f) To Seller's knowledge there currently exists no interference to the Station's signal from other broadcast stations, or by the Station's signal to other broadcast stations, in each case beyond that permitted by the FCC's rules and policies. To Seller's knowledge, there are no applications or proceedings pending at the FCC the grant of which would cause objectionable interference to the Station's operations with its current facilities, other than what might arise as a result of proceedings that generally affect the television broadcast industry.



2.5 Taxes. Seller has filed all federal, state, county and local income, excise, property, sales, use, franchise and other tax returns and reports which are required to have been filed by it under applicable law in connection with the Station's business, and has paid all taxes which have become due pursuant to such returns or pursuant to any assessments which have become payable.

2.6 Personal Property. *Schedule 1.1(b)* contains a list of all material items of Tangible Personal Property included in the Station Assets. Each item of Tangible Personal Property is in good operating condition, ordinary wear and tear excepted.

2.7 Real Property. Seller has good and marketable fee simple title to the owned Real Property described on *Schedule 1.1(c)* (the "Owned Real Property") (if any), free and clear of Liens other than Permitted Liens. *Schedule 1.1(c)* includes a description of each lease of Real Property or similar agreement included in the Station Contracts (the "Real Property Lease"). The Owned Real Property includes and the Real Property Lease provides sufficient access to the Station's facilities without need to obtain any other access rights. To Seller's knowledge, no part of any Real Property is subject to any pending or threatened suit for condemnation or other taking by any public authority. Seller has delivered to Buyer true and complete copies of all title insurance policies, title insurance commitments, environmental assessments and surveys in its possession that are applicable to the Real Property.

2.8 Contracts. *Schedule 1.1(d)* contains a list of all contracts used in the operation of the Station to be assigned to and assumed by Buyer at Closing. Each of the Station Contracts (including without limitation the Real Property Lease, if any) is in effect and is binding upon Seller and, to Seller's knowledge, the other parties thereto (subject to bankruptcy, insolvency, reorganization or other similar laws relating to or affecting the enforcement of creditors' rights generally). Seller has performed its obligations under each of the Station Contracts in all material respects, and is not in material default thereunder, and to Seller's knowledge, no other party to any of the Station Contracts is in default thereunder in any material respect. Seller has delivered to Buyer true and complete copies of each Station Contract (including the Real Property Lease), together with all amendments thereto.

2.9 Environmental. No hazardous or toxic substance or waste or other material regulated under environmental laws has been generated, stored, transported or released by Seller, or to Seller's knowledge by any other party, on, in, from or to any real property subject to the Real Property Lease or the Station Assets in violation of environmental laws. Seller has complied in all material respects and is in compliance in all material respects with all environmental laws applicable to the Station or the Station Assets. Seller has not received in respect of the Station or Station Assets any notice or claim to the effect that it is or may be liable under any environmental laws.

2.10 Intangible Property. Seller's use of the Intangible Property does not infringe upon any third party rights. Seller has received no notice of any claim that any Intangible Property or the use thereof conflicts with, or infringes upon, any rights of any third party (and, to Seller's knowledge, there is no basis for any such claim of conflict).

No Intangible Property is the subject of any pending, or, to Seller's knowledge, threatened legal proceedings claiming infringement or unauthorized use.

2.11 Employees. Seller has provided to Buyer a list of all Station employees available for Buyer to hire (if any) and their position and rate of compensation, and a description of all of Seller's employee benefit plans. There are no employment agreements included in the Station Contracts. Seller has complied with and is in compliance in all material respects with all labor and employment laws, rules and regulations applicable to the Station's business, including without limitation those which relate to prices, wages, hours, discrimination in employment and collective bargaining, and is not liable for any arrears of wages or any taxes or penalties for failure to comply with any of the foregoing. There is no unfair labor practice charge or complaint against Seller in respect of the Station's business pending or, to Seller's knowledge, threatened before any court or governmental authority, and there is no strike, dispute, request for representation, slowdown or stoppage pending or, to Seller's knowledge, threatened in respect of the Station's business. Seller is not party to any collective bargaining, union or similar agreement with respect to the employees of Seller at the Station, and no union represents or claims to represent or is attempting to organize such employees.

