

FM TRANSLATOR REBROADCAST AND OPTION AGREEMENT

THIS FM TRANSLATOR REBROADCAST AND OPTION AGREEMENT (this "Agreement") is made and entered into as of the 25th day of May, 2007 by and between FAMILY LIFE BROADCASTING, INC., an Arizona not-for-profit corporation ("FLBI"), and RADIO ASSIST MINISTRY, INC., an Idaho not-for-profit corporation ("RAM").

Recitals

WHEREAS, on March 16, 2004, RAM was granted a construction permit by the Federal Communications Commission ("FCC") for FM translator station K297AU, 107.1 MHz, Big Spring, Texas (FCC Facility ID 155684) ("K297AU" or "FM Translator Station") (FCC Construction File No. BNPFT-20030822AEM as may be modified by RAM, "FCC Authorizations");

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

WHEREAS, FLBI is desirous of having the signal of noncommercial educational FM station KFLB-FM, 90.5 MHz, Odessa, Texas (FCC Facility ID 39893) ("KFLB-FM" or "Primary FM Station") rebroadcast over the FM Translator Station and to acquire an option to purchase the FM Translator Station pursuant to the terms and conditions specified herein;

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

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

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

Agreement

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

a. **Construction.** FLBI shall construct the facilities of the FM Translator Station at RAM's direction, and FLBI shall enter into a lease for the tower and/or transmitter site for the FM Translator Station (incorporating such terms as set forth in 2d below) purchase all necessary equipment, subcontract for construction and engineering services as well as site surveys, and/or undertake any other construction activities necessary for the construction of the FM Translator Station in full compliance with the FCC Authorizations and the rules and regulations of the FCC at FLBI's sole cost.

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

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

a. Term. The initial term of the Rebroadcasting Agreement shall commence on the date of submission of the License Application for the FM Translator Station and shall continue for twenty-four (24) months ("Initial Rebroadcast Term"). Thereafter, the Rebroadcasting Agreement shall continue until the termination pursuant to Section 2.e. ("Continuing Rebroadcast Term," and together with the Initial Rebroadcast Term, the "Rebroadcast Term").

b. Rebroadcasting Payment. During the Initial and Continuing Rebroadcast Term, FLBI shall pay to RAM a monthly payment of Three-Hundred Fifty-Four Dollars (\$354.00) for the rebroadcast of the Primary FM Station on the FM Translator Station ("Rebroadcasting Payment").

c. Operation of FM Translator Station. RAM shall operate the FM Translator Station in full compliance with the FCC Authorizations, and the rules and regulations of the FCC. FLBI shall reimburse RAM for utilities and maintenance costs upon submission of a statement by RAM.

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

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

ii. the right to assign the Transmitter Site Lease by FLBI to RAM if necessary; and

iii. the right to terminate the Transmitter Site Lease, if possible, by the lessee (FLBI or RAM, whoever is the Transmitter Site Lessee) with thirty (30) days prior written notice to the lessor in the event that the lessee is unable to adequately receive and/or maintain its input receive signal.

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

i. Upon Closing of Assignment. The Rebroadcast Agreement shall terminate automatically upon the closing of the transaction in which the FM Translator Station is

assigned by RAM to FLBI as a result of FLBI's exercise of the Option to acquire the FM Translator Station (as defined in Section 3 hereof);

ii. Upon Expiration of Option Period. The Rebroadcast Agreement shall terminate automatically in the event that FLBI has not exercised its Option to acquire the FM Translator Station (as defined in Section 3 hereof) during the Option Period (as defined in Section 3.a. hereof). Upon such termination, at RAM's sole option, FLBI shall assign all equipment, the Transmitter Site Lease, and any other assets used in the operation of the FM Translator Station to RAM at no cost to RAM and the parties shall have no further liabilities to each other.

iii. Technical Feed Problems. The Rebroadcast Agreement shall terminate upon thirty (30) days prior written notice by FLBI to RAM in the event that FLBI has reasonably determined that the FM Translator Station is unable to receive an adequate desired signal from the Primary FM Station in compliance with the rules and regulations of the FCC and all technical options to provide an adequate signal to the FM Translator Station, including the seeking of an alternative feed source, have been exhausted by FLBI (with assistance of RAM). Within 10 days of such termination, RAM at its sole option may choose to terminate the Transmitter Site Lease (pursuant to the termination rights specified in the Transmitter Site Lease pursuant to Section 2.d.iii.) or RAM may choose to assume the Transmitter Site Lease from FLBI. Until such termination or assumption, FLBI shall remain liable for any lease payments due under the Transmitter Site Lease. In the event that RAM chooses to assume the Transmitter Site Lease from FLBI, RAM shall reimburse FLBI for the Fair Market Value (FMV) costs of the equipment of the FM Translator Station in Section 1.a. hereof and shall assume the obligations of the Transmitter Site Lease.

