

# **NON-COMPETITION AND CONSULTANCY AGREEMENT**

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## NON-COMPETITION AND CONSULTANCY AGREEMENT

NON-COMPETITION AND CONSULTANCY AGREEMENT is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2003 by and between ROBERT B. GRAMMENS, a resident of Wyoming (hereafter the "Consultant"); and LOVCOM, INC., a Wyoming corporation (hereafter the "Buyer").

### W I T N E S S E T H

WHEREAS, pursuant to an Asset Purchase Agreement dated May \_\_\_\_, 2003 (the "Agreement") between KWYO AM, LLC ("Seller") and Buyer, Seller has agreed to sell to Buyer, and Buyer has agreed to purchase from Seller the Assets of radio station KWYO(AM), Sheridan, Wyoming (the "Station");

WHEREAS, this Non-Competition and Consultancy Agreement is being executed pursuant to Section 5 of the Agreement;

WHEREAS; the Consultant is a principal of Seller, has been involved in and has knowledge of the operations of the Station and the Station's market, and the Buyer is desirous of obtaining the benefits of and the Consultant is willing to enter into and bind himself under this Non-Competition and Consultancy Agreement;

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

1. Non-Competition with Buyer. Consultant agrees that for a period of four (4) years from the date of this Non-Competition and Consultancy Agreement, Consultant shall not, either on his own account or on behalf of or in association with any other person or entity, directly or indirectly, as an employee, owner, investor, stockholder, partner, joint venturer, agent, consultant, or representative, establish, engage in or become interested in any radio broadcast enterprise licensed by the Federal Communications Commission to communities in the Wyoming counties of Sheridan, Johnson and Campbell, other than an enterprise owned by or controlled by the Buyer.

2. Consultancy with Buyer. Consultant agrees that for a period of four (4) years from the date of this Non-Competition and Consultancy Agreement to assist the Buyer in the operation of the Station, upon reasonable notice to the Consultant and consistent with Consultant's prior commitments, by providing telephone and in person consultation regarding the operation of Station or the market in which it is located up to an aggregate time commitment of twenty-four (24) hours per year. Any unused time in any year shall not be carried over to the following year. Buyer will reimburse Consultant for any out-of-pocket expenses incurred at the request of the Buyer in performing his duties under this Consultancy Agreement.

3. Payments to Consultant. In consideration of the performance of the duties and obligations of the Consultant to the Buyer, the Consultant will be paid FORTY FIVE THOUSAND DOLLARS (\$45,000.00) in forty-eight (48) equal monthly payments of \$937.50, with the first such payment to be due on the date one (1) month after the date of this Non-Competition and Consultancy Agreement and each such subsequent payment due and payable a date one (1) month subsequent to the due date of the prior payment until forty-eight (48) such payments have been made.

(a) In the event that a payment is delivered to Consultant after the date it is due, Buyer shall remit as a late fee for such payment the amount of \$25.00 for each day past the due date that the payment is delivered. If Buyer shall fail to pay when due any of the payments due under this Section 3, or any portion of such payments, and a time period of ten (10) business days elapses after notice to the Buyer of such failure, the Buyer under this Non-Competition and Consultancy Agreement may declare a default, and the total amount remaining to be paid shall be due and payable without regard to the payment schedule described above, and Buyer shall pay Consultant interest on the total unpaid amount under this Non-Competition and Consultancy Agreement at the rate of eighteen percent (18%) per annum, computed on a daily basis, until such time as the total remaining amount, with all accrued interest, is paid.

(b) In the event that Consultant does not declare a default as a result of a late payment whether or not notice is delivered to Buyer, Buyer will nonetheless owe to Consultant the late fee of \$25.00 for each day that payment is late or insufficient, with such amounts to accrue and be owed and payable with interest should a default be subsequently declared by the Consultant.

4. Enforcement. This Non-Competition and Consultancy Agreement shall be enforceable by either party by restraining order, injunction or specific performance without being required to prove actual damages or post a bond or furnish other security and such enforcement shall be cumulative and in addition to any other remedy available.

5. Attorney's Fees and Costs. Should either party default in the performance of any of the terms or conditions of this Non-Competition and Consultancy Agreement, which default results in the filing of a lawsuit or any other action, the prevailing party in such lawsuit shall be entitled to reasonable attorneys' fees and costs as shall be determined by the court.

6. Successors and Assigns. This Non-Competition and Consultancy Agreement shall be binding upon, and inure to the benefit of, the heirs, personal representatives, successors and assigns of the parties, even in the event of the death, disability or demise of Consultant in which such event the obligations placed upon the Consultant shall be relieved, but the Buyer's obligation to remit payments shall continue.

7. Notices. Any payment, notice, consent, waiver or other communication hereunder shall be sent by certified, express or registered mail, return receipt requested, postage prepaid, overnight air courier service or same day delivery service to the address specified below (or at such other address which party shall specify to the other party in accordance herewith):

If to Consultant:

Robert B. Grammens  
382 Pheasant Place  
Sheridan, Wyoming 82801

If to Buyer:

Lovcom, Inc.  
P.O. Box 5086  
Sheridan, Wyoming 82801  
Attn: W. K. Love

Notice or other communication shall be deemed to have been given, delivered or received as the case may be three business days after mailing if sent by registered or certified mail or on the next business day if sent by express mail, overnight air courier or same day delivery service.

8. Construction. This Non-Competition and Consultancy Agreement shall be construed and enforced in accordance with the substantive laws of the State of Wyoming without reference to principles of conflicts of law in effect in such State. If any Section or provision of this Non-Competition and Consultancy Agreement is held to be invalid or unenforceable, all other Sections and provisions shall nevertheless continue in full force and effect.

9. Waiver. Any term or provision of this Non-Competition and Consultancy Agreement may be waived at any time by the party which is entitled to the benefits thereof, and any term or provision of this Non-Competition and Consultancy Agreement may be amended or supplemented at any time by the mutual consent of the parties hereto, except that any waiver of any term or condition, or any amendment or supplementation, of this Non-Competition and Consultancy Agreement shall be effective only if in writing. A waiver of any breach or failure to enforce any of the terms or conditions of this Non-Competition and Consultancy Agreement shall not in any way affect, limit or waive a party's rights hereunder at any time to enforce strict compliance thereafter with every term or condition of this Non-Competition and Consultancy Agreement.

10. Multiple Counterparts. This Non-Competition and Consultancy Agreement may be signed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. In addition, this Non-Competition and Consultancy Agreement may contain more than one counterpart of the signature page and this Non-Competition and Consultancy Agreement may be signed by the affixing of the signature of each party to one of such counterpart signature pages; all of such counterpart signature pages shall be read as though one, and they shall have the same force and effect as though all of the signers had signed a single signature page.

IN WITNESS WHEREOF, the undersigned have executed this Non-Competition and Consultancy Agreement to be effective on the date first above written.

**CONSULTANT:**

**ROBERT B. GRAMMENS**

\_\_\_\_\_

**BUYER:**

**LOVCOM, INC.**

By \_\_\_\_\_

W. K. Love  
President