

## ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT entered into as of December 9, 2003 ("Effective Date"), Word of Life Ministries, Inc., a Kansas not-for-profit corporation ("Seller"), and WAY-FM MEDIA GROUP, INC., a Florida not-for-profit corporation ("Buyer"). Certain capitalized terms defined herein are indexed in Section 9 hereof.

### RECITALS:

WHEREAS, Seller is the licensee and operator of radio station KZZD(FM) (FCC Facility Identification Number 48537) licensed to Wichita, Kansas (the "Station"), holding valid authorizations for the operation thereof from the Federal Communications Commission (together with any successor thereto, the "FCC"), and Seller is the owner of all of the tangible and intangible real and personal property used or useful in connection with the operation of the Station;

WHEREAS, Seller desires to sell, and Buyer desires to purchase, certain of the properties and assets used or useful in connection with the operation of the Station, all subject to the terms and conditions set forth herein;

WHEREAS, consent of the FCC is required prior to such sale and purchase.

NOW, THEREFORE, in consideration of the mutual agreements and covenants herein, the parties agree as follows:

### SECTION 1. PURCHASE AND SALE OF ASSETS

#### 1.1. Sale of Assets.

(a) Subject to the provisions of this Agreement, Seller agrees to sell, convey, transfer, assign and deliver to Buyer, and Buyer agrees to purchase and accept from Seller, on the Closing Date (as defined in Section 1.4 hereof), all of the following assets and rights owned by Seller or in which Seller now or hereafter has an interest in connection with the business and operation of the Station, free and clear of all liens and encumbrances:

(i) All tangible personal property and physical assets wherever located (collectively, the "Tangible Assets"), as set forth on Schedule 1.1(a)(i) hereto;

(ii) All governmental licenses, franchises, approvals, certificates, authorizations, permits and rights and applications, including antenna structure registrations (collectively, the "Licenses") set forth on Schedule 1.1(a)(ii) hereto;

(iii) All files and records, including technical information, engineering data, and FCC logs, relating to the Station; provided, however, Seller shall have no obligation

to disclose or provide to Buyer any financial records of the Seller or records of other business activities of Seller;

(iv) At the closing, Seller will enter into a lease with Buyer for the use of Seller's existing studio and office space ("Studio Lease"), which shall be at a rate of Two Hundred Dollars (\$200) per month for as long as Buyer desires the studio and office space, and the monthly shall be increased by Four Percent (4%) per year. The Studio Lease shall be in the form of the lease attached as Schedule 1.1(a)(iv); and,

(v) At the closing, Seller will execute an assignment of land lease for the land upon which the tower is located, which is more specifically described in Schedule 1.1(a)(v), and Seller will provide Buyer with a current estoppel certificate in Buyer's favor from the lessor/landlord. ("Leased Real Estate").

(b) The assets of the Seller to be sold to and purchased by the Buyer under Section 1.1 of this Agreement are hereinafter collectively referred to as the "Subject Assets."

(c) The following are specifically excluded from the Subject Assets: corporate books and records, and cash on hand as of the Closing date.

1.2. Assumption of Liabilities. Buyer is not agreeing to, and shall not, assume any liability, obligation, undertaking, expense or agreement of Seller of any kind, absolute or contingent, known or unknown, and the execution, delivery and performance of this Agreement shall not render Buyer liable for any such liability, obligation, undertaking, expense or agreement, except those liabilities assumed in Schedule 1.2 hereto.

1.3. Purchase Price. The total purchase price for the Subject Assets shall be Four Hundred Eighty Five Thousand Dollars (\$485,000), subject to adjustment as provided in Section 1.7 (the "Purchase Price"). Payment of the Purchase Price for the Subject Assets shall be made as follows:

(a) Deposit.

(i) On the date the assignment application is filed with the FCC, Buyer will deposit Ten Thousand (\$10,000) Dollars (the "Deposit") with the Escrow Agent, Gammon & Grange, P.C., pursuant to the terms of the Escrow Agreement, attached hereto as Schedule 1.3(a). The Deposit shall be credited against the Purchase Price. If Closing does not take place due to the material breach of Seller or termination of the Agreement, the Deposit shall be returned to Buyer;

(ii) On the date the assignment application is filed with the FCC, Buyer will deposit Ten Thousand (\$10,000) Dollars (the "Earnest Money Deposit") with Buyer. The Earnest Money Deposit shall be credited against the Purchase Price. If Closing does not take place due

to the material breach of Seller or termination of the Agreement, the Earnest Money Deposit shall be returned to Buyer; and

(b) Payment of Purchase Price. On the Closing Date:

(i) Buyer shall cause to be paid in immediately available funds by wire transfer, cashier's check, or money order One Hundred Eighty Thousand Dollars (\$180,000), plus or minus the adjustments made pursuant to Section 1.7.

(ii) Buyer shall cause to be executed a promissory note in the form of Schedule 1.3(b)(ii), for the amount of Two Hundred Eighty Five Thousand Dollars (\$285,000), which shall be for a term of ten (10) years, at a fixed rate of 6.8% per year with no pre-payment penalty, and payment shall begin six (6) months after the Closing Date. If a payment is more than fifteen (15) days late, a 2% charge on the payment that is late shall be assessed.

(c) Liquidated Damages. If the Closing does not occur because of a breach by Buyer of its representations and warranties hereunder or of the covenants and obligations to be performed by the Buyer hereunder, provided Seller has satisfied its obligations and is not itself in breach of the Agreement hereunder, and provided further, that all conditions precedent to Buyer's obligations to close the transactions contemplated herein have been satisfied, then, Seller shall be entitled to keep the Earnest Money Deposit, in the amount of Ten Thousand Dollars (\$10,000), as liquidated damages, which shall be the sole remedy of Seller for such breach, and Seller shall have no other recourse against Buyer or any of its affiliates under or on account of this Agreement.

1.4. Time and Place of Closing. The closing of the purchase and sale provided for in this Agreement (herein referred to as the "Closing") shall take place at 10:00 a.m. on the earlier of (a) the first calendar day of the month following the date which is ten (10) days after the conditions set forth in Section 6.1 shall have been satisfied, or (b) by December 31, 2004, unless extended by mutual agreement of the parties (the "Closing Date"). The Closing shall be held at the offices Gammon & Grange, P.C., 8280 Greensboro Drive, 7<sup>th</sup> Floor, McLean, VA 22102, or at such other place or in such other manner as the parties may agree.

1.5. Closing. At the Closing:

(a) Seller shall convey, transfer, and assign to Buyer, and shall deliver to Buyer such instruments of conveyance, transfer, and assignment, in form and substance reasonably satisfactory to Buyer and its counsel (the "Transfer Instruments"), and any required consents of third parties as shall be sufficient to convey, transfer and assign to Buyer sole and exclusive right, title and interest in and to all the Subject Assets, in each case free and clear of all liens, pledges, encumbrances and claims of third parties, such instruments to include a bills of sale with respect to the Subject Assets, assignment and assumption of leases, assignment and assumption of contracts, in each case in form consistent with the terms of this Agreement;



(b) Buyer shall deliver to Seller the Purchase Price, as adjusted pursuant to Section 1.7;

(c) Seller shall cause to be delivered certificates and other documents required to be delivered pursuant to this Agreement;

(d) Seller shall deliver to Buyer all of Seller's files and records which relate to the Subject Assets, and Seller shall put Buyer in actual possession of the Subject Assets and such files and records;

1.6. Covenants To Be Performed After the Closing. After the Closing, each of Seller and Buyer shall, from time to time upon the other party's request, execute, acknowledge and deliver, or cause to be executed, acknowledged, and delivered, all such further deeds, assignments, documents, instruments, transfers, conveyances, discharges, releases, assurances and consents, and to take or cause to be taken such further actions, as such other party may reasonably request to carry out the transactions contemplated by, and the purposes of, this Agreement.

1.7. Proration of Expenses; Adjustments to Purchase Price.

(a) All costs and expenses arising from the ownership of the Subject Assets up to and including 11:59 p.m. of the day prior to the Closing Date (the "Cut-Off Time"), will be prorated between Buyer and Seller so that Seller shall be responsible for all expenses and costs allocable for the period prior to the Closing Date, and Buyer shall be responsible for all expenses and costs allocable for the period on and after the Closing Date. Items to be apportioned pursuant to this paragraph shall include, without limitation, (i) all personal property taxes, real estate taxes, water taxes, ad valorem, and other property taxes or assessments on or with respect to the Subject Assets and property interests to be transferred or assigned to Buyer hereunder, and (ii) business and license fees including any FCC Regulatory Fees (and any retroactive adjustments thereof).

Taxes to be apportioned pursuant to this Section 1.7 shall be apportioned in proportion to (x) the number of days in the taxable period before and including the Cut-Off Time and (y) the number of days in the taxable period after the Cut-Off Time. No apportionment shall be made pursuant to this Section 1.7 of any federal, state, foreign or local income taxes. Any tax refunds or rebates accruing before the Cut-Off Time for taxes that were paid prior to Closing shall remain the property of Seller, whether such refund is paid before or after the Closing Date.

(b) Time for Payment. The prorations and adjustments contemplated by this Section 1.7, to the extent practicable, shall be made on the Closing Date, effective as of the Cut-Off Time. Not less than three (3) business days prior to the Closing Date, Seller shall submit to Buyer a written estimate of adjustments and prorations to be made in accordance with Section 1.7. Prior to the Closing, Buyer and Seller will attempt in good faith to agree on an amount of any adjustments not capable of being ascertained on the Closing Date, which adjustments and

prorations shall be made within ninety (90) days of the Closing Date.

(c) **Dispute Resolution.** In the event of any disputes between the parties as to such adjustments, the amounts not in dispute shall nonetheless be paid at the time provided in Section 1.7 and such disputes shall be determined by an independent certified public accountant mutually acceptable to the parties whose determination shall be final, and the fees and expenses of such accountant shall be paid one-half by Seller and one-half by Buyer.

1.8. Termination.

(a) This Agreement may be terminated at any time by:

(i) the mutual written consent of the parties hereto;

(ii) either Buyer or Seller if the Closing does not occur by December 31, 2004, unless extended by mutual consent of the parties;

(iii) Buyer, (A) if any of the conditions precedent to Buyer's obligations to close shall not have been either fulfilled or waived by Buyer on or before the Closing, or (B) if Seller shall have breached any of its representations, warranties or obligations hereunder and such breach shall not have been cured in all material respects or waived prior to the earlier of the Closing Date or within thirty (30) days after the Buyer has given notice to Seller of such breach;

(iv) Seller, if (A) any of the conditions precedent to Seller's obligations to close shall not have been either fulfilled or waived by Seller on or before the Closing, or (B) if Buyer shall have breached any of its representations, warranties or obligations hereunder and such breach shall not have been cured in all material respects or waived prior to the earlier of the Closing Date or within thirty (30) days after Seller has given notice to Buyer of such breach; or

(v) Buyer or Seller, if the FCC for any reason designates for hearing the Assignment Application;

(b) In the event of the termination of this Agreement by Buyer or Seller pursuant to this Section 1.8, written notice thereof shall promptly be given to the other party and, except as otherwise provided herein, the transactions contemplated by this Agreement shall be terminated, without further action by any party. Nothing in this Section 1.8 shall be deemed to release any party from any liability for any breach by such party of the terms and provisions of this Agreement or to impair the right of Buyer to compel specific performance of Seller of its obligations under this Agreement.

