

LOCAL PROGRAMMING AND MARKETING AGREEMENT

This Local Programming and Marketing Agreement (the "Agreement"), dated as of December 1, 2006 is entered into by and between **Caron Broadcasting, Inc.** ("Licensee"), the owner of certain assets relating to radio station WKNR(AM), FCC Facility ID No. 28509, licensed to Cleveland, Ohio (the "Station"), and **Good Karma Broadcasting, LLC** (the "Programmer").

WHEREAS, Licensee and Programmer have entered into an Asset Purchase Agreement of equal date hereto ("Purchase Agreement"), whereby Licensee will convey and Programmer will purchase certain assets associated with the Station; and

WHEREAS, the purchase and sale contemplated by the Purchase Agreement is subject to the prior approval and consent of the Federal Communications Commission ("FCC"); and

WHEREAS, in accordance with procedures and policies approved by the FCC, the Programmer desires to avail itself of Station's broadcast time for the presentation of a programming service, including the sale of program and advertising time, until such time as (i) the FCC shall have consented to the purchase and sale contemplated by the Purchase Agreement; (ii) such purchase and sale shall have been consummated (such date being the "Closing Date"); or (iii) the Purchase Agreement is terminated.

WHEREAS, in accordance with procedures and policies approved by the FCC, Licensee desires to make available to Programmer the Station's broadcast time for the presentation of a programming service, including the sale of program and advertising time, until the Closing Date; and

WHEREAS, each term not defined herein shall have the meaning ascribed to such term in the Purchase Agreement,

NOW, THEREFORE, for and in consideration of the mutual covenants herein contained, the parties hereto have agreed and do agree as follows:

1. **Purchase of Air Time and Broadcast of the Programming.** Licensee agrees to make the broadcasting transmission facilities of the Station available to the Programmer and to broadcast on the Station, or cause to be broadcast, the Programmer's programs (the "Programming") for up to 24 hours a day, seven days a week, (collectively the "LMA Hours") except for (i) the broadcast of Licensee's public service programming as provided in Section 10.1 of this Agreement ("Licensee's Programming"); (ii) downtime occasioned by routine maintenance directed by Licensee generally to be performed between the hours of 12:00 midnight and 6:00 a.m. local time; (iii) times when Programmer's programs are not accepted or are preempted by Licensee in accordance with Sections 10.1 or Section 12 of this Agreement or because such Programming does not satisfy the standards of Section 7 of this Agreement; and (iv) Force Majeure Events. For purposes of this Agreement, Force Majeure Events shall mean any failure or impairment of facilities or any delay or interruption in broadcasting the Programming not directly or indirectly the fault of Licensee or its employees or agents, or failure at any time to furnish the facilities, in whole or in part, for broadcasting, due to acts of God, strikes or threats thereof, *force majeure* or any other causes beyond the control of Licensee. Interruption of service as a consequent of one or more Force

Majeure Events shall not constitute a breach of this Agreement. Except for the Excluded Assets, all Sale Assets including, without limitation, the transmitting equipment of Licensee relating to the Station shall be made available to the Programmer for its use during the term of this Agreement.

2. **Consideration.** The terms, conditions and schedule of payment (“Consideration”) to Licensee for the broadcasting of the Programming during the term of this Agreement shall be as set forth in Schedule 2.

3. **Term.** This Agreement shall commence at 12:01 a.m. on December 1, 2006 (the “Commencement Date”). Unless earlier terminated as provided by this Agreement, or unless renewed and/or extended pursuant to written agreement between the parties hereto, the term of this Agreement shall end upon the earliest to occur of: (i) the termination of the Purchase Agreement; (ii) the Closing Date; (iii) termination pursuant to Section 17, Section 18 or Section 19, herein; or (iv) two years after the Commencement Date upon 45 days prior notice by either party (not then in default). In the event that either party receives formal or informal notice from the FCC that this Agreement or any of its terms are contrary to the public interest or violative of any FCC statute, regulation, rule or policy, the parties shall negotiate in good faith to resolve such objection and preserve the fundamental nature of this Agreement; if and to the extent the substance of this Agreement cannot be maintained by the application of Section 30 of this Agreement and/or such negotiations, either party shall have the right to terminate this Agreement immediately by written notice to the other party.

