

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT dated as of January 5, 2009 (this "Agreement") is entered into by and between Shepherd Communications, Inc. ("Seller") and Logos Broadcasting Corporation ("Buyer").

WITNESSETH:

WHEREAS, Seller holds a Federal Communications Commission ("FCC") license for Noncommercial Educational Station KLFH (FM), Facility ID No. 60140, Ojai, California (the "Station") and has constructed the Station's program origination and transmission facilities (the "Station Facilities"); and

WHEREAS, on January 10, 2003, Seller and Buyer entered into (i) an Option Agreement pursuant to which Seller granted to Buyer an option to purchase the Station Facilities (the "Option"), and (ii) a Time Brokerage Agreement ("TBA"), pursuant to which agreements Buyer agreed to provide and has provided programming for the Station, and has paid to Seller certain sums under the provisions in the agreements for Purchase Deposits and Monthly Fees; and

WHEREAS, effective January 1, 2004, Seller and Buyer entered into an Amendment to Option Agreement pursuant to which the terms of the Option were modified (the terms of the Option Agreement and the Amendment to Option Agreement together referred to herein as the "Amended Option Agreement"); and

WHEREAS, Seller now desires to assign and sell to Buyer, and Buyer desires to assume and purchase from Seller the Station's FCC license and related authorizations and the Station Facilities on the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements hereinafter set forth, the parties hereto agree as follows:

ARTICLE I PURCHASE OF ASSETS

Section 1.1 Transfer of Assets. On the Closing Date (as hereinafter defined), subject to the satisfaction of the conditions contained herein, Seller shall sell, assign, transfer and convey to Buyer, and Buyer shall purchase from Seller, the following (collectively, the "Assets"):

A. The Station's FCC license and all other FCC permits and authorizations associated with the Station (including auxiliary authorizations) (the "Authorizations"), including, but not limited to those specified in Schedule 1.1(A) hereto;

B. Shepherd's interest as lessee under the a tower space lease for Station's antenna and other transmission facilities (the "Lease"), a copy of which is included in Schedule 1.1(B) hereto; and

C. The personal property used in the operation the Station Facilities as specified in Schedule 1.1(C) hereto ("Personal Property").

The Assets shall be transferred to Buyer free and clear of all liens, encumbrances, debts, security interests, mortgages, trusts, claims, pledges, charges, covenants, conditions or restrictions of any kind ("Liens").

ARTICLE II ASSUMPTION OF OBLIGATIONS

Section 2.1 No Assumption of Liabilities and Obligations. Except as otherwise specifically provided herein, Buyer shall not assume any obligations or liabilities of Seller other than the Lease.

ARTICLE III CONSIDERATION AND BRIDGE LOAN

Section 3.1 Purchase Price. In consideration for the transfer of the Assets, Buyer shall pay to Seller at Closing the sum (such sum being hereinafter referred to as the "Purchase Price") of One Million Three Hundred Fifty Thousand Dollars (\$1,350,000.00) less the aggregate of all Purchase Deposits made and all Monthly Fees timely paid under the TBA (the "Purchase Price Balance"). The Purchase Price Balance shall not be reduced by any Monthly Charges paid more than ten(10) days after the due date, any late charges, or Reimbursement Payments under the TBA. The Purchase Price Balance shall increase at the rate of six percent (6%) per annum, compounded monthly, beginning January 1, 2005, until closing. The Monthly Fees made after January 1, 2005, that are to be credited against the Purchase Price shall first be applied against an increase in the Purchase Price Balance pursuant to this sentence with any remainder of the payment (if any) being credited to reduce the Purchase Price Balance as of January 1, 2005. A calculation of adjustments to the Purchase Price pursuant to which the Purchase Price Balance was derived is attached as Schedule 3.1. The Purchase Price Balance as of December 31, 2008 is \$308,932 which amount may be further reduced by subsequent Monthly Fee payments made by Buyer pursuant to the TBA.