(c) Notwithstanding the provisions of Sections 1.8(a) and (b) above, no party may terminate this Agreement if such party is in default hereunder, or if a delay in any decision or determination by the FCC respecting the Assignment Application has been caused or materially contributed to (i) by any failure of such party to furnish, file or make available to the FCC



information within its control; (ii) by the willful furnishing by such party of incorrect, inaccurate or incomplete information to the FCC; and (iii) by any other action taken by such party for the purpose of delaying the FCC's decision or determination respecting the Assignment Application.

1.9. Approvals. Within 10 days following the execution of this Agreement, Seller and Buyer shall cause to be filed with the FCC the application for FCC consent for the assignment of the Licenses (the "Assignment Application"). The application fee shall be borne equally between Buyer and Seller, if applicable.

## SECTION 2. REPRESENTATIONS AND WARRANTIES OF SELLER

In order to induce Buyer to enter into this Agreement, Seller represents and warrants to Buyer:

2.1. Organization and Qualification of Seller. Seller is a corporation duly organized, validly existing and in good standing under the laws of the State of Kansas and is duly qualified to transact business in State of Kansas.

2.2. Authority of Seller. Seller has the corporate power and authority to execute, deliver and perform this Agreement and, upon Closing, the Transfer Instruments and all other agreements, documents and instruments to be executed and delivered by Seller pursuant hereto (collectively, the "Seller Agreements") and to own the Subject Assets and operate the Station prior to the consummation of the transactions contemplated hereby. Seller has taken all necessary corporate action to authorize the execution, delivery and performance by Seller of this Agreement and the Seller Agreements.

2.3. Binding Effect. This Agreement constitutes, and upon execution on the Closing Date the other Seller Agreements will constitute, the legal, valid, and binding obligations of Seller enforceable in accordance with their terms subject to bankruptcy, reorganization and similar laws affecting the rights of creditors generally (the "Enforceability Exception").

2.4. No Violation. Neither the execution and delivery by Seller of this Agreement and the Seller Agreements, nor the consummation of the transactions contemplated hereby or thereby, violate or will violate any provision of law or any order, judgment or decree of any court or other agency of government, including, without limitation, the FCC, or any provision of the corporate charter or by-laws of Seller, or conflict with or will result in any breach of any term, condition or provision of, or constitute or will constitute (with due notice or lapse of time or both) a default under, or will result in the creation or imposition of any lien, charge or encumbrance upon any of the properties or assets of Seller pursuant to the terms of, any mortgage, deed of trust or other agreement or instrument to which Seller is a party or by which or to which Seller or any of its assets are subject or bound.

2.5. Title to Properties; Liens; Condition of Properties.

(a) That as of the Closing Date, all of the towers, guy anchors, ground systems and buildings relating to Station's tower and transmitter will be located on the Leased Real Estate. Seller will own the sole and exclusive right, title and interest in and to all Subject Assets free and clear of all security interests, mortgages, pledges, liens (including mechanics and materialmen liens), conditional sales agreements, leases, encumbrances, easements, charges or claims of third parties of any nature whatsoever, , all of which (other than those specifically designated as continuing following the Closing) shall be released or discharged at or prior to the Closing.

(b) Seller has access to all Leased Real Estate pursuant to a valid easement included as part of the Subject Assets or pursuant to public rights of way. All utilities servicing the Station have access to the properties of such Station pursuant to valid easements or public rights of way. No condemnation proceedings are pending or threatened with respect to any of the Leased Real Estate, nor has any such property been condemned. As of the Closing, the transmitters for the Station will be operating in accordance with the parameters established by the FCC and the Station's Licenses. As of the date of Closing, the broadcast tower for the Station will be in compliance with all applicable laws, including, without limitation, the Federal Aviation Act and all rules and regulations promulgated thereunder and will have been registered with the FCC. The Tangible Assets being conveyed pursuant to this Agreement at the Closing will be, in good operating condition and repair and suitable for use in the operation of the Station, ordinary wear and tear excepted.

2.6. Tax Matters. As of the Closing date, Seller will have filed and paid all federal, state, county and local tax returns, reports and declarations of estimated tax or estimated tax deposit forms required to be filed by Seller in connection with its operations, personal property or payroll.

2.7. Licenses. The Licenses constitute all material licenses, permits and governmental authorizations and approvals necessary for the operation of the Station. As of the Closing Date, Seller will have duly obtained and will legally and validly hold all Licenses, all of which will be valid and in full force and effect as operated. No proceeding (judicial, administrative or otherwise) has been commenced or, to Seller's knowledge, threatened against Seller, any of its affiliates, the Station or in respect of any License which could lead to a revocation, suspension or limitation of the rights under any License. Seller is in compliance with each of the Licenses and knows of no state of facts relating to Seller, its affiliates, the Station or the Licenses which could lead to any such revocation, suspension or limitation of any License. Seller has no reason to believe that any License will not be renewed, nor has any person or entity informed Seller that such person or entity intends to oppose any such renewal or application for a license.

2.8. Insurance; Compliance with Laws; Compliance with FCC Regulation.

(a) A description of all policies of title, liability, fire and other forms of insurance insuring the Subject Assets are set forth on Schedule 2.8. Except as disclosed on Schedule 2.8, all such policies are in full force and effect, have been underwritten by unaffiliated insurers and are sufficient under applicable law.



(b) Seller is not in default with respect to any judgment, order, injunction or decree of any court, administrative agency, board of arbitration or other governmental authority. Seller is not charged with, or to its knowledge threatened with, a charge of or under investigation with respect to, any violation of any provision of any federal, state, local or municipal law or administrative ruling or regulation relating to the Subject Assets. Seller at the Closing, will be in compliance with all laws, regulations and orders and all requirements of insurance carriers applicable to the Station, and the present uses by Seller of the Subject Assets and properties will not violate any such laws, regulations, orders or requirements.

(c) The operation of the Subject Assets are in compliance with (i) all applicable engineering standards required to be met under applicable FCC rules, and (ii) all other applicable federal, state and local rules, regulations, requirements and policies, including all applicable FCC rules.

2.9 Litigation. There is no litigation, action, suit, investigation or proceeding (collectively "Proceedings") pending or, to the best of Seller's knowledge, threatened against Seller, any of its affiliates or the Subject Assets or in respect of the Licenses before or by any court or the FCC or any other governmental agency or any board of arbitration.

2.10. Material Facts. No representation or warranty made by Seller in this Agreement and no statement made by Seller (a) in any certificate, exhibit, schedule, or other writing executed and delivered by Seller, (b) in any Seller Agreement or other document or writing furnished in connection with the transactions herein contemplated and referred to herein or in the Schedules attached hereto, or (c) in any document or other writing delivered to Buyer after the date hereof and on or prior to the Closing Date by or on behalf of Seller, contains or will contain any untrue statement of a material fact, or omits or will omit to state any material fact necessary in order to make the statements contained herein or therein not misleading.

2.11. Broker's Fee. Seller has not incurred or become liable for any broker's commission or finder's fee relating to the transactions contemplated by this Agreement. Seller agrees to indemnify and hold Buyer harmless from any claims for brokerage fees, finder's fees or commissions asserted by any person acting on Seller's behalf in connection with this transaction.

2.12. Consents. Other than the consents and approvals of the FCC regarding the Assignment Application, the assignment of the lease described in Schedule 1.1(a)(iv) and the landlord's estoppel certificate related thereto, Seller is not required to obtain any material consent, approval or authorization from, or to file any declaration or statement with, any governmental instrumentality or other agency or any third party in connection with the execution of this Agreement or any of the Seller Agreements or the consummation of the transactions contemplated hereunder.

2.13. Environmental Matters. Seller has not received any notice of violation, lien, complaint, suit, order or other notice or communications concerning any alleged violation of any



Environmental Requirement ("Environmental Notice") with respect to Seller's use of the Leased Real Estate, which has not been fully satisfied and complied with in a timely fashion so as to bring such Leased Real Estate in full compliance with all Environmental Requirements. To Seller's knowledge, there has not been any Environmental Notice with respect to the Leased Real Estate received by any prior owner or occupant of the Leased Real Estate which has not been fully satisfied and complied with in a timely fashion so as to bring such Leased Real Estate in full compliance with all Environmental Requirements. Seller has all material permits and licenses required under any Environmental Requirement to be issued to it by any governmental authority on account of any or all of its activities on the Leased Real Estate and is in compliance with the terms and conditions of such permits and licenses. Any and all such permits and licenses are in full force and effect. To Seller's knowledge, no change in facts or circumstances reported or assumed in the application for or granting of such permits or licenses exists. Buyer shall have the right to conduct an environmental investigation of the Leased Real Estate.

### SECTION 3. COVENANTS OF SELLER

Seller covenants and agrees that from the date hereof until the Closing Date:

3.1. Access. Buyer shall have the right, itself or through its representatives, during normal business hours and after reasonable written notice, to inspect Seller's properties relating to the Station and to inspect and make abstracts and reproductions of all Seller's books and records relating to the non-financial operations of the Station, including, without limitation, applications and reports to the FCC, and Seller shall furnish Buyer with such information respecting the Subject Assets as Buyer may, from time to time, reasonably request.

3.2. Conduct of Business. Except for those changes or actions expressly implemented by mutual consent of Buyer and Seller, Seller shall, to the extent permitted by FCC rules and policies:

- (a) refrain from making any sale, lease, transfer or other disposition of any of the Subject Assets;
- (b) refrain from modifying, amending, altering or terminating, any other right relating to or included in the Subject Assets;
- (c) maintain insurance on the Subject Assets against loss or damage by fire and all other hazards and risks in an amount consistent with the existing policy amounts described in Schedule 2.8;
- (d) maintain the Subject Assets in adequate condition, ordinary wear and tear excepted;
- (e) refrain from taking any action which is not in the usual and ordinary course of

business regarding the Subject Assets or which could reasonably be expected to materially adversely affect the value of the Subject Assets;

(f) refrain from changing its charter or by-laws in any way which would adversely affect its corporate power or authority to enter into and perform this Agreement or which would otherwise adversely affect its performance of this Agreement;

(g) operate the Station in accordance with the Licenses and comply with all laws, rules and regulations applicable to it, including the rules and regulations of the FCC;

(h) provide to Buyer, concurrently with filing thereof, copies of all reports to and other filings with the FCC relating to the Station;

(i) prosecute the Assignment Application; not permit any of the Licenses to expire or to be surrendered or voluntarily modified, or take any action (or fail to take any action) which could cause the FCC or any other governmental authority to institute proceedings for the suspension, revocation or limitation of rights under any License;

(j) provide to Buyer, promptly upon receipt thereof by Seller, a copy of (i) any notice from the FCC or any other governmental authority of the revocation, suspension, or limitation of the rights under, or of any proceeding for the revocation, suspension, or limitation of the rights under (or that such authority may in the future, as the result of failure to comply with laws or regulations or for any other reason, revoke, suspend or limit the rights under) any License, or any other license or permit held by Seller respecting the Station, and (ii) copies of all protests, complaints, challenges or other documents filed with the FCC by third parties, of which Seller has actual knowledge, concerning the Station and, promptly upon the filing or making thereof, copies of Seller's responses to such filings;

(k) notify Buyer in writing immediately upon learning of the institution or written threat of any action against Seller involving the Station in any court, or any action against Seller before the FCC or any other governmental agency, and notify Buyer in writing promptly upon receipt of any administrative or court order relating to the Subject Assets or the Station; and

(l) except as required under FCC rules in the event of repairs to the transmission system of the Station, refrain from filing any application for any construction permit or modification of any License affecting the Station or otherwise changing any of the Station's facilities, except as provided in Section 1.9, herein.

