

FM TRANSLATOR REBROADCAST AND OPTION AGREEMENT

THIS FM TRANSLATOR REBROADCAST AND OPTION AGREEMENT (this "Agreement") is made and entered into as of the 7th day of March, 2007 by and between SHINE THE LIGHT, INC., a Minnesota not-for-profit corporation ("STL"), and EDGEWATER BROADCASTING, INC., an Idaho not-for-profit corporation ("EB").

Recitals

WHEREAS, in 2004, EB was granted a construction permit by the Federal Communications Commission ("FCC") for FM translator station K284BG, 104.7 MHz, Bemidji, MN (FCC Facility ID 152419) ("K284BG" or "FM Translator Station");

WHEREAS, both EB and STL and/or their consultants are experienced in the operation of commercial and noncommercial FM translators;

WHEREAS, STL is desirous of having the signal of FM station KKEQ (FM), 107.1 MHz, Fosston, MN (FCC Facility ID 52634) ("KKEQ" or "Primary FM Station") rebroadcast over the FM Translator Station and to acquire an option to purchase the FM Translator Station pursuant to the terms and conditions specified herein;

WHEREAS, EB would like to engage STL to construct the FM Translator Station and to grant STL an option to acquire the FM Translator Station pursuant to the terms and conditions specified herein; and

WHEREAS, prior FCC approval for the assignment of the FM Translator Station by EB to STL pursuant to the exercise of the option granted to IHR herein is required.

NOW, THEREFORE, in consideration of the premises and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

Agreement

1. THE CONSTRUCTION AGREEMENT. Subject to the control and approval of EB as permittee of the FM Translator Station, EB hereby engages STL to construct the facilities of the FM Translator Station, as follows:

a. Construction. STL shall construct the facilities of the FM Translator Station at EB's direction, and STL shall enter into a lease for the tower and/or transmitter site for the FM Translator Station, purchase all necessary equipment, subcontract for construction and engineering services as well as site surveys, and/or undertake any other construction activities necessary for the construction of the FM Translator Station in full compliance with the FCC Authorizations and the rules and regulations of the FCC at STL's sole cost.

b. FCC License Application. Upon completion of construction of the FM Translator Station, STL shall assist EB in the completion and submission of an application for a license to the FCC ("License Application").

2. THE REBROADCASTING AGREEMENT. In consideration of STL constructing the FM Translator Station as provided in Section 1 herein, EB hereby agrees to rebroadcast the signal of the Primary FM Station upon completion of construction and the submission of the License Application for the FM Translator Station, pursuant to the terms and conditions herein (the rebroadcasting portion of this Agreement hereinafter referred to as “Rebroadcasting Agreement”):

a. Term. The initial term of the Rebroadcasting Agreement shall commence on the date of submission of the License Application for the FM Translator Station and shall continue for thirty-six (36) months (“Initial Rebroadcast Term”). Thereafter, the Rebroadcasting Agreement shall continue until the termination pursuant to Section 2.e. (“Continuing Rebroadcast Term,” and together with the Initial Rebroadcast Term, the “Rebroadcast Term”).

b. Rebroadcasting Payment. During the Initial and continuing Rebroadcast Term, STL shall pay to EB a monthly payment of THIRTY-FIVE DOLLARS (\$35.00) for the rebroadcast of the Primary FM Station on the FM Translator Station (“Rebroadcasting Payment”).

c. Operation of FM Translator Station. EB shall operate the FM Translator Station in full compliance with the FCC Authorizations, and the rules and regulations of the FCC. STL shall be responsible for utilities and maintenance costs.

d. Transmitter Site Lease. STL shall negotiate and enter into and be solely responsible for the translator site lease and/or transmitter site lease payments for the FM Translator Station (“Transmitter Site Lease”) during the Rebroadcast Term and as provided for in any subsection of Section 2.e hereof. Such Transmitter Site Lease shall provide the following provisions:

i. the right to locate the FM Translator Station’s facilities on the tower and/or buildings at the transmitter site at no cost to EB;

ii. the right to assign the Transmitter Site Lease by STL to EB; and

iii. the right to terminate the Transmitter Site Lease by the lessee (STL or EB, as the case may be) with thirty (30) days prior written notice to the lessor in the event that the lessee is unable to adequately receive and/or maintain its input receive signal.

