

PURCHASE AGREEMENT

BY AND BETWEEN

COMMUNICATION VENTURES, LTD., as Seller

AND

HOLDING OUT HOPE CHURCH D/B/A WLIX RADIO, as Purchaser

EFFECTIVE _____, 2010

Exhibit A: Assets

Exhibit B: Bill of Sale

PURCHASE AGREEMENT

AGREEMENT made and effective as of this ___ day of _____, 2010 by and between COMMUNICATION VENTURES, LTD., a corporation formed under the laws of the State of New York, with its office and principal place of business at 16 Monmouth Drive, East Northport, NY 11731, (“**Seller**”), and HOLDING OUT HOPE CHURCH D/B/A WLIX RADIO, a religious corporation formed under the laws of the State of New York, with its office and principal place of business at 660 Middle Country Road, Middle Island, New York 11953 (“**Purchaser**”).

RECITALS

A. Seller is the owner of three (3) translators and related equipment as more particularly described in Exhibit A attached (“**Assets**” as defined below), and wishes to sell the Assets to the Purchaser, upon the terms and conditions hereinafter set forth.

B. Purchaser is desirous of purchasing the Assets subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of terms and conditions hereinafter set forth and the mutual promises of the parties, it is mutually agreed as follows:

1 Assets

Seller hereby agrees to sell, and Purchaser hereby agrees to purchase, the Assets free and clear of any debts, mortgages or other liens or encumbrances subject to the terms and conditions, and for the purchase price, set forth in this Agreement.

2 Purchase Price

The purchase price is the sum of ONE HUNDRED FIFTY THOUSAND and 00/100 (\$150,000.00) DOLLARS to be paid upon execution of this Agreement in presently available funds by certified check or official bank check or cashier’s check payable to the order of the Seller.

3 Closing and Post-Closing Activities

- 3.1 Transfer of title to the Assets from Seller to Purchaser shall occur concurrently with the payment of the purchase price described in Section 2 above (“**Closing Date**”), subject to execution and exchange of appropriate resolutions of the parties’ respective Boards of Directors, in form and content acceptable to the parties and their respective legal counsel, approving all of the transactions contemplated by this Agreement.
- 3.2 On the Closing Date, Seller shall execute and deliver a Bill of Sale (Blumberg 187) to Purchaser substantially in the form attached as Exhibit B.
- 3.3 Upon and after the Closing Date, it shall be Purchaser’s responsibility to obtain and maintain all necessary and appropriate governmental licenses and approvals to own and operate the translators, including but not limited to those of the Federal Communications Commission (“FCC”).
- 3.4 All such licenses and approvals shall be obtained and maintained at Purchaser’s sole cost and expenses.
- 3.5 Seller shall use its commercially reasonable efforts, but at no additional cost to Seller, to cooperate with Purchaser in connection with such FCC and related governmental licenses and approvals.

4 Representations and Warranties

- 4.1 Each party represents and warrants to the other that the person executing this Agreement has been duly authorized by its respective Board of Directors to execute and deliver this Agreement on behalf of such entity.
- 4.2 Each party further represents and warrants to the other that each such entity has the corporate power and authority to execute, deliver and perform their respective obligations set forth in this Agreement.

4.3 Purchaser further represents and warrants to Seller that the following statements contained in this Section 4.3 are true, correct and complete as of the Closing Date and as of the effective date of this Agreement:

4.3.1 It has the funds necessary to complete this transaction in accordance with the terms of this Agreement;

4.3.2 Purchaser can and will comply with 47 C.F.R. Section 74.1232(d) which prohibits the common ownership of a commercial primary station and an FM translator station whose coverage contour extends beyond the protected contour of the commercial primary station being rebroadcast, and which restriction also applies to any person or entity having any interest in, or any connection with, the primary FM station.

4.3.3 Purchaser will not disclose to third parties any confidential information concerning Seller, the Assets, or any of them, disclosed or obtained in the course of investigating, negotiating and performing the transactions contemplated by this Agreement, except as such disclosure may be required by law or an order of a court of competent jurisdiction; and

4.3.4 The representations and warranties contained in this Section 4.3 do not contain any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements and information contained in this Agreement not misleading.

4.4 Seller represents and warrants to Purchaser that the following statements contained in this Section 4.4 are true, correct and complete as of the Closing Date and as of the date of this Agreement:

4.4.1 Seller has good and marketable title to the Assets, free and clear of all liens and encumbrances; and

4.4.2 The representations and warranties contained in this Section 4.4 do not contain any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements and information contained in this Agreement not misleading.