Section 3.2 Proration of Income and Expenses. All income and expenses arising from the conduct of the business and operation of the Station shall be prorated between Buyer and Seller as of the Closing Date in accordance with generally accepted accounting principles, consistently applied. Such prorations shall be based upon the principle that Seller, subject to any adjustments pursuant to the Time Brokerage Agreement, shall be entitled to all income earned and shall be responsible for all liabilities and obligations accruing in connection with the operation of the Station up to the Closing Date, and Buyer shall be entitled to all income earned and (subject to Section 2.1 above) all liabilities and obligations accruing thereafter in connection with the operation of the Station. Such prorations shall include all *ad valorem* and other property

taxes (but excluding taxes arising by reason of the transfer of the Assets as contemplated hereby, which shall be paid as set forth in Section 11.1 of this Agreement), deposits, utility expenses, rents and similar prepaid and deferred items and all other expenses attributable to the ownership and operation of the Station.

ARTICLE IV GOVERNMENTAL CONSENTS

Section 4.1 FCC Consent. It is specifically understood and agreed by Buyer and Seller that consummation of the transactions hereby is expressly conditioned on and is subject to the prior consent and approval of the FCC ("FCC Consent") without the imposition of any conditions that might be expected to have a material adverse effect on the results of operations of Buyer.

Section 4.2 FCC Application. Within five (5) business days after execution of this Agreement, the parties shall file with the FCC an application ("FCC Application") for assignment of the Authorizations from Seller to Buyer. The parties shall thereafter use all reasonable efforts to obtain the grant of the FCC Application as expeditiously as practicable (but no party shall have any obligation to satisfy complainants or the FCC by taking any steps which would have a material adverse effect on the result of operations of a party or any affiliated entity). If the FCC Consent imposes any condition on a party hereto, such party shall use reasonable efforts to comply with such condition; *provided, however*, that no party shall be required hereunder to comply with any condition that would have a material adverse effect on the results of operations of such party or any affiliated entity. If reconsideration or judicial review is sought with respect to the FCC Consent, the party affected shall vigorously oppose such efforts for reconsideration or judicial review; *provided, however*, such party shall not be required to take any action which would have a material adverse effect on the results of operations of such party or any affiliated entity. Nothing in this Section 4.2 shall be construed to limit a party's right to terminate this Agreement pursuant to Article 13 hereof.

ARTICLE V CLOSING

Section 5.1 Closing. Except as otherwise mutually agreed upon by Seller and Buyer, the consummation of the transactions contemplated herein (the "Closing") shall take place upon the satisfaction of all conditions precedent and within ten (10) days after the FCC Consent shall have become a Final Order (as hereinafter defined) (the "Closing Date"); provided however, Buyer may at its option close 10 days after FCC Consent if no objection to the assignment or appeal of grant of the assignment has been filed or is pending. As used herein, the term "Final Order" means a written action or order issued by the FCC setting forth the FCC Consent (a) which has not been reversed, stayed, enjoined, set aside, annulled or suspended, and (b) with respect to which (i) no requests have been filed for administrative or judicial review, reconsideration, appeal or stay, and the time for filing any such requests and for the FCC to set aside the action on its own motion (whether upon reconsideration or otherwise) has expired, or

(ii) in the event of review, reconsideration or appeal, the time for further review, reconsideration or appeal has expired. Any actions taken at the Closing will be considered as having been taken simultaneously and no such actions will be considered to be completed until all such actions have been completed. The Closing shall be held at offices of Seller, or such other place as Seller and Buyer mutually agree upon.

Section 5.2 Unwind Agreement. In the event closing occurs prior to the date the FCC Consent shall have become a Final Order, then Buyer and Seller shall at Closing enter into an unwind agreement substantively in the form attached hereto as Exhibit 5.2.

ARTICLE VI REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants to Buyer as follows:

Section 6.1 Organization, Standing, and Authority. Seller has all requisite power and authority to execute and deliver this Agreement and the documents contemplated hereby, and to perform and comply with all of the terms, covenants, and conditions to be performed and complied with by it hereunder and thereunder. Seller is not a participant in any joint venture or partnership with any other person or entity with respect to any part of the business or operation of the Station or any of the Assets except as provided in the Time Brokerage Agreement.

