

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT is made by and between Houston Christian Broadcasters, Inc., licensee of FM broadcast translator station K283AW, Huntsville, Texas (hereafter the "Seller") and HEH Communications, LLC (hereafter "Buyer"), on this 18th day of March, 2011, for valuable consideration, the receipt of which is hereby acknowledged, the Parties do hereby agree, stipulate and contract as follows:

WHEREAS, Seller holds a license from the Federal Communications Commission ("FCC") for a noncommercial educational FM translator station at Huntsville, Texas, that has been issued the call letters "K283AW" and the facility ID number of 141208 (hereafter the "Station"); and

WHEREAS, Seller desires to sell to Buyer, and Buyer desires to acquire from Seller the Station; and

WHEREAS, the Parties jointly understand that the proposed sale of the Station must be approved by the FCC prior to closing.

NOW THEREFORE, in consideration of the promises and mutual agreements and covenants contained herein, and other good and valuable consideration, the Parties wishing to be legally bound do hereby stipulate and agree to the following.

I. **ASSETS TO BE SOLD**. Seller agrees to assign, transfer and convey to Buyer and Buyer shall purchase and acquire from Seller all of Seller's right, title and interest in and to the Station, including, without limitation, the assets listed in Exhibit A hereto and the FCC license for the Station listed on Exhibit B.

II. **PURCHASE PRICE AND TERMS**. The Buyer will pay the total sum of TWENTY THOUSAND DOLLARS (\$20,000.00) (the "Purchase Price"). The Purchase Price will be paid by the Buyer in the form reasonably acceptable to the Seller at the Closing. Upon the execution of this Agreement, the Buyer shall place in escrow with William Whitley, as escrow agent, the sum of THREE THOUSAND DOLLARS (\$3,000.00) to be held as an earnest money deposit and this payment shall be immediately returned to Buyer if this agreement is not consummated due to no fault of Buyer.

III. **THE FCC APPLICATION**. Within five (5) business days following the execution of this Agreement, the Parties agree to cooperate with each other in the filing of an FCC assignment application (hereafter the "Assignment Application") seeking consent for the assignment of the FCC license for the Station from the Seller to the Buyer. The Parties agree to cooperate in good faith to obtain grant of the Assignment Application, and shall supply the FCC with all information it may require in connection

with the Assignment Application, which shall be filed by the Seller's counsel and the Seller will pay the FCC related legal costs involved in this transaction.

IV. REPRESENTATIONS OF SELLER. The Seller represents and warrants to Buyer that:

- a) Seller is duly organized, validly existing and in good standing under the laws of the state of its formation.
- b) Seller is legally qualified to execute this Agreement and there are no legal impediments to the execution or consummation of the transaction contemplated herein;
- c) Seller holds good and valid title to the Station license and assets;
- d) Seller holds the FCC license for the Station listed on Exhibit B hereto pursuant to Final Order. The FCC license is in full force and effect and is not subject to any restriction or condition which would limit in any respect the operation of the Station. The FCC license may be assigned to Buyer without any adverse condition; and
- e) Seller knows of no reason that the contemplated transaction cannot be consummated as proposed herein.
- f) The Station has not been silent for more than one (1) year.

V. REPRESENTATIONS AND WARRANTIES OF BUYER. The Buyer hereby represents and warrants;

- a) Buyer is duly organized, validly existing and in good standing under the laws of its state of organization.
- b) Buyer is legally qualified to enter into this Agreement and consummate the transaction contemplated herein; and
- c) Buyer knows of no reason that the transaction contemplated herein may not be consummated.

VI. CLOSING. The closing on the sale shall take place at a mutually-agreeable time and location five (5) days after the satisfaction or waiver of the conditions specified in Section VII.

VII. CONDITIONS TO CLOSING.

- a) The obligations of Buyer hereunder are, at its option, subject to satisfaction, at or prior to the Closing Date of each of the following conditions:
 - (i) Seller shall have filed with the FCC the Modification Application (as defined in Section XV).

