

LOCAL MARKETING AGREEMENT

This Local Marketing Agreement (the "*Agreement*"), made as of February ___, 2024, is between Beacon Broadcasting, LLC, an Oklahoma limited liability company ("*Licensee*"), and Beacon Broadcast, LLC., a Colorado limited liability company ("*Broker*").

RECITALS

Licensee is the licensee of and operates radio broadcast station KWAY(FM), Lamar, Colorado (FCC Facility ID No. 31531) (the "*Station*"), pursuant to licenses issued by the Federal Communications Commission (the "*FCC*").

Licensee has broadcast time available on the Station and desires that Broker provide radio programming responsive to the needs, interests, issues and desires of the Station's community of license and service area beginning on the Commencement Date, as defined below.

Broker has experience in radio programming. Broker desires to present its programming on the Station and to sell advertising time for inclusion in such programming, subject to the limitations set forth herein and in accordance with the rules, regulations and policies of the Federal Communications Commission ("*FCC*").

Pursuant to that certain Option Agreement of even date herewith by and among Licensee and Broker, Licensee has granted to Broker an option to purchase the Station.

Therefore, for and in consideration of the mutual covenants herein contained, the parties agree as follows:

1. SALE OF TIME

1.1. **Broadcast of Programming.** During the Term (as defined below) of this Agreement, Licensee shall make available broadcast time on the Station for the broadcast of Broker's programs (the "*Programming*") for up to 168 hours a week except for: (i) downtime occasioned by routine maintenance consistent with Section 2.1.4 herein; (ii) up to two (2) hours per week between 7:00 a.m. and 9:00 a.m. on Sunday mornings or at other times mutually agreeable to Licensee and Broker for the broadcast of public affairs programming produced or acquired by Licensee; (iii) commercial time reserved for Licensee under Section 1.2 hereof; and (iv) times when Broker's programs are not accepted or are preempted by Licensee in accordance with this Agreement.

1.2. **Advertising and Programming Revenues.** During the Programming it delivers to the Station, and as provided in Section 1.1 above, Broker shall have the authority to sell for its own account commercial time on the Station and to retain all revenues from the sale of such advertising. Unless otherwise agreed between the parties, Licensee shall retain all revenues from the sale of the Station's advertising during any hours each week in which the Licensee airs its own public affairs programming on the Station pursuant to Section 2.1.3 hereof.

1.3. **Force Majeure.** Any failure or impairment of facilities or any delay or interruption in delivering or broadcasting the Programming, or failure at any time to furnish the facilities, in whole or in part, for broadcasting or any failure of either party to timely perform any of its obligations under this Agreement, due to acts of God, terrorist attacks, strikes or threats thereof, force majeure or any other causes beyond the control of Licensee, shall not constitute a breach of this Agreement by Licensee or Broker.

1.4. **Delivery of Programming.** Broker shall be responsible for delivering the Programming, at Broker's cost, to Licensee's studio building for broadcast by Licensee on the Station.

1.5. **Payments; Operating Expense Reimbursement.** Broker shall reimburse Licensee for all non-capital, day-to-day, ordinary and customary expenses incurred in operating the Station (the "*Operating Expenses*") including those expenses listed on Schedule 1.5 hereof. Licensee shall bill Broker for the Operating Expenses as they are incurred by delivery of a statement of reasonable detail with back-up invoices, payment for which shall be due within thirty (30) days of such billing.

1.6. **Term.** The term of this Agreement (the "*Term*") shall commence at 12:01 a.m. Mountain Time on February __, 2024 (the "*Commencement Date*") and will terminate upon the earlier to occur of (a) January 31, 2026, (b) the termination of this Agreement pursuant to Section 6 hereof; or (c) the consummation of the sale of the Station to Broker pursuant to a purchase agreement.

