

LOCAL MARKETING AGREEMENT

ALEXANDRA COMMUNICATIONS, INC., a Washington corporation ("Licensee") and NOEMY RODRIGUEZ, a resident of the State of Washington D/B/A ALCON MEDIA ("Programmer"), agree, this 18 day of November, 2020 (the "Effective Date"), to enter into this LOCAL MARKETING AGREEMENT (this "LMA") under the terms and conditions specified herein. The parties hereto are collectively and individually referred to herein as the Parties.

WITNESSETH:

WHEREAS, Licensee owns and operates the following radio broadcast station (the "Stations"):

- (a) KOFO (FM), Pasco, Washington, FCC Facility ID# 78988; and
- (b) K295AV, Kennewick, Washington, FCC Facility ID# 155141

WHEREAS, the Parties have entered into an **ASSET PURCHASE AGREEMENT** of even date herewith (the "Purchase Agreement"), a true copy of which is attached hereto as Exhibit 1 and incorporated herein by reference, whereby Programmer will purchase the Stations, subject to the consent of the Federal Communications Commission (the "FCC" or "Commission");

WHEREAS, until such time that the FCC has granted its consent, Programmer desires to acquire time on the Stations for the provision of programming and the generation of advertising sales;

WHEREAS, Licensee desires to accept the programming produced by Programmer and to make broadcasting time on the Stations available to Programmer on terms and conditions which conform to the FCC Rules and to this LMA;

WHEREAS, this LMA complies with the local and national multiple station ownership and audience reach limitations of Section 73.3555 and the program duplication limitations of Section 73.3556 of the rules and regulations of the Federal Communications Commission (the "FCC" or "Commission").

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and in light of the mutual promises and covenants contained herein, Licensee and Programmer hereby agree, as follows:

1. Use of Station Facilities. Programmer's operations shall commence December 1, 2020 (the "Commencement Date") or as soon as practicable after Diamante Media, LLC ("Diamante") has ceased its programming activities on the Stations. Upon the Commencement Date of this Agreement, Licensee will, subject to the terms and conditions of this Agreement, make available to Programmer the broadcast transmission facilities of the Stations on a twenty-four (24) hour per day, seven (7) day per week basis for carriage on the Stations of programs produced and/or selected by Programmer and advertising messages delivered by Programmer provided that any and all programming material proffered by Programmer for carriage on the Stations will be in material compliance with any and all applicable laws and governmental regulations, including but

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not limited to the Communications Act of 1934, as amended (the "Act"), and the rules and regulations of the FCC.

2. Insertion of Commercials. Programmer shall have the unilateral and exclusive right to insert commercial matter in programming proffered for carriage on the Stations at such rates or shared rates as Programmer, in the exercise of its unilateral discretion, deems appropriate. Programmer shall have sole responsibility for the billing and collection of fees and other charges for all commercial matter aired on the Station during the term of this Agreement.

3. Programming.

(a) Program Standards. All programming shall be prepared and presented in conformity with the Standards described in Exhibit 2 hereto;

(b) Responsive Programming. Licensee shall retain the right and responsibility to air programming it deems reasonably responsive to the needs and interests of Pasco, Washington, and the surrounding service area. To exercise its rights under this sub-paragraph, Licensee shall deliver its advance written notice(s) to Programmer reasonably advising Programmer of relevant Public Service Announcements ("PSAs"), local news items, or other material deemed essential to Licensee's compliance with the Act, FCC rules and policies, or the public interest with the understanding that, absent the need for a broadcast under the Emergency Alert System ("EAS") or other emergency matters, Licensee will provide Programmer at least seven (7) days prior notice of the time it requests for the insertion of PSAs, local news items, or other public interest material.

(c) Equal Opportunities and Personal Attack Requests. Licensee will forward to Programmer within two (2) business days any and all requests which Licensee receives for the purchase of air time by qualified candidates for Federal office, requests for equal opportunities by legally qualified candidates, requests to respond to personal attacks over the Stations, and requests by legally qualified candidates for a right to respond to political editorials.