Section 6.2 Authorization and Binding Obligation. The execution, delivery, and performance of this Agreement, and the execution, delivery and performance of any other documents to be delivered or executed in connection with this Agreement and the transaction contemplated by this Agreement, by Seller have been (or will prior to Closing be) duly authorized by all necessary actions on the part of Seller. This Agreement and all other documents have been duly executed and delivered by Seller and constitutes the legal, valid, and binding obligation of Seller, enforceable in accordance with their 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.

Section 6.3 Absence of Conflicting Agreements or Required Consents. Except as set forth in Article IV with respect to the FCC Consent or as otherwise disclosed herein, the execution, delivery and performance of this Agreement by Seller: (a) do not and will not require the consent or approval of or any filing with any third-party or governmental authority; (b) do not and will not violate any applicable law, judgment, order, injunction, decree, rule, regulation or ruling of any governmental authority; (c) do not and will not, either alone or with the giving of notice or the passage of time, or both, conflict with, constitute grounds for termination or acceleration of, or result in a breach of the terms, conditions or provisions of, or constitute a default under any agreement, lease, instrument, license or permit to which Seller is subject; and (d) do not and will not result in the creation of any Lien on any of the Assets.

Section 6.4 Litigation. There are no claims, actions, suits, litigation, labor disputes, arbitrations, proceedings or investigations pending or, to the best knowledge of Seller, threatened

against or affecting Seller, the Assets or the transactions contemplated by this Agreement. Seller is not subject to any order, judgment, writ, injunction or decree of any court or governmental agency or entity.

Section 6.5 Lease. The Lease made part of Schedule 1.1(B) is a valid and binding agreement, fully enforceable according to its terms. No party to the Lease is in default thereunder, nor has any party to the Lease violated any material terms thereof. The property to which Seller obtains use pursuant to the Lease is adequate for the operation of the Station in the manner contemplated by the parties. To the best of Seller's knowledge, the lessor under such lease has full rights and powers to enter into the Lease. To the best of Seller's knowledge, the property covered by the Lease (i) has not been used for the storage or disposal of any chemical or other agent that could be deemed harmful to the environment or which are regulated under any state, federal or municipal law or regulation dealing with toxic or hazardous substances, (ii) is not subject to any environmental investigation, decree or other judicial or administrative action under any environmental law, and (iii) grounds do not exist for such environmental action.

Section 6.6 Authorizations.

A. To Seller's knowledge, Schedule 1.1(A) contains a true and complete list of the Authorizations. Except as specified in Schedule 1.1(A), there are no other licenses, permits or other authorizations from the FCC or any other governmental or regulatory authorities required for the lawful operation of the Station in the manner now conducted. The Authorizations are in full force and effect, were validly issued and are validly held by Seller.

B. There are no petitions, complaints, proceedings or other actions pending or, to Seller's knowledge, threatened before the FCC relating to the Station, other than proceedings affecting the radio broadcasting industry generally or noncommercial educational station applicants, permittees and/or licensees generally.

C. The Station will be operated in all material respects in accordance with the terms and conditions of the Authorizations, the Communication Act of 1934 as amended (the "Act") and the rules of the FCC.

D. Seller has no reason to believe that the FCC Application might be challenged or might not be granted by the FCC in the ordinary course.

Section 6.7 Title to and Condition of Personal Property. Seller will have good and marketable title in the Personal Property, free and clear of all Liens. The Personal Property shall be in good operating condition and repair and in compliance in all material respects with the rules of the FCC and all other applicable federal, state and local statutes, ordinances, rules and regulations.