- (ii) The FCC shall have granted the Assignment Application without any provision or condition adverse to Buyer or the Station, and such grant shall be in full force and effect.
 - (iii) The representations and warranties of Seller made in this Agreement shall be true and correct on and as of the Closing Date as if made on that date, and Seller shall have delivered to Buyer a duly executed certificate, dated as of the Closing Date, in form and substance reasonably satisfactory to Buyer, certifying to the satisfaction of this condition.
 - (iv) Seller shall have delivered to Buyer such appropriate instruments of sale and assignment as Buyer or its counsel may reasonably request, duly executed by Seller.
- b) The obligations of Seller hereunder are at its option, subject to satisfaction, at or prior to the Closing Date, of each of the following conditions.
- (i) The FCC shall have granted the Assignment Application without any condition adverse to Seller and such consent shall be in full force and effect;
 - (ii) The representations and warranties of Buyer made in this Agreement shall be true and correct on and as if the Closing Date as of made on and as of that date. Buyer shall have delivered to Seller a duly executed certificate, dated as of the Closing Date, in form and substance reasonably satisfactory to Seller, certifying to the satisfaction of this condition.

VIII. DAMAGES. In the event Buyer shall breach its obligation to purchase the Permit under this Agreement, Seller shall receive damages in the amount of \$ 3,000.00. In the event the Seller shall breach its obligation to sell the FCC License and other assets of the Station, Buyer shall have the right to seek specific performance under this Agreement due to the unique nature of the assets to be acquired.

IX. ASSUMPTION OF LIABILITIES. The Buyer shall not assume, or be responsible for, any of the liabilities or obligations of the Seller.

X. EXCLUSIVE DEALINGS. The Seller agrees that for as long as this Agreement is in effect, neither Seller, nor its officers, directors, employees, or agents will solicit, make or accept any offers from third parties to sell the Station or discuss the sale of the Station with any other person or party.

XI. TERMINATION.

- a) This Agreement may be terminated as follows: (i) by either Buyer or Seller upon written notice if there is a material breach or default under this

Agreement by the other party following a fifteen (15) day period for cure by the breaching party following written notice of the breach, provided that the party seeking to terminate is not also then in material default or breach of this Agreement; (ii) by Buyer upon written notice to Seller if an objection to or petition to deny the Modification Application is filed or the FCC designates it for a trial-type hearing; (iii) by either Buyer or Seller upon written notice if the FCC denies the Assignment Application or designates it for a trial-type hearing; (iv) by either Buyer or Seller upon written notice if there shall be in effect any judgment, final decree or order that would prevent or make unlawful the Closing; or (v) by either Buyer or Seller upon written notice if the Closing has not occurred by the date that is six months after the date of this Agreement. Except as set forth in Section XI(b) below, the termination of this Agreement shall not relieve any party of any liability for breach of this Agreement prior to the date of termination.

- b) If this Agreement is terminated by Seller pursuant to Section XI(a)(i), then the Escrow Deposit and any interest or earnings thereon shall be paid to Seller. Notwithstanding any other provision of this Agreement to the contrary, in the event that this Agreement is terminated by Seller pursuant to Section XI(a)(i), the payment of the Escrow Deposit shall serve as liquidated damages and be Seller's sole and exclusive remedy for damages of any nature or kind that Seller may suffer as a consequence of Buyer's breach of default under this Agreement. The parties understand and agree that the amount of liquidated damages represents Seller's and Buyer's reasonable estimate of actual damages and does not constitute a penalty. If this Agreement is terminated for any reason other than by Seller pursuant to Section XI(a)(i), then the Escrow Deposit and any interest or earnings thereon shall be returned to Buyer.

XII. DELIVERIES AT THE CLOSING. At the closing, the Seller will deliver the following to the Buyer:

- a) A Bill of Sale for the Station in a form acceptable to the Buyer;
- b) An assignment of the FCC License for the Station; and
- c) Such other instruments as Buyer may reasonably request.

At the closing, the Buyer will deliver to the Seller the following:

- a) The payment under the Purchase Price.
- b) Such other instruments as Seller may reasonably request.

