

LAZER BROADCASTING CORPORATION

200 South A Street, 4th Floor

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September 22, 2004

VIA ELECTRONIC MAIL

RuDex Broadcasting Limited
Aurora Communications, Inc.
4181 West Kling St. suite 63
Burbank, California 91505
Attention: John Cooper

Re: FCC Auction No. 37

Dear John:

This letter will serve as a contract between Lazer Broadcasting Corporation, a California corporation ("Lender"); and RuDex Broadcasting Limited ("RuDex") and Aurora Communications, Inc. ("Aurora"), also California corporations (collectively, "Borrowers"), pertaining to the loan to Borrower by Lender of the upfront deposit money needed to permit Borrower to qualify as a bidder in FCC Auction No. 37 for FM radio station construction permits in Carmel Valley, Coarsegold, Mojave and Tecopa, California (the "Stations"). Lender agrees to loan RuDex the sum of \$26,500 and Aurora the sum of \$45,000 for the purpose of making such upfront deposits under the following terms and conditions:

1. Borrowers will execute a copy of this letter agreement and return it by fax to Lender by 1:00 p.m. PDT, September 23, 2004.
2. Borrowers each will execute the Promissory Notes attached hereto as Exhibit 1 (RuDex) and Exhibit 2 (Aurora) and return such executed notes to Lender by fax by 1:00 p.m. PDT, September 23, 2004, with originals sent to Lender by overnight courier, also on September 23, 2004. As indicated in the Promissory Notes, they will be payable in full on or before December 1, 2004 if the instruments described in paragraph 4 below are not completed and executed by November 1, 2004.
3. John Cooper will execute the personal guarantee of payment attached hereto as Exhibit 3 and return it in the manner provided for in paragraph 2 above.
4. All upfront deposit money loaned hereunder will be contributed towards meeting upfront and bid payment requirements for the Stations and only the Stations. Any surplus funds refunded by the FCC will be returned to Lender and credited against the Promissory Notes described in paragraph 2.

5. On or before November 1, 2004 Lender and Borrowers will complete and execute the following additional instruments:

(a) Loan Agreements (one each for RuDex and Aurora) through which Lender agrees to advance the funds needed by Borrowers to meet bid payment requirements under the FCC's auction procedures if (but only if) Borrower(s) are recognized as the highest bidder(s) for one or more of the Stations. The Loan Agreements will provide that funds may be drawn by Borrowers when needed, but only for meeting such FCC bid payment requirements. The total of such loans shall not exceed \$3,000,000. Attached to each of the Loan Agreements will be a Promissory Note through which all draws will be recorded. Upfront deposit money used to meet FCC bid payment requirements will be subtracted from the amounts owing on the Promissory Notes provided for in paragraph 2 and will be added to the amounts of the Promissory Notes described in this subparagraph 5(a) as of the date(s) of execution of such Promissory Notes. These Promissory Notes shall provide for interest at the *Wall Street Journal* prime rate as of November 1, 2004, and shall be due and payable on demand on the later of (i) December 1, 2005, or (ii) one year after finality of FCC grant of the last of the construction permits for the Stations issued pursuant to winning bids. The Promissory Notes shall be secured by a pledge of all of the shares of stock of each of the Borrowers and by a personal guarantee of John Cooper.

(b) Option Agreements (one each for RuDex and Aurora) under which Lender will have the option to purchase any or all of the construction permits for the Stations for prices equal to, per Station, 120% of the amount of the winning bid for the Station made by Borrower. Such Option Agreements will provide that Lender must exercise its option for the Station(s) within thirty (30) days after the construction permit(s) for such Station(s) have been granted and such approval(s) have become final as a matter of law. Upon such exercise Borrower(s) and Lender will promptly prepare and file an application for assignment of the Station(s) to Lender. At the closing of the sale of any Station, Lender will cancel any and all Promissory Notes pertaining to Station(s) being assigned and will tender to Borrower(s) an amount in cash that is equal to 20% of the amounts of the winning bid(s) for Station(s) being assigned.

If this is an accurate rendition of the terms we have agreed to, please so indicate by returning a copy of this letter, the Promissory Note and the guarantee in the matter provided for above.

[signature page follows]

[signature page to letter agreement]

Very truly yours,

LAZER BROADCASTING CORP.

By _____
Alfredo Plascencia, President

Agreed to and signed this ____ day of September, 2004

RUDEX BROADCASTING LIMITED

By _____
John Cooper, President

AURORA COMMUNICATIONS, INC.

By _____
John Cooper, President