2.12 Station Assets. Except for the Excluded Assets, the Station Assets constitute all the assets used or held for use in the business or operation of the Station. The Station Assets are sufficient to permit Buyer to operate the Station as currently conducted by Seller. Seller has good and marketable title to the Station Assets, free and clear of Liens, except for Permitted Liens. At Closing, Seller will transfer to Buyer good and marketable title to the Station Assets, free and clear of Liens, except for Permitted Liens. Seller maintains sufficient insurance policies with respect to the Station and the Station Assets and will maintain such policies in full force and effect until Closing.

2.13 Compliance with Law. Seller is in compliance in all material respects with all laws, regulations, rules, writs, injunctions, ordinances, franchises, decrees or orders of any court or of any foreign, federal, state, municipal or other governmental authority which are applicable to the Station or the Station Assets. There is no action, suit or proceeding pending or, to Seller's knowledge, threatened against Seller in respect of the Station or the Station Assets. To Seller's knowledge, there are no claims or investigations pending or threatened against Seller in respect of the Station or the Station Assets.

2.14 No Finder. No broker, finder or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Seller or any party acting on Seller's behalf. Payment of any broker engaged by Seller shall be Seller's sole cost and expense.

### ARTICLE 3: BUYER REPRESENTATIONS AND WARRANTIES

Buyer represents and warrants to Seller as follows:

3.1 Organization. Buyer is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and if such qualification is necessary, is (or will be at Closing) qualified to do business in each jurisdiction in which the Station Assets are located. Buyer has the requisite power and authority to execute, deliver and perform this Agreement and the documents to be made pursuant hereto.

3.2 Authority. The execution, delivery and performance of this Agreement and the documents to be made pursuant hereto have been duly authorized and approved by all necessary action of Buyer (the "Buyer Authorization") and does not require any further authorization or consent of Buyer. This Agreement and the documents to be made pursuant hereto are legal, valid and binding agreements of Buyer enforceable in accordance with their respective terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

3.3 No Conflicts. The execution, delivery and performance by Buyer of this Agreement and the documents to be made pursuant hereto does not conflict with any organizational documents of Buyer or any law, judgment, order, or decree to which Buyer is subject, any contract or agreement to which Buyer is a party or by which it is bound, and does not require the consent, approval or authorization, or filing with, any third party or any court or governmental authority, except the FCC Consent.

3.4 Qualification. Buyer is qualified to acquire, own and operate the Station and to hold the FCC Licenses under the Communications Act and the rules, regulations and policies of the FCC as they exist on the date of this Agreement.

3.5 No Finder. No broker, finder or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Buyer or any party acting on Buyer's behalf. Payment of any broker engaged by Buyer shall be Buyer's sole cost and expense.

#### ARTICLE 4: SELLER COVENANTS

4.1 Covenants. From the date hereof until Closing, Seller shall:

(a) operate the Station in the ordinary course of business and keep its books and accounts, records and files in the ordinary course, and preserve the business and goodwill of the Station and the Station Assets (including, without limitation, using commercially reasonable efforts to retain employees, advertisers, customers and vendors);

(b) operate the Station in accordance with the terms of the FCC Licenses and in compliance with the Communications Act, FCC rules, regulations and policies, and all other applicable laws, rules and regulations, and maintain the FCC Licenses in full force and effect;



(c) keep all Tangible Personal Property and the Owned Real Property (if any) in good operating condition (ordinary wear and tear excepted) and repair and maintain adequate and usual supplies, spare parts and other materials as have been customarily maintained in the past, and otherwise preserve intact the Station Assets and maintain in effect its current insurance policies with respect to the Station and the Station Assets;

(d) at the request of Buyer, upon reasonable notice, from time to time give Buyer access to all Station employees, facilities, properties, accounts, books, deeds, title papers, insurance policies, licenses, agreements, contracts, commitments, records and files, equipment, machinery, fixtures, furniture, vehicles and all other Station Assets, other than Excluded Assets, and provide Buyer all other information concerning the Station as Buyer may reasonably request (any investigation or examination by Buyer shall not in any way diminish any representations or warranties of Seller made in this Agreement);

(e) maintain the existing carriage, if any, of the Station's signal by MVPDs located in the Station's designated market area, promptly provide Buyer with true and complete copies of all correspondence between the Station or Seller and any MVPD, and obtain Buyer's approval of any channel position agreement providing for carriage on any channel other than that on which the Station historically has been carried;

(f) not, without the prior written consent of Buyer:

- (i) sell, lease or otherwise dispose of any Station Assets;
- (ii) create, assume or permit to exist any Liens on the Station Assets;
- (iii) dissolve, liquidate, merge or consolidate with any other entity;
- (iv) increase the compensation or benefits payable to any employee of the Station, or enter into any employment, labor or union agreement or plan (or amendments of any such existing agreements or plan) that will be binding upon Buyer after Closing, or make or commit to make any payment for severance or bonus to any Station employee that will be binding on Buyer after Closing;
- (v) modify any of the FCC Licenses;
- (vi) take any action or inaction that will adversely affect the existing carriage of the Station's signal; or
- (vii) amend or terminate any of the Station Contracts, or enter into any contract, lease or agreement with respect to the Station that will be binding on Buyer.

## ARTICLE 5: JOINT COVENANTS

5.1 Confidentiality. Subject to the requirements of applicable law, all non-public information regarding the parties and their business and properties that is disclosed in connection with the negotiation, preparation or performance of this Agreement shall be confidential and shall not be disclosed to any other person or entity, except on a confidential basis to the parties' attorneys, accountants, investment bankers, investors and lenders, and their respective attorneys for the purpose of consummating the transaction contemplated by this Agreement.

5.2 Announcements. Prior to Closing, no party shall, without the prior written consent of the other, issue any press release or make any other public announcement concerning the transactions contemplated by this Agreement, except to the extent that such party is so obligated by law, in which case such party shall give advance notice to the other, and except as necessary to enforce rights under or in connection with this Agreement. Notwithstanding the foregoing, the parties acknowledge that this Agreement and the terms hereof will be filed with the FCC Application and thereby become public.

5.3 Control. Consistent with FCC rules, the control, supervision and direction of the operation of the Station prior to Closing shall remain the ultimate responsibility of Seller as the holder of the FCC Licenses.

5.4 Risk of Loss. The risk of loss of or damage to any of the Station Assets shall remain with Seller at all times until 12:01 a.m. local time on the day of Closing, and prior to Closing Seller shall repair and replace any material lost or damaged Station Assets.

5.5 Broadcast Interruption. If prior to Closing the Station is off the air or operating at a power level that results in a material reduction in coverage (a "Broadcast Interruption"), then Seller shall return the Station to the air and restore prior coverage as promptly as possible. Notwithstanding anything herein to the contrary, if prior to Closing there is a Broadcast Interruption in excess of twenty-four (24) hours, then Buyer may postpone Closing until the date five (5) business days after the Station returns to the air and prior coverage is restored in all material respects, subject to Section 10.1(e).

5.6 Consents. *Schedule 1.1(c)* identifies those consents (if any) the receipt of which is a condition precedent to Buyer's obligation to close under this Agreement (the "Required Consent"). Prior to Closing Seller shall obtain the Required Consent, and Seller shall use commercially reasonable efforts to obtain the other consents noted on *Schedule 1.1(c)* and *Schedule 1.1(d)* hereto (if any). In addition, Seller shall use commercially reasonable efforts to obtain a customary estoppel certificate from the lessor under the Real Property Lease (if any). To the extent that any Station Contract may not be assigned without the consent of any third party, and such consent is not obtained prior to Closing, this Agreement and any assignment executed at Closing pursuant hereto shall not constitute an assignment thereof, but to the extent permitted by law shall constitute an equitable assignment by Seller and assumption by Buyer of Seller's rights and obligations

under the applicable Station Contract, with Seller making available to Buyer the benefits thereof and Buyer performing the obligations thereunder on Seller's behalf.

5.7 Employees. Buyer may (but is not obligated to) offer post-Closing employment to any of the Station's employees. With respect to each such employee who accepts Buyer's offer of employment, Seller shall be responsible for all compensation and benefits arising prior to Closing (in accordance with Seller's employment terms), and Buyer shall be responsible for all compensation and benefits arising after Closing (in accordance with Buyer's employment terms). With respect to such employees, in connection with the proration under Section 1.6, an adjustment shall be made in favor of Buyer in an amount equal to the value of any accrued vacation time and any accrued sick leave. Buyer does not assume any of Seller's employee obligations (including any severance obligations), all of which are Retained Liabilities and not Assumed Obligations. Nothing in this Agreement gives any rights to any employee, and no employee may enforce any provision of this Agreement against any of the parties hereto.

