

FM TRANSLATOR REBROADCAST AND OPTION AGREEMENT

THIS FM TRANSLATOR REBROADCAST AND OPTION AGREEMENT (this "Agreement") is made and entered into as of the 10th day of August, 2010 by and between Flint Media, Inc., a Georgia corporation ("FMI"), and Edgewater Broadcasting, Inc., Idaho non-profit corporation ("EB") and

Recitals

WHEREAS, EB is the licensee of an FM Translator Station in Bainbridge, Georgia, Facility ID Number 148362 (the "Station"), pursuant to an authorization issued by the Federal Communications Commission (the "FCC");

WHEREAS, both FMI and EB and/or their consultants are experienced in the operation of commercial FM translators;

WHEREAS, FMI is desirous of having the signal of commercial station WSEM-AM, 1500 kHz, Donalsonville, Georgia (FCC Facility ID 59662) ("WSEM" or "Primary AM Station") rebroadcast over the Station and to acquire an option to purchase the Station as listed above pursuant to the terms and conditions specified herein;

WHEREAS, EB would like to engage FMI to construct the FM Translator Station and to grant FMI 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 EB to FMI pursuant to the exercise of the option granted to FMI 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 EB as permittee of the FM Translator Station, EB hereby engages FMI to construct the facility of the Station, as follows:

a. **Construction.** FMI shall construct the facility of the FM Translator Station at EB's direction, and FMI shall enter into a lease for the tower and/or transmitter site for the FM Translator Station, 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 FMI's sole cost. All equipment purchased by FMI, all rights under any leases entered into by FMI, and all improvements to real property made by FMI, are and shall remain the sole property of FMI, and EB shall have no claim upon any of it.

b. FCC License Application. Upon completion of construction of the Station, FMI shall assist EB in the completion and submission of an application for license to the FCC ("License Application"). FMI shall be responsible for all costs associated with filing the License Application. FMI shall also be responsible for all FCC filing fees.

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

a. Rebroadcast Term. The initial term of the Rebroadcasting Agreement shall commence upon the signing of this agreement. The Rebroadcasting Agreement shall continue for sixty (60) 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"). The foregoing notwithstanding, FMI may terminate this Rebroadcasting agreement at any time upon compliance with subparagraph e. vi. below.

b. Rebroadcasting Payment. During the Initial Rebroadcast Term, FMI shall pay to EB a monthly payment of FIVE HUNDRED DOLLARS (\$500.00) for the rebroadcast of the Primary ~~AM~~ Station on the Station, and also during the Continuing Rebroadcast Term, FMI shall pay to EB a monthly payment of FIVE HUNDRED DOLLARS (\$500.00) for the rebroadcast of the Primary ~~AM~~ Station on the Station ("Rebroadcasting Payment").

c. Operation of FM Translator Station. EB shall operate the FM Translator Station in full compliance with the FCC Authorization, and the rules and regulations of the FCC. FMI shall be responsible for and if necessary reimburse EB for any utilities and maintenance costs EB may incur for this station.

d. Transmitter Site Lease. FMI 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 facility on the tower and/or buildings at the transmitter site at no cost to EB; and

ii. the right to terminate the Transmitter Site Lease by the lessee FMI 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 Exercise of Option. The Rebroadcast Agreement shall terminate automatically upon the consummation of the transaction in which the FM Translator Station is

assigned by EB to FMI as a result of FMI'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 FMI has not exercised its Option to acquire the FM Translator Station during the Option Period (as defined in Section 3.a. hereof). Upon such termination, the equipment shall be the property of FMI. The parties shall have no further liabilities to each other thereafter.

iii. Non-Payment of the Rebroadcasting Payment. The Rebroadcast Agreement shall terminate automatically in the event that FMI fails to timely pay EB the Rebroadcasting Payment and such non-payment is not cured by FMI within ten (10) business days after FMI receives notice of such non-payment from EB.

iv. Upon Default by a Party. The Rebroadcast Agreement shall terminate automatically in the event that a party breaches in any material respect any of its representations or warranties or defaults 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.

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

vi. Upon Notice from FMI. The Rebroadcast agreement shall terminate 90 days after written notice from FMI to EB of early termination and FMI's payment to EB of \$1,500.