Section 6.8 Environmental Matters. To Seller's knowledge: (a) there has been no release, nor is there a threat of a release, of any Hazardous Substance or Hazardous Waste at or from the site used as the Station's transmitter site pursuant to the Lease (which site is hereinafter referred to as the "Real Property"); (b) no Hazardous Substance or Hazardous Waste is present

on such Real Property; (c) there are no underground storage tanks on or under the Real Property; (d) neither the Real Property, equipment or installations on the Real Property nor any of the Personal Property contain PCBs or asbestos; and (e) the Real Property and all operations on the Real Property are in compliance with all Environmental Laws. The terms “Hazardous Substance” and “Hazardous Waste” shall have the meanings set forth in the Resource Conservation and Recovery Act, as amended from time to time, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended from time to time, or any other applicable Environmental Law. The term “PCB” shall mean polychlorinated biphenyl. The term “Environmental Laws” shall mean all applicable local, state and federal statutes and regulations relating to the protection of human health or the environment including the FCC’s rules concerning radio frequency radiation. Seller has not received any notice, nor does Seller have any knowledge of any administrative or judicial investigations, proceedings or actions with respect to violations, alleged, or proved, of any Environmental Law involving the Real Property.

Section 6.9 Reports. All material disclosures, returns, reports, and statements which Seller and the Station are 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 in all material respects. All of such returns, reports, and statements are materially complete and correct as filed.

ARTICLE VII REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller as follows:

Section 7.1 Organization, Standing, and Authority. Buyer has all requisite power and authority to execute and deliver this Agreement and the documents contemplated hereby, and to perform and comply with all of the terms, covenants, and conditions to be performed and complied with by it hereunder and thereunder. Buyer is legally qualified to purchase the Assets, and complete this transaction as contemplated.

Section 7.2 Authorization and Binding Obligation. The execution, delivery, and performance of this Agreement, and the execution, delivery and performance of any other documents to be delivered or executed in connection with this Agreement and the transaction contemplated by this Agreement, by Buyer have been (or will prior to Closing be) duly authorized by all necessary actions on the part of Buyer. This Agreement and all other documents have been duly executed and delivered by Buyer and constitutes the legal, valid, and binding obligation of Buyer, enforceable in accordance with their 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.

Section 7.3 Litigation. There are no claims, actions, suits, litigation, labor disputes, arbitrations, proceedings or investigations pending or, to the best knowledge of Buyer, threatened against Buyer relating to the transaction contemplated by this Agreement

ARTICLE VIII COVENANTS

Section 8.1 Operation of Business. Between the date of this Agreement and the Closing Date:

- A. Seller shall maintain and preserve Seller's rights under the Authorizations;
- B. Seller shall operate the Station in compliance with all FCC and other governmental rules, regulations and policies; and shall operate and maintain the Station's equipment in good repair in accordance with accepted industry standards; and
- C. Seller shall not, without the prior written consent of Buyer, which shall not be unreasonably withheld:
 - (1) Enter into any agreement, contract, lease or commitment, other than agreements cancelable without penalty prior to the Closing Date or other agreements that will not be binding on Buyer;
 - (2) Place or allow to be placed on any of the assets or properties relating to the Station any Lien;
 - (3) Sell, assign, transfer or otherwise dispose of any of the Assets;
 - (4) Violate any law, statute, rule, governmental regulation or order of any court or governmental or regulatory authority (whether Federal, State or local);
 - (5) Cause or permit by any act, or failure to act, any of the Authorizations to expire, be surrendered, adversely modified, or otherwise terminated, or the FCC to institute any proceedings for the suspension, revocation or adverse modification of any of the Authorizations or fail to prosecute with due diligence any pending applications to the FCC; and
 - (6) Fail to timely make all payments required to be made under the Lease when due and otherwise pay all liabilities and satisfy all obligations when such liabilities and obligations become due or to cause or permit by any act, or failure to act, the Lease to expire, be adversely modified, or to otherwise terminate.