5.8 Final Order.

(a) For purposes of this Agreement, the term "Final" with regard to FCC Consent shall mean that action shall have been taken by the FCC (including action duly taken by the FCC's staff, pursuant to delegated authority) which shall not have been reversed, stayed, enjoined, set aside, annulled or suspended; with respect to which no timely request for stay, petition for rehearing, appeal or certiorari or *sua sponte* action of the FCC with comparable effect shall be pending; and as to which the time for filing any such request, petition, appeal, certiorari or for the taking of any such *sua sponte* action by the FCC shall have expired or otherwise terminated.

(b) If Closing occurs prior to a Final FCC Consent, and prior to becoming Final the FCC Consent is reversed or otherwise set aside, and there is a Final order of the FCC (or court of competent jurisdiction) requiring the re-assignment of the FCC Licenses to Seller, then the purchase and sale of the Station Assets shall be rescinded. In such event, Buyer shall reconvey to Seller the Station Assets, and Seller shall repay to Buyer the Purchase Price and reassume the Assumed Obligations. Any such rescission shall be consummated on a mutually agreeable date within thirty (30) days of such Final order (or, earlier, if required by such order). In connection therewith, Buyer and Seller shall each execute such documents (including execution by Buyer of instruments of conveyance of the Station Assets to Seller and execution by Seller of instruments of assumption of the Assumed Obligations) and make such payments (including repayment by Seller to Buyer of the Purchase Price) as are necessary to give effect to such rescission.

5.9 Environmental. Buyer may at its expense conduct environmental assessments with respect to the Owned Real Property (if any). Seller shall provide Buyer and its consultants access to the Owned Real Property to perform such environmental assessments upon reasonable prior notice to Seller. If any environmental assessment identifies a condition requiring remediation under applicable environmental law or that constitutes a breach of Seller's representations and warranties under Section 2.9 (each, an

"Environmental Condition"), then Seller shall remediate such Environmental Condition. Such remediation shall be a condition to Closing unless Buyer elects (in its sole discretion) to close prior to completion of remediation, in which case the Purchase Price shall be reduced by the estimated cost of completion of the remediation. Notwithstanding anything herein to the contrary, if at any time any Environmental Condition exists and the reasonably estimated cost to remedy all such Environmental Conditions in the aggregate exceeds \$100,000, then Buyer may terminate this Agreement upon written notice to Seller and receive a return of the Deposit.

5.10 Real Property. Buyer may at its expense obtain customary owner's title commitments and current surveys prior to Closing with respect to the Owned Real Property (if any). Seller shall provide Buyer and its consultants access to the Owned Real Property to perform such surveys upon reasonable prior notice to Seller. If any such title commitment or survey discloses either that any facilities or improvements of others encroach upon the Owned Real Property or any facilities or improvements on the Owned Real Property encroach upon adjacent real property (in either case, an "Encroachment"), then Seller shall remediate such Encroachment. Such remediation shall be a condition to Closing unless Buyer elects (in its sole discretion) to close prior to completion of remediation, in which case the Purchase Price shall be reduced by the estimated cost of completion of the remediation. Notwithstanding anything herein to the contrary, if at any time any Encroachment exists and the reasonably estimated cost to remedy all such Encroachments in the aggregate exceeds \$100,000, then Buyer may terminate this Agreement upon written notice to Seller and receive a return of the Deposit.

#### ARTICLE 6: SELLER CLOSING CONDITIONS

The obligation of Seller to consummate Closing is subject to satisfaction of the following conditions at or prior to Closing:

6.1 Bringdown. The representations and warranties of Buyer made in this Agreement shall be true and correct in all material respects as of Closing. Buyer shall have performed the obligations to be performed by it under this Agreement at or prior to Closing in all material respects, and Seller shall have received a certificate dated as of Closing from Buyer (executed by an authorized officer) to the effect that the conditions set forth in this section have been satisfied (the "Buyer Bringdown Certificate").

6.2 Proceedings. Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

6.3 FCC Consent. The FCC Consent shall have been granted by initial order.

6.4 Deliveries. Buyer shall have made the deliveries to be made by it at Closing under this Agreement.

## ARTICLE 7: BUYER CLOSING CONDITIONS

The obligation of Buyer to consummate Closing is subject to satisfaction of the following conditions at or prior to Closing:

7.1 Bringdown. The representations and warranties of Seller made in this Agreement shall be true and correct in all material respects as of Closing. Seller shall have performed the obligations to be performed by it under this Agreement at or prior to Closing in all material respects, and Buyer shall have received a certificate dated as of Closing from Seller (executed by an authorized officer) to the effect that the conditions set forth in this section have been satisfied (the "Seller Bringdown Certificate").