3. **THE OPTION AGREEMENT.** EB grants to FMI an option to acquire the FM Translator Station, ("Option"):

a. Option Period. FMI's Option shall commence upon the signing of this agreement and shall terminate sixty (60) days after the "Initial" rebroadcast term ("Option Period").

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

c. Transfer of Value. Upon the exercise of the Option by FMI, the FM Translator Station shall be conveyed by EB to FMI at close for the amount of money equal to what would have been the payoff on the date of closing if EB had sold the Translator Station to FMI for \$25,000, financed over Sixty (60) months at 7.5% interest per year. The attached amortization schedule, shows, for example, that if the option were exercised and the purchase closed in the 16th month of the agreement, immediately after the 16th payment had been made, the purchase price or final payment at close would be \$19,231.11. Upon the exercise of the option and close, no further payments shall be due under the Rebroadcast Agreement.

d. Deposit. As consideration for EB granting the Option to FMI, FMI has paid the non-refundable consideration of Three Hundred DOLLARS (\$300.00) to EB the receipt of which is hereby acknowledged.

e. Assignment Application. Upon the exercise of the Option by FMI, 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 EB to FMI ("Assignment Application").

f. Closing. The transaction in which the FM Translator Station will be assigned by EB to FMI 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, EB shall provide to FMI an instrument of conveyance for the FM Translator Station and FMI shall pay EB any remaining amount due under this agreement..

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 FMI;

ii. Upon Expiration of Option Period. The Option shall terminate automatically in the event that FMI has not exercised its Option during the Option Period.

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 breaches in any material respect any of its representations or warranties or defaults 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.

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 ~~AM~~ 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.** FMI represents, warrants, and covenants to EB that it is qualified to be an FCC licensee of the FM Translator Station and the Primary ~~AM~~ Station as well and 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 EB:

Mr. Clark Parrish
Edgewater Broadcasting, Inc.
Post Office Box 5725
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 FMI:

Mr. Kevin L. Dowdy
Flint Media, Inc.
P.O. Box 7425
Bainbridge, GA 39818-7425

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 Georgia. 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.

[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.

EDGEWATER BROADCASTING, INC.

By: 

Clark Parrish
President

FLINT MEDIA, INC.

By: 

