

Exhibit No. 4
FCC Form 314
Section II, Q. 3

ASSET PURCHASE AGREEMENT*
Between Butler University and Indianapolis Community Television, Inc.

Assignor has included all pertinent schedules. It has not included Exhibit 4.2 (d), which is a Lease Agreement relating to the WTBU (TV) tower, or the attachment to Schedule 1.1(c), titled "Digital Tower Lease." Those documents have no decisional significance with regard to the subject matter of the application.

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT ("Agreement") dated as of May 31, 2004, is between Butler University, an Indiana non-profit corporation ("Seller"), and Indianapolis Community Television, Inc., a Texas non-profit corporation ("Buyer").

RECITALS

WHEREAS, Seller holds authorizations issued by the Federal Communications Commission (the "FCC" or "Commission") for the operation of noncommercial analog educational television station WTBU-TV, Facility Id. No. 7980, Channel 69*, and for the construction by August 4, 2004, of digital noncommercial educational television station WTBU-DT, Channel 44*, Indianapolis, Indiana, FCC File No. BEPEDT-20040105ACH (the "Stations"); and

WHEREAS, the parties acknowledge that digital noncommercial educational television station WTBU-DT has no assets and is not operating, and on the Closing Date (as defined below) may have no assets and may not be operating, but nevertheless the parties desire that the principal subject matter of this Agreement be the Stations; and

WHEREAS, Seller desires to sell and Buyer desires to purchase certain assets used or useful in the operation of the Stations; and

WHEREAS, under the terms of an Escrow Agreement dated March 12, 2004, Buyer deposited with Susan K. Patrick of Patrick Communications LLC (the "Escrow Agent"), the sum of TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000.00) as the initial escrow deposit (the "Initial Escrow Deposit"); and

WHEREAS, Seller may not assign the Stations' authorizations to Buyer without the FCC's prior consent.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, Seller and Buyer agree as follows:

**ARTICLE I
ASSETS TO BE CONVEYED**

1.1. **Transfer of Assets.** On the Closing Date, Seller will sell, transfer, assign and convey to Buyer, and Buyer will purchase and accept from Seller all of Seller's right, title and interest in and to the following assets, properties and rights, tangible and intangible, absolute and contingent, wherever located (collectively, the "Assets"), but excluding the Excluded Assets described in Section 1.2 below.

(a) **FCC Authorizations.** The licenses, permits and authorizations issued by the FCC relating to the operation of the Stations as set forth on Schedule 1.1(a) (the "FCC Authorizations") attached hereto.

(b) **Tangible Personal Property.** All furniture, fixtures, improvements, office equipment and other equipment, antennae and other tangible personal property described on Schedule 1.1(b) attached hereto (the "Station Equipment"), together with any replacements thereof or additions thereto made between the date hereof and the Closing Date, less any retirements made in the ordinary and usual course of the Stations' respective businesses.

(c) **Real Property.** The interest of Seller as lessee under the WTBU-DT tower as described on Schedule 1.1(c) attached hereto (the "Digital Tower Lease") if Buyer decides to assume the same. On the Closing Date, the Buyer and Seller shall execute and deliver the Tower Lease Agreement relating to the tower on which is located the analog broadcast antenna for WTBU-TV as described in Sections 4.2 and 4.3 below.

(d) **Contracts.** The contracts, leases (for items of personal property), and other agreements primarily relating to the Stations as set forth on Schedule 1.1(d) attached hereto

(the "Contracts"), together with all of Seller's rights thereto relating to periods and events occurring prior to and after the Closing Date.

(e) **Intangible Property.** The trademarks, trade names, service marks, and other intangible and intellectual property and interests primarily relating to the Stations (exclusive of the call letters "WTBU", except as provided in Section 12.1 below), as set forth on Schedule 1.1 (e) attached hereto (the "Intangible Property").

(f) **Files and Records.** The files and records specifically relating to the Stations, other than those specified in Section 1.2 below (the "Records"), but including, without limitation, the public inspection files of the Stations, records, notices, communications, and correspondence relating to the FCC Authorizations, and such other files, records and logs of Seller pertaining to any of the purchased Assets and/or the operation of the Stations as Buyer may reasonably require.

1.2. **Excluded Assets.** The Assets to be conveyed to Buyer at Closing (as defined below) by Seller shall include only those assets described in Section 1.1 above. Any other assets are not to be included in the Assets and are to be excluded from this Agreement. Such excluded assets (the "Excluded Assets") shall include, but not be limited to, the following:

- (a) **Cash.** Seller's cash, cash equivalents, prepaid items and deposits.
- (b) **Corporate Records.** Seller's corporate, financial and accounting, and payroll records and other internal books, reports and records.
- (c) **Insurance.** All contracts of insurance, insurance proceeds, and insurance claims made by Seller relating to property or equipment included in the Assets.
- (d) **Employee Benefit Programs.** Any employee benefit plans or programs of Seller.

(e) **Internal Information.** Financial, accounting and management information, and software of Seller subject to company-wide license.

1.3. **Liabilities.** The Assets shall be transferred and conveyed to Buyer at Closing free and clear of indebtedness. Except for obligations post-Closing under the Contracts and the Analog Tower Lease described in Section 4.2(d) below and other liabilities and obligations specifically and expressly assumed by Buyer pursuant to Sections 3.1 and 4.3 below, Buyer will not assume and will not become liable for any liabilities, duties or obligations of Seller of any kind or nature whatsoever, whether absolute, contingent, accrued, known or unknown, related to the ownership of the Stations or the purchased Assets, the Excluded Assets, the operation of the Stations, Seller's employees or otherwise (including but not limited to any monetary forfeitures required by the FCC as a result of the ownership and/or operation of the Stations prior to Closing).