5 Other Legal Compliance Issues

- 5.1 It is understood and agreed that Purchaser, or the persons or entities acquiring ownership of the Assets on behalf of or through Purchaser at the Closing, must comply, at its or their sole cost and expense, with all FCC rules and regulations, now or hereafter in effect, including without limitation restrictions regarding concurrent ownership of translators and LPFM stations, and that Seller does not make any representations regarding such compliance or the ability to comply by Purchaser or the persons or entities acquiring ownership of the Assets on behalf of or through Purchaser.
- 5.2 Purchaser also will be responsible for paying any radio tower leases, any associated engineering expenses, and all other costs and fees involved with owning the Assets accruing or coming due for periods commencing on and after the Closing Date.
- 5.3 It is further understood that Pine Barrens Broadcasting, Inc. (“PBB”) is the entity presently operating the LPFM radio station (“WLIX-LP”) and that, while PBB is incorporated as a not-for-profit corporation in the state of Delaware and authorized to do business as a not-for-profit corporation in the state of New York, it has not applied for and is not approved as a tax-exempt entity under Section 501(c)(3), as a private foundation or otherwise.

6 Notices

- 6.1 Any notice, request or other document to be given hereunder to any party shall be in writing and sent by registered or certified mail, return receipt requested, postage prepaid, as follows:

- 6.1.1 If to Seller to:

Communication Ventures, Ltd.
Attn: President
16 Monmouth Drive
East Northport, NY 11731

with a copy to:

Borah, Goldstein, Altschuler, Nahins & Goidel, P.C.
Attn: Jeffrey L. Nogee, Esq.
377 Broadway
New York, NY 10013

6.1.2 If to Purchaser to:

Holding Out Hope Church d/b/a WLIX Radio
Attn: Richard Anderson
660 Middle Country Road
Middle Island, New York 11953

with a copy to:

Rudolph F. X. Migliore, Esq
Rudolph F.X. Migliore, P.C.
353 Veterans Memorial Highway
Commack, NY 11725

6.2 Either party may change its address for receiving notices by giving written notice of such change to the other party.

7 **Miscellaneous**

- 7.1 This Agreement shall not confer any rights or remedies upon any person or entity other than the Parties and the other signatories to this Agreement. Notwithstanding anything in this Agreement to the contrary, no shareholder of any Party or other signatory shall have individual or personal obligations or liability for indemnification to any Party hereto.
- 7.2 The Exhibits identified in this Agreement are incorporated herein by reference and made a part hereof.
- 7.3 The Parties agree to take any further action as necessary to carry out the purposes of this Agreement. Each of the Parties will take such further action (including the execution and delivery of such further instruments and documents after the closings) as any other Party reasonably may request, all at the sole cost and expense of the requesting person or entity.
- 7.4 This Agreement shall be governed by and construed in accordance with the Laws of the State of New York.

- 7.5 This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument. This Agreement shall not be binding upon any of the Parties unless and until it has been executed by and on behalf of both Parties.
- 7.6 This Agreement, the exhibits hereto, and the agreements, contracts and instruments, if any, delivered pursuant hereto contain the entire agreement between the parties and supersede all prior agreements, contracts and undertakings between the parties relating to the subject matter hereof.
- 7.7 This Agreement may not be modified, altered, amended or changed, except in writing and signed by the parties, their legal representative, successors or permitted assigns. This Agreement shall survive the execution and delivery of the Bill of Sale and shall be binding upon and enforceable against both Parties, their heirs, legal representatives, successors and permitted assigns.
- 7.8 This Agreement may not be assigned without the prior written consent of the Seller and any such unpermitted assignment shall be void. For purposes of this Paragraph 7.8, Seller shall not withhold its consent to the assignment by Purchaser of this Agreement to a corporation in which Purchaser owns the majority of voting shares and otherwise controls such corporation.
- 7.9 The gender and numbers used in this Agreement are used as a reference term only, and shall apply with the same effect whether the parties are of the masculine or feminine gender, corporate or other form, and the singular shall likewise include the plural or vice versa where necessary or appropriate.
- 7.10 The parties represent that NO BROKER brought about this transaction.
- 7.11 In the event of a default under this Agreement, the defaulting party shall reimburse the nondefaulting party for all costs and expenses reasonably incurred by the nondefaulting party in connection with the default, including without limitation attorney fees. Additionally, in the event a suit or action is filed to enforce this Agreement or with respect to this Agreement, the prevailing party shall be reimbursed by the other party for

all reasonable costs and expenses incurred in connection with the suit or action, including without limitation reasonable attorney fees at the trial level and on appeal.

7.12 All representations made in this Agreement shall survive the closings under this Agreement. Any party learning of a misrepresentation or breach of representation under this Agreement shall immediately give written notice thereof to the other party to this Agreement.