3.4. Satisfaction of Conditions. Seller shall use all reasonable efforts to cause all of the conditions set forth in Sections 6.2 to be fulfilled.

3.5. Notice of Commencement of Proceedings or Change in Condition. Prior to the Closing, Seller shall provide written notice to Buyer as soon as possible and in any event within five (5) days of Seller obtaining actual knowledge of the occurrence of any of the following



events, stating in detail the nature thereof: (i) any proceedings instituted against Seller by or in any federal or state court or before any commission, board or other regulatory body, federal, state or local, which, if adversely determined, would have a material adverse effect upon Seller's ability to perform any of its obligations under this Agreement; (ii) any action or threatened action against Seller involving the Station in any court, or any action against Seller before the FCC or any other governmental agency, and (iii) any material adverse change in the condition of the Station or Seller.

#### SECTION 4. REPRESENTATIONS AND WARRANTIES OF BUYER

In order to induce Seller to enter into this Agreement, Buyer represents and warrants to Seller that:

4.1. **Organization of Buyer.** Buyer, or its permitted assigns, at Closing will be a corporation duly organized and validly existing and in good standing under the laws of its state of incorporation.

4.2. **Authority of Buyer.** Buyer has the corporate power to execute, deliver and perform this Agreement and the other agreements and instruments to be executed and delivered by Buyer pursuant hereto (herein collectively called the "Buyer Agreements") and to own the Subject Assets and operate the Station after the consummation of the transactions contemplated hereby. Prior to the Closing, Buyer will have taken all necessary corporate action to authorize the execution, delivery and performance by Buyer of this Agreement and the Buyer Agreements.

4.3. **Binding Effect.** This Agreement constitutes, and as of the Closing Date, the other Buyer Agreements will constitute, the legal, valid and binding obligations of Buyer, enforceable against it in accordance with their terms subject to the Enforceability Exception.

4.4. **No Violation.** Neither the execution and delivery by Buyer of this Agreement and the Buyer Agreements, nor the consummation of the transactions contemplated hereby or thereby, violate or will violate any provision of law or any order, judgment or decree of any court or other agency of government, including, without limitation, the FCC, or any provision of Buyer's corporate charter or by-laws, or conflict with or will result in any breach of any term, condition or provision of, or constitute or will constitute (with due notice or lapse of time or both) a default under, or will result in the creation or imposition of any lien, charge or encumbrance upon any of the properties or assets of Buyer pursuant to the terms of, any mortgage, deed of trust or other agreement or instrument to which Buyer is a party or by which or to which Buyer or any of its respective assets are subject or bound, which lien, charge or encumbrance could adversely affect Buyer's ability to perform its obligations hereunder.

4.5. **Consents.** Other than the consents and approvals of the FCC with regards to the Assignment Application, Buyer is not required to obtain any consent, approval or authorization from, or to file any declaration or statement with, any governmental instrumentality or other agency or any third party in connection with the execution of this Agreement or any of the Buyer

Agreements or the consummation of the transactions contemplated hereunder.

4.6. **Qualification.** Buyer is legally and financially qualified to become the licensee of the Station and to purchase the Subject Assets and consummate the transactions contemplated herein.

4.7. **Material Facts.** No representation or warranty made by Buyer in this Agreement and no statement made by Buyer (a) in any certificate or other writing executed and delivered by Buyer, (b) in any Buyer Agreement or other document or writing furnished in connection with the transactions herein contemplated and referred to herein, or (c) in any document or other writing delivered to Seller after the date hereof and on or prior to the Closing Date by or on behalf of Buyer contains or will contain any untrue statement of a material fact, or omits or will omit to state any material fact necessary in order to make the statements contained herein or therein not misleading.

## SECTION 5. COVENANTS OF BUYER

Buyer covenants and agrees that from the date hereof until the Closing Date:

5.1. **Approvals.** Buyer shall not take or omit to take any action that will cause the FCC to deny, delay, or fail to approve the Assignment Application.

5.2. **Notice of Commencement of Proceedings or Change in Condition.** Buyer shall provide written notice to Seller as soon as possible and in any event within five (5) days of Buyer obtaining knowledge of the occurrence of any of the following events, stating in detail the nature thereof: (i) any proceedings instituted against Buyer by or in any federal or state court or before any commission, board or other regulatory body, federal, state or local, which, if adversely determined, would have a material adverse effect upon Buyer's ability to perform any of its obligations under this Agreement, and (ii) any material adverse change in the condition, financial or otherwise, of Buyer.

5.3. **Satisfaction of Conditions.** Buyer shall use all reasonable efforts to cause all of the conditions set forth in Sections 6.3 to be fulfilled.

## SECTION 6. CONDITIONS TO CLOSING

6.1. **Mutual Conditions.** The obligations of Buyer and Seller to consummate this Agreement and the transactions contemplated hereby are subject to satisfaction at the time of the Closing of the condition that the FCC consent to the Assignment Application ("FCC Consent") shall have become a Final Action. Notwithstanding the foregoing, the Buyer may, at its option, waive the condition precedent that the FCC Consent shall have become a Final Action (which waiver, if made by Buyer, shall be deemed also made by Seller). As used in this Agreement, "Final Action" shall mean an order of the FCC with respect to which no appeal, no petition for re-hearing, reconsideration, or stay, and no other administrative or judicial action contesting such



consent or approval, is pending and as to which the time for filing any such appeal, petition or other action has expired or, if filed, has been denied, dismissed, or withdrawn and the time for instituting any further legal proceeding has expired.

6.2. Conditions to Obligations of Buyer. Buyer's obligation to consummate the transactions contemplated by this Agreement is subject to satisfaction at the time of Closing of each of the following conditions precedent, any of which Buyer may waive in its discretion:

(a) Except for changes expressly implemented by or at the written request of Buyer, each of Seller's representations and warranties contained in this Agreement shall be true and correct in all material respects on the Closing Date as though made on and as of the Closing Date; and Seller shall have performed in all material respects all of its covenants and obligations hereunder which by the terms hereof are to be performed on or before the Closing Date.

(b) Seller shall have obtained and delivered to Buyer the consents of third parties which require consent to permit the valid transfer to Buyer of all Subject Assets.

(c) No action or proceeding shall have been instituted or threatened against Buyer, any of Buyer's affiliates or Seller before any court or governmental agency or commission or any board of arbitration seeking to restrain or prohibit, or to obtain substantial damages against Buyer or any of Buyer's affiliates in respect of, this Agreement or the consummation of the transactions contemplated hereby.

(d) The license for the Station issued by the FCC ("FCC Licenses") (i) shall have been assigned and transferred to Buyer, (ii) shall be valid and existing authorizations in every respect for the purpose of operating the Station, (iii) shall have been issued by the FCC under the Communications Act of 1934, as amended, for the full terms thereof, and (iv) shall contain no adverse modifications of the terms of the FCC Licenses as of the date of the Licenses and except for proceedings that affect the radio broadcasting industry generally, no proceeding for any revocation, suspension or modification shall be in effect, and neither Seller nor Buyer shall have received any notice that any governmental authority may institute any such proceedings.

(e) Seller shall have delivered to Buyer a Certificate of the president of Seller, dated as of the Closing Date, certifying as to the matters set forth in the foregoing paragraph (a) of this Section 6.2.

(f) Seller shall have delivered to Buyer a certificate dated as of the Closing Date, executed by the president of Seller, certifying (i) that the resolutions, as attached to such certificate, authorizing and approving the execution and delivery of the Seller Agreements and the consummation of the transactions contemplated hereby, were duly adopted by the Board of Directors; (ii) that such resolutions have not been amended and remain in full force and effect; and (iii) as to the incumbency of each signatory of the Seller Agreements executed by Seller.

(g) Seller shall have delivered to Buyer the executed Studio Lease.

6.3. Conditions to Obligations of Seller. Seller's obligation to consummate the transactions contemplated by this Agreement are subject to satisfaction at the time of Closing of each of the following conditions precedent, any of which may be waived by Seller:

(a) Each of the representations and warranties of Buyer contained in this Agreement shall be true and correct in all material respects on the Closing Date as though made on and as of the Closing Date; and Buyer shall have performed in all material respects all of its covenants and obligations hereunder which by the terms hereof are to be performed on or before the Closing Date.

(b) Buyer shall have paid the Purchase Price, as adjusted pursuant to Section 1.7.

(c) Buyer shall have delivered to Seller a Certificate of an officer of Buyer, dated as of the Closing Date, certifying as to the matters set forth in the foregoing paragraph 6.3(a).

## SECTION 7. INDEMNIFICATION

### 7.1. Right to Indemnification

(a) Seller shall indemnify, reimburse and hold harmless Buyer from and against all claims, losses, damages, costs (including, without limitation, court costs and reasonable attorneys' fees), expenses and liabilities suffered, incurred, or sustained by Buyer on account of (i) any misrepresentation, breach of warranty, or nonfulfillment of any agreement or covenant on the part of Seller under this Agreement or any Seller Agreement, (ii) the ownership and operation of the Subject Assets (including the Licenses) prior to the Closing Date, or (iii) any liability of Seller relating to the operation of the Station that is not otherwise expressly assumed by Buyer pursuant to this Agreement.

(b) Buyer shall indemnify, reimburse, and hold harmless Seller from and against all claims, losses, damages, costs (including, without limitation, court costs and reasonable attorneys' fees), expenses and liabilities suffered, incurred, or sustained by Seller, on account of (i) any misrepresentation, breach of warranty, or nonfulfillment of any agreement or covenant on the part of Buyer under this Agreement or any Buyer Agreement, or (ii) the ownership and operation of the Station subsequent to the Closing Date.

(c) Any amounts owed by either party under this Section 7.1 shall bear interest from the date demand for payment thereof is made until payment in full at a rate of ten (10%) per annum or such lower rate as equals the maximum rate permitted by applicable law.

