

ASSET PURCHASE AGREEMENT

This Agreement has been made and entered into as of this 5th day of December, 1997, by and between RA-AD of Trenton, Inc. ("Seller"), and Partners for Christian Radio, Inc. ("Buyer").

WHEREAS, Seller is the owner and operator of WBDX-FM, located in Trenton, Georgia, a commercial FM broadcast Station serving the Chattanooga, Tennessee radio market on 102.7 mHz ("Station"); and

WHEREAS, Seller desires to sell or assign to Buyer the Station and all of the assets, licenses and authorizing orders of the FCC or Seller related thereto, and Buyer desires to purchase and receive an assignment of the same from Seller;

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

ARTICLE 1

DEFINITIONS

As used herein the following terms shall have the following meanings:

1.01 "Assumption Agreement" shall mean any Assumption Agreement by Buyer agreed to between Seller and Buyer.

1.02 "Certified", when used with reference to a list or document delivered or required to be delivered by a party hereto means (except as otherwise specified) certified as to accuracy and completeness by an officer of the certifying party.

1.03 "Closing" shall mean the consummation of the transactions contemplated by this Agreement.

1.04 "Closing Date" shall mean the date no later than ten (10) business days immediately following the date upon which there is an FCC Final order authorizing, without materially adverse conditions to either Buyer or Seller, the assignment of the FCC Licenses to Buyer.

1.05 "FCC" shall mean the Federal Communications Commission or its successors.

1.06 "FCC Licenses" shall mean the licenses and authorizing orders which are attached as Schedule 1.06 hereto.

1.07 "Final Order" shall mean an order which is no longer subject to reconsideration or review by any court or administrative body.

1.08 "Station" means commercial FM broadcast station, WBDX-FM licensed to Trenton, Georgia.

1.09 "Station Assets" means the property described in Section 2.01 hereto.

1.10 "Station Employees" means employees of Seller who enter the employ of Buyer on the Closing Date.

1.11 "Trade Agreement" shall have the meaning set forth in Section 2.08(b).

ARTICLE II

PURCHASE AND SALE OF STATION ASSETS

2.01 Transfer of Assets. On the terms and conditions here set forth, at the Closing, Seller shall sell, assign, transfer and convey to Buyer, and Buyer shall purchase and acquire from Seller,

all the assets (except as hereinafter expressly excluded), free and clear of all liens, charges, pledges, security interests, mortgages or other encumbrances of any nature whatsoever (except as hereinafter expressly permitted), now owned or hereafter acquired and used by Seller or useful in operating the Station, including without limitation the following:

(a) Personal Property. All tangible personal property, whether owned or leased, of Seller or affiliated ownership entities which is located or used in the operation of the Station, including all broadcasting and office equipment, furniture, furnishings, machinery, installations and fixtures currently used in or needed for such operation, including all replacements and additions thereto between the date of this Agreement and the Closing Date are all set forth in Schedule 2.01(a) hereto without exclusion. Any such equipment the title to which is not to be conveyed to Buyer is expressly reserved on Schedule 2.01(b) hereto.

(b) FCC Licenses. Except as set forth in Schedule 1.06, all FCC licenses necessary to operate the Station and associated facilities, copies of which are attached hereto as Schedule 1.06.

(c) Other Contracts. All other contracts and agreements which are (1) set forth on Schedule 2.01(c) hereto, or (2) consented to in writing by Buyer.

(d) FCC Reports. Copies of all reports required by the FCC to be maintained by the Seller relating to the operation of the Station, and all books of account, logs and records necessary or useful for the Buyer's operation of the Station.

(e) Financial Data. Omitted.

(f) Intangible Assets. Call letters WBDX.

(g) Real Property. Omitted.

2.02 Excluded Assets. The following are expressly excluded from the Station Assets to be purchased and sold:

- (a) Cash on hand as of the Closing Date;
- (b) The Accounts Receivable; and
- (c) Minute books and corporate records of Seller, along with the original copy

of Seller's general ledger.