iv. Non-Payment of the Rebroadcasting Payment. The Rebroadcast Agreement shall terminate automatically in the event that FLBI fails to timely pay RAM the Rebroadcasting Payment and such non-payment is not cured by FLBI within five (5) business days after FLBI receives notice of such non-payment from RAM.

v. Upon Default by a Party. The Rebroadcast Agreement shall terminate automatically in the event that a party defaults (except for technical feed problems) in any material respect in the performance of any of its covenants or agreements contained in the Rebroadcast Agreement and such breach or default is not cured within thirty (30) days ("Cure Period") after the defaulting party receives notice of such breach or default from the non-defaulting party. If FLBI is the defaulting party, then at RAM's sole option, FLBI shall assign all equipment, the Transmitter Site Lease, and any other assets used in the operation of the FM Translator Station to RAM at no cost to RAM, provided however, RAM shall assume the obligations of the Transmitter Site Lease. If RAM is the defaulting party, then, at FLBI's sole option, FLBI shall be entitled to specific performance of the terms of this agreement, or shall require RAM to reimburse FLBI for the FMV costs of the equipment of the FM Translator Station in Section 1.a. hereof.

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

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

a. Option Period. FLBI's Option shall commence on the day, one-hundred twenty (120) days before the end of the Initial Rebroadcast Term and shall terminate sixteen (16) months thereafter ("Option Period").

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

c. Transfer Value. Upon the exercise of the Option by FLBI and after the FCC grants the Assignment Application the FM Translator Station shall be transferred by RAM to FLBI for the sum of One-Thousand Five-Hundred Dollars (\$1,500.00).

d. Deposit. As consideration for RAM granting the Option to FLBI, FLBI has paid the non-refundable consideration of THREE HUNDRED DOLLARS (\$300.00) to RAM the receipt of which is hereby acknowledged.

e. Assignment Application. Upon the exercise of the Option by FLBI, the parties shall, within five (5) business days, jointly file an application with the FCC seeking the FCC's consent to the assignment of the FM Translator Station from RAM to FLBI ("Assignment Application").

f. Closing. The transactions in which the FM Translator Station will be assigned by RAM to FLBI shall be on a mutually agreed upon date which shall be within ten (10) business days after the FCC grants the Assignment Application ("Closing" or "Closing Date"). On the Closing Date, RAM shall provide to FLBI an instrument of conveyance for the FM Translator Station and FLBI shall pay RAM the sum of One-Thousand Five-Hundred Dollars (\$1,500.00).

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

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

ii. Upon Expiration of Option Period. The Option shall terminate automatically in the event that FLBI has not exercised its Option during the Option Period. Upon such termination, at RAM's sole option, FLBI shall assign all equipment, the Transmitter Site Lease, and any other assets used in the operation of the FM Translator Station to RAM who shall reimburse FLBI for the Fair Market Value (FMV) costs of the equipment of the FM Translator Station in Section 1.a. hereof and shall assume the obligations of the Transmitter Site Lease..

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

iv. Upon Default by a Party. The Option shall terminate automatically in the event that a party defaults (except for technical feed problems) in any material respect in the performance of any of its covenants or agreements contained in this Agreement and such breach or default is not cured within thirty (30) days ("Cure Period") after the defaulting party receives

notice of such breach or default from the non-defaulting party. If FLBI is the defaulting party, then at RAM's sole option, FLBI shall assign all equipment, the Transmitter Site Lease, and any other assets used in the operation of the FM Translator Station to RAM at no cost to RAM, provided however, RAM shall assume the obligations of the Transmitter Site Lease. If RAM is the defaulting party, then, at FLBI's sole option, FLBI shall be entitled to specific performance of the terms of this agreement, or shall require RAM to reimburse FLBI for the FMV costs of the equipment of the FM Translator Station in Section 1.a. hereof.

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

4. EXCLUSIVITY AND CONFIDENTIALITY. The parties agree that from the date hereof until the expiration of the Option Period or the termination of the Rebroadcast Agreement or the Option Agreement, neither party will seek to transfer or sell to, or entertain any offers to buy from, third parties, respectively, the FM Translator Station or the Primary FM Station. Further, the parties agree to keep confidential the terms of this Agreement, except with respect to any disclosure required by law or the rules and regulations of the FCC.

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

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

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

If to RAM:

Mr. Clark Parrish
Radio Assist Ministry, Inc.
Post Office Box 5459
Twin Falls, ID 83303

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

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

If to FLBI:

Mr. Michael Brinks
Family Life Broadcasting
7355 North Oracle Road Suite 200
Tucson, AZ 85704

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

Robert R. Schwartz, Esq.
17873 W. Spencer Drive
Surprise, AZ 85374

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

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

RADIO ASSIST MINISTRY, INC.

By: _____

Clark Parrish
President

FAMILY LIFE BROADCASTING, INC.

By: _____

Randy Carlson
President