ARTICLE II ESCROW DEPOSIT

2.1. Within two (2) business days from the date on which the FCC Application is tendered for filing with the Commission, Buyer shall deposit with the above-identified Escrow Agent, the sum of THREE MILLION SEVEN HUNDRED FIFTY THOUSAND DOLLARS (\$3,750,000.00)(the "Additional Escrow Deposit"), representing the balance of the Purchase Price as defined below. The Initial Escrow Deposit and the Additional Escrow Deposit are collectively referred to as the "Escrow Deposit" in this Agreement. The Escrow Deposit shall be held, maintained, administered and disbursed by the Escrow Agent in accordance with the terms and provisions hereof and in accordance with the Escrow Agreement, with the terms of this Agreement controlling in the event of any conflicting terms. In this regard upon or prior to the delivery of the Escrow Deposit, Buyer, Seller and Escrow Agent shall either amend the

abovementioned Escrow Agreement, or execute a new Escrow Agreement on substantially the same terms.

2.2. **Distribution and Delivery of the Escrow Deposit.** (a) If Seller terminates this Agreement, or if Buyer fails to consummate the purchase and sale contemplated by this Agreement (the "Contemplated Transaction"), under circumstances that would constitute a material breach by Buyer of this Agreement and Seller is not then in breach of its representations, warranties or covenants under this Agreement in any material respect, then the Initial Escrow Deposit will be delivered to Seller as liquidated damages in accordance with Section 11.2(b) below and the Additional Escrow Deposit will be delivered to Buyer. (b) If all applicable time periods hereunder have run for the consummation of the Contemplated Transaction and consummation nevertheless does not occur under circumstances other than those described in subsection (a) of this Section 2.2 and Buyer is not then in breach of its representations, warranties or covenants under this Agreement in any material respect, then the Initial Escrow Deposit and the Additional Escrow Deposit will be delivered to Buyer. (c) If the Contemplated Transaction is consummated, then the Additional Escrow Deposit and the Initial Escrow Deposit shall each be delivered to Seller pursuant to the provisions of Sections 3.1(a) and (b) below.

ARTICLE III PURCHASE PRICE AND PAYMENT

3.1. **Purchase Price.** The consideration to be paid by Buyer to Seller for the Assets shall be FOUR MILLION DOLLARS (\$4,000,000.00) (the "Purchase Price") to be paid as follows:

(a) **Initial Escrow Deposit.** At Closing or in the event of the non-consummation of the Contemplated Transaction under the circumstances stated in subsection (a)

of Section 2.2 above, the Initial Escrow Deposit shall be paid to Seller by wire transfer of immediately available funds and shall be credited against the Purchase Price or as part of the liquidated damages pursuant to Section 11.2(b). All interest accrued thereon shall be disbursed to Buyer.

(b) **Additional Escrow Deposit.** The Additional Escrow Deposit THREE MILLION SEVEN HUNDRED FIFTY THOUSAND DOLLARS (\$3,750,000.00), representing an amount equal to the balance of the Purchase Price, shall be paid to Seller by the Escrow Agent at Closing by wire transfer of immediately available funds. All accrued interest on the Additional Escrow Deposit shall be paid to Buyer as it accrues.

3.2. [This provision is intentionally left blank.]

3.3. **Adjustments.**

(a) **Closing Date and Prorations.** Buyer shall be responsible for all expenses incurred in connection with the business of the Stations as of 12:01 a.m. prevailing local time on the Closing Date and thereafter; *provided, however*, that Buyer shall not be responsible for expenses related to the Excluded Assets. Seller shall be responsible for all expenses incurred and liabilities that have arisen in connection with the business of the Stations prior to 12:01 a.m. on the Closing Date. Pro rata allocations of expense, to the extent practicable, shall be calculated as of the close of business on the day preceding the Closing Date. As an additional Closing Date adjustment, Buyer shall reimburse Seller for the amount of any and all expenditures by Seller between the date of this Agreement and the Closing Date relating to Station WTBU-DT, including without limitation engineering, legal and equipment-related (material and labor) expenditures and expenditures under the Digital Tower Lease, *provided, however*, that Seller will

consult with Buyer prior to making any such expenditures. Seller reserves the right to seek FCC authority to operate with minimum facilities.

(b) **Time for Payment.** The proration and adjustments provided for in this Section 3.3, to the extent practicable, shall be made on the Closing Date. As to those prorations and adjustments not capable of being ascertained or agreed upon by the parties on the Closing Date, an adjustment and proration shall be made within ninety (90) days of the Closing Date.

(c) **Dispute Resolutions.** In the event of any disputes between the parties as to such prorations and adjustments, the amounts not in dispute shall nonetheless be paid at the times provided in subsection (b) above, and such disputes shall be determined by a mutually agreeable independent accounting firm whose determination shall be final. Either party can propose an independent accounting firm and the other party shall accept or reject (upon a reasonable basis) such firm within five (5) business days. The fees and expenses of such accountant shall be borne equally by Seller and Buyer.