2.03 No Assumption of Liabilities. Buyer shall assume no liabilities or obligation of Seller, including, without limitation, accounts payable, debts, liabilities and other obligations, whether pursuant to a contract or otherwise, except for those liabilities and obligations that are expressly to be assumed purchased to Section 2.01 or described on Schedule 2.03 hereto, which liabilities and obligations shall be assumed pursuant to the Assumption Agreement. Seller shall cause all liabilities and obligations to be assumed by Buyer to be brought current at Closing by Seller.

2.04 Purchase Price, Terms of Payment, Security. The purchase price (the "Purchase Price"), as the same may be adjusted pursuant to this Agreement, to be paid by Buyer to Seller shall be One Million One Hundred Eighty-Nine Thousand Three Hundred Ninety-Four Dollars and 61/100ths (\$1,189,394.61) paid as follows:

(a) Promissory Note. Buyer shall deliver its promissory note (the "Note") for the Purchase Price, with interest on the unpaid principal balance thereof at the rate of six and 89/100ths percent (6.89%) per annum until the Note shall have been paid in full, substantially in the form of Schedule 2.04(a) hereto. The Note shall provide for combined payments of principal and interest in the amount of Twelve Thousand Six Hundred Seventy-Eight Dollars (\$12,678.00) each month for

thirty-six (36) consecutive months, the first payment of which shall be due and payable at Closing; followed by forty-eight (48) equal monthly installments of principal and interest in the amount of Eleven Thousand Five Hundred Seventy-Six Dollars (\$11,576.00) each for the ensuing forty-eight (48) months. On the first (1st) day of the eighty-fifth (85th) month following Closing, the outstanding principal balance of Six Hundred Ten Thousand Nineteen and 50/100ths Dollars (\$610,019.50) and all accrued and unpaid interest thereon in the amount of Three Thousand Five Hundred Two Dollars and 50/100ths (\$3,502.50) shall become due and payable in full, which amount shall be subject to the adjustments and credits set forth in Paragraph 2.08.

(b) Security. To secure payment of the Note, Buyer shall execute and deliver to Seller at Closing a security agreement in substantially the form of Schedule 2.04(b) hereto.

(c) Escrow Fund. On the Closing Date, Seller, Buyer, Robert S. Stone and Sheridan Randolph (Robert S. Stone and Sheridan Randolph collectively the "Joint Escrow Agents") shall enter into an escrow agreement (the "Escrow Agreement") in substantially the form attached hereto as Schedule 2.04(c) hereto. Buyer shall deliver to Joint Escrow Agents simultaneously with the execution of the Escrow Agreement the sum of Fifty Thousand Dollars (\$50,000.00). Upon receipt thereof, Joint Escrow Agents shall immediately deposit said sum in an interest-bearing account established for the purpose of the Escrow Agreement, said sum together with all interest earned thereon constituting the "Escrow Fund". Subject to the provisions herein and the terms and conditions of the Escrow Agreement, all accrued interest shall be paid to Buyer. The Escrow Agreement shall provide that Joint Escrow Agents shall pay over to Seller from the Escrow Fund any and all amounts due Seller under the Note upon Buyer's failure to timely make payments required thereby. On or before January 1 of each year during which any amount remains due on the

Note, Buyer shall deposit with Joint Escrow Agents funds necessary to restore the Escrow Fund to the sum of Fifty Thousand Dollars (\$50,000.00) until all payments due Seller under the Note shall have been made by Buyer.

2.05 Tower Site Option. For a period of seven (7) years from and after Closing Date (the "Option Term"), and while Buyer is not in default under the terms of the Note or the terms of this Agreement, Seller shall lease to Buyer Seller's land and antenna tower structure located on Lookout Mountain where Station's transmitter and antenna are presently located (the "Transmitter Site"). During the Option Term, Buyer shall pay rent to Seller in the amount of Nine Hundred Twenty-Four Dollars (\$924.00) per month, and Buyer shall be given the option to purchase the Transmitter Site for the purchase price of Ninety-Two Thousand Four Hundred Dollars (\$92,400.00), to be paid in cash at the time of closing on the tower site. In the event the said option is exercised prior to the eighty-third (83rd) month after closing on the Station's purchase, then the purchase price shall be increased by the amount of rent which would otherwise have been paid from the date of closing until the expiration of the seven (7) year Option Term, which amount shall also be paid in cash at closing. Buyer shall be solely responsible for the cost of utilities consumed by Buyer at the Transmitter Site and shall indemnify Seller against any loss or damage suffered by Seller based upon Buyer's operation of Station from the Transmitter Site. Buyer's option is also conditioned upon Buyer's performance under the terms of this Agreement and the Note. Should Buyer fail or refuse to exercise the above option by the end of the Option Term, the parties commit to negotiate in good faith for Buyer to lease the Transmitter Site at the then-existing going rate for comparable usage. The tower

site option granted herein shall terminate immediately upon any event of default as defined in the Note or any security agreement delivered by Buyer pursuant to this Agreement.