ARTICLE IX CONDITIONS

Section 9.1 Conditions Precedent to Obligations of Buyer. The obligations of Buyer to consummate the transactions contemplated by this Agreement are subject to the fulfillment, prior to or at the Closing, of each of the following conditions, except to the extent Buyer shall have waived in writing satisfaction of such condition:

- A. The Station shall be operating pursuant to its FCC license.
- B. The representations and warranties made by Seller in this Agreement, or in any other agreements between the parties hereto, shall be true and correct in all material respects as of the date of this Agreement and on the Closing Date as though such representations and warranties were made on such date.
- C. Seller shall have performed and complied in all material respects with all covenants, agreements, representations, warranties and undertakings required by this Agreement to be performed or complied with prior to the Closing.
- D. Seller shall have delivered to Buyer all of the documents required by Section 10.1 hereof.
- E. All consents that may be necessary for Buyer to consummate the transaction contemplated hereby shall have been received by it.
- F. The FCC shall have given public notice of the grant of the FCC Consent, and the FCC Consent shall have become a Final Order.

Section 9.2 Conditions Precedent to Obligations of Seller. The obligations of Seller to consummate the transactions contemplated by this Agreement are subject to the fulfillment, prior to or at the Closing, of each of the following conditions, except to the extent Seller shall have waived in writing satisfaction of such condition:

- A. The representations and warranties made by Buyer in this Agreement shall be true and correct in all material respects as of the date of this Agreement and on the Closing Date as though such representations and warranties were made on such date.
- B. Buyer shall have performed and complied in all material respects with all covenants, agreements, representations, warranties and undertakings required by this Agreement to be performed or complied with by it prior to Closing.
- C. Buyer shall have delivered to Seller all of the documents required by Section 10.2 hereof.
- D. The FCC shall have given public notice of the grant of the FCC Consent.

ARTICLE X CLOSING DELIVERIES

Section 10.1 Seller's Deliveries. At the Closing, Seller shall deliver or cause to be delivered to Buyer the following:

- A. Bill of Sale for the Personal Property.
- B. An Assignment of the Authorizations.
- C. An Assignment of the Lease, including, if required by the Lease, the consent of the lessor.
- D. A certificate of Seller that the representations and warranties contained herein are true and correct as of the Closing Date.

Section 10.2 Buyer's Deliveries. At the Closing, Buyer shall deliver or cause to be delivered to Seller the following:

- A. The Purchase Price.
- B. An Assumption of the Lease.
- C. A certificate of Buyer that the representations and warranties contained herein are true and correct as of the Closing Date.

Section 10.3 Unwind Agreement. If applicable pursuant to Section 5.2, at the Closing the parties shall enter into an unwind agreement.

ARTICLE XI FEES AND EXPENSES

Section 11.1 Expenses. Seller and Buyer shall divide equally between them all transfer taxes, recordation taxes, sales taxes, document stamps, or other charges levied by any governmental entity on account of the transfer of the Assets from Seller to Buyer, notwithstanding which party such taxes and charges are levied upon. 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.

Section 11.2 Brokers. Each party represents and warrants to the other that there is no party to which a brokerage or finders fee is due in connection with the transactions contemplated hereby.

ARTICLE XII INDEMNIFICATION

Section 12.1 Indemnification by Seller. Notwithstanding the Closing, and regardless of any investigation made at any time by or on behalf of Buyer or any information Buyer may have, Seller hereby agrees to indemnify and hold Buyer harmless against and with respect to, and shall reimburse Buyer for any and all losses, liabilities, obligations or damages resulting from or relating to any untrue representation, breach of warranty, or nonfulfillment of any covenant by Seller contained in this Agreement or in any certificate, document, or instrument delivered to Buyer under this Agreement.

Section 12.2 Indemnification by Buyer. Notwithstanding the Closing, and regardless of any investigation made at any time by or on behalf of Seller or any information Seller may have, Buyer hereby agrees to indemnify and hold Seller harmless against and with respect to, and shall reimburse Seller for any and all losses, liabilities, or damages resulting from or relating to any untrue representation, breach of warranty, or nonfulfillment of any covenant by Buyer contained in this Agreement or in any certificate, document, or instrument delivered to Seller under this Agreement.

Section 12.3 Survival. Representations and warranties survive for one year after the Closing Date.