4. **The Programming.** The Programmer may furnish programming to Licensee for not less than the minimum operating schedule required by Section 73.1740 of the FCC regulations and up to all of the LMA Hours. The nature of the program service to be provided by the Programmer will be determined by Programmer subject to the requirement that programming will at all times serve the public interest and comply with the provisions of this Agreement and all applicable federal, state and local laws, rules and regulations. Licensee acknowledges that it is generally familiar with the nature of the Programming to be produced by the Programmer and initially has determined that the broadcasting of the Programming on the Station will generally serve the public interest. Programmer shall not make any material change in the Programming after the date hereof without the prior consent of Licensee, which consent shall not be unreasonably withheld, conditioned or delayed.

5. **Station Facilities.**

5.1 **Operation of Station.** Throughout the term of this Agreement, Licensee shall make the Station (other than the Excluded Assets) available to the Programmer for operation with its authorized facilities during the LMA Hours. Except for maintenance work and other improvements to the Station or the Station’s equipment performed by or at the direction of Programmer, any maintenance work affecting the operation of the Station at full power shall, to the extent reasonably practicable, be scheduled upon at least 48 hours prior notice with the agreement of both Licensee and Programmer.

5.2 **Interruption of Normal Operations.** Except for maintenance work and other improvements to the Station or the Station’s equipment performed by or at the direction of

Programmer or consistent with Section 5.1 of this Agreement, if the Station suffers loss or damage of any nature to its transmission facilities which results in the interruption of service for more than twelve (12) consecutive hours or the inability of the Station to operate at ninety percent (90%) or more of its maximum authorized facilities for more than twelve (12) consecutive hours, Licensee shall immediately notify the Programmer, and shall undertake such repairs as necessary to restore the fulltime operation of the Station as quickly as reasonably possible.

6. **Handling of Mail.** The Programmer shall provide to Licensee the original or a copy of any correspondence which it receives from a member of the public relating to the Programming to enable Licensee to comply with FCC rules and policies, including those regarding the maintenance of the public inspection file (which shall at all times remain the responsibility of Licensee).

7. **Programming and Operations Standards.** All programs supplied by the Programmer shall be in good taste and shall meet in all material respects all requirements of the Communications Act of 1934 and all applicable rules, regulations and policies of the FCC and the policies of the Station described in Schedule 7. All advertising spots and promotional material or announcements shall comply with all applicable federal, state and local regulations and such Station policies. If, in the sole discretion of Licensee or the Station's General Manager, any portion of the Programming presented by the Programmer does not meet such standards, Licensee may reject, suspend or cancel any such portion of the Programming as without reduction or offset in any payment due Licensee hereunder.

8. **Responsibility for Employees and Related Expenses.**

8.1 **Programmer Employees.** The Programmer shall furnish (or cause to be furnished) the personnel and material for the production of the Programming to be provided by this Agreement. The Programmer shall employ and be responsible for the salaries, taxes, insurance and related costs for all personnel used in the production of Programming (including sales people, traffic personnel and programming staff). The Programmer shall not pay or reimburse the salaries or other costs associated with any employees of Station that Licensee may be required to employ or may elect to employ on or after the date of commencement of this Agreement.

8.2 **Licensee Employees.** Licensee will provide and have responsibility for the Station personnel necessary for compliance with the requirements of Licensee as set forth by the FCC (which personnel shall be the Station General Manager, Chief Operator and clerical employee(s)), and will be responsible for the salaries, taxes, insurance and related costs for all such Station personnel. The parties acknowledge and agree that the duties of the Station General Manager and the Chief Operator may be performed by the same person.