4. Termination.

(a) This LMA shall terminate upon the earlier of: (i) the consummation of a sale to Programmer of the assets and assignment of the FCC Licenses used and useable in the daily operations of the Stations; (ii) the date on which an order of the FCC denying its consent to the assignment of the Stations' FCC Licenses to Programmer becomes a Final Order; or (iii) the termination of this LMA by mutual consent or an event of default, but in no event later than one (1) year from the Commencement Date, unless this LMA has otherwise been extended by mutual agreement of the Parties.

(b) In the event Programmer abandons its operations prior to the end of the Term of this LMA, Programmer shall be obligated to pay to Licensee any LMA Fees remaining to be paid during the Term of this LMA as liquidated damages subject to any offsets including: (i) the retention of operating equipment and/or software acquired by Programmer as a part of its operations; and (ii) revenues coming to the Licensee during the LMA Term, after such abandonment, through other uses of the Stations or by sale of any of the Stations to third parties after accounting for all debts the Programmer owes to the Licensee related to the Stations.

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5. Consideration and Payment.

(a) During the Term of this LMA, Programmer shall pay to Licensee monthly LMA Payments of [REDACTED] which shall not be applied to the Purchase Price to be paid for the Purchased Assets. Monthly payments shall be due and payable on the first (1st) day of each month herein. This LMA Payment is separate from the Stations' Operating Expenses.

(b) In addition to the monthly LMA Payments, Programmer shall reimburse Licensee for Station Operating Expenses which must remain under Licensee's control. Reimbursements shall be made monthly within five (5) days of presentation of original invoices and/or bills, and Licensee shall be entitled to reimbursement for expenses and expenditures including but not limited to expenses associated with operations described in Section 7(a)(i-v) below and all other standard and customary operating expenses. All such expenses shall be agreed upon by the Parties as of the Effective Date and reviewed and adjusted from time to time as the Parties find necessary to reflect actual expenses incurred.

6. Pro-rations. Operations of the Stations shall be pro-rated to the Commencement Date. Operations of the Stations and any income, expense, and liabilities attributable thereto through the Commencement Date shall be for the account and obligation of Licensee and thereafter for the account and obligation of Programmer. Expenses including, but not limited to, such items as power and utilities charges, property taxes, rents, commissions, leases and agreements, and similar prepaid and deferred items shall be prorated between Licensee and Programmer in accordance with generally accepted accounting principles, the pro-rations to be made as of the Commencement Date.

7. Expenses. Subject to pro-rations and reimbursement, the Parties shall remain responsible for the following expenses during the term of this LMA, respectively:

- (a) Licensee. Without limitation, Licensee shall be responsible for (subject to its right to be reimbursed by Programmer as provided in Section 5(b) above) on and after the Commencement Date for:
 - (i) Any and all rental expenses for the Stations' transmitter site(s), studio and offices, and any equipment purchase and/or lease payments;
 - (ii) Any and all utility bills, (gas, water, telephone [other than toll charges or listener call-in lines], and electricity) rendered at or in conjunction with the Stations' studios, offices, and transmission facilities;
 - (iii) Payment of all taxes, licenses, and other governmental fees necessary for the lease, use, and ownership of the Stations' facilities to include without limitation FCC Regulatory Fees, and filing fees associated with FCC mandated reporting;
 - (iv) Insurance to cover loss of or damage to the Stations' facilities and general liability insurance; and



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(v) Necessary replacement and general maintenance of the Stations' transmission, production, and office equipment, furnishing, and fixtures, provided that such replacement and/or repair is not caused by Programmer's negligence or misuse of same.

(b) Programmer. From the Commencement Date, Programmer shall provide for the following:

(i) Any and all expenses incurred in the production or distribution of programming to be aired on the Stations (other than PSA's, news items, and other material inserted at the request of Licensee);

(ii) Payroll taxes for Programmer's personnel used in the provision of programming contemplated herein ("Payroll Taxes"); and

(iii) Any and all fees charged by Performance Rights Organizations ("Music Licensing Fees") for programming aired after the Commencement Date.