Kevin L. Dowdy
President

#	Date	Payment Amount	Transaction Description	Interest Rate	Interest Paid	Total Interest	Principal Paid	Balance
0	7/30/10	0.00		7.50	0.00	0.00	0.00	25,000.00
1	8/30/10	500.00		7.50	159.25	159.25	340.75	24,659.25
2	9/30/10	500.00		7.50	157.08	316.32	342.92	24,316.32
3	10/30/10	500.00		7.50	149.90	466.22	350.10	23,966.22
4	11/30/10	500.00		7.50	152.66	618.88	347.34	23,618.88
5	12/30/10	500.00		7.50	145.60	764.48	354.40	23,264.48
6	1/30/11	500.00		7.50	148.19	912.67	351.81	22,912.67
7	2/28/11	500.00		7.50	136.53	1,049.20	363.47	22,549.20
8	3/28/11	500.00		7.50	129.74	1,178.94	370.26	22,178.94
9	4/28/11	500.00		7.50	141.28	1,320.21	358.72	21,820.21
10	5/28/11	500.00		7.50	134.51	1,454.72	365.49	21,454.72
11	6/28/11	500.00		7.50	136.66	1,591.38	363.34	21,091.38
12	7/28/11	500.00		7.50	130.02	1,721.40	369.98	20,721.40
13	8/28/11	500.00		7.50	131.99	1,853.39	368.01	20,353.39
14	9/28/11	500.00		7.50	129.65	1,983.04	370.35	19,983.04
15	10/28/11	500.00		7.50	123.18	2,106.22	378.82	19,606.22
16	11/28/11	500.00		7.50	124.89	2,231.11	375.11	19,231.11
17	12/28/11	500.00		7.50	118.55	2,349.66	381.45	18,849.66
18	1/28/12	500.00		7.50	120.07	2,469.73	379.93	18,469.73
19	2/28/12	500.00		7.50	117.65	2,587.38	382.35	18,087.38
20	3/28/12	500.00		7.50	104.06	2,691.44	395.94	17,691.44
21	4/28/12	500.00		7.50	112.69	2,804.14	387.31	17,304.14
22	5/28/12	500.00		7.50	106.67	2,910.81	393.33	16,910.81
23	6/28/12	500.00		7.50	107.72	3,018.53	392.28	16,518.53
24	7/28/12	500.00		7.50	101.83	3,120.35	398.17	16,120.35
25	8/28/12	500.00		7.50	102.68	3,223.04	397.32	15,723.04
26	9/28/12	500.00		7.50	100.15	3,323.19	399.85	15,323.19
27	10/28/12	500.00		7.50	94.46	3,417.65	405.54	14,917.65
28	11/28/12	500.00		7.50	95.02	3,512.67	404.98	14,512.67
29	12/28/12	500.00		7.50	89.46	3,602.13	410.54	14,102.13
30	1/28/13	500.00		7.50	89.83	3,691.96	410.17	13,691.96
31	2/28/13	500.00		7.50	87.22	3,779.18	412.78	13,279.18
32	3/28/13	500.00		7.50	78.40	3,855.58	423.60	12,855.58
33	4/28/13	500.00		7.50	81.89	3,937.47	418.11	12,437.47
34	5/28/13	500.00		7.50	76.67	4,014.14	423.33	12,014.14
35	6/28/13	500.00		7.50	76.53	4,090.66	423.47	11,590.66
36	7/28/13	500.00		7.50	71.45	4,162.11	428.55	11,162.11
37	8/28/13	500.00		7.50	71.10	4,233.22	428.90	10,733.22
38	9/28/13	500.00		7.50	68.37	4,301.58	431.63	10,301.58
39	10/28/13	500.00		7.50	63.50	4,365.09	436.50	9,865.09
40	11/28/13	500.00		7.50	62.84	4,427.93	437.16	9,427.93
41	12/28/13	500.00		7.50	56.12	4,486.04	441.88	8,986.04
42	1/28/14	500.00		7.50	57.24	4,543.28	442.76	8,543.28
43	2/28/14	500.00		7.50	54.42	4,597.70	445.58	8,097.70
44	3/28/14	500.00		7.50	48.59	4,644.29	453.41	7,644.29
45	4/28/14	500.00		7.50	48.69	4,692.99	451.31	7,192.99
46	5/28/14	500.00		7.50	44.34	4,737.33	455.66	6,737.33
47	6/28/14	500.00		7.50	42.92	4,780.24	457.08	6,280.24
48	7/28/14	500.00		7.50	38.71	4,818.96	461.29	5,818.96
49	8/28/14	500.00		7.50	37.07	4,856.02	462.93	5,356.02
50	9/28/14	500.00		7.50	34.12	4,890.14	465.88	4,890.14
51	10/28/14	500.00		7.50	30.14	4,920.28	469.86	4,420.28
52	11/28/14	500.00		7.50	28.16	4,948.44	471.84	3,948.44
53	12/28/14	500.00		7.50	24.34	4,972.78	475.66	3,472.78
54	1/28/15	500.00		7.50	22.12	4,994.90	477.88	2,994.90
55	2/28/15	500.00		7.50	19.08	5,013.98	480.92	2,513.98
56	3/28/15	500.00		7.50	14.46	5,028.44	485.54	2,028.44
57	4/28/15	500.00		7.50	12.92	5,041.36	487.08	1,541.36

58	5/28/15	500.00	7.50	9.50	5,050.86	490.50	1,050.86
59	6/28/15	500.00	7.50	6.69	5,057.58	493.31	557.56
60	7/28/15	561.00	7.50	3.44	5,061.00	557.56	0.00
Loan Length:		60 month(s)	Loan Principal:		\$25,000.00		
Payment Amount:		\$500.00	Interest Rate:		7.5		

FLINT MEDIA, INC.
WBGE LIVE 101.9 FM
PH. 229-246-7776
521 S. SCOTT STREET
RAINBRIDGE, GA 39819

4684
84-2041/612

8/6/10

Date

PAY to the
Order of

Edgewater Broadcasting INC.

\$ 800.00

Eight hundred & 00/100

Dollars



SECURITY
* Register
check with us
today



First National Bank
of Decatur County
Rainbridge, Georgia 39819

For

300 Binder / 1st Pmt - 500.00

[Signature]

⑆061220418⑆

02002475⑆

4684