8.3 **Employee Oversight.** Whenever on the Station's premises, all personnel shall be subject to the supervision and the direction of the Station's General Manager and/or the designated Chief Operator.

9. **Advertising and Programming Revenues.**

(a) During the Programming it delivers to the Station, the Programmer shall have full authority to sell for its own account commercial spot advertising and block programming time on the Station and to retain all revenues from the sale of such advertising and programming. The parties agree that the Programmer shall have complete discretion to deal as it deems appropriate with all advertising and programming accounts relating to advertising and programming sold by it; provided, however, the Programmer shall deal with political candidate and supporter advertising as required by law.

(b) All accounts receivable of Licensee and the Station as of the commencement date of this Agreement shall remain the sole property of Licensee and shall be collected by Licensee. Any amounts received by Programmer with respect to Licensee's receivables shall be remitted to Licensee within ten (10) business days from the end of the applicable broadcast month.

10. **Operation of the Station.**

10.1 **Verification of Licensee's Control and Rights of Licensee.** Notwithstanding anything to the contrary in this Agreement, Licensee shall have full authority and power over the operation of the Station during the period of this Agreement. Licensee shall provide and pay for its employees, who shall report and be accountable solely to Licensee, shall be responsible for the direction of the day-to-day operation of the Station, and shall maintain the Station's transmission equipment and facilities, including the tower, antenna, transmitter and transmission line. Licensee shall retain control over the policies, programming and operations of the Station, including, without limitation, the right to decide whether to accept or reject any programming or advertisements which Licensee deems unsuitable or contrary to the public interest; the right to preempt any programs in order to broadcast a program deemed by Licensee to be of greater national, regional, or local interest; and the right to take any other actions necessary for compliance with the laws of the United States, the State of Ohio, the rules, regulations, and policies of the FCC (including the prohibition on unauthorized transfers of control), and the rules, regulations and policies of other federal governmental authorities, including the Federal Trade Commission and the Department of Justice. Licensee reserves the right to refuse to broadcast any program containing matter which is, or in the reasonable opinion of Licensee may be, violative of any right of any third party or which may constitute a "personal attack" (as that term is defined by the FCC). Licensee agrees that Licensee's Programming shall be aired at such times as the parties may agree based on the reasonable programming needs of the Programmer. With respect to the operation of the Station, Licensee shall at all times be ultimately responsible for meeting all of the FCC's requirements with respect to the broadcast and nature of any public service programming, for maintaining the political and public inspection files and the Station log, and for the preparation of all programs/issues lists. Licensee expressly acknowledges that its duty to maintain the Station's public inspection file is non-delegable and that Licensee retains sole responsibility for maintenance of such file. Licensee verifies that it shall maintain the ultimate control over the Station's facilities, including control over the finances with respect to its operation of the Station, over its personnel operating the Station, and over the programming to be broadcast by the Station.

10.2. **Verification by Programmer and Obligations of Programmer.** The Programmer will, during the term of this Agreement, provide local news and public affairs programming relevant to the Station's community to assist Licensee in satisfying its obligations to

respond to the needs of its community. Programmer will also forward to Licensee within a reasonable time period after receipt by Programmer, any letter from a member of the general public addressing Station programming or documentation which comes into its custody which is required to be included in the Station's public file or which is reasonably requested by Licensee. The Programmer shall furnish within the Programming on behalf of Licensee all station identification announcements required by the FCC rules, shall promptly provide to Licensee all records and information pertaining to the broadcast of political programming and advertisements, and shall, upon request by Licensee, provide monthly documentation with respect to such of the Programmer's programs which are responsive to the public needs and interests of the area served by the Station in order to assist Licensee in the preparation of any required programming reports, and will provide upon request other information to enable Licensee to prepare other records, reports and logs required by the FCC or other local, state or federal governmental agencies. Programmer certifies that this Agreement and Programmer's rights and responsibilities hereunder comply with the requirements of Section 73.3555(a) of the FCC rules.