ARTICLE XIII TERMINATION RIGHTS

Section 13.1 Termination by Seller. This Agreement may be terminated by Seller and the purchase and sale of the Assets abandoned, if Seller is not then in material breach, upon written notice to Buyer, upon the occurrence of any of the following:

A. Material Breach. If Buyer shall be in material breach of any representation, warranty or covenant contained in this Agreement, or any other agreement between the parties hereto, Seller has notified Buyer of such breach, and the breach has continued without cure for a period of 30 days after the notice of breach.

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

C. Upset Date. This Agreement may be terminated by Seller without penalty or liability (except in event of breach by such party) if the Closing has not occurred by the second anniversary of the date of this Agreement as written on the first page hereof.

Section 13.2 Termination by Buyer. This Agreement may be terminated by Buyer and the purchase and sale of the Assets abandoned, if Buyer is not then in material breach, upon written notice to Seller, upon the occurrence of any of the following:

A. Material Breach. If Seller shall be in material breach of any representation, warranty or covenant contained in this Agreement, or in any other agreement between the parties hereto, Buyer has notified Seller of such breach, and the breach has continued without cure for a period of 30 days after the notice of breach.

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. This Agreement may be terminated by Buyer without penalty or liability (except in event of breach by such party) if the Closing has not occurred by the second anniversary of the date of this Agreement as written on the first page hereof.

D. Phase I Reports. Buyer, at its expense, may cause Phase I environmental assessments of all real property leased by Seller to be completed within forty-five days of the date of the execution of this Agreement. The results of such assessments shall be delivered promptly to Seller if any such assessments are not satisfactory to Buyer. If the results are not satisfactory to Buyer in its sole discretion, Buyer may terminate this Agreement; *provided, however*, that if the Phase I assessment or any related report concludes that any environmental remediation to alleviate any condition described in such report shall cost less than Twenty-Five Thousand Dollars (\$25,000) and Seller agrees, within ten days of notice from Buyer, to undertake promptly and pay for such remediation, Buyer shall have no right to terminate this Agreement.

Section 13.3 Rights on Termination. If this Agreement is terminated pursuant to Section 13.1 or Section 13.2 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, except that such termination shall be deemed a termination of the Option Agreement, thereby triggering the provisions for refund of the Purchase Deposits set forth in Section 10 of the Option Agreement. If this Agreement is terminated due to a material breach of this Agreement by Buyer, (a) Seller shall be entitled, as liquidated damages, to the sum of One Hundred Thirty Thousand Dollars (\$130,000.00) (hereinafter "Liquidated Damages"), which (i) shall be deducted from the Purchase Deposits, (ii) shall be Seller's exclusive remedy with respect to this Agreement and (iii) is acknowledged by the parties as the fair and adequate estimate of the loss suffered by Seller and (b) Buyer shall be entitled to refund of the Purchase Deposits less the Liquidated Damages (hereinafter the "Net Refund"). The Net Refund shall be paid by Seller as in a lump sum of the fifth anniversary of the termination of this Agreement due to a material breach by Buyer. The Net Refund shall not accrue interest. Should Seller materially breach this Agreement, Seller acknowledges that the Assets to be sold hereunder are unique, and that its failure to perform its obligations hereunder would cause Buyer irreparable injury which cannot be remedied by monetary damages. Thus, Seller agrees that specific performance is a proper remedy, and waives any claim that there would be an adequate remedy at law for such breach. In the event of Seller's material breach of this Agreement, Buyer may elect to terminate

this Agreement in lieu of seeking specific performance and seek whatever damages may be available at law. Such a termination by Buyer shall be deemed a termination of the Option Agreement, thereby triggering the provisions for refund of the Purchase Deposits set forth in Section 10 of the Option Agreement.

ARTICLE XIV MISCELLANEOUS PROVISIONS

Section 14.1 Further Assurances. The parties shall take any 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 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.

Section 14.2 Risk of Loss. The risk of loss or damage to any of the Assets prior to the Closing Date shall be upon Seller. In consultation with Buyer, Seller shall repair, replace and restore any such damaged or lost Asset to its prior condition as soon as possible and in no event later than the Closing Date.