ARTICLE IV THE CLOSING

4.1. **Time and Place of Closing.** The closing (the "Closing") of the sale and purchase of the Assets shall be held at the offices of Adams, Lynch & Loftin, P.C., 1903 Central Drive, Suite 400, Bedford, TX 76021, at 9:00 a.m., prevailing local time on a mutually agreed upon day (the "Closing Date") within five (5) business days of the date on which the FCC's consent to the assignment of the FCC Authorizations to Buyer ("FCC Consent") has become a Final Action. Alternatively, at Buyer's option the Closing shall take place promptly after the date on which the FCC Consent is given. For purposes of this Section 4.1, a "Final Action" is an action of the FCC that has not been reversed, stayed, enjoined, set aside, annulled, or suspended; with respect to which no timely petition for reconsideration or administrative or judicial appeal or sua sponte

action of the FCC with comparable effect is pending and as to which the time for filing any such petition or administrative or judicial appeal or for taking of a sua sponte action of the FCC has expired.

4.2. **Deliveries by Seller.** At the Closing, Seller will deliver to Buyer the following, each of which shall be in form and substance reasonably satisfactory to Buyer:

(a) Written instructions to the Escrow Agent to pay the Purchase Price to Seller by distributing to Seller the Escrow Deposit in accordance with Sections 3.1(a) and (b) above;

(b) An instrument assigning to Buyer all right, title and interest of Seller in the FCC Authorizations;

(c) A bill of sale and assignment conveying to Buyer all right, title and interest of Seller in the personal property included in the Assets;

(d) If Buyer wishes to assume it, an assignment of the Digital Tower Lease in form reasonably acceptable to Buyer, with the written consent of the Landlord, if required by the terms of the Digital Tower Lease, to the assignment; and the analog tower lease in the form of Exhibit 4.2(d) attached hereto (the "Analog Tower Lease"), signed by an officer of Seller;

(e) A certificate dated as of the Closing Date, signed by an officer of Seller, certifying that all representations, warranties, covenants and agreements made by Seller herein are true and correct as of the Closing Date;

(f) The data, documents, copies, files and other records included in the Assets;

(g) Copies of resolutions of the appropriate governing body or bodies of Seller, certified by its Secretary, authorizing the execution, delivery and performance of this

Agreement, the Escrow Agreement, all amendments thereto, and the transactions contemplated hereby and thereby; and

(h) Such other documents that Buyer reasonably requests in order to consummate the transactions herein.

4.3. **Deliveries by Buyer.** At the Closing, Buyer will deliver to Seller the following, each of which shall be in form and substance reasonably satisfactory to Seller:

(a) Written instructions to the Escrow Agent to pay the Purchase Price to Seller by disbursing to Seller the Escrow Deposit in accordance with Sections 3.1(a) and (b) above;

(b) If Buyer wishes to assume it, an assumption agreement in which Buyer agrees to pay, perform and discharge all obligations and liabilities arising on or after the Closing Date under the Digital Tower Lease assigned to Buyer; *provided, however*, that Buyer will not assume or be obligated or liable under such assumption with respect to the breach or non-performance of any warranties, representations, duties, covenants or other obligations of the lessee under or in connection with the Digital Tower Lease for or because of anything done, permitted to be done or omitted to be done prior to Closing, whether then known or not then known to the parties, and whether accrued or thereafter accruing; and the Analog Tower Lease signed by an officer of Buyer.

(c) A certificate dated as of the Closing Date, signed by an officer of Buyer certifying that all representations, warranties, covenants and agreements made by Buyer herein are true and correct as of the Closing Date;

(d) Copies of resolutions of the Board of Directors of Buyer, certified by its Secretary, authorizing the execution, delivery and performance of this Agreement, the Escrow Agreement, all amendments thereto, and the transactions contemplated hereby and thereby; and

(e) Such other documents that Seller reasonably requests in order to consummate the transactions herein.

ARTICLE V REPRESENTATIONS AND WARRANTIES OF SELLER

Seller makes the following representations and warranties to Buyer, all of which shall be true and correct at Closing.

5.1. **Organization.** Seller is a non-profit educational corporation duly organized, validly existing and in good standing under the laws of the State of Indiana. Seller has the full corporate power and authority to own and operate the Assets and the Stations.

5.2. **Authorization.** Seller has the full corporate power and authority to execute and deliver the Escrow Agreement and this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of the Escrow Agreement and this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by all necessary corporate action on the part of Seller. This Agreement and the Escrow Agreement have been duly and validly executed and delivered by Seller and constitute legal, valid and binding obligations of Seller enforceable against Seller in accordance with their respective terms, except as enforceability may be limited by applicable bankruptcy, insolvency or similar law affecting the rights of creditors generally, and equitable principles.

5.3. **No Defaults.** The execution, delivery and performance of this Agreement by Seller will not (a) conflict with any provision of the Articles of Incorporation or By-laws of Seller, (b) except as otherwise set forth in the Contracts, result in a default (or give rise to any

right of termination, cancellation or acceleration) under or conflict with any of the terms, conditions or provisions of any contract, note, bond, mortgage or other instrument or obligation to which Seller is a party or by which Seller or any of the Assets may be bound which may adversely affect in any material respect the Stations or any of the Assets or Seller's ability to perform in accordance with the terms of this Agreement, (c) in any material respect violate any law, statute, rule, regulation, order, injunction or decree of any federal, state or local governmental authority or agency applicable to Seller or the Stations, or (d) result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever on any of the Assets.

5.4. **Litigation and Compliance with Laws.** There is no litigation, action, suit, judgment, proceeding pending by or against or, to the best of Seller's knowledge, threatened against Seller, the purchased Assets and/or the Stations which may adversely affect the Stations or any of the Assets or Seller's ability to perform in accordance with the terms of this Agreement.

5.5. **Instruments of Conveyance: Good Title.** The instruments to be executed by Seller and delivered to Buyer at the Closing, conveying the Assets to Buyer, will be in a form sufficient to transfer to Buyer good title in and to the Assets and all rights and interests of Seller in the Assets.