## SECTION 8. COVENANTS, ETC. TO SURVIVE CLOSING

Notwithstanding any investigation made by either Buyer or Seller, all covenants,



agreements, representations and warranties contained in this Agreement and in any other instruments which may be delivered pursuant hereto or in connection with the transactions contemplated hereby and which are referred to herein or in the Schedules hereto and in any other agreements, documents and instruments delivered by or on behalf of Seller after the date hereof and on or prior to the Closing Date, shall be deemed to be material and to have been relied upon by Buyer or Seller. All representations and warranties in this Agreement shall survive the Closing and the consummation of the transactions contemplated hereby for one (1) year.

#### SECTION 9. DEFINITIONS.

The following terms are defined in the provisions of this Agreement indexed below:

Defined Term:	Defined In:
Assignment Application	Section 1.9
Buyer	Preamble
Buyer Agreements	Section 4.2
Closing	Section 1.4
Closing Date	Section 1.4
Cut-Off Time	Section 1.7(a)
Deposit	Section 1.3(a)(i)
Earnest Money Deposit	Section 1.3(a)(ii)
Effective Date	Preamble
Enforceability Exception	Section 2.3
FCC	Recitals
FCC Consent	Section 6.1
FCC Licenses	Section 6.2(c)
Final Action	Section 6.1
Leased Real Estate	Section 1.1(a)(v)

Licenses	Section 1.1(a)(ii)
Proceedings	Section 2.9
Purchase Price	Section 1.3
Seller	Preamble
Seller Agreements	Section 2.2
Station	Recitals
Studio Lease	Section 1.1(a)(iv)
Subject Assets	Section 1.1(b)
Tangible Assets	Section 1.1(a)(i)
Transfer Instruments	Section 1.5(a)

#### SECTION 10. MISCELLANEOUS

10.1. Fees and Expenses. Except as provided in Section 1.9, herein, each of the parties shall bear its own expenses in connection with the negotiation and the consummation of the transactions contemplated by this Agreement, including the Seller Agreements and the Buyer Agreements.

10.2. Law Governing. This Agreement shall be construed under and governed by the laws of the State of Kansas.

10.3. Notices. All communications or notices required or permitted by this Agreement shall be in writing and shall be deemed to have been given (i) on the date of personal delivery to an officer of the other party, or (ii) if sent by telecopy or facsimile machine to the number shown below, on the date of such confirmed facsimile or telecopy transmission, provided a copy is also sent by commercial overnight delivery service, prepaid, or by deposit in accordance with this Section of a change of address or change of telecopy number:

If to Buyer:	Robert D. Augsburg, President WAY-FM Media Group, Inc P.O. Box 64500 Colorado Springs, CO 80962 Telephone: (719) 533-0300 Telecopy: (719) 278-4339
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With a copy to: A. Wray Fitch, III, Esq.  
Timothy R. Obitts, Esq.  
Gannon & Grange, P.C.  
8280 Greensboro Drive, Seventh Floor  
McLean, VA 22102  
Telephone: 703.761.5000  
Telecopy: 703.761.5023

If to Seller: Rev. Rob Rotola  
Word of Life Ministries, Inc.  
3811 North Meridian  
Wichita, KS 67204  
Telephone:  
Telecopy:

10.4. Specific Performance. If this Agreement is not consummated due to a material breach by Seller and Buyer is not then in breach of this Agreement, Seller recognizes that monetary damages will not be adequate. Seller, therefore, agrees and acknowledges that in the event of its failure to perform its obligation to consummate the sale of the Subject Assets pursuant hereto, Buyer shall be entitled, in addition to any action for monetary damages, and in addition to any other rights and remedies on account of such failure, to specific performance of the terms of this Agreement and of Seller's obligation to consummate the sale of the Subject Assets pursuant hereto. In any action to enforce the provisions of this Agreement, Seller shall waive the defense that there is an adequate remedy at law or equity and agree that Buyer shall have the right to obtain specific performance of the terms of this Agreement. As a condition to seeking specific performance, Buyer shall not be required to have tendered the consideration specified in this Agreement, but must demonstrate that it is ready, willing and able to do so.

10.5. Risk of Loss.

(a) The risk of loss or damage to the Subject Assets by force majeure or for any other reason to Seller's business or property between the date of this Agreement and the Closing shall be borne by Seller. Seller shall take all reasonable steps to repair, replace and restore such property as soon as possible after any loss or damage, it being understood that all insurance proceeds shall be applied to or reserved for such replacement, restoration, or repair.

(b) In the event of any material damage to the Station or upon the occurrence of any other event which materially impairs broadcast transmissions of the Station in the normal and usual manner and substantially in accordance with the Station's License, Seller shall provide prompt notice thereof to Buyer and the Closing Date shall be postponed until such transmission in accordance with the applicable Station License has been resumed. The postponed Closing Date shall be such date within the effective period of the FCC's consent to transfer of the Station to Buyer as Buyer may designate by not less than five (5) days' prior notice to Seller. In the

event Seller's facilities cannot be restored within the effective period of the FCC's consent to transfer of the Station to Buyer unless, in Buyer's reasonable judgment, the damage to the Stations could materially adversely affect the operations of the Station on a continuing basis, the parties shall join in an application or applications requesting the FCC to extend the effective period of its consent for a period not to exceed one hundred twenty (120) days. If no such application is filed with the FCC, or if any such application is filed with the FCC and the facilities have not been restored so that the Closing Date may occur within such extended period or any agreed extension thereof, Buyer shall have the right, by providing written notice of termination to Seller within ten (10) days after the expiration of the effective period or such 120-day period or any agreed extension hereof, as the case may be, to terminate this Agreement forthwith without any further obligation to either party.

(c) In the case of any damage or destruction to the Subject Assets, if full repair, replacement or restoration to or of all material assets has not been made on or before the Closing Date, then Buyer shall have the option to reduce the purchase price by the amount to fully repair, replace or restore the material asset(s). In any case where full repair, replacement, or restoration to or of all damaged or destroyed assets has not been made and Buyer acquires the Subject Assets (whether or not it is obligated to do so), then at the Closing Seller shall pay to Buyer all proceeds of insurance received by Seller and not then paid by Seller for such repair, replacement, or restoration, and shall assign to Buyer all rights to receive proceeds of insurance on account of such damage or destruction.

(d) Without limiting in any way the Buyer's rights under Section 6.2 hereof, Seller shall not be deemed in breach of this Agreement to the extent that such breach arises from property damage and/or destruction described above in this Section 10.5 if Seller shall perform in accordance with the provisions of this Section.

10.6. Conflict Resolution. Both parties recognize that conflicts or disputes may occasionally arise. If any dispute cannot be resolved in private meetings, the parties mutually agree, as an alternative to litigation, to enter mediation and, if mediation is unsuccessful, legally binding arbitration in accordance with the rules of the Christian Conciliation Institute of Peacemakers Ministries as set forth at <http://www.hispeace.org>. The parties agree that any arbitration award may be entered in any court having jurisdiction over the subject matter or parties. The parties understand that these methods shall be the sole remedy for any controversy or claim arising out of this Agreement or the subject matter hereof, and expressly waive their right to file a lawsuit or claim against one another for such disputes, except to enforce an arbitration decision. This provision shall survive termination of this Agreement.

10.7. Construction. The headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

10.8. Assignment; Binding Effect. This Agreement shall not be assignable by either Seller or Buyer without the prior written consent of the other, which shall not be unreasonably withheld. This Agreement shall be binding upon, and shall inure to the benefit of, the parties



hereto and their successors and assigns.

10.9. Amendment; Waiver. This Agreement may be amended only by a written instrument signed by Buyer and Seller. No provisions of this Agreement may be waived except by an instrument in writing signed by the party sought to be bound. No failure or delay by any party in exercising any right or remedy hereunder shall operate as a waiver thereof, and a waiver of a particular right or remedy on one occasion shall not be deemed a waiver of any other right or remedy or a waiver on any subsequent occasion.

10.10. Entire Agreement. This Agreement (including the Exhibits and Schedules hereto), and the Transfer Instruments and any other documents and agreements entered into in connection herewith and referred to herein or in the Schedules hereto and any other documents and agreements entered into in connection herewith after the date hereof and on or prior to the Closing Date, set forth the entire understanding between the parties relating to the subject matter hereof, any and all prior correspondence, conversations and memoranda or other writings being merged herein and therein and replaced and being without effect hereon. No promises, covenants or representations of any character or nature other than those expressly stated herein have been made to induce either party to enter into this Agreement. Neither this Agreement nor any part hereof, including this provision against oral modifications, may be modified, waived or discharged except by a writing duly signed by the party sought to be bound.

10.11. Severability. If any term or provision of this Agreement or the application thereof to any circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement or the application to other persons and circumstances shall not be affected thereby and each term and provision hereof shall be enforced to the fullest extent permitted by law. Specifically, without limitation, if any provision shall be deemed by a court of competent jurisdiction to be invalid or unenforceable as to any periods of time, territories or business activities, such provision shall be deemed limited to the extent necessary to render it valid and enforceable.

10.12. Counterparts. This Agreement may be executed in multiple counterparts, with the same force and effect as if all the signatures thereto appeared on the same instrument.

10.13. Attorney Fees. In the event of a dispute relating to this Agreement resulting in litigation brought by either party, the prevailing party shall be entitled to reasonable attorney's fees and costs.

10.14. Additional Consideration-On-Air Announcements. After the Closing, the Buyer will air announcements for Word of Life School or Seller (both "Word") for as long as Buyer is licensee of the Station, provided that such announcements comport Buyer's programming policies, comport with FCC rules and regulations, comport with court cases interpreting FCC rules and regulations, and do not jeopardize in any manner Buyer's tax-exempt status, in the following manner: Buyer will air a minimum of one hundred fifty (150) announcements per quarter for Word. If Word requests that Buyer air more than one hundred fifty (150)

announcements per quarter, the formula used in Schedule 10.14 will be used to determine how many, if any, announcements in excess of the one hundred fifty (150) will be aired.

[Signatures Appear on Next Page]



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IN WITNESS WHEREOF, Seller and Buyer have caused this Agreement to be executed by their respective duly authorized officers, as of the day and year first above written.

SELLER:

WORD OF LIFE MINISTRIES, INC.

By: *Robert J. Rotola*  
Name: ROBERT J. ROTOLA  
Title: PRESIDENT.

BUYER:

WAY-FM MEDIA GROUP, INC.

*Robert D. Augsburg*  
Robert D. Augsburg, President

**List of Schedules**

Schedule Number	Title
1.1(a)(i)	Schedule of Tangible Assets
1.1(a)(ii)	Schedule of Licenses
1.1(a)(iv)	Schedule of Studio Lease
1.1(a)(v)	Schedule of Leased Real Estate
1.2	Assumed Liabilities
1.3(a)	Escrow Agreement
1.3(b)(ii)	Promissory Note
2.8	Schedule of Insurance
10.14	On-Air Announcements



**SCHEDULE 1.1(a)(i)**  
Assets

See Attached List.