1.7. **License to Use Call Sign and Trademarks.** Licensee hereby grants Broker a royalty-free license to use Licensee's call sign "KVAY" and trademarks and names relating to the Station (the "*Marks*") for the Programming during the Term.

2. **PROGRAMMING AND OPERATING STANDARDS**

2.1. **Obligations and Rights of Licensee.** Licensee shall be responsible for the control of the day-to-day operations of the Station in conformance with its FCC licenses, permits and authorizations. Without limiting the generality of the foregoing, Licensee shall have the following rights and obligations with respect to programming and technical operations of the Station, *provided, however*, that Licensee expressly agrees that its right of preemption under Sections 2.1.1, 2.1.2 and 2.1.3 below shall not be exercised in an arbitrary manner or for the commercial advantage of Licensee, and shall be exercised only to the extent that Licensee deems necessary to carry out its obligations as an FCC licensee.

2.1.1. **Licensee's Absolute Right to Reject Programming.** Licensee shall retain the absolute right to reject any Programming (including advertisements) that Licensee in its sole discretion deems contrary to the public interest. Licensee covenants and agrees that any such rejection shall only occur to the extent Licensee, in the exercise of reasonable judgment, deems it necessary to carry out its obligations as an FCC licensee, and Licensee expressly agrees that its right of rejection shall not be exercised in an arbitrary or unreasonable manner solely for the commercial advantage of Licensee or others. Licensee shall promptly notify Programmer of

any rejection of Programming.

2.1.2. Licensee's Right to Preempt Programming for Special Events.

Licensee shall have the right, in its sole discretion, to preempt Programming in order to broadcast a program deemed by Licensee to be of greater national, regional, or local interest, 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 commercially reasonable efforts to give Broker reasonable advance notice of its intention to preempt any regularly scheduled programming. Licensee covenants and agrees that preemption shall only occur to the extent Licensee deems, in the exercise of reasonable judgment, preemption necessary to carry out its obligations as an FCC licensee, and Licensee expressly agrees that its right of preemption shall not be exercised in an arbitrary or unreasonable manner or solely for the commercial advantage of Licensee or others. Licensee shall promptly notify Programmer of any rejection or rescheduling of Programming and shall cooperate with Programmer in its efforts to fulfill commitments to advertisers and syndicators.

2.1.3. FCC Public Interest Requirements. The parties agree that Licensee may broadcast its own public service programming as set forth in Section 1.1(ii) hereof and such other public service programming at such other times as the parties may agree. The parties acknowledge that Licensee is ultimately responsible for complying with the FCC's rules and regulations with respect to (a) the carriage of political advertisements and programming (including, without limitation, the rights of candidates and, as appropriate, others to equal opportunities, lowest unit charge and reasonable access); (b) the broadcast and nature of public service programming; (c) the maintenance of the online public inspection file, including the political file, and the Station's logs; (d) the ascertainment of issues of community concern; (e) the preparation of all quarterly issues/programs lists; and (f) the production of the Station identification announcements required under Section 73.1201 of the FCC's rules (Broker to provide copy). Licensee reserves the right to refuse to broadcast any program containing matter that Licensee reasonably and in good faith believes to be, or that Licensee reasonably and in good faith believes is likely to be determined by the FCC or any court or other regulatory body with authority over Licensee or the Station to be, violative of any right of any third party or indecent, obscene, or profane. Licensee shall further have the right to take any other actions necessary for compliance with the laws of the United States, the State of Colorado, 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 government authorities, including the Federal Trade Commission and the Department of Justice.

