

**GUARANTY AGREEMENT**

This **GUARANTY AGREEMENT** is made as of this \_\_\_\_ day of \_\_\_\_\_, 2005, by **PRO-ACTIVE COMMUNICATIONS, INC.**, a Nevada corporation ("Debtor") and Mr. Gerald D. Clifton, an individual residing in Scottsdale, Arizona and Mr. Gregory McMillion, an individual residing in Clovis, California ("Guarantor" or "Guarantors") in favor of **RADIO STATION KMJY, LLC**, a Delaware Limited Liability Company (the "Secured Party"). The parties hereto shall be known herein as the "Parties".

**W I T N E S S E T H:**

WHEREAS, Secured Party has loaned to Debtor a sum or sums of money in the aggregate principal amount of Nine Hundred Fifty Thousand Dollars (\$950,000.00) (the "Loan"), evidenced by a Secured Promissory Note of even date herewith (the "Note"); and

WHEREAS, in order to secure repayment of the Loan, interest payable, and any other amounts due and owing to Secured Party thereunder (the "Obligations"), Debtor has agreed to grant a security interest to Secured Party in certain assets of Debtor and to further secure repayment of the Loan by execution of this Guaranty Agreement.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt of which is hereby acknowledged, the Guarantors agree as follows:

1. Guaranteed Obligations. Guarantors do hereby irrevocably and unconditionally guarantee the payment of the following obligations of the Debtor to the Secured Party (collectively, the "Guaranteed Obligations"):

(a) The principal of the Note, together with all interest thereon, payable to Secured Party when due and payable, whether on any installment payment date or at the stated or accelerated maturity date, all according to the terms of said Note;

(b) All other sums and charges which may at any time be due and payable in accordance with, or secured by said Note; and

(c) The due and punctual performance of all of the other terms and conditions contained in the Purchase Agreement, the Note and the Security Agreement of even date herewith, executed by Maker as security for its obligations under the Note.

2. Guarantee of Payment. It is understood that this Guaranty is a continuing guarantee of payment and not of collectability, and it is in no way conditioned upon any attempt to collect from Maker; provided, however, that Guarantor shall not be obligated to make any payment

hereunder unless and until the occurrence of an event of default as defined by the terms of the Note.

(a) In the event that the Note shall be terminated as a result of the rejection or disaffirmance thereof by any trustee, receiver or liquidating agency of Maker or any of its properties in any assignment for the benefit of creditors or any bankruptcy, insolvency, reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar proceeding, Guarantors' obligations hereunder shall continue to the same extent as if such obligations had not been so rejected or disaffirmed. Guarantors shall and does hereby waive all rights and benefits which might relieve, in whole or in part, Guarantors from the performance of their duties and obligations hereunder by reason of any such proceeding and Guarantors agree that they shall be liable for all sums, including all damages imposed, provided for or payable under the terms of the Note, irrespective of, and without regard to, any modification, limitation or discharge of the liability of Maker that may result from any such proceedings.

(b) The obligations of Guarantors hereunder shall remain in full force and effect without regard to, and shall not be released, discharged or in any way affected by any of the following (whether or not Guarantors shall have any knowledge or notice thereof): (a) any amendment or modification of or supplement to the Note; (b) any waiver, consent, change, extension, indulgence or other action or inaction under or in respect of the Note; (c) any bankruptcy, insolvency, reorganization, arrangement, readjustment, composition, liquidation or similar proceeding with respect to Maker or Guarantors, or any action taken by any court, trustee, receiver or liquidating agent in any such proceeding; (d) any termination, cancellation, frustration, invalidity, irregularity or unenforceability, in whole or in part, of the Note or this Guaranty or any term of any part thereof or any lack of power or authority of the Maker to execute the Note; or (e) any other circumstance whatsoever which might otherwise constitute a legal or equitable discharge or defense of a guarantor or a surety and irrespective of any other circumstance which might otherwise limit the recourse against Guarantors.