Section 14.3 Benefit and Assignment. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. No party may assign its interest under the Agreement without the prior written consent of the other parties, which consent shall not be unreasonably withheld; *provided, however*, Buyer may assign its rights hereunder, or a portion of its rights to any entity under the control of Buyer or its principals, upon written notice to Seller, without the consent of Seller.

Section 14.4 Governing Law. This Agreement shall be governed, construed, and enforced in accordance with the laws of the State of Oregon without regard to any choice of law or conflict of law provisions that would cause the application of laws of any jurisdiction other than the State of Oregon.

Section 14.5 Amendment. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the parties hereto.

Section 14.6 Severability. In the event that any one or more of the provisions contained in this Agreement or in any other instrument referred to herein, shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, then to the maximum extent permitted by law, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement or any other such instrument.

Section 14.7 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

Section 14.8 Notices. All notices, demands, and requests required or permitted to be given under the provisions of this Agreement shall be in writing and shall be deemed given upon personal delivery, which may include delivery by an overnight courier service such as FedEx or four days after being mailed by registered or certified mail, return receipt requested, addressed as follows (or at such other address for a party as shall be specified by like notice):

If to Seller: Shepherd Communications, Inc..
 c/o Tim Bronleewe
 33011 Stonebrook Drive
 Warren, Oregon 97053

with copy to: John Wells King, Esq.
 Garvey Schubert Barer
 1000 Potomac Street, N.W.
 Fifth Floor
 Washington, D.C. 20007

If to Buyer: Dan M. Lemburg
 President
 Logos Broadcasting Corporation
 560 Higuera Street
 Suite H
 San Luis Obispo, California 93401

with copy to : A. Wray Fitch, III
 Gammon and Grange, PC—7th Floor
 Greensboro DrMcLean, VA 22101

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.

Section 14.9 Legal Fees. In the event of any dispute between the parties to this Agreement, Seller or Buyer, as the case may be, shall reimburse the prevailing party for its reasonable legal fees and other costs incurred in enforcing its rights or exercising its remedies under this Agreement. Such right of reimbursement shall be in addition to any other right or remedy that the prevailing party may have under this Agreement.

Section 14.10 Waivers. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof, nor shall such waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

Section 14.11 Entire Agreement. This Agreement and the Schedules attached hereto and the ancillary documents provided for herein, constitute the entire Agreement and understanding of the parties hereto relating to the Assets and the Station and supersede any and all prior

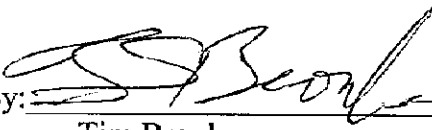
agreements, arrangements, negotiations, discussions and understandings relating to the Assets and the Station.

Section 14.11 Promissory Note. Buyer shall at closing pay in full all amounts due pursuant to that certain Promissory Note payable to Seller in the face amount of \$185,000. The total amount due as of December 31, 2008 is \$185,000. Buyer has timely made all interest payments due pursuant to the Note. Seller shall deliver to Buyer at Closing the original Promissory Note marked paid in full or such other evidence of payment as reasonably requested by Buyer.

[Signature Page to Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first above written.

SHEPHERD COMMUNICATIONS, INC.

By: 
Tim Bronleewe
President

LOGOS BROADCASTING CORPORATION

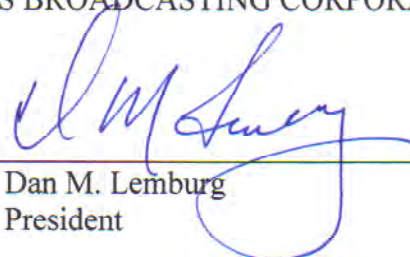
By: _____
Dan M. Lemburg
President

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first above written.

SHEPHERD COMMUNICATIONS, INC.

By: _____
Tim Bronleewe
President

LOGOS BROADCASTING CORPORATION

By:  _____
Dan M. Lemburg
President