2.1.4. Maintenance and Repair of Transmission Facilities. Licensee shall, at Licensee's cost (all subject to reimbursement pursuant to Section 1.5), (i) maintain the Station's transmission equipment and facilities, including the antennas, transmitters and transmission lines, (ii) provide the Station with the services of its engineer, and (iii) provide for the delivery of electrical power to the Station's transmitting facilities at all times in order to ensure operation of the Station. Licensee shall use commercially reasonable efforts to provide at least forty-eight (48) hours prior notice to Broker in advance of any maintenance work affecting the operations of the Station, and to schedule any such maintenance work at times other than the hours of 6:00 a.m. to 11:00 a.m. or 4:00 p.m. to 8:00 p.m. on weekdays, mountain time. Licensee shall

undertake such repairs as are necessary to maintain full-time operation of the Station with their maximum authorized facilities as expeditiously as possible following the occurrence of any such loss or damage.

2.1.5. **Studio Location.** Licensee shall provide Broker with use of the Station studio/office space, subject to reimbursement pursuant to Section 1.5.

2.1.6. **Compliance with FCC Technical Rules.** Subject to reimbursement pursuant to Section 1.5, Licensee shall retain, on a full time or part time basis, a qualified engineer and/or chief operator who shall be responsible for supervising the transmission facilities of the Station and for ensuring compliance by the Station with the technical operating and reporting requirements established by the FCC.

2.1.7. **Maintain Insurance.** Subject to reimbursement pursuant to Section 1.5, Licensee shall maintain insurance coverage on its equipment and broadcast facilities during the Term in amounts not less than the maximum coverage which Licensee has maintained during the current fiscal year.

2.2. **Obligations and Rights of Broker.** Broker shall not knowingly take any action, or omit to take any action, inconsistent with Licensee's obligations under law to retain ultimate responsibility for the programming and technical operations of the Station. Without limiting the generality of the foregoing, Broker agrees as follows:

2.2.1. **Compliance with Laws and Station's Policies.** All Programming shall conform in all material respects to all applicable rules, regulations and policies of the FCC, and all other laws or regulations applicable to the broadcast of programming by the Station. All Programming shall be prepared and presented in conformity with the regulations prescribed in Schedule 2.2.1 hereto.

2.2.2. **Cooperation with Licensee.** Broker, on behalf of Licensee, shall furnish or insert within the Programming all of the Station's identification announcements required by the FCC's rules, and shall, upon request by Licensee, provide information with respect to any of the Programming which is responsive to the public needs and interests of the area served by the Station so as 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. Broker shall maintain and deliver to Licensee all records and information required by the FCC to be uploaded to the online public inspection file of the Station pertaining to the broadcast of political programming and advertisements, in accordance with the provisions of Sections 73.1943 and 73.3526 of the FCC's rules, and agrees that broadcasts of sponsored programming addressing political issues or controversial subjects of public importance will comply with the provisions of Section 73.1212 of the FCC's rules. Broker shall cooperate with Licensee to ensure compliance with the FCC's rules regarding Emergency Alert System tests and alerts.

2.2.3. **Payola and Plugola.** Broker shall provide to Licensee in advance any information known to Broker 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 Broker 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. Commercial matter with obvious sponsorship identification will not require disclosure beyond the sponsorship identification contained in the commercial copy. Broker shall at all times endeavor to proceed in good faith to comply 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.

2.2.4. **Handling of Mail.** Broker shall provide Licensee with the original or a copy of any correspondence from a member of the public relating to the Programming to enable Licensee to comply with FCC rules and policies. Licensee shall not be required to receive or handle mail, facsimiles, emails or telephone calls in connection with the Programming unless Licensee has agreed to do so in writing. Licensee shall promptly forward to Broker all correspondence, payments, communications or other information and/or documents which it receives and which relate to the Programming, including without limitation, invoices, billing inquiries, checks, money orders, wire transfers, or other payments for services or advertising.

2.2.5. **Compliance with Copyright Act.** Broker shall not broadcast any material on the Station in violation of the Copyright Act or the rights of any person. All music supplied by Broker shall be (a) licensed by a music licensing agent such as ASCAP, BMI, SESAC, GMR and/or SoundExchange; (b) in the public domain; or (c) cleared at the source by Broker. Licensee, to the extent the material is not covered by licenses Broker has acquired, shall be obligated to pay any music licensing fees and other similar expenses required in connection with material broadcast by Licensee in accordance with Section 1.1 of this Agreement.

