

## TIME BROKERAGE AGREEMENT

This TIME BROKERAGE AGREEMENT is made and entered into this 11<sup>th</sup> day of July, 2022 (this "Agreement"), by and between William C. Doerner ("Doerner" or "Licensee") and Dynamic Media, LLC ("Dynamic" or "Broker").

### WITNESSETH:

WHEREAS, Doerner is the Licensee of radio Station K236CM, Corpus Christi, Texas (the "Station") pursuant to authorizations issued to Licensee by the Federal Communications Commission (the "Commission" or "FCC"); and

WHEREAS, Licensee and Broker are parties to an Asset Purchase Agreement of even date (the "Purchase Agreement"), whereby Licensee has provided Broker the opportunity to acquire substantially all of the assets owned or leased by Licensee and used or usable in connection with the operation of the Station; and

WHEREAS, Licensee desires to obtain a regular source of programming and income which will sustain the operation of the Station during the pendency of the application; and

WHEREAS, Broker desires to purchase time on the Station for the broadcast of programming on the Station and for the sale of advertising time included in that programming.

NOW, THEREFORE, in consideration of the foregoing, and of the mutual promises set forth herein, Licensee and Broker hereby agree as follows:

1. **Time Sale.** Subject to the terms of this Agreement, and to applicable rules, regulations, and policies of the FCC, Licensee shall sell and Broker shall purchase up to one hundred sixty-eight (168) hours per week on the Station. Licensee shall broadcast the programming, including commercial announcements, supplied by Broker without interruption,

deletion, or addition of any kind, subject to the terms of this Agreement and Licensee's obligations under the Communications Act of 1934, as amended, and the published rules, regulations, and policies of the Commission (collectively, the "Communications Laws").

2. **Term.** The term of this Agreement shall be coterminous with the pendency of the "Purchase Agreement", commencing on the date hereof (the "Effective Date") and continuing until the consummation of the assignment of license from Licensee to Broker.

3. **Hours of Programming.** Subject to the exceptions set forth in Sections 4 and 5 below, Broker shall supply, and Licensee shall transmit, programming for all periods of broadcast operations, as long as this Agreement remains in force. Broker shall provide all such programming, produced at its own cost and expense.

4. **Reservation of Time.** Licensee specifically reserves for its own use up to two (2) hours per week of programming time (the "Reserved Time") during which it may broadcast programming of its choice. The Reserved Time shall be at a mutually agreeable time between the hours of 6:00 a.m. and 9:00 a.m. on Sundays.

5. **Licensee's Programming Discretion.** Nothing herein shall be construed as limiting in any way Licensee's rights and obligations as the Licensee of the Station to make the ultimate programming decisions for the Station. Licensee shall be responsible for insuring that the Station's overall programming is responsive to community needs and in the public interest. Licensee has the authority, in its sole discretion, to reject and refuse to transmit any programming produced or proposed by Broker that Licensee in its good faith deems to be contrary to the public interest. Licensee shall notify Broker, unless such notice is impractical or impossible, at least one (1) week in advance of any such preemption of Broker's programming for the purpose of broadcasting programs that Licensee deems necessary to serve the public interest. In the event of any such

preemption, Broker shall receive a pro-rated credit for the preempted time against the monthly payment required under Section 6 hereof.

6. **Compensation.** In consideration of the broadcast time provided to Broker pursuant to this Agreement, Broker shall pay Licensee the monthly fee set forth in Attachment I hereto in advance on the first day of each month during the term of this Agreement, with the first monthly fee to be paid thirty (30) days after the execution of this Agreement, and shall reimburse Licensee for its expenses in broadcasting Broker's programming pursuant to this Agreement.

7. **Expenses.**

a. Licensee shall be responsible for all direct and indirect operating costs of the Station, including but not limited to: (i) rents and utilities at Licensee's studio, tower, and transmitter site facilities; (ii) insurance costs related to Licensee's assets and operations; (iii) Licensee's telephone, delivery, and postal service; (iv) costs related to the maintenance of Licensee's main studio as well as all equipment necessary for the operation of the Station in compliance with the rules, regulations, and policies of the FCC; (v) salaries, payroll taxes, insurance, and related costs of personnel employed by Licensee in connection with the operation of the Station; and (vi) income, gross receipts, sales, real property, personal property, excise, and/or any other taxes of any nature whatsoever related to Licensee's ownership of its assets or its programming efforts on the Station.

b. Broker shall be responsible for all direct and indirect costs of the production and delivery of Broker's programming, including but not limited to: (i) power and utilities at Broker's facilities where programming is produced; (ii) insurance costs related to Broker's equipment and assets used in its business operations; (iii) costs related to the maintenance of any studio and equipment necessary for the production and delivery of Broker's programming; (iv)

salaries, payroll taxes, insurance, and related costs of all personnel employed by Broker in connection with production and delivery of the programming, promotion of that programming, and the sale of advertising in that programming; (v) income, gross receipts, sales, real property, personal property, excise, or any other taxes of any nature whatsoever related to Broker's ownership of its assets or the programming provided to the Station; and (vi) all performing rights, licensing fees for music and other material contained in the programming provided by Broker.