2.06 Closing. The Closing shall take place at the offices of _____ on the Closing Date no later than twelve (12) months from the date of this Agreement ("Termination Date").

2.07 Closing Deliveries. At the Closing, deliveries shall be made as follows:

- (a) Buyer shall deliver to Seller the Purchase Price, as set forth in Section 2.04;
- (b) Seller, at Seller's cost and expense, shall execute and cause to be delivered all deeds, instruments of transfer and instruments of further assurances requisite to vest ownership of the Station Assets in Buyer in accordance with the provisions hereof. The cost of any state or local sales, transfer, use or excise taxes arising from the sale and transfer by Seller to Buyer of the Station Assets shall be shared equally by Seller and Buyer; and
- (c) Seller shall at its expense deliver to Buyer and shall execute the Assumption Agreement and such other instruments as may be requisite (i) to transfer to Buyer all of Seller's right, title, interest and benefits arising under or pursuant to each of the contracts Buyer has agreed herein to assume; and (ii) to evidence Buyer's assumption of all obligations and burdens accruing under such contracts from and after the Closing Date. Seller shall also deliver to Buyer such consents of third parties as may, in the reasonable judgment of Buyer's counsel, be required to give effect to the transfer of such contracts and the consummation of the transaction contemplated by this Agreement.

2.08 Closing Date Adjustments.

- (a) General Adjustments. The income and expenses attributable to the operation of the Station up to 12:01 a.m. on the Closing Date (the "Adjustment Time") shall, except as

otherwise expressly provided in this Agreement, be for the account of Seller and thereafter shall be for the account of Buyer. Income and expenses such as power and utility charges, lease rents, prepaid agreements, wages, commissions, payroll and property taxes, vacation pay and other fringe benefits of employees of Seller who enter the employment of Buyer, and similar prepaid and deferred items shall be prorated between Seller and Buyer as of the Adjustment Time. Payments made by Buyer to Seller from December 1, 1996 through the Closing Date for interest expense reimbursement under the Time Brokerage Agreement set forth below shall be credited to Buyer at Closing as part of the reconciliation of charges and expenses due Seller pursuant to the Time Brokerage Agreement as of the Closing Date. Revenues, expenses, taxes, costs and liabilities earned or incurred in connection with particular programs and announcements, shall be allocated to the time of performance of such programs and announcements without regard to the date of payment therefor. If any taxes are not known at the Closing Date, they shall be prorated as of the Adjustment Time on the basis of taxes assessed for the preceding year, with a reapportionment as soon as the net tax rate and valuation can be ascertained; and, if the taxes which are to be apportioned shall thereafter be reduced by abatement, the amount of such abatement, less than reasonable cost of obtaining the same, shall also be apportioned between Buyer and Seller, provided that no party shall be obligated to institute proceedings for an abatement. All other prorations shall, to the extent feasible, be determined and set forth in a writing executed by the parties hereto and paid on the Closing Date, with a final settlement thereof to be made within 90 days after the Closing Date. The foregoing notwithstanding, the parties recognize that from and after December 5, 1996, Station has been programmed by Buyer pursuant to the terms of an Addendum to that certain Time Brokerage Agreement between the parties dated January 25, 1995. Pursuant to said December 5, 1996

Addendum, monthly payments in the amount of Twelve Thousand Five Hundred (\$12,500.00) made by Buyer to Seller thereunder from December 5, 1996 through the Closing Date shall be credited against the final payment from Buyer to Seller on the first day of the eighty-fifth (85th) month following the Closing Date as set forth in Section 2.04(a) above.