7.2 Proceedings. Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

7.3 FCC Consent. The FCC Consent shall have been granted and shall have become Final.

7.4 Deliveries. Seller shall have made the deliveries to be made by it at Closing under this Agreement.

7.5 FCC Compliance. The Station shall be operating at full authorized power and in accordance with its FCC Licenses and its licensed parameters and shall not have been displaced as a result of the Repack.

7.6 Consents. The Required Consent (if any) shall have been obtained.

7.7 No Changes. Since the date of this Agreement, there shall have been no material adverse changes in the business or results of operations of the Station, the condition of the Station Assets or the amount of the Assumed Obligations.

## ARTICLE 8: CLOSING DELIVERIES

8.1 Seller Deliveries. At Closing, Seller shall deliver or cause to be delivered to Buyer:

- (a) a good standing certificate issued by Seller's jurisdiction of formation;
- (b) a copy of the Seller Authorization;
- (c) the Seller Bringdown Certificate;
- (d) an Assignment of FCC Licenses assigning the FCC Licenses to Buyer;



(e) an Assignment and Assumption of Contracts assigning the Station Contracts (if any) to Buyer;

(f) an Assignment and Assumption of Leases assigning the Real Property Lease (if any) to Buyer;

(g) Special Warranty Deeds conveying the Owned Real Property (if any) to Buyer, together with owner affidavits and other documents requested by Buyer's title company;

(h) domain name transfers assigning the Station's domain names (if any) from Seller to Buyer following customary procedures of the domain name administrator;

(i) endorsed vehicle titles conveying the vehicles included in the Tangible Personal Property (if any) to Buyer;

(j) a bill of sale conveying the Station Assets to Buyer;

(k) the Required Consent (if any);

(l) any estoppel certificates and other consents to assignment obtained by Seller;

(m) customary payoff letters and other appropriate documents necessary to release all Liens (except for Permitted Liens) on the Station Assets;

(n) the Local Programming and Marketing Agreement in the form of *Exhibit A* attached hereto (the "LMA"); and

(o) any other documents and instruments of conveyance, assignment and transfer that may be reasonably necessary to convey, transfer and assign the Station Assets to Buyer, free and clear of Liens, except for Permitted Liens.

8.2 Buyer Deliveries. At the Closing, Buyer shall deliver to Seller:

(a) a good standing certificate issued by Buyer's jurisdiction of formation;

(b) the Purchase Price in accordance with the terms of this Agreement;

(c) a certified copy of the Buyer Authorization;

(d) the Buyer Bringdown Certificate;

(e) an Assignment and Assumption of Contracts assuming the obligations arising after Closing under the Station Contracts (if any);

(f) an Assignment and Assumption of Lease assuming the obligations arising after Closing under the Real Property Lease (if any);

(g) the LMA; and

(h) any other documents and instruments of assumption that may be reasonably necessary to assume the Assumed Obligations.

## ARTICLE 9: SURVIVAL AND INDEMNIFICATION

9.1 Survival. The representations and warranties in this Agreement shall survive Closing for a period of twelve (12) months from the Closing Date at which time they shall expire and be of no further force or effect, except (i) those under Section 2.5 (Taxes) and Section 2.9 (Environmental), which shall survive until the expiration of any applicable statute of limitations, (ii) those with respect to title to the Station Assets, which shall survive indefinitely and (iii) that if within such applicable period the indemnified party gives the indemnifying party written notice of a claim for breach thereof describing in reasonable detail the nature and basis of such claim, then such claim shall survive until the resolution of such claim. The covenants and agreements in this Agreement shall survive Closing until performed.

### 9.2 Indemnification.

(a) From and after Closing, Seller shall defend, indemnify and hold harmless Buyer from and against any and all losses, costs, damages, liabilities and expenses, including reasonable attorneys' fees and expenses ("Damages") incurred by Buyer arising out of or resulting from:

- (i) any breach by Seller of its representations and warranties under this Agreement;
- (ii) any default by Seller of its covenants and agreements under this Agreement;
- (iii) the Retained Liabilities; or
- (iv) without limiting the foregoing, the business or operation of the Station prior to Closing (including any third party claim arising from such operations).