3. **RESPONSIBILITY FOR EMPLOYEES AND EXPENSES**

3.1. **Licensee's Responsibility for Employees and Expenses.** Licensee will employ, at Licensee's cost a full-time management-level employee for the Station, who shall report and be solely accountable to Licensee and shall be responsible for overseeing the operation of the Station. If ever at the Licensee's main studio or otherwise on the Station's premises, all of Broker's personnel shall be subject to the ultimate supervision and the direction of Licensee's management-level employee. Subject to reimbursement pursuant to Section 1.5, Licensee shall be responsible for timely paying: (a) all FCC regulatory or filing fees; (b) all real and personal property taxes relating to the transmitter site and Station studios; (c) all utility costs (telephone, electricity, etc.) relating to the transmitter site; (d) insurance payments on facilities; and (e) consulting engineer fees. The cost of the salary, taxes, insurance and related costs for Licensee's management-level personnel shall be covered by the Monthly Fee, as defined on Schedule 1.5.

3.2. **Broker's Responsibility for Employees and Expenses.** Broker shall be responsible for the artistic personnel and material for the production of the Programming to be provided under this Agreement. Broker shall provide any transmitter duty operators required for the operation of the Station during any period when the Programming is being broadcast. Broker shall employ and be responsible for the salaries, taxes, insurance and related costs for all of its

own personnel and facilities used in fulfillment of its rights and obligations under this Agreement. Broker shall pay for all costs associated with production and listener responses, including telephone costs, fees to ASCAP, BMI, SESAC, GMR and SoundExchange, any other copyright fees, and all other costs or expenses attributable to the Programming that is delivered by Broker for broadcast on the Station. Broker shall maintain at its expense and with reputable insurance companies reasonably acceptable to Licensee, commercially reasonable coverage for broadcaster's liability insurance, worker's compensation insurance and commercial general liability insurance.

3.3. **Solicitation of Station's Employees.** Licensee and Broker agree that, without the express consent of the other, neither party shall solicit employees of the other party.

4. **INDEMNIFICATION**

4.1. **Broker Indemnification.** Broker shall indemnify and hold Licensee and its officers, directors, shareholders, members, partners, agents, and employees harmless against any and all claims, damages, liabilities, costs, and expenses (including by way of example and without limitation, reasonable attorneys' fees) (individually or collectively "*Damages*") arising out of: (a) libel, slander, illegal competition or trade practice, infringement of trademarks, trade names, or program titles, violation of rights of privacy, and infringement of copyrights or proprietary rights and any other violations of the rights of any third party or the rules and regulations of the FCC, resulting from the broadcast of the Programming; or (b) any action taken by Broker or its employees or agents with respect to the Station, or any failure by Broker or its employees or agents to take any action with respect to the Station, including but not limited to Broker's payment and performance of obligations and liabilities, unless resulting from a failure by Licensee to perform hereunder; or (c) Broker's breach of any of its representations, warranties or covenants set forth in this Agreement. Broker's obligation to hold Licensee harmless under this Section shall survive a termination of this Agreement until the expiration of all applicable statutes of limitations.

4.2. **Licensee Indemnification.** Licensee shall indemnify and hold Broker and its officers, directors, shareholders, members, partners, agents and employees harmless against any and all Damages arising out of: (a) libel, slander, illegal competition or trade practice, infringement of trademarks, trade names, or program titles, violation of rights of privacy, and infringement of copyrights or proprietary rights and any other violations of the rights of any third party, resulting from Licensee's broadcast of programs other than the Programming; or (b) any action taken or omission by Licensee or its employees or agents with respect to the Station, or any failure by Licensee or its employees or agents to take any action with respect to the Station, including but not limited to Licensee's payment and performance obligations and liabilities, unless resulting from a failure by Broker to perform hereunder; or (c) Licensee's breach of any of its representations, warranties or covenants set forth in this Agreement. Licensee's obligation to hold Broker harmless under this Agreement shall survive any termination of this Agreement until the expiration of all applicable statutes of limitations.