5.6. **Station Equipment.** Except as otherwise provided in Schedule 1.1(b), all of the Station Equipment is operating in compliance with FCC rules and regulations and the terms of the Station Licenses, and in good working condition, reasonable wear and tear excepted. On the Closing Date, all Station Equipment will be in good working condition, reasonable wear and tear excepted.

5.7. **Brokers.** Patrick Communications, LLC, of Ellicott City, Maryland ("Patrick"), is Seller's Broker in this transaction and Seller shall be responsible for the brokerage fee or

commission due Patrick. There is no other broker or finder or other person who would have any valid claim against Buyer for a commission or brokerage fee in connection with this Agreement or the transactions contemplated hereby as a result of any agreement, understanding or action by Seller.

5.8. **Exclusivity of Representations.** THE REPRESENTATIONS AND WARRANTIES MADE BY SELLER IN THIS AGREEMENT OR IN ANY WRITTEN INSTRUMENT, EXHIBIT OR CERTIFICATE FURNISHED TO OR TO BE FURNISHED TO BUYER PURSUANT HERETO ARE IN LIEU OF AND ARE EXCLUSIVE OF ALL OTHER REPRESENTATIONS AND WARRANTIES INCLUDING ANY IMPLIED WARRANTIES. SELLER HEREBY DISCLAIMS ANY SUCH OTHER OR IMPLIED REPRESENTATIONS OR WARRANTIES, NOTWITHSTANDING THE DELIVERY OR DISCLOSURE TO BUYER OF ANY DOCUMENTATION OR OTHER INFORMATION, WHETHER WRITTEN OR ORAL.

5.9. **FCC Authorizations.** The FCC Authorizations constitute all of the licenses, permits, approvals, authorizations, consents, variances and orders of any federal, state or local government or governmental authority, used or required in connection with the operation of the Stations and/or the operation of the purchased Assets. No event has occurred which (i) has resulted in, or after notice or lapse of time or both would result in, revocation, suspension, adverse modification, non-renewal or termination of or any order of forfeitures with respect to, any FCC Authorization, or (ii) materially and adversely affects or in the future may materially and adversely affect any rights of Seller or any of its assignees or transferees under any FCC authorization.

(a) Seller is not a party to, and there are no notices of apparent liability, violations, forfeitures, notices of violation, orders to show cause or other orders or complaints or, to the knowledge of Seller, investigations, issued or conducted by or before any court or regulatory body, including, without limitation, the FCC, or of any other proceedings (other than proceedings relating to the television industry generally) that could in any manner threaten or adversely affect the validity or continued effectiveness of, or result in the adverse modification of, or the filing or issuance of any order, notice or complaint. Seller promptly will notify Buyer of the same in writing and will take all reasonable measures to contest in good faith or seek removal or rescission of such action, order, notice or complaint.

(b) Seller has received no notice of any complaint being made against any of the Stations or Seller relating to the tower, transmitter site, transmitter equipment, Assets or operation of the Station.

(c) Each report or certification filed by or on behalf of Seller with the FCC, including, without limitation, any filing with respect to its ownership of the Stations and any other filing relating to the Stations, was timely filed, and was at the time of filing true and correct and complete in all respects.

5.10. **Insolvency.** No insolvency proceedings of any character including, without limitation, bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, affecting Seller or any of its assets or properties, including the Assets, are pending or, to the knowledge of Seller, threatened.

5.11. **Must Carry Rights.** Although Seller does not believe that it made a timely must-carry election pursuant to 47 C.F.R. § 76.64(f)(2), under subparagraph (f)(3) of that provision Station WTBU-TV is deemed to have elected must-carry status on cable systems within the

Indianapolis Designated Market Area ("DMA"). Pursuant to the Communications Act of 1934, as amended, and the Rules and Regulations of the FCC, Seller is a "qualified noncommercial educational station," in the DMA, and to Seller's best knowledge the FCC has not made any determination to the contrary. Seller has been advised that Station WTBU-TV is being carried on DIRECTV's and EchoStar's satellites as a local station.

5.12. **Intellectual Property.** Seller has not, to the best of its knowledge, violated or infringed any patent, trademark, trade name, jingle, assumed name, fictional business name, copyright, license, permit or other similar intangible property right or interest held by others or any license or permit held by Seller. Seller has not granted any license or other rights and has no obligations to grant licenses or other rights to any of the intellectual property rights that form any part of the Assets, and, to the knowledge of Seller, no proceedings, either pending or threatened, in the United States Copyright Office, the United States Patent and Trademark Office or any other Federal, state or local court, agency or tribunal relating to any pending application with respect any such intellectual property rights.

5.13. **Taxes.** "Tax" means all federal, state and local taxes (including income, profit, franchise, sales, use, real property, personal property, ad valorem, excise, employment, social security and wage withholding taxes) and installments of estimated taxes, assessments, deficiencies, levies, imports, duties, license fees, registration fees, withholdings, or other similar charges of every kind, character or description imposed by any federal, state or local taxing authority (the "Taxing Authorities"). All Tax reports and returns required to be filed by Seller or relating to the Assets have been filed with the appropriate Taxing Authorities, and Seller has paid all Taxes, penalties, interest, deficiencies, assessments or other charges due with respect to such Taxes, as reflected on the filed returns or claimed to be due by such Taxing Authorities. Seller

has not received any written notice of any examinations or audits pending or unresolved examinations or audit issues with respect to Seller's federal, state or local Tax returns.