e. Termination of the Rebroadcast Agreement. The Rebroadcast Agreement provided for in this Section 2 shall terminate as follows:

i. Upon Exercise of Option. The Rebroadcast Agreement shall terminate automatically upon the consummation of the transaction in which the FM Translator Station is assigned by EB to STL as a result of STL’s exercise of the Option to acquire the FM Translator Station (as defined in Section 3 hereof);

ii. Upon Expiration of Option Period. The Rebroadcast Agreement shall terminate automatically in the event that STL has not exercised its Option to acquire the FM Translator Station (as defined in Section 3 hereof) during the Option Period (as defined in Section 3.a. hereof). Upon such termination, at EB’s sole option, STL shall assign all

equipment, the Transmitter Site Lease, and any other assets used in the operation of the FM Translator Station to EB at no cost to EB and the parties shall have no further liabilities to each other.

iii. Technical Feed Problems. The Rebroadcast Agreement shall terminate upon thirty (30) days prior written notice by STL to EB in the event that STL and EB have jointly determined that the FM Translator Station is unable to receive an adequate desired signal from the Primary FM Station in compliance with the rules and regulations of the FCC and all technical options to provide an adequate signal to the FM Translator Station, including the seeking of an alternative feed source, have been exhausted by STL (with assistance of EB). Upon such termination, EB at its sole option, may choose to terminate the Transmitter Site Lease (pursuant to the termination rights specified in the Transmitter Site Lease pursuant to Section 2.d.iii.) or EB may choose to assume the Transmitter Site Lease from STL. Until such termination or assumption, STL shall remain liable for any lease payments due under the Transmitter Site Lease. In the event that EB chooses to assume the Transmitter Site Lease from STL, EB shall reimburse STL for the costs of the equipment and construction of the FM Translator Station in Section 1.a. hereof.

iv. Non-Payment of the Rebroadcasting Payment. The Rebroadcast Agreement shall terminate automatically in the event that STL fails to timely pay EB the Rebroadcasting Payment and such non-payment is not cured by STL within thirty (30) business days after STL receives notice of such non-payment from EB.

v. Upon Default by a Party. The Rebroadcast Agreement shall terminate automatically in the event that a party 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 contained in the Rebroadcast Agreement and such breach or default is not cured within thirty (30) days ("Cure Period") after the defaulting party receives notice of such breach or default from the non-defaulting party. If STL is the defaulting party, then at EB's sole option, STL shall assign all equipment, the Transmitter Site Lease, and any other assets used in the operation of the FM Translator Station to EB at no cost to EB. If EB is the defaulting party, EB shall reimburse STL for the costs of the equipment and construction of the FM Translator Station in Section 1.a. hereof.

vi. By Mutual Consent of Both Parties. The Rebroadcast Agreement shall terminate upon mutual written consent by both parties.

3. **THE OPTION AGREEMENT.** EB hereby grants to STL an option to acquire the FM Translator Station, as follows ("Option"):

a. Option Period. STL's Option shall commence on the day, one-hundred eighty (180) days before the end of the Initial Rebroadcast Term and shall terminate eighteen (18) months thereafter ("Option Period").

b. Exercise of Option. Provided that STL has made all Rebroadcasting Payments pursuant to Section 2.b. of this Agreement and that STL is not then in default under any other Section of this Agreement, STL shall exercise its Option to acquire the FM Translator Station by providing written notice to EB anytime during the Option Period.

c. Transfer Value. Upon the exercise of the Option by STL and after the FCC grants the Assignment Application the FM Translator Station shall be transferred by EB to STL for the sum of SEVEN HUNDRED FORTY DOLLARS (\$740.00).

d. Deposit. As consideration for EB granting the Option to STL, STL has paid the non-refundable consideration of ONE HUNDRED DOLLARS (\$100.00) to EB the receipt of which is hereby acknowledged.

e. Assignment Application. Upon the exercise of the Option by STL, the parties shall, within five (5) business days, jointly file an application with the FCC seeking the FCC's consent to the assignment of the FM Translator Station from EB to STL ("Assignment Application"). Application shall be prepared and filed by EB at its expense.