8. Control of Stations. Notwithstanding anything in this LMA to the contrary, Licensee shall at all times retain, and hereby so certifies that it has, ultimate control over the Stations' operations, including but not limited to its finances, personnel, and programming and Licensee's President shall be responsible for daily oversight. Licensee shall also maintain a public inspection file pursuant to FCC Rules to include the Stations' OPIF files. License shall retain the right to reject, pre-empt, and replace any programming proffered by Programmer if, in the sole opinion of Licensee, such programming is in violation of any applicable law, governmental policy or rule, or otherwise inconsistent with the public interest.

9. Force Majeure. Licensee shall not be liable to Programmer or be deemed to be in breach of this LMA for any malfunction of the Stations' facilities, or for any delay or interruption in the broadcast of programming proffered by Programmer, due to acts of God, war, terrorism, strikes or threats thereof, or other causes beyond the control of Licensee. This LMA has been negotiated during the ongoing COVID-19 pandemic. The Parties have considered the impacts of COVID-19 in negotiating the LMA payments. In so far as payments owed by Programmer to Licensee under Section 5 above are concerned, the COVID-19 pandemic and related orders and restrictions shall not constitute force majeure events and shall not excuse Programmer from payment owed to Licensee.

10. Retention of Broadcast Rights. Programmer shall retain copyrights and other retransmission rights it has to and in any and all programming proffered for carriage on the Stations, and no programming supplied to Licensee pursuant to this LMA shall be rebroadcast, copied, or made available for any other use without the prior written consent of Programmer.

11. Filing with FCC. The Parties shall cooperate in obtaining any required FCC approval of this LMA. To that end, the Parties will negotiate in good faith to amend any provision which the FCC advises the Parties, either formally or informally, is unlawful. If required by the FCC, the Parties will file a copy of this LMA with the FCC within thirty (30) days from the Commencement Date.



12. Indemnification.

(a) Programmer hereby indemnifies and otherwise holds Licensee harmless against any and all liability for libel, slander, illegal competition or trade practices; infringement of trademarks, trade names, or program titles; and infringement of copyrights and proprietary rights resulting from the carriage of programming supplied by Programmer over the Stations' broadcast transmission facilities.

(b) Except as herein provided, Licensee hereby agrees to indemnify and hold Programmer and the property of Programmer free and harmless from any and all claims, demands, liabilities, obligations, actions, suits, proceedings, losses, damages, costs, expenses, assessments, judgments, recoveries, and deficiencies, including interest, penalties, and reasonable attorneys' fees and expenses, of any kind and description, contingent or otherwise (the foregoing hereinafter collectively referred to as "Damages"), occasioned by, arising out of, or resulting from the operation of the Stations prior to and/or subsequent to the Commencement Date, or arising from use and operation of Licensee facilities over which Programmer had or has no control or responsibility.

13. Representations.

(a) Joint Representations. The Parties represent to each other that they are each legally qualified, authorized, and otherwise able to enter into this LMA. The Parties represent that they have had sufficient time to review the LMA and to seek assistance from an attorney or translators as necessary, and that by signing this LMA the Parties assert and warrant that they understand the meaning, intent, and obligations set forth herein.

(b) Licensee Representations. Licensee represents (i) that it has all licenses and other authorizations from the FCC and other governmental authorizations necessary to operate the Stations as currently operated and (ii) that it is not aware of any investigation, complaint, petition, objection, or other event, existing or threatened, which, if acted on in a manner adverse to Licensee, would have a material adverse impact on the Stations' FCC authorizations or the Stations' current operations.

14. Events of Default.

(a) Definition of Default. The following shall each constitute, after the expiration of any applicable cure period, an Event of Default:

(i) Non-Payment. Programmer's failure to make payments to Licensee as required by Section 5 of this LMA.

(ii) Breach of Representation. If any representation or warranty made in this LMA by any Party, or in any certificate or document furnished pursuant to the provisions hereof, shall prove to have been false or misleading in any material respect as of the time made or furnished.