10.3 **Contracts.** For the term hereof, Licensee shall assign to Programmer, and Programmer shall assume and undertake to pay, discharge, perform or satisfy the liabilities, obligations and commitments of Station Agreements (except the transmitter site lease). All such liabilities, obligations and commitments shall be prorated in accordance with the procedures specified in Section 2.7 of the Purchase Agreement.

11. **Station Promotion.** The Programmer shall submit to Licensee any promotional material which will identify the Station by call letters or frequency for approval by Licensee at least two (2) days prior to use of such promotional material by the Programmer. Licensee shall have the right to approve or reject such promotional material, such approval to not be unreasonably withheld or delayed. At no time shall Programmer or its employees or agents represent, hold out, describe or portray Programmer as the licensee of the Station.

12. **Special Events.** Licensee shall have the right, in its reasonable discretion, to preempt any of the broadcasts of the Programming referred to herein, and to use part or all of the hours of operation of the Station for the broadcast of events of special importance. In all such cases, Licensee will use its best efforts to give the Programmer reasonable advance notice of its intention to preempt any regularly scheduled programming, and, in the event of such preemption, the Programmer shall, following the Fee Waiver Period, receive a pro rata payment credit for any programming that would have been supplied to the Station by it during the time of such broadcasts by Licensee.

13. **Right to Use the Programming; License to Use Call Sign and Trademarks.** The right to use the Programming produced by the Programmer and to authorize its use in any manner and in any media whatsoever shall be at all times be vested solely in the Programmer except as authorized by this Agreement. Programmer shall obtain all rights necessary for the broadcast of the Programming. Licensee hereby grants Programmer a license to use Licensee's call sign "WKNR" and those trademarks and names relating to the Station included on Schedule 3.19 of the Purchase Agreement (the "Marks") for the Programming during the Term.

14. **Payola.** The Programmer will provide to Licensee in advance of broadcast any information known to the Programmer regarding any money or other consideration which has been paid or accepted, or has been promised to be paid or to be accepted, for the inclusion of any matter as a part of any programming or commercial material to be supplied to Licensee by the Programmer for broadcast on the Station, unless the party making or accepting such payment is identified in the program as having paid for or furnished such consideration in accordance with FCC requirements. Should the Station determine that an announcement is required by Section 317 of the Communications Act of 1934 and related FCC rules, the Programmer will insert that announcement in the Programming. The Programmer will obtain from its employees responsible for the Programming appropriate anti-payola/plugola affidavits. Commercial matters with obvious sponsorship identification will not require disclosure beyond the sponsorship identification contained in the commercial copy. The Programmer will at all times comply, and seek to have its employees comply, in all material respects with the requirements of Sections 317 and 507 of the Communications Act of 1934, as amended, and the related rules and regulations of the FCC.

15. **Compliance with Law.** The Programmer will comply in all material respects with all laws and regulations applicable to the broadcast of programming by the Station.

16. **Indemnification.** From and after the Commencement Date, Licensee and Programmer shall indemnify, defend, protect and hold harmless the other and their respective principals, officers, directors, owners and affiliates (collectively, the "Indemnitees") from and against any and all losses, costs, damages, liabilities or expenses (including reasonable attorney's fees and expenses) (collectively "Claims") that are proximately caused by (a) any programming provided by such party for broadcast on the Station; (b) any breach by such party of representation, warranty, covenant or other agreement contained in this Agreement; and (c) the activities or negligence of such party, its employees or agents in fulfilling its obligations under this Agreement. The procedure for indemnification shall be as set forth in Article IX of the Purchase Agreement.

17. **Events of Default; Cure Periods and Remedies.**

17.1 **Events of Default.** The following shall constitute Events of Default under this Agreement:

17.1.1. **Non-Payment.** The Programmer's failure to pay any Consideration then due to Licensee within ten (10) days after written notice to Programmer that it is past due.