Call letters KZZD(FM)

Tower registered with FCC, Reg. Numb.: 1032908

# ZFM INVENTORY LIST

DESCRIPTION	SERIAL #	QTY	VALUE	TL. VALUE	DEPIREP \$	LOCATION
104601 PHILLIPS MAGNAVOX 17" MONITOR .28MM 1280X1024	17776967	1	265.00	265.00	R	DAN
104601 PHILLIPS MAGNAVOX 17" MONITOR .28MM 1280X1024	17776970	1	265.00	265.00	R	PRODUCTION 1
104601 PHILLIPS MAGNAVOX 17" MONITOR .28MM 1280X1024	17776966	1	265.00	265.00	R	JOYBOY
095703 IOMEGA DITTO MAX INTERNAL TAPE BACKUP DRIVE	UB0843D0H5-1	1	185.00	185.00	R	PRODUCTION 1 (SONG SERVER)
095713 IOMEGA DITTO MAX 7GB 2PK TAPE CARTRIDGE	N/A	2	50.00	100.00	R	PRODUCTION 1 (SONG SERVER)
AMD 400 MHz 6GB 128MB W98 COMPUTER SYSTEM		1	800.00	800.00	R	DAN
AMD 400 MHz 6GB 128MB W98 COMPUTER SYSTEM		1	800.00	800.00	R	PRODUCTION 2
AMD 400 MHz 6GB 128MB W98 COMPUTER SYSTEM		1	800.00	800.00	R	JOYBOY
AMD 400 MHz 6GB 128MB W98 COMPUTER SYSTEM		1	800.00	800.00	R	ADMINISTRATIVE SERVER
134443 HP LJ 1100AXI LASER PRINTER/COPIER/SCANNER	USDD016817	1	399.00	399.00	R	KEN
SONY SINGLE DRAWER CD PLAYER W/OPTICAL DIGITAL OUTPUT. CDP-XE500	8135876	1	159.00	159.00	R	PRODUCTION 1
SONY SINGLE DRAWER CD PLAYER W/OPTICAL DIGITAL OUTPUT. CDP-XE500	8134102	1	159.00	159.00	R	PRODUCTION 2
DENON AM/FM STEREO TUNER	9130501274	1	259.00	259.00	R	CONTROL ROOM
ORBAN STEREO SPACIAL ENHANCER	902165-014C.T	1	825.00	825.00	R	ZFM SHED
TASCAM STAND ALONE CD-R/CD-RW CD RECORDER	9500393	1	925.00	925.00	R	PRODUCTION 1
BEST PATRIOT 250VA/168W UPS	194PFC0183	1	95.00	95.00	R	DAN
BEST PATRIOT 250VA/168W UPS	194PFC0182	1	95.00	95.00	R	PRODUCTION
BEST PATRIOT 250VA/168W UPS	194PFC0187	1	95.00	95.00	R	JOYBOY
ELECTROVOICE SHOCK MOUNT FOR RE20 MIC	N/A	1	95.00	95.00	R	CONTROL ROOM
O.C. WHITE MIC ARM & RISER	N/A	1	96.00	96.00	R	PRODUCTION 2
CORTANA CROW'S NEST CHARGE DISSIPATOR	N/A	1	1,359.00	1,359.00	R	TOWER
PEAVY AMR CEQ280a ELECTRONIC EQUALIZER	10462575	1	435.00	435.00	R	CONTROL ROOM
MACKIE 1402 MIXER	A267877	1	450.00	450.00	R	PRODUCTION 2
EVENT 20/20 P POWERED MONITORS (PAIR)	P93608543 / E80234202	1	560.00	560.00	R	PRODUCTION 2
EVENT NT-1 STUDIO MICROPHONE	A27886	1	280.00	280.00	R	PRODUCTION 2
GINA DIGITAL RECORDER	N/A	1	599.00	599.00	R	PRODUCTION 2
ART TUBE CHANNEL	25901139	1	332.67	332.67	R	CONTROL ROOM
MULTIGATE PRO	9111250	1	201.00	201.00	R	CONTROL ROOM



CSI 738802, M MALE CONNECTOR	N/A	1	31.70	31.70	R	TOWER
CSI 738801, M FEMALE CONNECTOR	N/A	1	31.70	31.70	R	TOWER
CSI 910303 HOISTING GRIPS	N/A	2	29.00	58.00	R	TOWER
RFWA PGT3650MM PIGTAILS	N/A	4	33.00	132.00	R	TOWER
DBX 286 MIC PROCESSOR	N/A	1	38.00	38.00	R	TOWER
CSI FLC12-503 1/2" FOAM COAX	EM97EC-10000	1	349.95	349.95	R	CONTROL ROOM
ANDREW HJ7-50 1 5/8" COAX	N/A	350	2.50	875.00	R	TOWER
ANDREW 87R 1 5/8" G.P. EIA	N/A	300	16.22	4,866.00	R	TOWER
ANDREW 87G 1 5/8" EIA	N/A	1	260.00	260.00	R	TOWER
ANDREW 42396A-2 HANGER KITS	N/A	1	300.00	300.00	R	TOWER
ANDREW 204989-4 GROUND KITS	N/A	10	41.00	410.00	R	TOWER
ANDREW 24312A HOISTING KITS	N/A	2	30.00	60.00	R	TOWER
GORMAN-REDLICH EAS1 ENCODER	N/A	2	51.00	102.00	R	TOWER
HOLLYANNE AF200 EAS RECEIVERS	0403	1	1,750.00	1,750.00	R	CONTROL ROOM
HOLLYANNE AF200 EAS RECEIVERS	807511	1	152.00	152.00	R	PRODUCTION 1
DAYTON IND RR962W / SAM EAS RECEIVERS	807510	1	152.00	152.00	R	PRODUCTION 1
MARTI STL-15C COMPOSITE STL TRANSMITTER	N/A	1	152.00	152.00	R	CONTROL ROOM
CROWN 500 R XITOR 90 7 MHZ FCC ID JLOFM500	980909846U	1	3,500.00	3,500.00	R	Z91 SHED
SHIVELY 5812-2 2 BAY ANTENNA	A135438	1	9,790.00	9,790.00	R	TRANSLATOR
ORBAN OPTIMOD 8100A1U75 FM	N/A	1	1,400.00	1,400.00	R	TRANSLATOR
ORBAN 8100AXT2 SIX BAND LIMITER	967261-023 KG	1	6,650.00	6,650.00	R	Z91 SHED
ELECTROVOICE RE-20 MICROPHONE	962313-010	1	2,950.00	2,950.00	R	Z91 SHED
MARANTZ PMD 222 PORTABLE THREE HEAD CASSETTE DECK	N/A	2	565.00	1,130.00	R	CONTROL ROOM
TEAC W-850R DUAL WELL CASSETTE DECK	9647720282	1	479.00	479.00	R	PRODUCTION
ROLLS RA 255 MONITOR AMP R235 35W	0510220	1	300.00	300.00	R	CONTROL ROOM
UNITY 4000 DIGITAL SATELLITE RECEIVER	983215 OR	1	200.00	200.00	R	PRODUCTION 1
YAMAHA NS10ME MONITOR SPEAKER	235863215	1	2,500.00	2,500.00	R	PRODUCTION 1
YAMAHA NS10ME MONITOR SPEAKER	064542	1	239.00	239.00	R	PRODUCTION 1
BROADCAST TOOLS CC-TTA BROADCAST INTERFACE	1742288	1	239.00	239.00	R	PRODUCTION 1
AUTOGRAM AC-8 AUDIO CONSOLE	39620	1	299.00	299.00	R	PRODUCTION 1
TECHNICS HX-PRO CASSETTE UNIT	N/A	1	3,000.00	3,000.00	R	CONTROL ROOM
SONY CDP-311 COMPACT DISK PLAYER	FJIA14137	1	350.00	350.00	R	CONTROL ROOM
SONY CDP-311 COMPACT DISK PLAYER	810480	1	200.00	200.00	R	CONTROL ROOM
ELECTROVOICE RE-20 MICROPHONE W/ BOOM STAND	810479	1	200.00	200.00	R	CONTROL ROOM
ELECTROVOICE SENTRY-100A SPEAKERS (PAIR)	N/A	1	600.00	600.00	R	PRODUCTION 1
30' (APPROX) OF 1/2" STL TRANSMISSION LINE (PER FOOT)	170256676 / 170250931	1	400.00	400.00	R	CONTROL ROOM
	N/A	30	11.66	349.80	R	Z91 SHED

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BROADCAST ELECTRONICS FM-3.5A TRANSMITTER, 181 UP-GRADED TO 5KW. P/N 909-3500-200 FCC ID TXFN305A				1	30,000.00	30,000.00	R	TOWER
GENTNER VRC-2000 REMOTE CONTROL								
MARTI STL-10 MICROWAVE RECEIVER				073-00620	1	2,995.00	2,995.00	TOWER
EQUIPMENT RACK				970201693	1	3,500.00	3,500.00	TOWER
340' RADIO TOWER				N/A	1	200.00	200.00	TOWER
ELECTRONICS RESEARCH LP-10C-DA-SP				N/A	1	6,000.00	6,000.00	TOWER
DIRECTIONAL FM ANTENNA				N/A	1	30,000.00	30,000.00	TOWER
APPROXIMATELY 325' OF ANDREW 1 & 5/8 TRANSMISSION LINE (PER FOOT)				N/A	325	4.31	1,400.75	TOWER
MARK 4' STL ANTENNA & TRANSMISSION LINE				N/A	1	80.00	80.00	TOWER
STL MICROWAVE DISH				N/A	1	450.00	0.00	TOWER
SHED				N/A	1	2,000.00	2,000.00	Z91 SHED
WHIRLPOOL SHED AIR CONDITIONER				N/A	1	1,200.00	1,200.00	Z91 SHED
1201 MACKI BOARD (STUDIO)				D168540	1	375.00	375.00	CONTROL ROOM
ASSORTED COMPAQ DISCS FOR PWMS				N/A	100	15.00	1,500.00	CONTROL ROOM
INTERIUM TRANSMISSION LINE				N/A	1	1,200.00	1,200.00	Z91 SHED
SATELLITE RECEIVER, ZEPHYRUS, AGILE				34356-3	1	1,200.00	1,200.00	NOT BEING USED
SATELLITE RECEIVER, ZEPHYRUS				38370	1	900.00	900.00	NOT BEING USED
BEHRINGER AUTOCOM MDX1200 PROCESSOR				71996417	1	295.00	295.00	PRODUCTION 1
THOMPSON VOICE ELIMINATOR VE-3				N/A	1	1,474.00	1,474.00	PRODUCTION 1
SANSUI SE-300 EQ				525124946	1	95.00	95.00	PRODUCTION 1
KINGSTON DS100-S2 DATA SILO				97027F78994	1	750.00	750.00	PRODUCTION 1
ASCEND PIPELINE 50 ROUTER P501UBRI				6516827	1	650.00	650.00	(SONG SERVER)
D-LINK DE-809TC ETHERNET HUB				AH78505601	1	75.00	75.00	PRODUCTION 1
LINKSYS 10 PORT ETHERNET HUB EW10HUB				N/A	1	75.00	75.00	PRODUCTION 1
DESKS				N/A	6	200.00	1,200.00	PRODUCTION 1
FILE CABINETS				N/A	10	150.00	1,500.00	VARIOUS
340' TRANSMISSION LINE				N/A	1	0.00	0.00	VARIOUS
TOWER SHED				N/A	1	300.00	300.00	VARIOUS/STATION
TOWER AIR CONDITIONER				N/A	1	130.00	130.00	TOWER
INTERNET SERVER, AMD 400 MHz 6GB 128MB				N/A	1	800.00	800.00	TOWER
COMPUTER SYSTEM				N/A	1	100.00	100.00	CONTROL ROOM
REEL-2-REEL				188892	1	50.00	50.00	PRODUCTION 1
FM OMNI-DIRECTIONAL ANTENNA W/ COAX WIRE & TRANSFORMERS (ROOF)				N/A	1	300.00	300.00	STUDIO ROOF
PENTIUM 233 32MB 2GB CLONE COMPUTER SYSTEM (FAX)				N/A	1	698.00	1,396.00	FAX
PEAVY REMOTE SPEAKERS				09546266	2			STATION/USED FOR REMOTES