In the event this Agreement is not consummated, the above monthly payments in the amount of Twelve Thousand Five Hundred Dollars (\$12,500.00) shall continue to be paid unabated by Buyer to Seller pursuant to the terms of the Time Brokerage Agreement and Addendum.

(b) Trade Agreements. At Closing there shall exist no obligation on Station to air announcements or programming under trade or other agreements executed by Seller pre-Closing.

(c) Accounts Receivable. Seller shall keep and collect its own accounts receivable. Buyer shall not function as collection agent for Seller.

ARTICLE III

SELLER'S REPRESENTATIONS AND WARRANTIES

Seller represents and warrants to Buyer as follows:

3.01 Organization and Standing. Seller is duly organized, validly existing and in good standing under the laws of the State of Tennessee, and has full power and authority (i) to carry on its business and to own and lease its assets as and where such business is now being conducted and such assets are now owned and leased and (ii) to execute, perform and carry out its respective obligations under this Agreement according to its terms.

3.02 Authorization. This Agreement, and the execution and delivery hereof by Seller has been duly authorized and approved on behalf of Seller as required by applicable law or otherwise. The sale, conveyance, transfer and assignment of the Station Assets to Buyer as herein provided have

been duly authorized and approved on behalf of the Seller by its governing body and as required by the Seller's charter, applicable law or otherwise. This Agreement is the valid and binding obligation of Seller enforceable against Seller in accordance with its terms.

3.03 Station Assets. Seller has and on the Closing Date, subject to the Assumption Agreement, will transfer to Buyer good and marketable title, free and clear of any mortgage, claim, lien, charge security interest or other encumbrances, to the Station Assets. Except for the Transmitter Site, which is to be retained by Seller, the Station Assets comprise all facilities and assets necessary to the operation of the Station.

3.04 FCC and Other Authorizations. Except as set forth in Schedule 1.06, Seller is the holder of the FCC Licenses, which are the only FCC authorizations used by Seller in connection with or necessary for the operation of the Station, and there is no action or proceeding, pending or threatened, before the FCC or otherwise, for the cancellation or modification of any of the FCC Licenses, all of which are unimpaired by any act or omission of Seller or any of its employees or agents. Seller possesses all permits, certificates, licenses, approvals and other authorizations from all governmental agencies necessary to carry on the business of the Station and to own and operate the Station Assets at the places and in the manner in which the business of the Station is now being, or authorized to be, conducted.

3.05 Contracts. Neither the execution and delivery of this Agreement nor the performance hereof shall constitute a default under or breach of any contract, lease or other commitment or restriction of any kind to which Seller is bound.

3.06 Judgments and Litigation. No judgment has been entered and no litigation, proceeding or dispute is pending or threatened which materially adversely affects the title or interest

of Seller in or to the Station and Station Assets, or its power or right to sell, convey, transfer or assign the same to Buyer as herein provided, or which could prevent or materially adversely affect the operation and use of the same by Buyer. Schedule 3.06 attached hereto describes all litigation, bankruptcy proceedings and governmental investigations, pending or threatened, pertaining to the Station or the Station Assets.

3.07 Employees; Labor Matters. Seller is not a party to any collective bargaining agreement affecting the Station and no minority representation questions exist with respect to the persons employed by the Station and none is threatened. Seller has not experienced any work stoppage or labor dispute with respect to the Station.

3.08 Equal Employment Opportunity. An adequate equal employment opportunity program is in effect at the Station except as set forth in Schedule 3.08 and Seller believes the Station complies in all material respects with all applicable statutes, rules and regulations pertaining to equal employment opportunity including without limitation those of the FCC.

3.09 Financial Statements. Deleted.

3.10 Call Letters, Trademarks and Tradenames. Seller owns or otherwise has the full and exclusive right to use all, and no claims have been asserted or threatened by any person concerning the use by Seller of any call letters, trademarks, tradenames, slogans, emblems and logos to be transferred to Buyer hereunder.

3.11 Other Agreements. No person, organization or party, other than the Buyer, has any options or contracts which could enable it to purchase or otherwise acquire the Station or the Station's Assets, in whole or in part.

3.12 No Untrue Statements or Omissions. The representations and warranties set forth above contain no untrue statement(s) and do not fail to state any fact necessary to prevent the statements made, in light of the circumstances under which they were made, from being misleading.