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(iii) Breach of Covenants. A Party is in material breach of any obligation or representation assumed or made under this LMA, including but not limited to, compliance with the Act and FCC rules and policies.

(b) Cure Periods. An Event of Default, shall not be deemed to have occurred until five (5) business days after one Party has provided the other Party with written Notice specifying the event or events that, if not cured, would constitute an Event of Default, and the Party in receipt of such notice has not either (i) cured the default or (ii) otherwise provided legally sufficient proof that any claimed event of default does not exist within five (5) business days following Notice.

(c) Termination upon Default. In the event of the occurrence of an uncured Event of Default, either Party may terminate this LMA without further liability to the other Party except for amounts accrued but not yet paid to Licensee under Section 5.

(d) Late Charges. In the event Programmer should fail to make any payment as specified in Section 5, Licensee will incur administrative and other costs associated with such late payment. Accordingly, in the event of any payment whether LMA Payment or reimbursement of Operating Expenses which remains uncured for five (5) business days after such payment becomes due, Licensee may impose delinquency or "late" charge equal to ten percent (10%) of payments due, with respect to each and every past-due payment, provided, however, that if any such delinquency or "late" charge is in excess of the amount permitted to be charged by Licensee under applicable law, Licensee shall be entitled to collect a delinquency or "late" charge at the highest rate permitted by such law. Programmer agrees that any such delinquency or "late" charge shall be deemed to be a fair estimate of the expenses which will be suffered by Payee by reason of such late payment since computing the actual amount of Payee's expenses in advance is presently impracticable or extremely difficult.

15. Specific Performance and Rights to Cure.

(a) The Parties agree that the Assets and the business opportunity represented by this LMA are unique and are not readily available on the open market and the Programmer and/or Licensee would each be irreparably injured by the other's failure to perform its obligations hereunder:

(i) In the event of Licensee's breach or default, Programmer shall have the right of specific performance and a right to cure with offset;

(ii) In the event of Programmer's breach or default, Licensee shall have the right to seek liquidated damages equal to all LMA Payments paid to the date of default plus all LMA Payments remaining to be paid by Programmer to Licensee pursuant to the terms of this LMA.

(b) The Parties agree that during the Term hereof Licensee has the obligation to protect Programmer's interest in the Stations as its own. Therefore, in the event of any action (breach, default, or otherwise) which would cause Programmer to lose the enjoyment of its rights and interests in this LMA and the operations of the Stations, Licensee will grant Programmer the right to cure such cause.

(c) Any and all operating equipment and/or software purchased, leased, or otherwise acquired by Programmer to be used in the operations of the Stations ("Programmer Acquired Assets") shall at all times remain the property of Programmer. In the event of an early termination of this LMA due to a default, breach, or abandonment of the facilities and their operation by Programmer, such Programmer Acquired Assets may be retained by Licensee at Licensee's sole option and the value of such Programmer Acquired Assets may be used as an offset against Programmer's liquidated damages specified in Section 15(a)(ii) above.

16. Finders, Consultants, and Programmer. The Parties hereby represent and warrant to one another that there has been no finder, broker, or consultant involved in the negotiations leading up to the execution of this LMA other than MCH Enterprises, Inc., which has represented Licensee in this transaction.

17. Waivers. No waiver or delay by a Party of any provision of this LMA shall be considered a waiver of any other provision or any subsequent breach of the same or any other provision, including the time for performance of any such provision. The exercise by a Party of any remedy provided in this LMA or at law shall not prevent the exercise by that Party of any other remedy provided in this LMA or at law.