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MAGITRONIC C-SV1448P SVGA 14" MONITOR	4384475	1	250.00	250.00	R	CONTROL ROOM
JVC XL-Z431 CD PLAYER	08597867	1	250.00	250.00	R	PRODUCTION 1
THETA DS-PRO BASIC DIGITAL SIGNAL PROCESSOR	2699	1	1,995.00	1,995.00	R	PRODUCTION 1
CMS CM-M12V MONO VGA 12" MONITOR	11100923	1	175.00	175.00	R	PRODUCTION 1
IBM MONO 12" VGA MONITOR	LR55266	1	175.00	175.00	R	CONTROL ROOM
OKIDATA ACTION PRINTER MICROLINE 320	410D1313704	1	75.00	75.00	R	PRODUCTION 1
PANASONIC KX-P2624 PRINTER	1GMBGA09767	1	150.00	150.00	R	EAS CONTROL ROOM
MACKI 1402-VLZ+A34	AC33482	1	599.00	599.00	R	PRODUCTION 1
PROPHET SYSTEMS XPS CONTROL ROOM WORKSTATION	N/A - KIT	1	13,650.00	13,650.00	R	CONTROL ROOM
IBM 350-P133 COMPUTER SYSTEM (CONTROL ROOM)	PACK	1	0.00	0.00		CONTROL ROOM
KOMODO 14" SVGA MONITOR	15658620E23VAPP	1	150.00	150.00	R	CONTROL ROOM
PROPHET SYSTEMS XPS HARD DRIVE	928ECYC2002153	1	12,900.00	12,900.00	R	CONTROL ROOM
AUTOMATION SYSTEM	N/A - KIT	1	1,000.00	1,000.00		PRODUCTION 1 (SONG SERVER)
Unisys Dual 200MHz COMPUTER SYSTEM, Win NT Server	PACK	1	0.00	0.00		DAN
14" SVGA MAGNAVOX MONITOR CM2099 JE01	0821612	1	0.00	0.00		PRODUCTION 1 (SONG SERVER)
KINGSTON DS50-1 DATA SILO	48843715	1	\$10,000.00	\$10,000.00	R	PRODUCTION 1
PROPHET SYSTEMS XPS PRODUCTION ROOM WORKSTATION	96313F72271	1	\$0.00	\$0.00		PRODUCTION 1
IBM 350-P133 COMPUTER SYSTEM	N/A - KIT	1	\$0.00	\$0.00		PRODUCTION 1
14" SVGA KOMODO MONITOR	PACK	1	\$220.00	\$220.00	R	STORAGE/KEK
IOMEGA ZIP DRIVE	559HGB	1	\$750.00	\$750.00	R	FAX ROOM
PANASONIC DBS 32-PORT CABINET	928ECYC2003029	1	\$40.00	\$40.00	R	FAX ROOM
POWER SURGE PROTECTOR	RBBG21D0F6	1	\$30.00	\$30.00	R	FAX ROOM
CABLE	FJ31A14137	1	\$700.00	\$700.00	R	CONTROL ROOM
BEST MICRO FERRUPS UPS	N/A	1				
	N/A	1				
	ME850V21134	1				

Dec 22 03 03:00p



**SCHEDULE 1.1(a)(ii)**  
Licenses

FCC License for KZZD(FM), Facility ID: 48537: BLED-19860912MG, renewed BRED-19970203S6, License Expires on June 1, 2005

Antenna Structure Registration: Reg. Numb.: 1032908, File Number: A0039037

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**SCHEDULE 1.1(a)(iv)**  
Studio Lease

See Attached Form of Studio Lease

**SCHEDULE 1.1(a)(v)**  
Tower Land Lease

See Attached Tower Land Lease



## Lease Agreement

This lease is made between: Lindley Zimmerman of 822 E. 70<sup>th</sup> Ave. North, Belle Plaine, Ks. 67013; herein called Lessor, and Word of Life Ministries, Inc. of 3811 N. Meridian, Wichita, Ks. 67204, herein called Lessee.

Lessee hereby offers to lease from Lessor the premises situated in the City of Riverdale/Belle Plaine, County of Sumner, State of Kansas, Described as legal attached, upon the following TERMS and CONDITIONS:

1. **Purpose of Lease.** The purpose of this lease is to provide a site for Lessee for the purpose of a radio broadcasting tower and associated equipment building (s) for the exclusive broadcasting of Christian Music and Teachings to spread the Gospel of Jesus Christ. The premises may lawfully be used for no other purpose. *This lease is automatically transferable to any future owner of KZZO (90.7FM) provided that the new owner honors the commitment to promote the Christian Gospel.*
2. **Term and Rent.** LESSEE covenants and agrees to pay LESSOR as rent for the use of said leased site as follows:

A. Rent shall be paid during the first sixty months in the amount of Five hundred dollars (\$500.00) per month for each month thereafter, then

B. Rent shall be paid during the next sixty (60) months in the amount of five hundred-fifty dollars (\$550.00) per month, then

C. Rent shall be paid during the next sixty (60) month period, and each successive sixty-month period in the amount which equals one hundred-ten (110%) percent of the rent prescribed for the preceding sixty-month period.

D. Installments of rental shall be paid monthly in advance on or before the 1<sup>st</sup> day of each month during the term of this lease.

3. **Indemnification and liability.** LESSEE shall indemnify LESSOR against any liability for loss of or damage to property and death of or injury to LESSOR'S officers, employees, agents, invitees, tenants or representatives, employees of LESSEE, or third persons, which results directly or indirectly from the fault or negligence of LESSEE or its employees attributable to the installation, operation, maintenance or removal of any of LESSEE'S property kept and maintained upon the leased premises. LESSEE agrees to indemnify the LESSOR and save him harmless from and against all liability, penalties, damages, expenses

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WASJOLA  
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## Lease Agreement

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and judgements arising from injury to persons or property of any materials and LESSEE'S operation of a radio tower, and to this end LESSEE agrees to carry liability insurance of not less than One Million Dollars, and LESSEE further agrees to furnish to the LESSOR a copy of said insurance policy or a certificate from the insurance company issuing such policy showing said insurance is in force and effect. The Certificate shall provide for a Ten-day written to LESSOR in the event of cancellation or material change of coverage.

4. **Maintenance.** LESSEE shall be responsible for all tower and building maintenance which includes, but is not limited to, painting the tower, installing and maintaining warning lights and maintaining of the lighting condition of the tower. Maintenance includes but is not limited to, all FCC checks of automatic equipment and logging the same in a Tower Log Book, or acceptable substitute. LESSEE will furnish all necessary electrical power and electrical outlets for operation of LESSEE'S responsibility shall apply only to LESSOR'S real estate, and LESSOR is in no way responsible for maintenance or for damage of any kind to the property of LESSEE as may herein be constructed upon the leased premises.
5. **Road Construction.** If road construction is required on the easement for ingress and egress, all costs of installation and maintenance of said roadway shall be paid by LESSEE.
6. **Property taxes.** LESSEE shall not be responsible for any ad valorem taxes assessed against the tract of land, other than any increase as a result of improvements to the property made by LESSEE.
7. **Use by LESSOR of Leased Premises and Areas Occupied by Easement.** All of the ground around said tower and equipment building (s) which is not actually occupied by building improvements, guy wire anchors or the tower itself, shall be available for the LESSOR'S use.
  - A. The LESSOR has the option to make available, sublet antennae space that does not interfere with the radio signal. ANY ADDITIONS OF COMMUNICATIONS EQUIPMENT REQUESTED BY THE LESSOR MUST FIRST RECEIVE A WRITTEN STRUCTURAL ANALYSIS CONDUCTED AT THE EXPENSE OF THE NEW TENANT TO PROVE THAT THE TOWER CAN SAFELY SUPPORT THE ADDITIONAL EQUIPMENT. IF INTERFERENCE DOES OCCUR, NEW TENANT MUST IMMEDIATELY TRANSMIT IMMEDIATELY, UNTIL CORRECT MEASURES ARE TAKEN.
8. **Default.** In the event any rents herein required to be paid shall be due and unpaid or if default shall be made by the LESSEE in any condition or agreement herein set forth, LESSOR may, at LESSOR'S option, declare

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## Lease Agreement

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the existence of an event of default written notice directed to LESSEE, which written notice shall have a period of ten (10) days after the date LESSOR has sent such notice within which to remedy all defaults specified. In the event such default or defaults are not cured by LESSEE within the said ten day period, LESSOR may, at LESSOR'S option declare this lease at an end, in which event, LESSOR shall be entitled to immediate peacefull possession of the leased premises and may distrain for rent due any property of the LESSEE located on said leased premises.

9. **Compliance with Laws and regulations.** In the use of the tower, LESSEE will comply with all federal, state and municipal regulations, including, but not limited to, those of the Federal Communications Commission.
10. **Removal of Tower.** Upon termination of this lease for any reason, LESSEE shall properly remove the radio tower and installation and equipment building (s), and all other property located within the equipment building (s), and shall otherwise restore the premises to its original condition. IF not removed within ninety (90) days after termination, then the tower and building(s) shall become the property of LESSOR, or, at LESSOR'S option, LESSOR may have the same removed at the cost of LESSEE, in which event, LESSOR shall have a lien upon said tower and building (s) to secure the cost of such removal. In the event that radio tower and installation and building (s) are damaged for any reason and said damages are covered by a policy of insurance, then, and in that event, if the radio tower and installation and building (s) are not repaired, the LESSOR shall have an interest as the beneficiary of said insurance policy to the extent necessary to pay the cost of removing the radio tower and installation and building (s) from the premises.