ARTICLE VI REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer makes the following representations and warranties to Seller, all of which shall be true and correct at Closing:

6.1. **Organization.** Buyer is a not-for-profit corporation duly organized and validly existing under the laws of the State of Texas, and qualified to do business in the State of Indiana. Buyer has the full corporate power and authority to own and operate the Assets and to carry on the business of the Station as such business is now being conducted.

6.2. **Authorization.** Buyer has the right, power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Buyer and constitutes a legal, valid and binding obligation of Buyer enforceable against Buyer in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency or similar laws affecting the rights of creditors generally, and equitable principles.

6.3. **No Defaults.** The execution, delivery and performance of this Agreement by Buyer will not (a) result in a default (or give rise to any right of termination, cancellation or acceleration) under or conflict with any of the terms, conditions or provisions of any material agreement, contract, instrument or agreement to which Buyer is a party or by which Buyer may be bound, or (b) in any material respect violate any law, statute, rule, regulation, order, injunction decree of any federal, state or local governmental authority or agency applicable to Buyer

6.4. **Litigation.** There is no litigation pending by or against or, to the best of Buyer's knowledge, threatened against Buyer which may adversely affect its ability to perform in accordance with the terms of this Agreement.

6.5. **Brokers.** Except as provided in Section 5.6 above there is no broker or finder or other person who would have any valid claim against Seller for a commission or brokerage fee in connection with this Agreement or the transactions contemplated hereby as a result of any agreement, understanding or action by Buyer.

6.6. **Qualifications as a Broadcast Licensee.** Buyer is legally, financially and otherwise qualified to hold the FCC Authorizations and to consummate the transactions contemplated herein. Buyer knows of no fact that would, under existing law and the existing rules, regulations and practices of the FCC, disqualify Buyer as the holder of the FCC Authorizations. Buyer will take no action which it knows or has reason to know could cause such disqualification.

6.7. **Exclusivity of Representations.** THE REPRESENTATIONS AND WARRANTIES MADE BY BUYER IN THIS AGREEMENT OR IN ANY WRITTEN INSTRUMENT, EXHIBIT OR CERTIFICATE FURNISHED TO OR TO BE FURNISHED TO SELLER PURSUANT HERETO ARE IN LIEU OF AND ARE EXCLUSIVE OF ALL OTHER REPRESENTATIONS AND WARRANTIES INCLUDING ANY IMPLIED WARRANTIES. BUYER HEREBY DISCLAIMS ANY SUCH OTHER OR IMPLIED REPRESENTATIONS OR WARRANTIES, NOTWITHSTANDING THE DELIVERY OR DISCLOSURE TO SELLER OF ANY DOCUMENTATION OR OTHER INFORMATION, WHETHER WRITTEN OR ORAL.

ARTICLE VII FCC APPLICATION

7.1. **FCC Application.** The sale of the Assets from Seller to Buyer is contingent on the approval of the FCC. Within ten (10) business days after execution of this Agreement, Seller and Buyer will join together to file an application with the FCC requesting its consent to the assignment of the FCC Authorizations to Buyer (the "FCC Application"). Seller and Buyer will use their best efforts to promptly prepare and file the FCC Application, and to obtain the FCC Consent as expeditiously as possible. Seller and Buyer agree to exercise good faith and due diligence in the prosecution of such FCC Application.

ARTICLE VIII CONDITIONS TO THE OBLIGATIONS OF SELLER

The obligations of Seller under this Agreement are, at its option, subject to the fulfillment of the following conditions prior to or at Closing:

8.1. **Representations and Warranties.** The representations and warranties of Buyer contained in this Agreement shall, without material exception, be true and correct at and as of the Closing Date as though such representations and warranties were made at and as of such time.

8.2. **Covenants and Agreements.** Buyer shall have performed all of its covenants and agreements required by this Agreement to be performed or complied with on or prior to the Closing Date.

8.3. **FCC Consent.** The FCC Consent shall have been published and shall have become a Final Action, without any conditions materially adverse to Seller, *provided, however*, that Buyer may waive the requirement that the FCC Consent has become a Final Action, as provided in Section 4.1.

8.4. **Board Approvals.** The Board of Directors of Seller shall have approved this Agreement.

ARTICLE IX CONDITIONS TO THE OBLIGATIONS OF BUYER

The obligations of Buyer under this Agreement are, at its option, subject to the fulfillment of the following conditions prior to or at Closing:

9.1. **Representations and Warranties.** The representations and warranties of Seller contained in this Agreement shall, without material exception, be true and correct at and as of the Closing Date as though such representations and warranties were made at and as of such time.

9.2. **Covenants and Agreements.** Seller shall have performed all of its covenants and agreements required by this Agreement to be performed or complied with on or prior to the Closing Date.

9.3. **FCC Consent.** The FCC Consent shall have been published and shall have become a Final Action, without any conditions materially adverse to Buyer, *provided, however*, that Buyer may waive the requirement that the FCC Consent has become a Final Action, as provided in Section 4.1. Also, the FCC shall have granted the STA described in Section 9.4 below.