f. Closing. The transactions in which the FM Translator Station will be assigned by EB to STL shall be on a mutually agreed upon date which shall be within ten (10) business days after the FCC grants the Assignment Application ("Closing" or "Closing Date"). On the Closing Date, EB shall provide to STL an instrument of conveyance for the FM Translator Station and STL shall pay EB the sum SEVEN HUNDRED FORTY DOLLARS (\$740.00).

g. Termination of the Option. The Option provided for in this Section 3 shall terminate as follows:

i. Upon Exercise of Option. The Option shall terminate automatically upon the exercise of the Option by STL;

ii. Upon Expiration of Option Period. The Option shall terminate automatically in the event that STL has not exercised its Option during the Option Period. Upon such termination, at EB's sole option, STL shall assign all equipment, the Transmitter Site Lease, and any other assets used in the operation of the FM Translator Station to EB at no cost to EB.

iii. Upon Termination of the Rebroadcast Agreement. The Option shall terminate automatically upon the termination of the Rebroadcast Agreement.

iv. Upon Default by a Party. The Option shall terminate automatically in the event that a party 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 contained in this Agreement and such breach or default is not cured within thirty (30) days ("Cure Period") after the defaulting party receives notice of such breach or default from the non-defaulting party. If STL is the defaulting party, then at EB's sole option, STL shall assign all equipment, the Transmitter Site Lease, and any other assets used in the operation of the FM Translator Station to EB at no cost to EB. If EB is the defaulting party, EB shall reimburse STL for the costs of the equipment and construction of the FM Translator Station in Section 1.a. hereof.

h. By Mutual Consent of Both Parties. The Option shall terminate upon mutual written consent by both parties.

4. **EXCLUSIVITY AND CONFIDENTIALITY.** The parties agree that from the date hereof until the expiration of the Option Period or the termination of the Rebroadcast Agreement

or the Option Agreement, neither party will seek to transfer or sell to, or entertain any offers to buy from, third parties, respectively, the FM Translator Station. Further, the parties agree to keep confidential the terms of this Agreement, except with respect to any disclosure required by law or the rules and regulations of the FCC.

5. **FCC QUALIFICATIONS.** STL represents, warrants, and covenants to EB that it is qualified to be the FCC licensee of the FM Translator Station as well as to hold the FCC Authorizations which are the subject of this Agreement.

6. **ARBITRATION.** The parties hereby agree to submit any disputes arising under this agreement to binding arbitration. The rules and procedures of the Christian Legal Society then in effect shall govern the proceedings conducted by the arbitrator. The parties agree that time is of the essence in a dispute arising under this Agreement, and the parties hereby agree to use their reasonable efforts to expedite the resolution of any disputes. The prevailing party shall be entitled to recover its reasonable costs (including attorneys' fees) incurred in connection with such dispute. The venue for such arbitration shall be the Christian Legal Society, through its representative in Washington, D.C.

7. **NOTICES.** All notices required or permitted to be given hereunder shall be in writing and shall be deemed effective three (3) business days after mailing by registered or certified mail, postage and fees prepaid at the addresses listed below.

If to EB:

Mr. Clark Parrish
Edgewater Broadcasting, Inc.
Post Office Box 5725
Twin Falls, ID 83303

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

Dawn M. Sciarrino, Esq.
Sciarrino & Associates, PLLC
5425 Tree Line Drive
Centreville, VA 20120

If to STL:

Mr. Carsten Hovland
President
309 Jefferson Ave SE
Fertile, MN 56540

Or his successor as President of STL, upon written notice provided to EB by STL.

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

Joann Fultz
Financial Secretary
PO Box 131
Fosston, MN 56542

Or her successor as Financial Secretary of STL, upon written notice provided to EB by STL

8. **MISCELLANEOUS**. This Agreement represents the entire agreement of the parties with respect to the subject matter hereof and supersedes any prior agreement with respect thereto whether it is in writing or otherwise. This Agreement may be amended only in writing by an instrument duly executed by both parties. This Agreement is to be construed and enforced under the laws of Idaho. This Agreement may be executed in counterparts. The undersigned represent and warrant that, respectively, they have received authority to sign this Agreement and to legally bind their respective corporations to perform all of the terms hereof.

[The next page is the signature page.]

WHEREFORE, the parties whose names and addresses appear below have caused this Agreement to be executed by them as of the date first above written.

EDGEWATER BROADCASTING, INC.

By: 
Clark Parrish
President

By: 
Carsten Hovland
President