8. ***Representations, Warranties, and Covenants of Broker.*** Broker represents and warrants to, and covenants with, Licensee that:

a. Broker has the legal right, power, and authority to enter into this Agreement and to fully perform its obligations hereunder, and its performance hereunder does not and shall not violate the terms of any other agreements by which it is bound or to which it is a party.

b. The programming provided by Broker for broadcast on the Station shall comply with the Communications Laws, and with all programming standards established by Licensee. The programming shall also meet all industry standards for technical quality.

c. Broker shall obtain, at its own cost and expense, music licenses for the music in the programs it provides for broadcast. The performing rights to all music contained in its programming shall be licensed by BMI, ASCAP, or SESAC or shall be in the public domain.

d. Broker shall cooperate with Licensee in making time available in programming supplied to the Station by it for the Station Identification Announcements required by FCC rules and regulations.

e. Broker shall not cause or permit any liens, encumbrances, foreclosures, contractual defaults, or outstanding balance of any kind or nature whatsoever which would impede or impair Broker's ability to meet its obligations under this Agreement.

f. Broker shall promptly pay any and all expenses or obligations of any kind or nature relating to the provision of programming when such expenses become due.

g. Broker shall provide to Licensee monthly documentation of the programs it has broadcast which address problems, needs, and interests of the Station's community. Broker shall provide local news and public affairs programming relevant to the Station's community and of sufficient quality to assist Licensee in satisfying its obligations to respond to the needs of this community.

h. Broker shall forward to Licensee within twenty-four (24) hours of receipt by Broker, 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.

i. Broker will not knowingly broadcast any material in violation of the Copyright Act, which is slanderous or libelous or which is in violation of the rules and regulations of the FCC.

9. ***Representations, Warranties, and Covenants of Licensee.*** Licensee represents and warrants to, and covenants with, Broker that:

a. Licensee has the legal right, power, and authority to enter into this Agreement and to fully perform its obligations hereunder, and its performance hereunder does not and shall not violate the terms of any other agreements by which it is bound or to which it is a party.

b. Licensee shall operate the Station in compliance with the Communications Laws.

c. Licensee shall maintain the facilities and equipment of the Station in a

condition consistent with good engineering practice and in compliance with the rules, regulations, and technical standards of the FCC, and all capital expenditures reasonably required to maintain the technical quality of the Station's signal shall be made in a timely fashion at the sole expense and direction of Licensee. Except for periods where reduction of power is required for routine or emergency maintenance activities, Licensee shall use all reasonable efforts to operate the Station at maximum authorized transmitter power, with an antenna center of radiation at its full authorized height above ground and above average terrain.

d. Licensee shall retain, on a full-time or part-time basis, a General Manager who shall direct the day-to-day operations of the Station, and a Chief Operator (as defined by the rules and regulations of the FCC) who shall be responsible for insuring compliance by the Station with the technical operating and reporting requirements established by the FCC. The Chief Operator may also hold the position of Chief Engineer. Licensee shall be responsible for insuring that qualified control operators monitor and control the Station's transmissions at all times, in full conformity with FCC requirements.

e. Licensee shall acquire and maintain appropriate liability, fire, and extended coverage insurance in amounts reasonably required to protect the parties hereto from losses from liability for personal injury as well as from loss by theft, fire, and other causes to Licensee's equipment.

f. Licensee shall insure that all required Station Identification Announcements are broadcast as required by the FCC rules and regulations.

10. ***Indemnification.***

a. Broker shall indemnify and hold harmless Licensee from and against any and all claims, losses, costs, liabilities, damages, and expenses (including reasonable attorneys' fees)

arising out of (i) programming provided by Broker, and (ii) any breach by Broker of its representations, warranties, covenants, or obligations under this Agreement.

b. Licensee shall indemnify and hold harmless Broker from and against any and all claims, losses, costs, liabilities, damages, and expenses (including reasonable attorney's fees) arising out of (i) programming provided by Licensee, and (ii) any breach by Licensee of its representations, warranties, covenants, or obligations under this Agreement.

c. The indemnification obligations of this Section 11 shall survive any termination of this Agreement and shall continue until the expiration of all applicable statutes of limitations and the conclusion and payment of all judgments which may be rendered in all litigation which may be commenced prior to such expiration.

d. Neither Licensee nor Broker shall be entitled to indemnification pursuant to this Section 11 unless such claim for indemnification is asserted in writing delivered to the other party; and, where such claims, loss, cost, liability, damage, or defense involves a legal action, the party against whom indemnification is sought has been given written notice sufficiently in advance to permit such party to defend, contest, or compromise such action at its own cost and risk.