(b) From and after Closing, each party (the "Indemnifying Party") shall defend, indemnify and hold harmless the other party (the "Indemnified Party") from and against any and all Damages incurred by the Indemnified Party arising out of or resulting from:

- (i) any breach by the Indemnifying Party its representations and warranties under this Agreement;
- (ii) any default by the Indemnifying Party Buyer of its covenants and agreements under this Agreement;
- (iii) the Assumed Obligations; or
- (iv) without limiting the foregoing, the business or operation of the Station from and after Closing (including any third party claim arising from such operations).

### 9.3 Procedures.

(a) The Indemnified Party shall give prompt written notice to the indemnifying party of any demand, suit, claim or assertion of liability by a third party that is subject to Indemnification hereunder (a "Claim"), but a failure to give such notice or delaying such notice shall not affect the Indemnified Party's rights or the Indemnifying Party's obligations, except to the extent the Indemnifying Party's ability to remedy, contest, defend or settle with respect to such Claim is thereby prejudiced.

(b) The Indemnifying Party shall have the right to undertake the defense or opposition to such Claim with counsel reasonably satisfactory to the parties. In the event that the Indemnifying Party does not undertake such defense or opposition in a timely manner, the Indemnified Party may undertake the defense, opposition, compromise or settlement of such Claim with counsel selected by it at the Indemnifying Party's cost.

(c) Notwithstanding anything herein to the contrary:

(i) the Indemnified Party shall have the right, at its own cost and expense, to participate in the defense, opposition, compromise or settlement of any Claim, and shall have the right to consult with the Indemnifying Party and its counsel concerning any Claim, and the indemnifying party and the Indemnified Party shall cooperate in good faith with respect to any Claim; and

(ii) the Indemnifying Party shall not, without the indemnified party's written consent, settle or compromise any Claim or consent to entry of any judgment which does not include a full release of the Indemnified Party from all liability in respect of such Claim.

## ARTICLE 10: TERMINATION AND REMEDIES

10.1 Termination. This Agreement may be terminated prior to Closing as follows:

- (a) by mutual written consent of Buyer and Seller;
- (b) by written notice of Buyer to Seller if Seller:
  - (i) does not perform the obligations to be performed by it under this Agreement on the Closing Date; or
  - (ii) otherwise breaches in any material respect any of its representations or warranties or defaults in any material respect in the performance of any of its covenants or agreements contained in this Agreement and such breach or default is not cured within the Cure Period (defined below);
- (c) by written notice of Seller to Buyer if Buyer:
  - (i) does not perform the obligations to be performed by it under this Agreement on the Closing Date; or
  - (ii) otherwise breaches in any material respect any of its representations or warranties or defaults in any material respect in the performance of any of its covenants or agreements contained in this Agreement and such breach or default is not cured within the Cure Period;
- (d) by written notice of Buyer to Seller, or of Seller to Buyer, if the FCC denies the FCC Application; or
- (e) by written notice of Buyer to Seller, or of Seller to Buyer, if the Closing does not occur by the date one (1) year after the date of this Agreement.

The term "Cure Period" as used herein means a period commencing the date Buyer or Seller receives from the other written notice of breach or default hereunder and continuing until the earlier of (i) thirty (30) calendar days thereafter or (ii) the Closing Date determined under Section 1.8. Except for the payment of liquidated damages in accordance with Section 1.5, termination of this Agreement shall not relieve any party of any liability for breach or default under this Agreement prior to the date of termination. Notwithstanding anything contained herein to the contrary, Sections 1.5 (Deposit), 5.1 (Confidentiality), 5.2 (Announcements) and 11.1 (Expenses) shall survive any termination of this Agreement.

#### ARTICLE 11: MISCELLANEOUS.

11.1 Expenses. Each party shall be solely responsible for all costs and expenses incurred by it in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement, except that the FCC filing fee applicable to the request for the FCC Consent shall be shared equally by Buyer and Seller, and any governmental taxes, fees and charges applicable to the transfer of the Station Assets under this Agreement shall be allocated as is customary in the county where the Station Assets are located.

11.2 Further Assurances. After Closing, each party hereto shall execute all such instruments and take all such actions as any other party may reasonably request, without payment of further consideration, to effectuate the transactions contemplated by this Agreement, including without limitation the execution and delivery of confirmatory and other transfer documents in addition to those to be delivered at Closing.