XIII. SURVIVAL OF REPRESENTATIONS AND WARRANTIES. The representations and warranties given herein shall survive the closing for a period of one year.

XIV. NOTICES. Any notices to be given by the Parties to each other shall be in writing and sent by first class U.S. mail to the following:

If to Seller: Mr. Bruce Munsterman
President
Houston Christian Broadcasters, Inc.
2424 South Boulevard
Houston, Texas 77098
brucem@khcb.org

and Jeffrey D. Southmayd
Southmayd & Miller
4 Ocean Ridge Boulevard South
Palm Coast, FL 32137
386.445.9156
jdsouthmayd@msn.com

If to Buyer: HEH Communications, LLC
c/o Edward Esserman
205 Marina Drive
St. Simons Island, Georgia 31522

and Lerman Senter PLLC
2000 K Street, N.W.
Suite 600
Washington, DC 20006
Attention: Sally A. Buckman
sbuckman@lermansenter.com

XV. MODIFICATION APPLICATION. The Seller agrees to file such application to modify the FCC License to relocate the Station's transmitter site to a site specified by Buyer with the FCC within ten (10) business days of the execution date hereof. Buyer shall have a right to prepare an initial draft of the Modification Application, and the application shall be reviewed and filed by Seller. Buyer shall pay all expenses applicable to the filing of such applications including reasonable legal fees to Seller's counsel. The Closing hereunder shall not, however, be contingent or conditioned upon FCC approval of any such applications.

XVI. BROKER. The Parties stipulate and agree Bill Whitley is entitled to the payment of a brokerage fee in connection with the transaction which shall be paid by the Seller.

XVII. WAIVER. Buyer and Seller, by written notice to the other, may (a) extend the time for performance of any of the obligations or other actions of the other under this Agreement, (b) waive any inaccuracies in the representations or warranties of the other

contained in this Agreement or in any document delivered pursuant to this Agreement, (c) waive compliance with any of the conditions or covenants of the other contained in this Agreement, or (d) waive or modify performance of any of the obligations of the other under this Agreement; provided that neither party may without the written consent of the other make or grant any extension of time, waiver of inaccuracies or compliance, or waiver or modification of performance, with respect to its own obligations, representations, warranties, conditions or covenants in this Agreement.

XVIII. ENTIRE AGREEMENT; ASSIGNMENT; AMENDMENT. All covenants, agreements, representations, warranties and indemnities will be binding upon, and inure to the benefit of, the parties and their respective successors and permitted assigns. This Agreement may not be assigned by either party without written consent of the other party. This Agreement, together with the attached Exhibits, constitutes the entire understanding and agreement between the parties concerning the subject matter of this Agreement, superseding all prior oral or written agreements or understandings. This Agreement may not be changed, modified or altered except by an agreement in writing executed by the parties.

XIX. GOVERNING LAW; WAIVER OF JURY TRIAL. This Agreement will be governed by the laws of the State of Texas without giving effect to conflict of laws provisions thereof. **SELLER AND BUYER HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING IN ANY WAY TO THIS AGREEMENT, INCLUDING ANY COUNTERCLAIM MADE IN SUCH ACTION OR PROCEEDING, AND AGREE THAT ANY SUCH ACTION OR PROCEEDING SHALL BE DECIDED SOLELY BY A JUDGE.**

XX. COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement.

WHEREFORE, the Parties have caused their signatures to be affixed to this Agreement intending to be legally bound.

BUYER: Houston Christian Broadcasters, Inc.

ATTEST

President

SELLER: HEH COMMUNICATIONS, LLC

ATTEST:

By: _____

Title: _____

EXHIBIT A

OMB Antenna

SELLER: Houston Christian Broadcasters, Inc.

ATTEST

Bruce G. Munsterma

Dan Wales

President

BUYER: HEH COMMUNICATIONS, L.L.C

ATTEST:

By: *[Signature]*

[Signature]

Title: MANAGING MEMBER

EXHIBIT A

OMB Antenna