17.1.2 **Default in Covenants or Adverse Legal Action.** The default by either party in the performance of any material covenant, condition or undertaking contained in this Agreement, and such default is not cured within thirty (30) days after receipt of notice of default, or if either party shall make a general assignment for the benefit of creditors, files or has filed against it a petition for bankruptcy, for reorganization, or for the appointment of a receiver, trustee or similar creditors' representative for the property or assets of such party under any federal or state insolvency law, which, if filed against such party, has not been dismissed or discharged within 30 days thereafter.

17.1.3 **Breach of Representation.** If any material representation or warranty made by either party to this Agreement, or in any certificate or document furnished by either party to the other pursuant to the provisions of this Agreement, shall prove to have been false or misleading in any material respect as of the time made or furnished, and such misrepresentation or breach of warranty is not cured within thirty (30) days after receipt of notice of misrepresentation or breach.

17.2 **Termination Upon Default.** Upon the occurrence of an Event of Default, the nondefaulting party may terminate this Agreement, provided that it is not also in material default under this Agreement. If the Programmer has defaulted in the performance of its obligations, all amounts accrued or payable to Licensee up to the date of termination which have not been paid, less payments made on behalf of Licensee by the Programmer and any payment credits outstanding in favor of the Programmer, shall immediately become due and payable, and Licensee shall be under no further obligation to make available to the Programmer any broadcast time or broadcast transmission facilities, provided that Licensee agrees to cooperate reasonably with the Programmer to discharge any remaining obligations of the Programmer in the form of air time following the effective date of termination, provided Licensee shall be entitled to retain any revenues derived therefrom based upon the principle that any revenues generated from broadcasts occurring prior to the termination shall be for the benefit of Programmer and any revenues generated from broadcasts occurring after the termination shall be for the benefit of Licensee.

17.3. **Liabilities Upon Termination.** The Programmer shall be responsible for all of its liabilities, debts and obligations accrued from the purchase of broadcast time and transmission facilities of the Station, including, without limitation, indemnification pursuant to Section 16 hereof, accounts payable, barter agreements and unaired advertisements, but not for Licensee's federal, state, and local tax liabilities associated with Programmer's payments to Licensee as provided for herein, or for any other obligations or liabilities of Licensee or the Station unless specifically assumed by the Programmer under this Agreement. Upon termination, the Programmer shall return to Licensee any equipment or property of the Station used by the Programmer, its employees or agents, in substantially the same condition as such equipment existed on the date of this Agreement, ordinary wear and tear excepted, provided that the Programmer shall have no liability to Licensee for any property of Licensee which through ordinary use became obsolete or unusable, and any equipment purchased by the Programmer, whether or not in replacement of any obsolete or unusable equipment of Licensee, shall remain the property of the Programmer. In no event shall Licensee be liable to Programmer for any indirect, consequential or special damages occasioned by operational deficiencies; Programmer's sole remedy in such event, including termination, is for equitable reduction in the monthly fee paid hereunder.

18. **Programmer's Option to Terminate.** The Programmer shall have the right, at its option, to terminate this Agreement at any time if Licensee preempts or substitutes other programming for that supplied by the Programmer during ten percent or more of the total hours of operation of the Station in any seven consecutive days. The Programmer shall give Licensee ten (10) days written notice of such termination. The Programmer shall further have the right, at its option, to terminate this Agreement on thirty (30) days written notice if Programmer reasonably determines, upon the written joint advice of counsel for both parties, that it is unlikely that a closing pursuant to the Purchase Agreement will occur as a consequence of the failure of the FCC to

approve the application for assignment of the license of the Station to Programmer within the time frame for Closing as set forth in the Purchase Agreement for any reason other than Programmer's failure to provide information requested by the FCC.