(c) The obligations of Guarantors set forth herein constitute the full recourse obligations of Guarantors enforceable against them to the full extent of all their assets and properties. Guarantors waive presentment, demand, notice of dishonor, protest, notice of protest, nonpayment or default to Guarantors, and all other notices to which Guarantor may otherwise be entitled, other than notices to which Debtor is entitled pursuant to the Note. Guarantor hereby waives all surety defenses, except indefeasible payment and performance in full. The liability of Guarantors shall be direct and immediate and not conditional or contingent upon the pursuit of any remedies against Debtor or any other person or entity. Guarantors irrevocably waive any and all rights to require that an action be brought against Debtor or any other person or entity prior to action against Guarantors hereunder.

(d) The Guarantors represent and warrant that they have sufficient assets to fulfill the obligations of the Debtor under the Note. The Guarantors covenant that until the Note is fully paid and performed, they shall continue to have sufficient assets to fulfill the obligations of the Debtor under the Note.

(e) Guarantors represent and warrant that they have consulted and conferred with competent legal counsel before executing this Guaranty and that they understand the obligations hereunder. In the event of an ambiguity or conflict in the terms hereof the rule of construction requiring resolution against the drafter of the document shall not be applied.

3. Costs and Fees. If any legal action or any arbitration or other proceeding is brought for the enforcement of this Guaranty or because of an alleged dispute, breach, default, or misrepresentation in connection with any of the provisions hereof, or if this Guaranty is given to an attorney for collection, the prevailing Party shall be entitled to recover reasonable attorney's fees and other costs incurred in such action, proceeding, or collection in addition to any other relief to which the prevailing Party may be entitled.

4. Amendments and Waivers. This Guaranty Agreement may be amended and the terms hereof may be waived only with the written consent of Guarantors, Maker, and the Secured Party.

5. Notice. All notices, demands, and other communications hereunder shall be in writing and deemed to have been sufficiently given for all purposes hereof if delivered by hand or mailed by registered or certified mail, return receipt requested, postage prepaid; by recognized overnight courier; or by facsimile as follows:

(a) If to Secured Party:

Mr. Thomas D. Hodgins, Managing Member  
Radio Station KMJY, LLC  
1600 Gray Lynn Drive  
Walla Walla, WA 99362  
Fax: (509) 529-5534

(b) If to Maker or Guarantors:

Mr. Gerald D. Clifton, Chief Executive Officer  
Pro-Active Communications, Inc.  
7829 E. Highland Ave.,  
Scottsdale, AZ 85251

Mr. Gregory McMillion, Chief Operating Officer  
Pro-Active Communications, Inc.  
10391 E. Lylewood Way  
Clovis, CA 93611  
Fax: (559) 291-3363

or at such other address as the Party to who such notice or demand is directed may have designated by like notice in writing to the other Party hereto.

6. Survival of Guaranty. This Guaranty Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns, including any subsequent holder or holders of any Guaranteed Obligations, and the terms "Secured Party" shall include any such holder or holders whenever the context permits. Without limiting the generality of the immediately preceding sentence, Secured Party may assign or otherwise transfer the Note and its rights thereunder to any other person or entity, and such person or entity shall thereupon become vested with all of the benefits in respect thereof granted to Secured Party herein or otherwise. None of the rights or obligations of Guarantors hereunder may be assigned or otherwise transferred without the prior written consent of Secured Party. In case a court of competent jurisdiction shall hold any provision of this Guaranty Agreement to be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

7. Governing Law and Jurisdiction. This Guaranty Agreement, including the validity hereof and the rights and obligations of the Parties hereunder, shall be construed in accordance with and governed by the laws of the State of Washington.

[ The Next Page Is The Signature Page ]

IN WITNESS WHEREOF, the Parties hereto have caused this Guaranty Agreement to be duly executed as of the day and year first above written.

GUARANTORS  
GERALD D. CLIFTON

BY: \_\_\_\_\_  
Gerald D. Clifton

GREGGORY McMILLION

BY: \_\_\_\_\_  
Greggory McMillion

MAKER  
PRO-ACTIVE COMMUNICATIONS, INC.

BY: \_\_\_\_\_  
Gerald D. Clifton, Chief Executive Officer

SECURED PARTY  
RADIO STATION KMJY, LLC

BY: \_\_\_\_\_  
Thomas D. Hodgins, Managing Member