In the event the LESSEE shall elect to cease operations of the radio tower, for any reason, then this lease may be terminated at the option of LESSEE on a ninety (90) days notice to the Lessor; provided, however, that upon such termination the LESSEE'S duties and obligations regarding the removal of radio tower and installation and building(s) as set forth in the paragraph immediately above would remain in full force and effect.



Lease Agreement

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11. **Waiver.** No failure of Lessor to enforce any term hereof shall be deemed to be a waiver.
12. **Option to Renew.** Provided that LESSEE is not in default in the performance of this lease, LESSEE shall have the option to renew the lease for an additional term of one hundred-twenty (120) months commencing at the expiration of the initial lease term. All of the terms and conditions of the lease shall apply during the renewal term except that the monthly rent shall be the sum within a ten (10%) percent increase. The option shall be exercised by written notice given to LESSOR not less than sixty (60) days prior to the expiration of the initial lease term. If notice is not given in the manner provided herein within the specified, this option shall expire.
13. **Subordination.** This lease is and shall be subordinated to all existing and future liens and encumbrances against the property.
14. **Attorney's Fees.** In case suit should be brought for recovery of the premises or for any sum due hereunder, or because of any act which may arise out of the possession of the premises, by LESSOR shall be entitled to all costs incurred in connection with such action, including a reasonable attorney's fee.
15. **Notices.** Any notice which either party may or is required to give, shall be given by certified mail, in a sealed envelope, postage prepaid, addressed as follows:  
  

<b><u>To LESSEE:</u></b>	Word of Life Ministries, Inc. 3811 N. Meridian Wichita, Ks. 67204
<b><u>To LESSOR:</u></b>	Lindley J. & Sheila Zimmerman 822 E. 70 <sup>th</sup> Ave. N. Belle Plaine, Ks. 67013

Any such notice or demand shall be deemed to have been given or made at the time it is deposited in the United States Post Office. LESSEE or LESSOR may from time to time designate any other address for this purpose by written notice to the other party.

Lease Agreement

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WHEREUPON, this agreement is entered into the day and year both parties signatures have been signed and notarized.

Lindley J. Zimmerman  
LINDLEY J. ZIMMERMAN, CO-OWNER

12-19-03  
Date

Sheila J. Zimmerman  
SHEILA ZIMMERMAN, CO-OWNER

12-19-03  
Date

"LESSOR"

Robert J. Rotola Word of Life  
ROBERT J. ROTOLA

12-19-03  
Date

"LESSEE"

State of Kansas

County of SK.

BE IT REMEMBERED that on this 19th day of December 2003, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came Lindley J. Zimmerman, who is personally known to me: to be the same person who executed the within and foregoing Lease Agreement, and such person duly acknowledged the execution of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed by notarial seal the day and year last above written.

O. F. Warren  
Notary Public

My Appointment Expires: 2-7-06



PHONE NO. : 316 838 0567

Dec. 19 2003 04:40PM P7

Lease Agreement

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State of Kansas

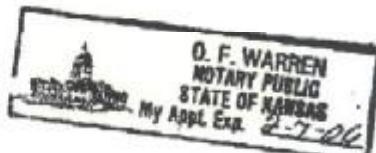
County of SU.

BE IT REMEMBERED that on this 19<sup>th</sup> day of December 2003, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came: Sheila Zimmerman, who is personally known to me to be the same person who executed the within and foregoing Lease Agreement, and such person duly acknowledged the execution of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed by notarial seal the day and year last above written.

D. F. Warren  
Notary Public

My Appointment Expires: 2-7-06



State of Kansas

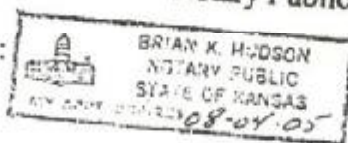
County of SEABWICK.

BE IT REMEMBERED that on this 19 day of December 2003, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came ROBERT J. ROTOLA, who is personally known to me to be the same person who executed the within and foregoing Lease Agreement, and such person duly acknowledged the execution of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed by notarial seal the day and year last above written.

Brian K. Hudson  
Notary Public

My Appointment Expires:





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**SCHEDULE 1.2**  
Assumption of Liabilities

The Buyer will not assume any of Seller's liabilities.

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**SCHEDULE 1.3(a)**  
Escrow Agreement

See Attached Form of Escrow Agreement

## ESCROW AGREEMENT

THIS AGREEMENT, made and entered into as of the \_\_\_\_ day of \_\_\_\_\_ 2003, by and among Word of Life Ministries, Inc., a Kansas not-for-profit corporation ("Seller"), and WAY-FM MEDIA GROUP, INC., a Florida not-for-profit corporation ("Buyer") and Gammon & Grange, P.C. ("Escrow Agent") as Escrow Agent,

### WITNESSETH THAT:

WHEREAS, Seller and Buyer have entered into an Asset Purchase Agreement (the "Agreement"), dated December 9, 2003; and

WHEREAS, the Agreement requires Buyer to deposit certain funds into escrow; and

WHEREAS, Escrow Agent is willing to serve as Escrow Agent pursuant to the terms and conditions set forth herein.

1. **Escrow Deposit.** On execution of this Agreement Buyer shall deposit **Ten Thousand Dollars (\$10,000)** with Escrow Agent and, by its signature below, Escrow Agent hereby acknowledges receipt of those funds. The Escrow Agent shall hold and release all funds deposited with it by Buyer hereunder and all interest earned on such funds (collectively the "Escrow Deposit") in accordance with the terms of this Escrow Agreement.

2. **Investment of Escrow Deposit.** Prior to release from escrow, the Escrow Deposit shall be invested and reinvested in federally-insured savings or money market accounts; provided, however, that no such investments shall have a maturity in excess of thirty (30) days unless Seller and Buyer mutually agree otherwise. For tax purposes, income earned on the Escrow Deposit shall be reported as income of Buyer. Buyer shall immediately provide Escrow Agent with its taxpayer identification number.

3. **Release From Escrow.** Escrow Agent shall retain control over the Escrow Deposit and shall not disburse the Escrow Deposit unless and until it receives either (i) a written notice jointly executed by Buyer and Seller instructing it to make such a disbursement ("Joint Escrow Instructions"), or (ii) a written decision by a majority of arbitrators, as provided for in Section 4, instructing it to make such a disbursement.

4. **Resolution of Disputes.** Seller and Buyer shall use their respective best efforts and shall cooperate in good faith in seeking an expeditious resolution of any dispute concerning the proper distribution of the Escrow Deposit. If the parties cannot agree to Joint Escrow Instructions within thirty (30) days of either party's receipt of a draft of the Joint Escrow Instructions then, the dispute shall be resolved by arbitration by a panel of three (3) arbitrators.



Within ten (10) days after the expiration of such 30-day period, Seller and Buyer shall each designate one independent arbitrator, and the two arbitrators so designated shall select a third independent arbitrator. The persons selected as arbitrators need not be professional arbitrators, and persons such as lawyers, accountants, brokers and bankers shall be acceptable. Before undertaking to resolve the dispute, each arbitrator shall be duly sworn faithfully and fairly to hear and examine the matters in controversy and to make a just award according to the best of his or her understanding. The arbitration hearing shall be conducted in accordance with the commercial arbitration rules of the American Arbitration Association, and Seller and Buyer shall use their respective best efforts to enable the arbitration panel to resolve the dispute within sixty (60) days after the date of selection of the third arbitrator. The written decision of a majority of the arbitrators shall be final and binding on Seller and Buyer. The costs and expenses (including reasonable attorneys' fees) of the arbitration proceeding shall be paid by the party who fails to prevail in the arbitration proceeding or shall be divided between the parties in proportion to extent that each party prevails in such proceeding, as determined by the majority of the arbitrators. The Escrow Agent shall disburse the Escrow Deposit (or the appropriate portion thereof) in accordance with the decision of the arbitration panel within five (5) days after receiving written notice of the issuance of that decision from the arbitrators. No action at law or suit in equity based upon any claim arising out of or related to this Agreement shall be instituted in any court by Seller or Buyer against the other or the Escrow Agent except (i) an action to compel arbitration pursuant to this Section, or (ii) an action to enforce the award of the arbitration panel rendered in accordance with this Section.

## **5. Concerning the Escrow Agent.**

5.1 **Compensation.** Escrow Agent shall not be entitled to any compensation in connection with the performance of its duties hereunder except as expressly provided herein to the contrary.

5.2 **Resignation and Removal.** The Escrow Agent may resign and be discharged from its duties hereunder at any time by giving notice of such resignation to Seller and Buyer and specifying a date (not less than thirty (30) days after the giving of such notice) when such resignation shall take effect. Promptly after such notice, a successor Escrow Agent shall be appointed by mutual agreement of Seller and Buyer, such successor to become the Escrow Agent hereunder upon the resignation date specified in the notice. If Seller and Buyer are unable to agree upon a successor Escrow Agent within twenty (20) days after such notice, the Escrow Agent shall be entitled to appoint its successor, which shall be a federally-chartered United States bank. The Escrow Agent shall continue to serve as Escrow Agent until its successor assumes in writing the Escrow Agent's obligations hereunder and receives the Escrow Deposit and any interest earned thereon. Seller and Buyer may agree at any time to substitute a successor Escrow Agent by giving joint written notice thereof to the successor Escrow Agent then acting.

5.3 **Performance.** The duties and responsibilities of the Escrow Agent are limited to those specifically set forth herein. The Escrow Agent shall not be liable for

any mistake of fact or error of judgment made in good faith or for any acts or omissions by it of any kind other than willful misconduct or gross negligence. The Escrow Agent shall be entitled to rely, and shall be protected in doing so, upon (i) any written notice, instrument or signature believed by it to be genuine and to have been signed or presented by the proper party or parties duly authorized to do so, and (ii) the advice of counsel (which may be of the Escrow Agent's own choosing). The Escrow Agent shall have no responsibility for the contents of any writing submitted to it hereunder, and shall be entitled to rely without liability on the contents thereof. The Escrow Agent shall in no event be required to resolve any controversy concerning the Escrow Deposit, or take any action concerning any such controversy.

5.4 Indemnification. Seller and Buyer, jointly and severally, agree to indemnify the Escrow Agent and hold it, its employees, officers, and agents harmless against any and all liabilities, costs, expenses and attorneys' fees incurred by it hereunder, except for liabilities incurred by the Escrow Agent resulting from its own willful misconduct or gross negligence. As between Seller and Buyer, each party shall be responsible for the payment of one-half of any such liabilities, costs, expenses and attorneys' fees.

5.5 Interpleader. If at any time prior to the termination of this Agreement either Seller or Buyer shall file suit against the Escrow Agent for the Escrow Deposit or any portion thereof, the Escrow Agent may answer by way of interpleader and name Buyer and Seller (or either of them) as additional parties to such action, and the Escrow Agent may tender the Escrow Deposit into the court for determination of the respective rights, titles and interests of Seller and Buyer therein. As between Seller and Buyer, such fees and expenses shall be paid by the party who fails to prevail in the proceedings brought to determine the appropriate distribution of the Escrow Deposit. If and when the Escrow Agent shall so interplead such parties, or either of them, and deliver the Escrow Deposit to the clerk of the court, all of its duties and obligations hereunder shall cease. Nothing herein shall prejudice any other right or remedy of the Escrow Agent.