19. **Termination Upon Order of Judicial or Governmental Authority.** If any court of competent jurisdiction or any federal, state or local governmental authority designates a hearing with respect to the continuation or renewal of any license or authorization held by Licensee for the operation of the Station, advises any party to this Agreement of its intention to investigate or to issue a challenge to or a complaint concerning the activities permitted by this Agreement, or orders the termination of this Agreement and/or the curtailment in any manner material to the relationship between the parties to this Agreement of the provision of programming by the Programmer, each party shall have the option to seek administrative or judicial appeal of or relief from such order(s) (in which event the other party shall cooperate with the party seeking relief from such order; the party seeking such relief shall be responsible for all expenses and legal fees incurred in such proceedings). Upon termination, Licensee shall reasonably cooperate with the Programmer to the extent permitted to enable the Programmer to fulfill advertising or other programming contracts then outstanding, provided Licensee shall be entitled to retain any revenues derived therefrom based upon the principle that any revenues generated from broadcasts occurring prior to the termination shall be for the benefit of Programmer and any revenues generated from broadcasts occurring after the termination shall be for the benefit of Licensee.

20. **Representations and Warranties.**

20.1 **Mutual Representations and Warranties.** Each of Licensee and the Programmer represents to the other that (a) it is an entity legally qualified and in good standing in all applicable jurisdictions and is qualified to do business and is in good standing in the State of Ohio, (b) it is fully qualified, empowered, and able to enter into this Agreement, (c) this Agreement has been approved by all necessary parties or corporate action and that this Agreement constitutes the valid and binding obligation of such party, enforceable in accordance with the terms of this Agreement subject only to applicable bankruptcy, reorganization, insolvency or similar laws affecting creditors' rights generally; and (d) the execution, delivery and performance hereof does not constitute a breach or violation of any agreement, contract or other obligation to which such party is subject or by which it is bound.

20.2. **Representations, Warranties and Covenants of Licensee.** Licensee makes the following additional representations, warranties and covenants:

20.2.1. **Authorizations.** Licensee owns and holds all licenses and other permits and authorizations ("FCC Licenses") necessary for the operation of the Station as presently conducted (including licenses, permits and authorizations issued by the FCC), and such licenses, permits and authorizations will be maintained in full force and effect for the term of this Agreement, unimpaired by any acts or omissions of Licensee, its principals, employees or agents. The Station operates in accordance in all material respects with the terms and conditions of the FCC Licenses and in accordance with the rules and regulations of the FCC. Except as may otherwise be set forth in this Agreement, there is not now pending or, to Licensee's knowledge, threatened, any action by the FCC or other party to revoke, cancel, suspend, refuse to renew or modify adversely any of such

licenses, permits or authorizations, and, to Licensee's knowledge, no event has occurred that allows or, after notice or lapse of time or both, would allow, the revocation or termination of such licenses, permits or authorizations or the imposition of any restriction thereon of such a nature that may limit the operation of the Station as presently conducted, except for proceedings affecting the radio broadcasting industry generally. Licensee has no reason to believe that any such license, permit or authorization will not be renewed during the term of this Agreement in its ordinary course. To Licensee's knowledge, Licensee is not in violation of any statute, ordinance, rule, regulation, order or decree of any federal, state, local or foreign governmental agency, court or authority having jurisdiction over it or over any part of its operations or assets, which default or violation would have a material adverse effect on Licensee or its assets or on its ability to perform this Agreement.

20.2.2. **Filings**. To the extent that a failure to make such a filing would have a material adverse effect on the Programmer and its rights hereunder, all material reports and applications required of Licensee to be filed with the FCC (including ownership reports and renewal applications) or any other governmental agency, department or body in respect of the Station have been, and in the future will be, filed in a timely manner and are and will be true and complete and accurately present the information contained therein. All such reports and documents, to the extent required to be kept in the public inspection files of the Station, are and will be kept in such files.