IN WITNESS WHEREOF, the parties have set their hands and seals as of the day and year first above written.

Seller: COMMUNICATION VENTURES, LTD.

by _____

Title _____

Purchaser: HOLDING OUT HOPE CHURCH d/b/a WLIX RADIO

by _____

Title _____

Exhibit A

Three translators (Hauppauge, Selden, Manorville) and related equipment

MANORVILLE SITE EQUIPMENT
W243BF SHIRLEY, NY

Transmitter- Bext Transmitter model # LEX-100
Receiver- Bext Receiver
Rack- Middle Atlantic rack vented front &
rear door model # ERK2120
Transmit Antenna- Bext transmit circular polarized
antenna model TFC2K
Receiving Antenna- Bext receiving antenna model LOG-R
Cable,connectors, grounds to Transmit Antenna-
7/8" Andrews Foam
Cable, connectors,grounds to Receiver-
1/2" Andrews Foam
EMR filter FM6354/SB-2

FM TRANSLATORS
W284AZ SELDEN, N.Y.
W235BB HAUPPAUGE, N.Y.

2 FM TRANSMITTERS 30 WATT EACH

2 FM TRANSMIT ANTENNNA SYSTEMS

O.M.B. MP2

2 RECEIVING FM ANTENNAS

SCALA

2 FM RECIEVERS TO PICK UP WLIX-LP

GENERIC BRAND

1 CABLE HELIAX 7/8"

ANDREWS CORP.

Field Work-

INSTALLATION OF EQUIPMENT ANTENNAS

SELDEN, N.Y. W284AZ

INSTALLATION OF EQUIPMENT ANTENNAS

HAUPPAUGE, N.Y. W235BB

Exhibit B

Bill of Sale

Bill of Sale

Know All Men by These Presents,

THAT COMMUNICATION VENTURES, LTD., a corporation formed under the laws of the State of New York, with its office and principal place of business at 16 Monmouth Drive, East Northport, NY 11731, ("**Seller**"),

for and in consideration of the sum of ONE HUNDRED FIFTY THOUSAND and 00/100 (\$150,000.00) DOLLARS, lawful money of the United States, in hand paid to Seller by HOLDING OUT HOPE CHURCH D/B/A WLIX RADIO, a religious corporation formed under the laws of the State of New York, with its office and principal place of business at 660 Middle Country Road, Middle Island, New York 11953 ("**Purchaser**"), the receipt whereof is hereby acknowledged, has bargained and sold, and by these presents does grant and convey to Purchaser the following equipment ("**Assets**"):

Three translators (Hauppauge, Selden, Manorville)
and related equipment as more particularly described
in Exhibit 1 attached.

TO HAVE AND TO HOLD the same, including the appurtenances thereof, unto the Purchaser, its successors and assigns forever, to its and their own proper use and benefit; and the Seller warrants title to the Assets to Purchaser, its successors and assigns to the extent represented and warranted in that certain contract of sale dated as of _____, 2010 between Seller and Purchaser ("**Agreement**").

In the case of any Assets which cannot be effectively or validly transferred or assigned by the Seller without the consent of another party, or in the case of certain contracts, the novation thereof, (i) the Seller will use its best efforts to obtain such consent or, if any be unobtainable, will use its best efforts to assure to the Purchaser the benefits thereof, and (ii) if and when such consents and novations are obtained, this instrument shall automatically be effective to assign and transfer such Assets.

Nothing in this instrument, expressed or implied, is intended or shall be construed to confer upon or give to any person, firm or corporation other than the Purchaser and its successors and assigns any remedy or claim under or by reason of this instrument or any term, covenant or condition hereof, and all of the terms, covenants, conditions, promises and agreements in this instrument contained shall be for the sole and exclusive benefit of the Purchaser and its successors and assigns.

Neither the making nor the acceptance of this instrument shall enlarge, restrict or otherwise modify the terms of the Agreement or constitute a waiver or release by the Seller or the Purchaser of any liabilities, duties or obligations imposed upon either of them by the terms of the Agreement, including, without limitation, the representations and warranties and other provisions which the Agreement provides shall survive the date hereof.

This instrument shall be governed by and enforced in accordance with the laws of the State of New York.

IN WITNESS WHEREOF, the Seller has caused this Bill of Sale to be duly executed as of the date first above written.

Seller: COMMUNICATION VENTURES, LTD.

by _____

Title _____

Accepted by Purchaser: HOLDING OUT HOPE CHURCH d/b/a WLIX RADIO

by _____

Title _____

Exhibit 1

Assets