11.3 Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective successors and permitted assigns. Seller may not assign any of its rights or delegate any of its obligations hereunder, and any such attempted assignment or delegation without such consent shall be void. Buyer may assign its right to acquire the Station Assets (in whole or in part) upon written notice to Seller, but without Seller's consent, provided that (i) any such assignment does not delay processing of the FCC Application, grant of the FCC Consent or Closing, (ii) any such assignee delivers to Seller a written assumption of this Agreement and (iii) Buyer shall remain liable for all of its obligations hereunder.

11.4 Notices. Any notice pursuant to this Agreement shall be in writing and shall be deemed delivered on the date of personal delivery or confirmed facsimile transmission or confirmed delivery by a nationally recognized overnight courier service, or on the third day after prepaid mailing by certified U.S. mail, return receipt requested, and shall be addressed as follows (or to such other address as any party may request by written notice):

if to Seller, then to:

Three Angels Broadcasting Network, Inc.  
3391 Charley Good Rd.  
West Frankfort, IL 62896  
Attention: Moses Primo  
Facsimile: (618-627-4155

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

Davis Wright Tremaine LLP  
1919 Pennsylvania Ave. NW, Suite 800  
Washington DC 20006  
Attention: David Silverman,  
Facsimile: (202) 973-4461

if to Buyer, then to:

American Christian Television Services Inc.  
1844 Baty Rd.  
Lima, Ohio 45807  
Attention: Kevin Bowers  
Facsimile: (419) 222-9788

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

Wiley Rein LLP  
1776 K Street, N.W.  
Washington, D.C. 20006  
Attention: Eve Reed  
Facsimile: (202) 719-7049



11.5 Severability. If any court or governmental authority holds any provision in this Agreement invalid, illegal or unenforceable under any applicable law, then, so long as no party is deprived of the benefits of this Agreement in any material respect, this Agreement shall be construed with the invalid, illegal or unenforceable provision deleted and the validity, legality and enforceability of the remaining provisions contained herein shall not be affected or impaired thereby.

11.6 Governing Law. The construction and performance of this Agreement shall be governed by the laws of the State of Ohio without giving effect to the choice of law provisions thereof. The prevailing party in a lawsuit brought to enforce the performance or compliance of any provision of this Agreement may recover reasonable attorneys' fees and costs from the non-prevailing party.

11.7 Miscellaneous. No amendment or waiver of compliance with any provision hereof or consent pursuant to this Agreement shall be effective unless in a writing signed by the party against whom enforcement of such amendment, waiver, or consent is sought. This Agreement, including the Schedules and Exhibit hereto, constitutes the entire agreement and understanding of the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings with respect to the subject matter hereof (including without limitation the letter of intent executed by the parties). Nothing in this Agreement expressed or implied is intended or shall be construed to give any rights to any person or entity other than the parties hereto and their respective successors and permitted assigns. This Agreement may be executed in separate counterparts, each of which shall be deemed to be an original and all of which together constitute one and the same agreement.

[SIGNATURE PAGE FOLLOWS]

14120598

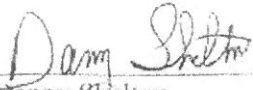
SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first set forth above.

SELLER:

**Three Angels Broadcasting Network, Inc.**


By:

  
Name: Danny Shelton  
Title: President and CEO

BUYER:

**American Christian Television Services Inc.**

By:

  
Name: Kevin Bowers  
Title: President

LICENSE RENEWAL AUTHORIZATION

THIS IS TO NOTIFY YOU THAT YOUR APPLICATION  
FOR RENEWAL OF LICENSE, BRDTL-20130402AAQ,  
WAS GRANTED ON 01/08/2014 FOR A TERM  
EXPIRING ON 10/01/2021.

THIS IS YOUR LICENSE RENEWAL AUTHORIZATION  
FOR STATION W23DE-D.

FACILITY ID: 74373

LOCATION: LIMA, OH

THIS CARD MUST BE POSTED WITH THE STATION'S  
LICENSE CERTIFICATE AND ANY SUBSEQUENT  
MODIFICATIONS.



6285640220 3002

FEDERAL COMMUNICATIONS  
COMMISSION  
WASHINGTON, DC 20554

OFFICIAL BUSINESS  
PENALTY FOR PRIVATE USE \$300

Hasler

\$00.460  
01/08/2014  
Model Form 28743  
US POSTAGE

THREE ANGELS BROADCASTING NETWORK,  
INC.