9.4. **DTV Authorization.** No later than ten (10) business days after the assignment application is filed with the FCC, Seller shall request the FCC to grant it Special Temporary Authority (the "STA") to operate WTBU-DT with reduced facilities from the site described in the Analog Tower Lease, with the antenna located below that of WFMS-FM. The parties acknowledge that no determination has been made that the STA antenna and related equipment may be added to the WTBU-TV tower, consistent with good engineering practice. In the event that the WTBU-TV tower is inadequate for that purpose, the site for the STA will be the site

described in the Digital Tower Lease. Seller shall use commercially reasonable efforts to construct the digital facility and commence operations pursuant to the STA on or before the Closing. At this time neither Buyer nor Seller is able to estimate the total costs of placing WTBU-DT on the air. Notwithstanding the foregoing, at the Closing Buyer will reimburse Seller for all costs and expenses incurred by Seller in placing WTBU-DT on the air, *provided, however*, that Seller shall seek Buyer's approval for all such costs and expenses, and Buyer's approval shall not be unreasonably withheld or delayed. Such costs shall include but shall not be limited to: the antenna; the transmitter, transmission line and related equipment; installation; power and communications; the erection of any buildings or sheds at or near the transmitter site; and rent. At the Closing, Seller will transfer to Buyer title to the transmitter and all other equipment used in the STA operation of WTBU-DT, free and clear of any liens or encumbrances, and will assign the STA to Buyer. On or before July 8, 2004, Seller shall apply to the FCC for a further six-month extension of the WTBU-DT construction permit.

ARTICLE X TERMINATION OF REPRESENTATIONS, WARRANTIES, ETC.

10.1. Except as otherwise expressly provided in this Agreement, all representations, warranties, covenants and agreements of Seller and Buyer contained in this Agreement or in any related document shall terminate and be of no further force and effect on the Closing Date.

ARTICLE XI TERMINATION

11.1. **Termination.** This Agreement may be terminated at any time prior to Closing as follows:

- (a) by mutual consent of the Buyer and Seller;

(b) by written notice of Buyer to Seller if Seller (i) does not satisfy the conditions contained in Sections 9.1, 9.2 or 9.4 above or perform the obligations to be satisfied or performed by it on the Closing Date, or (ii) Seller 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 herein contained 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 satisfy the conditions contained in Sections 8.1 or 8.2 above or perform the obligations to be satisfied or performed by it on the Closing Date, or (ii) otherwise breaches in any material respect in the performance of any of its covenants or agreements herein contained and such breach or default is not cured within the Cure Period (defined below);

(d) by written notice of Buyer to Seller, or by Seller to Buyer if the FCC dismisses or denies the FCC Application or designates it for hearing or investigation or substantially modifies the terms of the FCC Application; *provided, however*, that the notifying party shall not by any act or omission on its part have caused or contributed to such dismissal, denial or designation; or

(e) by written notice of Buyer to Seller if the transactions contemplated herein shall not have been consummated on or before December 31, 2004.

The term "Cure Period" means a period commencing the date Buyer or Seller receives written notice of breach or default hereunder from the other party and continuing until the earlier of (i) thirty (30) days thereafter, or (ii) the Closing Date; *provided, however*, that if the breach or default cannot be cured before the Closing Date, and if diligent efforts to cure continue, then the Cure Period shall continue but not beyond March 31, 2005. The termination of this Agreement

shall not relieve either party of any liability for breach or default under this Agreement prior to the date of termination.

11.2. **Remedies.**

(a) **Specific Performance.** The parties recognize that if either party defaults (the "Breaching Party") under this Agreement such that a party terminates this Agreement, monetary damages alone will not be adequate to compensate the non-breaching party ("Non-Breaching Party") for its injury. Such Non-Breaching Party shall therefore be entitled to obtain Specific Performance of the terms of this Agreement in lieu of, and not in addition to, any other remedies, including but not limited to monetary damages that may be available to it; *provided, however,* that either party may elect to recover Liquidated Damages, as provided below, in lieu of obtaining Specific Performance. If any action is brought by the Non-Breaching Party to enforce this agreement, the Breaching Party shall waive the defense that there is an adequate remedy at law. In the event of a default by the Breaching Party, which results in the filing of a lawsuit for damages, Specific Performance, or other remedy, the Non-Breaching Party shall be entitled to reimbursement by the Breaching Party of reasonable legal fees and expenses incurred by the Non-Breaching Party; provided that the Non-Breaching Party is successful in such lawsuit.

(b) **Liquidated Damages.**

(i) **Seller.** If Seller terminates this Agreement in accordance with Section 11.1(b) above, then Escrow Agent shall pay to Seller out of the Escrow Deposit the sum of TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000.00), and such payment shall constitute Seller's liquidated damages. It is understood and agreed that such liquidated damages amount represents Buyer's and Seller's reasonable estimate of Seller's actual damages and do not

constitute a penalty. THREE MILLION SEVEN HUNDRED FIFTY THOUSAND DOLLARS (\$3,750,000.00), being the remaining balance of the Escrow Deposit, plus all accrued interest, shall be returned to Buyer.

(ii) **Buyer.** If Buyer terminates this Agreement in accordance with Section 11.1(b) above, Seller shall pay to Buyer the sum of TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000.00), and such payment shall constitute Buyer's liquidated damages. It is understood and agreed that such liquidated damages amount represents Buyer's and Seller's reasonable estimate of Buyer's actual damages and do not constitute a penalty.

(c) **Return of Escrow Deposit.** If this Agreement is terminated pursuant to Section 11.1(b), (d) or (e) above, and provided that Buyer is not in breach hereof, the Escrow Deposit and all accrued interest thereon shall be returned to Buyer and the parties shall have no further liability or obligations to each other.