3.13 Environmental Matters. During Seller's ownership or lease of real property utilized in the operation of the Station (the "Real Property"), no toxic materials, hazardous waste or hazardous substances, including (i) any asbestos or asbestos-related products, (ii) any oils or petroleum-derived compounds (other than such products as are normally and customarily used in connection with the operation of motor vehicles or machinery used in the regular operation of the Station), (iii) pesticides (other than such products as have been lawfully purchased from ordinary commercial outlets without special license or permit, and applied by Seller in connection with its control of rodents, insects and other pests in the ordinary course of business of the Station), and (iv) polychlorinated biphenyls (hereinafter collectively referred to as "Hazardous Materials"), have been or are located on or about the said Real Property, or any portion thereof, from any person, government, or entity, has been filed against or issued to Seller that has not heretofore been resolved, and (iii) Seller has complied with all Federal, state and local environmental laws and regulations affecting the said Real Property.

ARTICLE IV

COVENANTS OF SELLER

4.01 Affirmative Covenants. From the date hereof until the Closing Date, Seller shall:

(a) Afford Buyer and its representatives the opportunity at all reasonable times, following reasonable notice, to inspect the operation of the Station, to meet with the Station management personnel, to be notified of any change in methods or policies by or pursuant to which

the Station is operated and to list and itemize its equipment and personal property and determine the condition of the assets of Seller and the Station Assets; keep its books and records pertaining to the Station and all contracts, licenses and leases relating to the Station at the Station's office; and, at all reasonable times, following reasonable notice, permit Buyer's representatives to inspect such records and documents.

(b) Comply with all of its material contractual undertakings, perform all of its material duties and obligations under all contracts to which it is bound and otherwise cooperate to make available to Buyer, by assignment at Closing, the rights of Seller under such contracts as Buyer shall wish to assume hereunder or pursuant to the Assumption Agreement, it being understood, however, that Buyer shall not be obligated to assume any contractual obligations of Seller other than Seller's obligations under the contracts which Buyer has agreed herein to assume hereunder or pursuant to the Assumption Agreement (Seller has listed in Schedule 4.01(b) all consents necessary to Buyer's use and enjoyment of the contracts being assumed by Buyer hereunder);

(c) Maintain in full force and effect and in good standing the FCC Licenses and comply with all requirements of the FCC and other agencies having jurisdiction over Seller or the Station or Station Assets;

(d) Maintain insurance coverage in force with respect to the Station at least equivalent to that currently in effect, all such policies are attached as Schedule 4.01(d) hereto;

(e) Fully maintain and keep in good condition or repair in all material respects every part of all tangible property in use at the transmitter site and included in the Station Assets;

(f) Fully and actively cooperate with Buyer in proceedings instituted to obtain the approval of the FCC to this transaction;

(g) Otherwise generally conduct its business in the ordinary course consistent with past practices; and

(h) Use its best efforts to ensure that the conditions set forth in Article VI hereof are satisfied.

4.02 Negative Covenants. From the date hereof until the Closing Date, Seller shall not without obtaining the prior written consent of Buyer:

(a) Sell, assign, lease or otherwise transfer or dispose of any property or equipment included in the Station Assets outside of the ordinary course of business and consistent with past practice, unless property or equipment of equivalent value and utility is substituted therefor;

(b) Acquire any additional equipment or property having an aggregate cost in excess of \$5,000 or acquire any additional program rights or enter into any contract(s) therefor having an aggregate cost in excess of \$500;

(c) Enter into any contracts for the sale of time or services by the Station which require airing on Station post-Closing; or

(d) Enter into any other contracts or agreements other than in the ordinary course of business and consistent with past practice, or increase the ordinary compensation payable or to become payable to any employee or agent, except in the ordinary course of business and consistent with past practice or make any amendment or changes to existing contracts or agreements other than in the ordinary course consistent with past practice.

4.03 Post-Closing Assistance. After the Closing, Seller shall afford Buyer and its representatives reasonable access to Seller's financial records and accounting personnel and shall render Buyer such assistance as may be reasonably required upon a showing of need by Buyer.