5.6 Discharge by Delivery. After the Escrow Agent has delivered the Escrow Deposit and the interest earned thereon pursuant to the terms of this Agreement, the Escrow Agent shall have discharged all of its obligations hereunder and neither Seller nor Buyer shall thereafter have any claim against the Escrow Agent on account of this Agreement.

5.7 Conflict. In the event of any conflict between the terms and provisions of this Agreement and those of the Asset Purchase Agreement, the terms and provisions of this Agreement shall control.

## 6. Miscellaneous.



6.1 Binding Effect. This Agreement will be binding upon, inure to the benefit of, and be enforceable by the respective successors and assignees of the parties hereto.

6.2 Entire Agreement; Amendments. This Agreement contains the entire understanding of the parties with respect to the subject matter hereof, and may be amended only by a written instrument duly executed by the party to be charged with such amendment.

6.3 Notices. All notices, requests, demands, and other communications required or permitted under this Agreement shall be in writing and shall be deemed to have been duly given when delivered personally (which shall include delivery by Federal Express or other recognized overnight courier service that issues as receipt or other confirmation of delivery) to the party for whom such communication is intended, or delivered by facsimile, addressed as follows:

If to Buyer: Robert D. Augsburg, President  
WAY-FM Media Group, Inc  
P.O. Box 64500  
Colorado Springs, CO 80962  
Telephone: (719) 533-0300  
Telecopy: (719) 278-4339

With a copy to: A. Wray Fitch, III, Esq.  
Timothy R. Obitts, Esq.  
Gammon & Grange, P.C.  
8280 Greensboro Drive, Seventh Floor  
McLean, VA 22102  
Telephone: 703.761.5000  
Telecopy: 703.761.5023

If to Seller: Rev. Rob Rotola  
Word of Life Ministries, Inc.  
3811 North Meridian  
Wichita, KS 67204  
Telephone:  
Telecopy:

If to Escrow Agent: A. Wray Fitch III, Esq.  
Gammon & Grange, P.C.  
8280 Greensboro Drive, Seventh Floor  
McLean, VA 22102  
Telephone: 703.761.5000  
Telecopy: 703.761.5023



or to such other address as such party shall specify by written notice to the other parties hereto. Any notice purportedly given by a means other than as set forth in this Section shall be deemed ineffective. Any notice given to the Escrow Agent shall also be given, by identical means, to all other parties.

6.4 Counsel.

Buyer and Seller acknowledge that the Escrow Agent acts as counsel to the Buyer, and shall have the right to continue to represent the Buyer in any action, proceeding, claim, litigation, dispute, arbitration or negotiation arising hereunder, and the Seller hereby consents thereto and waives any objection to the continued representation of the Buyer by the Escrow Agent in connection therewith based upon the services of the Escrow Agent hereunder, without waiving any duty or obligation the Escrow Agent may have to the parties under this Agreement.

6.5 Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with the laws of the Commonwealth of Virginia, without regard to the conflict of law rules utilized in that jurisdiction and any action brought in which the Escrow Agent is named as a party shall be brought in the courts of the Commonwealth of Virginia.

6.6 Counterparts. This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

6.7 Continuing Effect. This Agreement shall remain in full force and effect until the Escrow Agent has delivered the Escrow Deposit in accordance with the terms of this Agreement.

6.8 Headings. Section headings contained herein are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

**IN WITNESS WHEREOF**, and to evidence their assent to the foregoing, the parties hereto have executed this Escrow Agreement as of the date first above written.

**SELLER**

**WORD OF LIFE MINISTRIES, INC.**

By Robert J. Rotola  
Rev. Rob Rotola

**BUYER**

**WAY-FM MEDIA GROUP, INC.**

By Robert Augsburg  
Robert Augsburg

**ESCROW AGENT**

**GAMMON & GRANGE, P.C.**

By \_\_\_\_\_  
A. Wray Fitch III

SCHEDULE 1.3(b)(ii)

**PROMISSORY NOTE**

\$285,000.00

\_\_\_\_\_, 2004

FOR VALUE RECEIVED, the undersigned, WAY-FM MEDIA GROUP, INC., a \_\_\_\_\_ corporation ("Maker"), unconditionally promises to pay to WORD OF LIFE MINISTRIES, INC., a Kansas not for profit corporation, or its successors and assigns ("Holder"), or order, at the principal office of Holder located at 3811 North Meridian, Wichita, Kansas 67204, or at such other address specified by Holder to Maker, in lawful money of the United States of America and in immediately available funds, the principal sum of Two Hundred Eighty Five Thousand Dollars (\$285,000.00), together with interest accrued thereon in like money at such office, all as further provided herein.

1. Interest shall accrue on the outstanding principal balance of this Note at the rate of Six and Eight/Tenth Percent (6.8%) per annum, and shall start to accrue six months following the date hereof.

2. If any payment to be made by Maker hereunder is not made on or within fifteen days after the day it is due, a "late charge" of Two Percent (2%) of the payment that is late may be imposed and shall be payable by Maker to Holder on demand.

3. Principal shall be paid on this Note in One Hundred Twenty equal monthly installments of One Thousand Five Hundred Twenty-four Dollars (\$3,279.93), commencing on the first day of \_\_\_\_\_, 2004 (i.e., the sixth month following the date hereof) and continuing on the first day of each month thereafter through the One Hundred Twenty Sixth month after the date hereof. A final payment in an amount equal to all remaining principal and interest outstanding shall be made on the first day of the One Hundred Twenty Sixth month after the date hereof. Payments on this Note shall be applied first to the payment of accrued interest and next to the payment of principal.

4. This Note is issued pursuant to an Asset Purchase Agreement, dated December \_\_\_\_\_, 2003, by and between Maker and Holder (the "Asset Purchase Agreement") regarding non-commercial radio broadcast station KZZD (FM), Wichita, Kansas (hereinafter the "Station").

5. The principal hereof (together with accrued interest thereon) may be prepaid from time to time, in whole or in part, without premium or penalty. The obligation of Maker to pay all amounts due hereunder is absolute, and no claim, defense, counterclaim, offset or deduction of any nature, whether arising under this Note, the Asset Purchase Agreement or any other circumstances or occasion whatsoever, shall diminish in any way its obligation to make such payments in full when due.



6. If any of the following events or conditions (each an "Event of Default") shall occur:

(a) Maker shall failed to pay any installment of principal or interest on this Note within thirty (30) after written notice from Holder that the date such installment is past due and payable (whether at its stated maturity, by acceleration or otherwise); or

(b) Maker shall make an assignment for the benefit of creditors, or shall file a voluntary petition in bankruptcy, or shall file any petition or answer seeking for itself any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, or shall file any answer admitting or not contesting the material allegations of a petition filed against Maker in any such proceeding or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of Maker; or

(c) There shall be filed against Maker any petition or application for relief under any bankruptcy or similar law which is not discharged or dismissed within sixty (60) days after the filing of such petition or application; or

(d) Maker shall dissolve or liquidate;

then the entire amount of principal and interest remaining unpaid on this Note shall be forthwith due and payable, without presentment, protest or further demand or notice of any kind, all of which are hereby expressly waived by Maker, and Holder shall have all of the rights, powers, and remedies provided in this Note and the laws of the State of Kansas. Failure of Holder or any holder of this Note to exercise any right or remedy available hereunder shall not constitute a waiver of the right to exercise subsequently such right or remedy or any other right or remedy.

7. Furthermore, the entire amount of principal and interest remaining unpaid on this Note shall be due and payable upon consummation of any assignment or transfer of control of any of the Stations if that assignment or transfer requires the grant by the Federal Communications Commission of a "long form" assignment or transfer of control application (*i.e.*, an FCC Form 314, FCC Form 315 or any successor form to either).

8. To the extent permitted by law, Maker and each other party otherwise liable hereon in any capacity hereby severally waive presentment, protest and demand, notice of protest, demand, dishonor, and nonpayment, and diligence in collection.

9. If at any time the indebtedness evidenced by this Note is collected through legal proceedings or this Note is placed in the hands of attorneys for collection, Maker agrees to pay all costs and expenses (including reasonable attorneys' fees) incurred by the Holder of this Note in collecting or attempting to collect such indebtedness.

10. Maker may not assign any rights, duties or obligations under this Note. Without the consent of Maker, Holder may, in its sole discretion, at any time and from time to time while any portion of the indebtedness evidenced hereby remains unpaid, transfer, sell, assign or pledge this Note (or any portion thereof).

11. Any notice or other required or permitted communication to Holder hereunder shall be deemed effective (a) in the case of notice by personal delivery, on the date delivered to Holder at 3811 North Meridian, Wichita, Kansas 67204, or such other address as Holder may hereafter designate in writing to Maker, or (b) in the case of notice by registered or certified mail, return receipt requested, postage prepaid, on the fifth day after the date on which mailed, addressed to Holder at such address. Any notice or other required or permitted communication to Maker hereunder shall be deemed effective (a) in the case of notice by personal delivery, on the date delivered to Maker at P.O. Box 64500, Colorado Springs, Colorado 80962, or such other address as Maker may hereafter designate in writing to Holder, or (b) in the case of notice by registered or certified mail, return receipt requested, postage prepaid, on the fifth day after the date on which mailed, addressed to Maker as follows:

WAY-FM MEDIA GROUP, INC.  
P.O. Box 64500  
Colorado Springs, Colorado 80962

12. This Note may not be changed orally, but only by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought. This Note shall be governed by the laws of the State of Kansas. Should any provision of this Note be held unenforceable, such provision shall be ineffective to the extent required but shall not invalidate any other provision hereof, and to the maximum extent possible, this Note shall remain binding and in full force so as to effectuate the parties' original intent.

IN WITNESS WHEREOF, the undersigned has executed this Note as of the date first above written.

WITNESS:

WAY-FM MEDIA GROUP, INC.

By: \_\_\_\_\_  
Robert D. Augsburg, President

**SCHEDULE 2.8**

Insurance

Seller will provide the list of insurance within sixty days of execution of this Agreement



**SCHEDULE 10.14**  
**On Air Announcements**

As long as WAY-FM owns the station, WAY-FM will air announcements for Word of Life School or Church in the following manner: A minimum of 150 announcements per quarter or 3 month period\*; if 150 – 300 announcements are requested WAY-FM will accommodate the request but only if there were other churches or schools airing announcements during the previous quarter. In this case, a 1 to 3 ratio will apply. If 301 to the maximum of 450 announcements are requested, the ratio must be 1 to 4. WAY-FM agrees to air announcements during the 6am – 9pm time slot. The schedule may not exceed 42 announcements in any given week or 6 per day. Spot lengths may not exceed :60 seconds.

\* Quarters will run from Jan – March; April – June; July – Sept; Oct – Dec.