(d) **Indemnification by Seller.** It is understood and agreed that Buyer does not assume and will not be obligated to pay any liability of Seller under the terms of this Agreement or otherwise and will not be obligated to perform any obligations of Seller of any kind or manner, except: (1) in connection with those Digital Tower Lease obligations expressly assumed pursuant to Section 4.3(b) above, and (2) those obligations attributable to periods after Closing arising under the Contracts and with respect thereto only to the extent such obligations arise subsequent to the consummation of the Contemplated Transaction on the Closing Date. In this Agreement, "Damages" means all claims, demands, liabilities, obligations, actions, suits, proceedings, losses, damages (direct, indirect, consequential, exemplary and multiple, whether arising under law, equity, arbitration, and/or statute), costs, expenses, assessments, judgments, recoveries and deficiencies, including interest, penalties and reasonable attorneys' fees, of every

kind and description, contingent and otherwise. Seller hereby agrees to indemnify, defend and hold harmless Buyer and its successors and assigns, following the consummation of the purchase and sale transaction contemplated hereby on the Closing date, from and against any and all Damages resulting by, arising out of or resulting from the purchased Assets or the operation of the Stations prior to the Closing date, including, but not limited to, any and all claims, liabilities and obligations arising or required to be performed prior to the Closing date under any of the Contracts or otherwise with respect to Seller's ownership and operation of the Stations or the Contracts prior to the Closing Date. Any action to enforce rights under this Section 11.2(d) must be brought on or before the first anniversary of the Closing Date.

(e) **Indemnification by Buyer.** Buyer hereby agrees to indemnify, defend and hold harmless Seller and its successors and assigns, following the consummation of the purchase and sale transaction contemplated hereby on the Closing date, from and against any and all Damages resulting by, arising out of or resulting from (1) the purchased Assets or the operation of the Stations after to the Closing date, including, but not limited to, any and all claims, liabilities and obligations arising or required to be performed after to the Closing date under any of the Assumed Contracts or otherwise with respect to Seller's ownership and operation of the Stations or the Assumed Contracts prior to the Closing Date or (2) any claim against Seller for a commission or brokerage fee in connection with this Agreement or the transaction contemplated hereby as a result of any agreement, understanding or action by Buyer. Any action to enforce rights under this Section 11.2(e) must be brought on or before the first anniversary of the Closing Date.

ARTICLE XII
MISCELLANEOUS PROVISIONS

12.1. **WTBU Call Sign.** Buyer shall not broadcast or use for any purpose the call sign "WTBU" (or any variant thereof) to identify or promote the Stations at any time without the express written consent of Seller, which consent Seller may decline to give in its absolute discretion. Prior to the Closing Buyer shall request the FCC to assign the Stations a different call sign, such assignment to become effective on Closing.

12.2. **Termination of Joint Operating Agreement.** Seller is a party to a Joint Operating Agreement with Metropolitan Indianapolis Public Broadcasting, Inc., licensee of noncommercial educational television station WFYI-TV, Indianapolis. That Agreement terminates on July 28, 2004, and Seller agrees to use commercially reasonable efforts to effect a termination prior to said date.

12.3. **Analog Tower Site Change.** At such time, if ever, that Seller enters into an agreement to move its transmitter site from the current transmitter site for WTBU-TV, Seller will terminate the Analog Tower Lease with Buyer at no expense, or penalty, to Buyer.

12.4. **Risk of Loss.** The risk of any loss, damage or destruction to any of the Assets from fire or other force majeure shall be borne by Seller at all times prior to the Closing Date hereunder.

12.5. **Expenses.** Each party shall pay the cost of its own counsel and, except as otherwise provided herein, all other costs and expenses incurred in connection with this Agreement and the transactions contemplated herein will be paid by the party incurring such costs and expenses. Seller and Buyer shall share equally any sales or use taxes imposed upon the transactions contemplated herein.

12.6. **Notices.** All notices and other communications hereunder shall be in writing and shall be deemed given when delivered by hand or by facsimile transmission or mailed by registered or certified mail (return receipt requested), postage prepaid, or by a reputable overnight delivery service to the parties at the following addresses (or at such other address for a party as shall be specified by like notice);

(a) If to Buyer, to:

Indianapolis Community Television, Inc.
3901 Highway 121 South
Bedford, TX 76021
Fax: 817.571.7458
Attention: Mr. Marcus D. Lamb, President

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

Robert L. Olender, Esq.
Koerner & Olender
5801 Nicholson Lane
Suite 124
North Bethesda, MD 20852-5706
Fax No.: 301.468.3343

(b) If to Seller to:

Butler University
4600 Sunset Avenue
Indianapolis, IN 46208
Attn.: Mr. Bruce Arick Vice President-Finance
Fax No.: 317.940.9970

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

Henry A. Solomon, Esq.
Garvey Schubert Barer
1000 Potomac Street, N.W. Fifth Floor
Washington, DC 20007-3501
Fax No.: 202. 965.1729

12.7. **Assignment.** This Agreement and all of its terms shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. Provided that

such assignment does not limit, interfere with or delay the performance of any of the obligations Seller is required to perform under this Agreement, the enforceability of this Agreement with respect to all of the obligations and duties of Seller in this Agreement or the full and complete effectuation of the transactions contemplated in this Agreement, Seller may assign this Agreement and Seller's rights and obligations thereunder to any corporation, limited liability company, or other legal entity that it owns or controls without Buyer's consent. Buyer may assign this Agreement and Buyer's rights and obligations thereunder to any corporation, limited liability company, or other legal entity that it owns or controls without Seller's consent, or to any other assignee upon the prior written consent of Seller. The giving of consent hereunder shall not unreasonably be withheld.

12.8. **Governing Law.** This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Indiana (and not the laws pertaining to conflicts or choice of law).

12.9. **Counterparts.** This Agreement may be executed in several counterparts, all of which taken together shall constitute one and the same instrument, notwithstanding that each party may execute a different counterpart. This Agreement shall be effective and legally binding upon delivery of facsimile signatures.