ARTICLE V

BUYER'S COVENANTS, REPRESENTATIONS AND WARRANTIES

Buyer covenants, represents and warrants with and to Seller as follows:

5.01 Buyer is a corporation duly organized, and validly existing, and at Closing will be in good standing under the laws of the State of Tennessee, with full corporate power and authority (i) to carry on its respective businesses and own and lease their respective assets as and where such businesses are now being conducted and such assets are now owned and leased and (ii) to execute, perform and carry out its respective obligations under this Agreement according to its terms.

5.02 Authorization. The execution and delivery of this Agreement and the Documents by Buyer and the acceptance by Buyer of the sale, conveyance, transfer and assignment of the Station Assets to Buyer as herein provided, will be duly authorized and approved on behalf of Buyer as required by Buyer's Certificate of Incorporation and By-Laws and by applicable law or otherwise. This Agreement and the Notes and the Assumption Agreement will upon consummation of the Closing be, valid and binding obligations of Buyer enforceable against Buyer in accordance with their respective terms. The provisions of this Agreement will upon consummation of the Closing be valid and binding obligations of Buyer, enforceable in accordance with their respective terms.

5.03 Satisfaction of Conditions. Buyer shall use its best efforts to insure that the conditions set forth in Article VII hereof are satisfied.

ARTICLE VI

CONDITIONS PRECEDENT TO BUYER'S OBLIGATIONS

The obligation of Buyer to consummate the transactions contemplated hereby shall be subject to the following conditions precedent:

6.01 Representations and Warranties. All of Seller's representations and warranties set forth herein shall, at the time of Closing, be substantially true and accurate as if made on and as of the Closing Date or unless another date is set forth in a particular representation or warranty.

6.02 Performance. Seller shall have performed and complied in all material respects with all agreements, obligations, covenants and conditions required by this Agreement to be performed or complied with it on or prior to the Closing Date.

6.03 FCC Licenses.

(a) Seller shall hold regular licenses from the FCC authorizing it to operate the Station on the same frequency as under, and at no less power and with no shorter terms than those provided in, the FCC Licenses and there will not otherwise have been any material adverse change, actual or threatened, in the terms of such licenses or the operations authorized thereunder;

(b) Seller will endeavor to be operating the Station in accordance with the engineering specification and otherwise substantially in accordance with the terms of the licenses then in effect; and

(c) The FCC shall not have instituted any proceeding or otherwise taken action which could result in any such adverse change.

(d) Seller's Board of Directors shall have approved this Agreement.

6.04 Consents and Approvals. Each person, firm or corporation, the consent or approval of which is required to permit the sale, conveyance, transfer and assignment of the Station Assets or any material part hereof shall have duly consented to or approved such sale, conveyance, transfer and assignment.

6.05 Certificates. Seller shall have furnished Buyer with such certificates of its officers, or governmental authorities or of others to evidence compliance with the conditions set forth in this Article VI as may be reasonably requested by Buyer.

ARTICLE VII

CONDITIONS PRECEDENT TO SELLER'S OBLIGATIONS

The obligations of Seller to consummate the transactions contemplated hereby shall be subject to the following conditions precedent:

7.01 Representations and Warranties. All of Buyer's representations and warranties set forth herein shall, at the time of Closing, be true and accurate in all material respects as if made on and as of the Closing Date.

7.02 Performance. Buyer shall have performed and complied in all material respects with all agreements, obligations, covenants and conditions required by this Agreement to be performed or complied with on or prior to the Closing Date.

7.03 Assignment of FCC Licenses. The FCC shall have authorized the assignment of the FCC Licenses to Buyer, such authorization shall not be subject to any conditions that are materially adverse to Seller and such authorization shall have become a Final Order, unless Buyer shall elect to close earlier following issuance of FCC authorization.

7.04 Certificates. Buyer shall have furnished Seller with such certificate of the respective officers of Buyer or certificates of governmental authorities or of others to evidence compliance with the conditions set forth in this Article VII as may be reasonably requested by Seller.

ARTICLE VIII

MISCELLANEOUS

8.01 Opportunity to Cure. If, as of the time the Closing otherwise would have occurred, there is any mortgage, claim, lien, charge, security interest or other encumbrance on any of the Station Assets of the kind precluded herein, then Seller shall have a period of 15 days within which to cure the defect(s) in title, whereupon the Closing shall occur five (5) business days thereafter. If said defect(s) is or are not cured within the 15 day period, then, at the option and written notice from Buyer this Agreement shall terminate, or at Buyer's election Closing shall occur and Buyer shall satisfy the encumbrance or charge, deducting the amount from the payments next coming due on the purchase price.

