

## **ASSIGNMENT AND LEASE AGREEMENT**

THIS ASSIGNMENT AND LEASE AGREEMENT (this "Agreement") is made and entered into as of the 14 day of September 2004 by and between Ted W. Austin, Jr. Party, an individual residing in the State of Idaho ("Buyer"), and Edgewater Broadcasting, Inc., an Idaho not-for-profit corporation ("EB") and Radio Assist Ministry, Inc., an Idaho not-for-profit corporation ("RAM") (collectively, "Sellers").

### **Recitals**

WHEREAS EB has been granted a construction permit by the Federal Communications Commission ("FCC") for a new FM translator, K261DB, St. Anthony, Idaho (FIN: 14876) (the "St. Anthony Construction Permit");

WHEREAS RAM has been granted construction permits by the Federal Communications Commission ("FCC") for new FM translators K300BK, Idaho Falls, Idaho (FIN: 150128) (the "Idaho Falls Construction Permit") and K254AX, Rexburg, Idaho (FIN: 152300) (the "Rexburg Construction Permit");

WHEREAS, Buyer would like to purchase the St. Anthony Construction Permit and the Idaho Falls Construction Permit on the terms and conditions specified herein;

WHEREAS, Buyer would like to lease the Rexburg Construction Permit, upon completion of construction, on the terms and conditions specified herein; and

WHEREAS, Prior FCC approve for the transactions contemplated hereunder is required.

### **Agreement**

IN CONSIDERATION OF THE MUTUAL PROMISES CONTAINED HEREIN, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound, do hereby agree as follows:

1. **The EB Assignment.** Subject to the conditions contained herein, EB agrees to assign and Buyer agrees to purchase the St. Anthony Construction Permit, as follows:
  - (a) **Purchase Price.** The Purchase Price for the Construction Permit shall be the dollar amount indicated on the attached Addendum A.
  - (b) **Deposit.** Concurrently with the execution hereof Buyer shall pay to EB a non-refundable deposit in the amount of Two Thousand Five Hundred Dollars (\$2,500.00).

St. Anthony, Idaho Falls, Rexburg

- (c) Application. Within ten (10) days after the execution of this Agreement the parties shall jointly file an application for assignment with the FCC (the "Assignment Application").
  - (d) Closing. Buyer will pay the Purchase Price (less the deposit referenced in Paragraph 1(b) hereof) within ten (10) days after approval of the Assignment Application, whereupon EB will provide to Buyer an instrument of conveyance suitable to Buyer for Construction Permit.
2. The RAM Assignment. Subject to the conditions contained herein, RAM agrees to assign and Buyer agrees to purchase the Idaho Falls Construction Permit, as follows:
- (a) Purchase Price. The Purchase Price for the Construction Permit shall be the dollar amount indicated on the attached Addendum A.
  - (b) Deposit. Concurrently with the execution hereof Buyer shall pay to EB a non-refundable deposit in the amount of Two Thousand Five Hundred Dollars (\$2,500.00).
  - (c) Application. Within ten (10) days after the execution of this Agreement the parties shall jointly file an application for assignment with the FCC (the "Assignment Application").
  - (d) Closing. Buyer will pay the Purchase Price (less the deposit referenced in Paragraph 2(b) hereof) within ten (10) days after approval of the Assignment Application, whereupon RAM will provide to Buyer an instrument of conveyance suitable to Buyer for Construction Permit.
3. The Construction and Lease Agreement. Upon completion of construction of the Rexburg Construction Permit, Buyer hereby agrees to lease K254AX on the following terms and conditions:
- (a) Term. Buyer agrees to lease K254AX for the period of one (1) year from the date of initiation of Program Tests (as that term is defined by Section 74.14 of the Commission's Rules) (the "Initial Term"). The lease may be renewed, at RAM's sole-option, on a month-to-month basis thereafter, as provided herein.
  - (b) Lease Payments. During the term of the lease, Buyer shall pay to RAM or any designated third-party as follows:

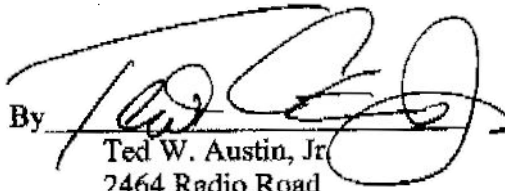
1. Buyer shall be responsible for the purchase of the equipment & construction of K254AX, subject to RAM's approval. Such equipment costs will not exceed \$5000.00. RAM accepts responsibility for the costs (& timely filing) of amendments associated with engineering modifications of the Construction Permit prior to construction.
  2. RAM is responsible to enter into an acceptable tower lease, subject to Buyer's approval. Buyer shall timely make the tower lease payments for K254AX on a monthly basis as directed by RAM. A copy of the tower lease shall be provided to Buyer prior to commencement of the Initial Term.
  3. Upon extension of the lease following the Initial Term, Buyer shall pay RAM the monthly rent of Five Hundred Dollars per month beginning on the first day of the 13<sup>th</sup> month following Program Tests. Upon any further extension of this lease, on the anniversary of the initiation of Program Tests the rent shall be increased by 3% in each successive year.
- (c) Extension and Termination. The initial term shall automatically convert to a month to month basis after the first one-year term. RAM may give Buyer ninety (90) days notice of termination prior to the expiration of the Initial Term or may give Buyer ninety (90) days notice of termination of the month to month lease term at its sole option at any time after the initial term. At the end of the first year following the Initial Term, and each year thereafter, should the lease be continued on a month-to-month basis, provided, that Buyer is not in default of his obligations hereunder Buyer may terminate this lease on the anniversary date of the initiation of program tests upon ninety (90) days prior notice.
- (d) Representations, Warranties and Covenants of Buyer. Buyer represents, warrants and covenants to Seller that all broadcasts on K254AX shall be in conformity with the Rules and Regulations of the Federal Communications Commission (the "FCC Rules") and that, if at any time, Buyer is, in any manner whatsoever, in violation of any FCC Rule, Buyer shall notify Seller within three (3) business days.
- (e) Default. Buyer's failure to make any required payment pursuant to Paragraph 3(b) hereof shall constitute a material breach of this lease and shall be grounds for termination, upon 30 days of written notice of termination. Buyer's failure to broadcast in conformity with the FCC Rules, shall constitute a material breach of this lease and shall be grounds for immediate termination, without notice.

4. **Exclusivity and Confidentiality.** 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.** Buyer represents warrants and covenants that it is qualified to be a Commission licensee and to hold the FCC authorizations which are the subject of this Agreement. Buyer further represents and warrants that it is qualified to lease K254AX and that use of this facility by Buyer complies with the FCC's Rules.
6. **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. Venue for any action brought to enforce this Agreement is exclusively in the federal or state courts located in the State 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.
7. **Notices.** All correspondence or notice required or desired to be given under this agreement shall be deemed given when delivered to the US Postal Service, pre-paid First Class mail, to the address listed below.

[The next page is the signature page.]

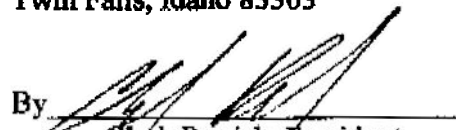
WHEREFORE, The parties whose names and addresses appear below have caused this Agreement to be executed by them as of the date first above written.

**BUYER**


By   
Ted W. Austin, Jr.  
2464 Radio Road  
St. Anthony, Idaho 83445

**SELLERS**

**Radio Assist Ministry, Inc.**  
P. O. Box 5459  
Twin Falls, Idaho 83303

By   
Clark Parrish, President

**Edgewater Broadcasting, Inc**  
PO Box 5725  
Twin Falls, Idaho 83303

By   
Clark Parrish, President

**ADDENDUM A****Construction Permits**

K261DB, St. Anthony, ID (FIN: 148762)

\$5,000.00

K300BK, Idaho, Falls, ID (FIN: 150128)

\$15,000.00

Handwritten signature and date 9/17/04