12.10. **Entire Agreement; Amendments.** This Agreement, including the schedules hereto, embodies the entire agreement and understandings of the parties with respect to the subject matter hereof and supersedes all prior agreements and understandings between the parties. This Agreement may not be amended except in writing signed by each party.

12.11. **Time of the Essence.** The parties recognize that time is of the essence herein.

12.12. **Additional Covenants of Seller.** Between the date hereof and the Closing, except as otherwise expressly provided in this Agreement:

(a) Seller will use commercially reasonable efforts to preserve the business of the Stations and good relations with the counterparty having dealings with Seller with respect to the Assets.

(b) Following reasonable advance notification Seller will provide Buyer and its representatives reasonable access to the employees and the properties, titles, contracts, books, files, logs, records and affairs of the Stations and the Assets for examination, inspection, review and copying.

(c) Seller will use commercially reasonable efforts to procure and assist Buyer in the procurement of all approvals and consents required by the terms and/or conditions expressly stated in this Agreement.

(d) Seller will promptly upon learning of the same notify Buyer of any order to show cause, notice of violation, notice of apparent liability or of forfeiture or the filing or threat of filing of any complaint against one or both of the Stations or any of the Assets, occurring between the date hereof and the Closing Date, and respond to any action, order, notice or complaints, and implement procedures to ensure that the complaints or violations will not recur. Seller will also promptly notify Buyer of the occurrence of any of the foregoing.

(e) Seller shall conduct its broadcast operations in the ordinary course, consistent with past practice. Seller shall not enter into any agreements or arrangements containing any unusual or burdensome provisions which can reasonably be expected to materially adversely affect the ownership or operation of the Assets or the conduct of the Seller's broadcast operations.

(f) Seller will use commercially reasonable efforts to assist Buyer in transitioning to Buyer third party provided services and consents, including without limitation, consent of the tower lessor, utilities, and phone services.

(g) Seller will not take any action inconsistent with its obligations and the transactions set forth under this Agreement or which could hinder or delay the consummation of the transactions contemplated by this Agreement.

12.13. **Attorney's Fees.** Each party hereto agrees that in the event of any and all claims, grievances, demands, controversies, causes of action or disputes of any nature whatsoever, the prevailing party shall be entitled to recover from the losing party reasonable attorney's fees, expenses and costs.

12.14. **Entire Agreement.** This Agreement and the Escrow Agreement and all agreements, certificates and instruments delivered by the parties pursuant to the terms of this Agreement represent the entire understanding and agreement between the parties with respect to the subject matter hereof, supersede all prior negotiations and agreements between the parties, and can be amended, supplemented, waived or changed only by an amendment in writing which makes specific reference to this Agreement or the amendment, as the case may be, and which is signed by the party against whom enforcement of any such amendment, supplement, waiver or modification is sought.

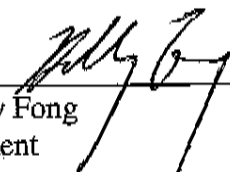
SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

IN WITNESS WHEREOF, Seller and Buyer have caused this Agreement to be signed as
of the date first above written.

SELLER:

BUTLER UNIVERSITY

By: _____


Bobby Fong
President

BUYER:

**INDIANAPOLIS COMMUNITY
TELEVISION, INC.**

By: _____

Marcus D. Lamb
President

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

IN WITNESS WHEREOF, Seller and Buyer have caused this Agreement to be signed as of the date first above written.

SELLER:

BUTLER UNIVERSITY


By: _____

Bobby Fong
President

BUYER:

**INDIANAPOLIS COMMUNITY
TELEVISION, INC.**

By: _____


Marcus D. Lamb
President

Schedule 1.1(a)
FCC Authorizations

WTBU(TV)	Fac. ID 7980	Channel 69*	Indianapolis, Indiana
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WTBU-DT			
BEPEDT	20040105ACH	Channel 44*	Indianapolis, Indiana

Schedule 1.1(b)
Tangible Personal Property

Transmitting:

1. Acrodyne TRU/1KAC (1992 vintage) with spare tube, IPA power supply
2. Acrodyne CTM20B exciter
3. Andrew ALP8L1-HSOC69 antenna
4. Andrew 4" heliax approx. 640 feet
5. Burk ARC-16 remote control with Auto Pilot for Windows software

Processing and EAS:

1. Grass Valley GVG 7510
2. EAS Codi
3. SAGE EAS Endec with companion receivers
4. WinMaster CG software
5. Telecast Viper II series
 - a. TX5122 3 each
 - b. RX5122 3 each
 - c. Frames 3 each dual power supply

Monitoring:

1. Harris ARX-H50 (8 each) DTV receivers
2. Ikegami TM-9 (8 each) 9" color monitors
3. Leader LV5152DA waveform monitor
4. Tektronix 1750A waveform monitor
5. Sony HR 16:9 color monitor
6. Belar TVM-101 aural modulation monitor
7. SA precision demodulator 6250
8. Wholer stereo monitors (4 each)
9. Wholer stereo monitor 4 input selectable

Microwave and two-way:

1. MRC Twinstream 13 GHz hot standby system (w/o antenna or transmission line)
2. RF Technology (HCR200D) 2 GHz system, Omnipole receive antenna, 600 feet 7/8 line
3. 2 way communication radio system 2 walkie talkie, 2 base transceivers. 450.8375 MHz

Audio:

1. Aphex Compellor
2. CBS Labs Volumx 4111 (not operational)