8.02 Risk of Loss. Seller shall bear the risk of loss as to all tangible property included in the Station Assets until the Closing Date. In the event that material damage or loss to any such property exists on the Closing Date, Buyer, at its option, may (x) proceed to close, accept responsibility for repair and accept an assignment of all insurance proceeds applicable to such loss, or (y) defer the Closing to a date set forth in a writing delivered to Seller which date shall be not more than 30 days after the previously scheduled Closing Date by which such loss shall be restored or replaced to Buyer's reasonable satisfaction.

8.03 Applications for Commission Consent. Within ten business days of this Agreement's execution, following approval by Buyer's Board of Directors, Seller and Buyer will join in application to be filed with the FCC seeking assignment and transfer of all Licenses (and any extensions or renewals thereof) from Seller to Buyer. Seller and Buyer will diligently take, or cooperate in the taking of, all steps that are necessary, proper or desirable to expedite the preparation of such applications and their prosecution to a favorable conclusion. Seller shall after the Closing Date file with the FCC (or furnish to Buyer for the filing with the FCC) all information required by the FCC relating to the operation of the Station prior to the Closing Date.

8.04 Certain Program Contracts. Deleted.

8.05 Indemnification by Buyer. Subject to the provisions of this Agreement, Buyer agrees to indemnify and defend and hold Seller harmless from and against all liability, loss, damage or injury, together with all reasonable costs and expenses relating thereof, including reasonable legal and accounting fees and expenses, arising out of (i) any breach of any representation, warranty or covenant of Buyer set forth herein (whether due to commission, omission or otherwise), or (ii) any contracts Buyer had agreed to assume herein or pursuant to the Assumption Agreement (but only beginning with the date Buyer actually assumes such contracts).

8.06 Indemnification by Seller. Subject to the provisions of this Agreement, Seller agrees to indemnify and defend and hold Buyer harmless from and against all liability, loss, damage or injury, together with all reasonable costs and expenses relating thereof, including reasonable legal and accounting fees and expenses (collectively, "Indemnifiable Costs"), arising out of (i) any breach by Seller of any representation, warranty or covenant of Seller set forth herein (whether due to commission, omission or otherwise), or (ii) any contracts which Buyer does not assume pursuant to

the terms of this Agreement or pursuant to the Assumption Agreement, or (iii) any other obligations or liability of Seller, whether with respect to the Station or otherwise, not expressly assumed by Buyer hereunder or pursuant to the Assumption Agreement.

8.07 Survival. The obligations to indemnify hereunder and the agreements, covenants, representations and warranties made herein shall survive the Closing and any dissolution, liquidation, merger or consolidation of Buyer, on the one hand, or Seller, on the other hand, and shall bind the successors and assigns of Buyer and Seller. Notwithstanding the foregoing, the obligations to indemnify hereunder and the agreements, covenants, representations and warranties made herein, shall expire on the second anniversary of the date of this Agreement, provided however, that any obligation set forth herein shall survive in accordance with its express terms.

8.08 Defense. If any action, suit or proceeding shall be commenced against, or any claim or demand be asserted against, a party to this Agreement in respect of which that party proposed to demand indemnification hereunder, notification shall be given to that effect to the indemnifying party, who shall assume the entire control of, subject to the right of the notifying party to participate (at its expense and with counsel of its choice) in the defense thereof.

8.09 Broker. Each of Buyer, on the one hand, and Seller, on the other hand, agrees to indemnify the other against any claim by any third person for any commission, brokerage or finder's fee or other payment with respect to this Agreement, or the transactions contemplated hereby, based on any alleged agreement or understanding between such party and such third person, whether express or implied from the actions of such party.

8.10 Expenses. Whether or not the transactions provided for herein are consummated, each party's expenses incurred in connection with the preparation and performance of this Agreement and the transactions contemplated hereby shall be paid for by that party.