18. Governing Law, Venue, Severability. This LMA shall be governed for all purposes by the laws of the State of Washington applicable to agreements executed and to be wholly performed in the State of Washington with venue for dispute resolution and litigation in Walla Walla County. In the event of a dispute between the Parties for whatever reason, the choice of arbitration or court proceeding shall be at the option of Licensee. In the event of litigation, the substantially prevailing Party shall be entitled to recover its legal costs and attorney fees associated with such litigation. Nothing contained in this Agreement shall be construed so as to require the commission of any act contrary to law, and whenever there is any conflict between any provision contained in this Agreement and any present or future status or law, ordinance or regulation or judicial ruling or governmental decision with the force of law contrary to which the parties have no legal right to contract, the latter shall prevail, without invalidating or affecting the remaining provisions of this LMA.

19. Headings. The headings of the provisions of this LMA are included for convenience only, and no such heading shall in any way affect or alter the meaning of any provision.

20. Successors and Assigns. This LMA may not be assigned without the written consent of the other Party. This LMA and the terms and conditions contained herein shall be binding upon and inure to the benefit of the Parties and their respective heirs, successors and assigns.

21. Counterpart Signatures. This LMA may be signed in one or more counterparts, all of which shall be deemed to be a single LMA, binding on the Parties. The Parties' executed counterparts may be signed and exchanged by facsimile transmission or delivered as electronically scanned documents, with the same legal effect as if the signatures had appeared in original handwriting on the same physical document.



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22. Notice. Any notice required or allowed under this LMA shall be in writing and shall be deemed given when delivered personally, mailed by first class mail (postage prepaid), or sent by an overnight delivery service (charges prepaid), and addressed to the following:

(a) If to Licensee:

Thomas D. Hodgins, President
Alexandra Communications, Inc.
45 Campbell Rd.
Walla Walla, WA 99362

(b) If to Programmer:

Noemy Rodriguez
D/B/A Alcon Media
110605 E. PR 196, S.E.
Kennewick, WA 99338

or to any other address as the Parties may from time to time designate in writing.

23. Entire Agreement. This LMA embodies the entire understanding between the Parties and supersedes any and all prior and contemporaneous agreements, representations, warranties, or understandings, oral or written, between the Parties with respect to the subject matter hereto. This LMA may be modified only by a document executed by both Parties.

IN WITNESS WHEREOF the Parties have executed this LOCAL MARKETING AGREEMENT as of the date first above written.

LICENSEE
ALEXANDRA COMMUNICATIONS, INC.

BY: 
Thomas D. Hodgins, President

PROGRAMMER
NOEMY RODRIGUEZ
D/B/A ALCON MEDIA

BY: 
Noemy Rodriguez

EXHIBIT 1
ASSET PURCHASE AGREEMENT

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**EXHIBIT 2
STANDARDS**

NOEMY RODRIGUEZ, D/B/A ALCON MEDIA ("Programmer"), agrees to cooperate with **ALEXANDRA COMMUNICATIONS, INC.**, a Washington corporation ("Licensee") and owner of broadcast radio stations **KQFO (FM)**, Pasco, Washington and **K295AV**, Kennewick, Washington (the "Stations"), in the broadcasting of programs of the highest possible standards of excellence and for this purpose to observe the following standards in the preparation, writing, and broadcasting of its programs:

1. Respectful of Faiths. The subject of religion and references to particular faiths, tenets, and customs shall be treated with respect at all times.
2. No Denominational Attacks. Programs shall not be used as a medium for attack on any faith, denomination, or sect or upon any individual or organization.
3. Controversial Issues. Any discussion of controversial issues of public importance shall be reasonably balanced with the presentation of contrasting viewpoints in the course of overall programming; no attacks on the honesty, integrity, or like personal qualities of any person or group of persons shall be made during the discussion of controversial issues of public importance; and during the course of political campaigns, programs are not to be used as a forum for editorializing about individual candidates. If such events occur, Licensee may require that responsive programming be aired.
4. Donation Solicitation. Requests for donations in the form of a specific amount, for example, "One Dollar to Five Dollars", shall not be made if there is any suggestion that such donation will result in miracles, cures, or prosperity. However, statements generally requesting donations to support a church or other charity are permitted.
5. Sale of Religious Artifacts. The offering for sale of religious artifacts or other items for which listeners would send money is prohibited unless such items are readily available in ordinary commerce or are clearly being sold for legitimate fund-raising purposes.
6. No Plugola or Payola. The mention of any business activity or "plug" for any commercial, professional, or other related endeavor, except where contained in an actual commercial message of a sponsor, is prohibited.
7. No Lotteries. Announcements giving any information about lotteries or games prohibited by Federal or State law or regulation are prohibited.
8. No "Dream Books". References to "Dream Books", the "Straight Line", or other direct or indirect descriptions or solicitations relative to the "Numbers Game", or the "Policy Game", or any other form of gambling prohibited under local, State, or Federal law are prohibited.
9. Election Procedures. At least ninety (90) calendar days before the start of any primary or regular election campaign, Programmer will clear with Licensee the rate Programmer will charge for the time to be sold to candidates for the public office and/or their supporters to make certain that the rate charged conforms to the applicable law and Station policy.