### 11. *Termination; Effect of Termination.*

a. The term of this Agreement is subject to the limitations that:

i. Either party may terminate this Agreement, provided such party is not then in default of any of its material obligations hereunder, if the other party is in default of any of its material obligations hereunder and has not cured such default within thirty (30) days after receipt of written notice of default from the terminating party.

ii. This Agreement shall terminate automatically upon the occurrence of any of the following:

(1) This Agreement is declared invalid or illegal in whole or material part by an order or decree of the FCC or any other administrative agency or court of competent jurisdiction and such order or decree has become final and no longer subject to further administrative or judicial review;

(2) The transaction contemplated under the Purchase Agreement occurs such that an assignment of the Station license to Broker or Broker's assigns is consummated.

b. In the event of termination hereunder, Licensee shall be under no further obligation to make available to Broker any further broadcast time or broadcast transmission facilities, and Broker shall have no further obligation to make any payments to Licensee hereunder. All unperformed agreements and contracts for advertising to be aired during Broker's time shall automatically belong to Licensee who shall perform such agreements and contracts for which it shall be entitled to collect and receive the money derived therefrom. Broker shall remit to Licensee any money or consideration it shall have received as pre-payment for such unaired advertising. Broker shall be entitled to all uncollected revenue for advertising already broadcast over the Station prior to such termination, and Licensee shall pay over to Broker any sums received in respect of same.

12. **Regulatory Requirements.** Notwithstanding anything to the contrary set forth in this Agreement, Licensee shall be solely responsible for the management, operation, and regulatory compliance of the Station, and Broker shall not exercise any control over the day-to-day operations of the Station.

13. **Payola/Plugola.** Neither Broker nor its agents, employees, consultants, or personnel shall accept any consideration, compensation, gift, or gratuity of any kind whatsoever,



regardless of its value or form, including but not limited to, a commission, discount, bonus, material, supplies, or other merchandise, services, or labor (collectively "Consideration"), whether or not pursuant to written contracts or agreements between Broker and merchants or advertisers, unless the payer is identified in the program for which Consideration was provided as having paid for or furnished such Consideration, in accordance with the Communications Act and FCC requirements.

14. **Notices.** All notices and other communications permitted or required hereunder shall be in writing and shall be given by (a) personal delivery, (b) U. S. certified mail, or (c) a nationally recognized overnight carrier, in each case addressed as follows:

If to Licensee, to:

William Doerner  
342 Caribbean Dr.  
Corpus Christi, TX 78418

If to Broker, to:

Dynamic Media, LLC  
1201 3rd Street  
Corpus Christi, TX 78404  
Attn: Gregory Herrman

or to such other address as either party may specify to the other in writing from time to time. Notice shall be deemed to have been given upon actual receipt.

11. **No Agency.** No agency relationship between the parties shall be expressed or implied by the terms of this Agreement, nor shall this Agreement be construed to create a joint venture or partnership between the parties. Neither party shall hold itself out as an agent, partner, or joint venturer with the other. All contracts for the sale of airtime, purchase orders, agreements, sales materials, and similar documents produced or executed by Broker shall be executed in the name of Broker, and not on behalf of the Station or Licensee, and shall represent that Broker is not

the Licensee of the Station.

12. **Further Assurances.** Each party shall execute and deliver such additional documents and take such further actions as are reasonably necessary for the purposes of carrying out this Agreement.

13. **Assignment.** Neither party shall assign its rights or delegate its duties under this Agreement without the other party's prior written consent, which consent shall not be unreasonably withheld or delayed. Any such assignment or delegation by either party in contravention of this Section 18 shall be null and void.

19. **Binding Effect.** This Agreement shall be binding upon the parties hereto and their successors and permitted assigns.

14. **Waiver.** No waiver by either party hereto of a breach by the other of any provision of this Agreement shall be deemed to constitute a waiver of any preceding or subsequent breach of the same provision or any other provision.

15. **Governing Law.** This Agreement shall be governed by the laws of the State of Texas, without regard to its choice of law provisions.

16. **Counterparts.** This Agreement may be signed in counterpart originals, which collectively shall have the same legal effect as if all signatures had appeared on the same physical document. This Agreement may be signed and exchanged by facsimile transmission, with the same legal effect as if the signatures had appeared in original handwriting on the same physical document.

17. **Amendment.** This Agreement may be modified or amended only in writing and signed by the parties hereto.

18. **Entire Agreement.** This Agreement embodies the entire agreement between the



IN WITNESS WHEREOF, the parties hereto have executed this Time Brokerage Agreement as of the date and year first above written.


LICENSEE:

WILLIAM C. DOERNER

By: 

BROKER:

DYNAMIC MEDIA, LLC

By:   
Gregory Herrman, Member