20.2.3. **Facilities**. To the extent a failure to comply would have a material adverse effect on Programmer and its rights hereunder, the Station's transmission equipment and facilities comply, in all material respects, with the facilities authorized by the FCC Licenses and with engineering standards necessary to deliver a quality technical signal to the area served by the Station, and with all applicable laws and regulations (including the requirements of the Communications Act and the rules, regulations, policies and procedures of the FCC promulgated thereunder).

20.2.4. **Title to Properties**. Licensee has, and throughout the term of this Agreement will maintain, good and marketable title to all of the assets and properties used in the operation of the Station.

20.2.5. **Payment of Obligations**. Licensee shall pay in a timely fashion all of its debts, assessments and obligations, including without limitation tax liabilities and payments attributable to the operations of the Station, as they come due from and after the effective date of this Agreement.

20.2.6. **Insurance**. Licensee will maintain in full force and effect throughout the term of this Agreement insurance with responsible and reputable insurance companies fire and extended coverage and liability insurance and such other insurance as may be required by law. Except as otherwise permitted by the Purchase Agreement, any insurance proceeds received by Licensee in respect of damaged property will be used to repair or replace such property so that the operations of the Station conform with this Agreement.

21. **Modification and Waiver**. No modification or waiver of any provision of this Agreement shall be effective unless made in writing and signed by the party adversely affected, and

any such waiver and consent shall be effective only in the specific instance and for the purpose for which such consent was given.

22. **No Waiver: Remedies Cumulative.** No failure or delay on the part of Licensee or the Programmer in exercising any right or power under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the parties to this Agreement are cumulative and are not exclusive of any right or remedies which either may otherwise have.

23. **Construction.** This Agreement shall be construed in accordance with the laws of the State of Ohio. The obligations of the parties to this Agreement are subject to all federal, state or local laws or regulations, including those of the FCC, now or hereafter in force.

24. **Headings.** The headings contained in this Agreement are included for convenience only and shall not in any way alter the meaning of any provision.

25. **Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. Neither party may assign any of its rights or obligations under this Agreement without the prior written consent of the other party, except that either party may assign its rights and obligations hereunder to any entity controlled by or under common control with said party without the prior consent of the other party.

26. **Counterpart Signatures.** This Agreement may be signed in one or more counterparts, each of which shall be deemed a duplicate original and be binding on the parties to this Agreement.

27. **Notices.** All notices, demands or other communications given hereunder shall be in writing and shall be sufficiently given if delivered by courier or sent by registered or certified mail, first class postage prepaid, or by telex, cable, telegram, facsimile machine or similar written means of communication, addressed as follows:

(a) If to Licensee, to:

c/o Salem Communications Corporation
4880 Santa Rosa Road
Camarillo, California 93012
Attention: Jonathan L. Block
Telephone: 805.987.0400, ext. 1106
Facsimile No.: 805.384.4505

(b) If to Programmer, to:

Good Karma Broadcasting, LLC
100 Stoddard St.

PO Box 902
Beaver Dam, WI 53916
Attention: Craig Karmazin
Telephone: 920.885.4442
Facsimile No.: 920.885.2152

With a copy to:

Leventhal Senter & Lerman PLLC
2000 K Street, N.W.
Suite 600
Washington, D.C. 20006 1809
Attention: Steven A. Lerman, Esq.
Telephone: 202.429.8970
Facsimile: 202.293.7783

or such other address with respect to any party hereto as such party may from time to time notify (as provided above) to the other party hereto. Any such notice, demand or communication shall be deemed to have been given (i) if so mailed, as of the close of the third (3rd) business day following the date mailed, and (ii) if personally delivered or otherwise sent as provided above, on the date received.

28. **Expenses; Attorney's Fees.** In the event any action is filed with respect to this Agreement, the prevailing party shall be reimbursed by the other party for all costs and expenses incurred in connection with the action, including without limitation reasonable attorney's fees.