8.11 Amendment. This Agreement may be amended only by a writing signed by all parties hereto.

8.12 Notices. Any notice given hereunder shall be in writing and shall be deemed duly given if sent by registered or certified mail, return receipt requested, and with adequate postage prepaid, within three days after such mailing; if hand delivered, when so delivered, or if transmitted by telegram or telecopy, when received, to the parties hereto at the addresses set forth below their respective names:

Seller:

RA-AD of Trenton, Inc.
c/o Herbert Adcox
Adcox Chevrolet Co.
5721 Lee Highway
Chattanooga, TN 37421

With a copy to:

Douglas Fisher
CRI
5959 Shallowford Rd., Suite 309
Chattanooga, TN 37421

And to:

Robert S. Stone, Esq.
McCampbell & Young, P.C.
PO Box 550
Knoxville, TN 37901-0550

Buyer:

Bob Lubell, President
Partners for Christian Radio, Inc.
2288 Gunbarrel Road, Suite 111
Chattanooga, TN 37421

With a copy to:

Jim Gammon, Esq.
Gammon and Grange, P.C.
7th Floor, 8280 Greensboro Dr.
McLean, VA 22102-3807

8.13 Assignment. This Agreement shall be binding upon and inure to the benefit of Buyer, Seller and their respective successors and assigns.

8.14 Merger. All other understandings and agreements heretofore made between the parties hereto are merged into this Agreement and the Documents which together fully and completely express the agreement of the parties.

8.15 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original and all of which taken together shall be but a single instrument.

8.16 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of Tennessee (without regard to its conflict of laws doctrine), except as they may be preempted by federal statute or the rules and regulations of the FCC.

8.17 Severability. Nothing contained in this Agreement shall be construed so as to require the commission of any act contrary to law, and wherever there is any conflict between any provision of this Agreement and any applicable statute, law, ordinance, order or regulation, such statute, law, ordinance, order or regulation shall prevail; provided, however, that in such an event the provision of this Agreement so affected shall be curtailed and limited only to the extent necessary to permit compliance with the minimum legal requirement and no other provision of this Agreement shall be affected hereby and all such other provisions shall continue in full force and effect.

8.18 Headings. The descriptive headings of the several sections and paragraphs of this Agreement are inserted for convenience only and do not constitute a part of this Agreement.

8.19 Documents. Each party hereto agrees to execute and, if necessary, to file with the appropriate governmental entities, such documents as may be reasonably necessary in order to carry out the purposes of this Agreement.

8.20 No Waiver. The failure of any party to insist upon strict performance of any obligation hereunder shall not constitute a waiver of such party's right to demand strict compliance therewith in the future.

8.21 Termination. The transactions contemplated herein may be terminated at any time prior to the Closing Date or the Termination Date by mutual consent in writing of the parties hereto.

8.22 No Third Party Beneficiary. Nothing in this Agreement, express or implied, is intended to confer on any person other than the parties hereto or their respective successors and assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

8.23 FCC Consent. In the event the FCC has not issued its consent to the contemplated assignment of the Station license to the Buyer within one year from this date but has instead ordered a hearing to be held, either party may rescind and terminate this Agreement.

8.24 Assignment Fees. Buyer and Seller shall equally share any and all FCC fees attributable to the Station as contemplated hereunder.

8.25 Specific Performance. Because the parties recognize the unique nature of the subject matter of this contract, Buyer shall have the right to have this contract specifically performed in the event of Seller's breach. Upon Buyer's breach, Seller shall be entitled to Twenty Five Thousand Dollars (\$25,000) as liquidated damages.

8.26 No Right of Reverter. Upon closing of the instant transaction, Seller will have no rights of reversion or license reassignment, and no reservation of time on Station for any period whatsoever.

8.27 Termination of Time Brokerage Agreement. Buyer commits to timely pay the Time Brokerage Agreement and to be current on all such payments at the date of Closing. By the execution of this Agreement, the parties mutually consent to terminate the Time Brokerage Agreement of January 25, 1995, at Closing. Any and all claims that the parties may have against each other, including any claims for early cancellation damages, are hereby waived.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above.

SELLER:

RA-AD OF TRENTON, INC.

By: Richard B. Adams
President

BUYER:

PARTNERS FOR CHRISTIAN RADIO, INC.

By: [Signature]
President