PO BOX 220

WEST FRANKFORT, IL 62896

FCC 316 (Rev. 06-06) NOTIFICATION





United States of America

FEDERAL COMMUNICATIONS COMMISSION  
DIGITAL LOW POWER TELEVISION/TELEVISION TRANSLATOR  
BROADCAST STATION CONSTRUCTION PERMIT

Official Mailing Address:

THREE ANGELS BROADCASTING NETWORK, INC.  
PO BOX 220  
WEST FRANKFORT IL 62896

Authorizing Official:

*Rossein Hashemzadeh*  
Rossein Hashemzadeh

Associate Chief

Video Division

Media Bureau

Facility Id: 74373

Grant Date: 000 0 00

This permit expires 3:00 a.m.  
local time, 36 months after the  
grant date specified above.

Call Sign: W43CS-D

Permit File Number: BDISDTL-20090824AEW

This Permit Modifies License File No.: BLDTL-20090406ARU

Subject to the provisions of the Communications Act of 1934, as amended, subsequent acts and treaties, and all regulations heretofore or hereafter made by this Commission, and further subject to the conditions set forth in this permit, the permittee is hereby authorized to construct the radio transmitting apparatus herein described. Installation and adjustment of equipment not specifically set forth herein shall be in accordance with representations contained in the permittee's application for construction permit except for such modifications as are presently permitted, without application, by the Commission's Rules.

Commission rules which became effective on February 16, 1999, have a bearing on this construction permit. See Report & Order, Streamlining of Mass Media Applications, MM Docket No. 98-43, 13 FCC RCD 23056, Para. 77-90 (November 25, 1998); 43 Fed. Reg. 70019 (December 18, 1998). Pursuant to these rules, this construction permit will be subject to automatic forfeiture unless construction is complete and an application for license to cover is filed prior to expiration. See Section 73.3598.

Equipment and program tests shall be conducted only pursuant to Sections 73.1610 and 73.1620 of the Commission's Rules.

Name of Permittee: THREE ANGELS BROADCASTING NETWORK, INC.

Station Location: OH-LIMA

Frequency (MHz): 644 - 650

Channel: 43

Hours of Operation: Unlimited

Schedule I.1(b)  
Tangible Personal Property

As best as 3ABN records on file shows, below is a list of equipment at the site:

1. (Unknown year) 4 Bay Antenna Concepts Ultra Blaster that is missing one cone and is only a temporary antenna at approximately 623 feet level.
2. (1997) 1-5/8" transmission line
3. (2012) Linear AT7120 120W DTV Transmitter
4. (2012) D2D Technologies 5020 MUX
5. (2012) Professional FTA Satellite Receiver
6. (Unknown year) 4' high rack
7. (Unknown year) CRT TV and DTV converter box
8. (1997) 8' DH satellite dish



Transmitter: Type Accepted. See Sections 74.750 of the Commission's Rules.

Antenna type: (directional or non-directional): Non Directional

Description: SWS LP-16

Major lobe directions (degrees true): Not Applicable

Beam Tilt: Not Applicable

Antenna Coordinates: North Latitude: 40 deg 38 min 03 sec

West Longitude: 84 deg 12 min 29 sec

Maximum Effective Radiated Power (ERP): 7.85 kW

Transmitter Output Power: 0.4 kW

Height of radiation center above ground: 190 Meters

Height of radiation center above mean sea level: 453.1 meters

Antenna structure registration number: 1012273

Overall height of antenna structure above ground (including obstruction lighting if any) see the registration for this antenna structure.

Out-of-Channel Emission mask: Stringent

Special operating conditions or restrictions:

- 1 This authorization is subject to the condition that low power television is a secondary service, and that low power television and television translator stations must not cause interference to the reception of existing or future full service television stations on either allotted NTSC or DTV channels, and must accept interference from such stations.

\*\*\* END OF AUTHORIZATION \*\*\*

Schedule 1.1(c)  
Real Property

**The lease is expired and 3ABN is running a month to month payment. The information for the buyer to contact site owner and negotiate a new lease is: WATCH TV, 3225 West Elm Street, Lima, Ohio, 45805, phone 800-589-3837 Attn: Mr. Mark Miller**

Schedule 1.1(d)  
Station Contracts

NONE

Schedule 2.4(d)

MVPDs

NONE