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10. Commercial Limitations. With respect to any given segment of air time hereunder, the amount of commercial matter shall not exceed sixteen (16) minutes during any sixty (60) minute segment with the exception of so-called "infomercials" which shall be appropriately logged and recorded on the Stations' traffic logs. Programmer will provide, for attachment to the Stations' logs, a list of all commercial announcements for its programming.

(a) Programmer shall cause to be included on all advertising or sponsorship contracts certification substantially as follows: "NON-DISCRIMINATION POLICY: [insert name of broadcaster] and its station[s] do not discriminate in underwriting or sponsorship contracts on the basis of race or ethnicity. Any provision in any order or agreement for underwriting or sponsorship that purports to discriminate on the basis of race or ethnicity, even if handwritten, typed, or otherwise made a part of a particular contract, is hereby rejected."

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

12. Credit Terms Advertising. Pursuant to rules of the Federal Trade Commission, no advertising of credit terms shall be made over the Station beyond mention of the fact that, if desired, credit terms are available.

13. Commercial Record Keeping. Programmer shall not receive any consideration in money, goods, services, or otherwise, directly or indirectly, from any person or company for the presentation of any programming over the Station without reporting the same in advance to and receiving the prior written consent of Licensee. No commercial messages ("plugs") or undue references shall be made in programming presented over the Stations to any business venture, profit making activity, or other interest (other than noncommercial announcements for bona fide charities, church activities, or other public service activities) in which Programmer (or anyone else) is directly or indirectly interested without the same having been approved in advance by Licensee and such broadcast being announced, logged, and sponsored.

14. No Illegal Announcements. No announcements or promotion prohibited by Federal or State law or regulation of any lottery or game shall be made over the Stations. Any game, contest, or promotion relating to or to be presented over the Stations must be fully stated and explained in advance to Licensee, which reserves the right in its sole discretion to reject any game, contest, or promotion.

15. Discretion Paramount. In accordance with Licensee's responsibilities 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 proposed to be presented or being presented over the Station which is in conflict with Station policy or which in Licensee sole judgment would not serve the public interest.



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16. Programming Prohibitions. Programmer shall not broadcast any of the following programs or announcements:

- (a) False or unwarranted claims for any product or service.
- (b) Infringements of another advertiser's rights through plagiarism or unfair imitation of either program idea or copy, or any other unfair competition.
- (c) Any disparagement of competitors or competitive goods.
- (d) Any programs or announcements that are slanderous, obscene, profane, vulgar, repulsive or offensive, either in theme or treatment.
- (e) Any price mentions except as permitted by Licensee's policies current at the time.
- (f) Any testimonials which cannot be authenticated.
- (g) Any continuity which describes in a repellent manner internal bodily functions or symptomatic results of internal disturbances, and no reference to matters which are not considered acceptable topics in a social setting.
- (h) Any advertising matter or announcement which may, in the opinion of Licensee, be injurious or prejudicial to the interests of the public, the Station, or honest advertising and reputable business in general.
- (i) In any case where questions of policy or interpretation arise, Programmer should submit the same to Licensee for decision before making any commitments in connection therewith.

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