29. **Entire Agreement.** This Agreement embodies the entire agreement between the parties and there are no other agreements, representations, warranties, or understandings, oral or written, between them with respect to the subject matter hereof.

30. **Severability.** In the event that any of the provisions contained in this Agreement is held to be invalid, illegal or unenforceable shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provisions had not been contained herein.

31. **Governing Law.** The construction and performance of this Agreement shall be governed by the laws of the State of Ohio without regard to its principles of conflicts of law.

32. **No Partnership or Joint Venture.** This Agreement is not intended to be and shall not be construed as a partnership or joint venture agreement between the parties. Except as otherwise specifically provided in this Agreement, no party to this Agreement is authorized to act as agent of, or otherwise represent, the other party to this Agreement.

Remainder of page left blank. Signatures appear on following page.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

"LICENSEE"

"PROGRAMMER"

CARON BROADCASTING, INC.

GOOD KARMA BROADCASTING, LLC

By: _____

Jonathan L. Block
Vice President and Secretary

By: _____

Name: Craig Karmazin
Title: Member

SIGNATURE PAGE TO
LOCAL PROGRAMMING AND MARKETING AGREEMENT

SCHEDULE 4

PROGRAMMING

Programmer will program the Station with a format providing news and public affairs programming which Programmer deems to be in the public interest.

SCHEDULE 7

The Programmer agrees to cooperate with Licensee in the broadcasting of programs in a manner consistent with the standards of Licensee, as set forth below:

1. **Election Procedures.** At least 90 days before the start of any primary or regular election campaign, the Programmer will coordinate with Licensee's General Manager the rate the Programmer will charge for time to be sold to candidates for public office and/or their supporters to make certain that the rate charged conforms to all applicable laws and Station policy. Throughout a campaign, the Programmer will comply with all applicable laws and rules concerning political candidacy broadcasts and will promptly notify Licensee's General Manager of any disputes concerning either the treatment of or rate charged a candidate or supporter.

2. **Required Announcements.** The Programmer shall broadcast (i) an announcement in a form satisfactory to Licensee at the beginning of each hour to identify the Station, (ii) an announcement at the beginning of each program day, and more often, as appropriate, to indicate that program time has been purchased by the Programmer, and (iii) any other announcement that may be required by law, regulation, or Station policy.

3. **Commercial Recordkeeping.** The Programmer shall maintain such records of the receipt of, and provide such disclosure to Licensee of, any consideration, whether in money, goods, services, or otherwise, which is paid or promised to be paid, either directly or indirectly, by any person or company for the presentation of any programming over the Station as are required by Sections 317 and 507 of the Communications Act and the rules and regulations of the FCC.

4. **No Illegal Announcements.** No announcements or promotion prohibited by federal or state law or regulation of any lottery, game or contest shall be made over the Station.

5. **Licensee Discretion Paramount.** In accordance with Licensee's responsibility under the Communications Act of 1934, as amended, and the rules and regulations of the Federal Communications Commission, Licensee reserves the right to reject or terminate any advertising or other programming proposed to be presented or being presented over the Station which is in conflict with law, regulation, Station policy or which in the reasonable judgment of Licensee or its General Manager would not serve the public interest.

6. **Indecency. Hoaxes.** No programming violative of applicable laws and rules concerning indecency or hoaxes will be broadcast over the Station.

7. **Controversial Issues.** Any broadcast over the Station concerning controversial issues of public importance shall comply with the then current FCC rules and policies.

8. **Spot Commercials.** The Programmer will provide, for attachment to the Station logs, a list of all commercial announcements carried during its Programming.

Licensee may waive any of the foregoing regulations in specific instances if, in its reasonable opinion, good broadcasting in the public interest will be served thereby. In any case where questions

of policy or interpretation arise, the Programmer shall notify Licensee before making any commitments to broadcast any programming affected by such issues.