4.3. **Procedure for Indemnification and Limitations.** (a) Promptly after the receipt

by the indemnified party of notice of (i) any claim or (ii) the commencement of any action or proceeding which may entitle the indemnified party to indemnification under this Section 4, the indemnified party shall give the indemnifying party written notice of such claim or the commencement of such action or proceeding and shall permit, but not require, the indemnifying party to assume the defense of any such claim or any litigation resulting from such claim. The indemnified party's failure to give the indemnifying party timely notice shall not preclude the indemnified party from seeking indemnification from the indemnifying party unless the indemnified party's failure has materially prejudiced the indemnifying party's ability to defend the claim or litigation.

(b) If the indemnifying party assumes the defense of any such claim or litigation resulting therefrom, the obligations of the indemnifying party as to such claim shall be limited to taking all steps necessary in the defense or settlement of such claim or litigation resulting therefrom and to holding the indemnified party harmless from and against any losses and liabilities caused by or arising out of any settlement approved by the indemnifying party or any judgment in connection with such claim or litigation. The indemnified party shall cooperate and make available all books and records reasonably necessary and useful in connection with the defense.

(c) In the event the indemnified party properly tenders its right to defend to the indemnifying party and if the indemnifying party either does not acknowledge its indemnity obligations or accept the defense within thirty (30) days of such notice, the indemnified party may retain its own counsel and defend or reasonably settle the claim at the expense of the indemnifying party.

5. EVENTS OF DEFAULT AND CURE PERIODS

5.1. **Events of Default.** The following shall, after the expiration of the applicable cure periods as set forth in Section 5.2, each constitute an Event of Default under this Agreement:

5.1.1. **Default in Covenants or Adverse Legal Action.** Either party (a) defaults in the performance of any material covenant, condition or undertaking contained in this Agreement, (b) makes a general assignment for the benefit of creditors, or (c) files or has filed against it a petition for bankruptcy, for reorganization or an arrangement, 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 sixty (60) days thereafter; and

5.1.2. **Breach of Representation.** 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, proves to have been false or misleading in any material respect as of the time made or furnished.

5.2. **Cure Periods.** An Event of Default shall not be deemed to have occurred until 10 days after the non-defaulting party has provided the defaulting party with written notice specifying the event or events that, if not cured, would constitute an Event of Default and

specifying the actions necessary to cure the default(s) within such period. This period may be extended for a reasonable period of time if the defaulting party is acting in good faith to cure and such delay is not materially adverse to the other party.

6. TERMINATION

6.1. **Termination Upon Default.** Upon the occurrence of an Event of Default under this Agreement, the non-defaulting party may terminate this Agreement by written notice to the other, provided that it is not also in material default of this Agreement. Upon the occurrence of an Event of Default by Broker and delivery of written notice of termination of this Agreement by Licensee to Broker, Licensee shall be under no further obligation to make available to Broker any broadcast time on the Station or the broadcast transmission facilities of the Station.

6.2. **Termination for Change in FCC Rules or Policies.** Either party may terminate this Agreement upon written notice to the other if there has been a material change in FCC rules or policies that would cause this Agreement to be in violation thereof, or in the event that the FCC determines that this Agreement does not comply with its rules, and such change in the rules or FCC determination is in effect and not the subject of an appeal or further administrative review; *provided, however*, that in such either event the parties shall first have negotiated in good faith and attempted to agree to an amendment to this Agreement that will provide the parties with a valid and enforceable agreement that conforms to the new FCC rules or policies.

6.3. Certain Matters Upon Termination.

6.3.1. If this Agreement is terminated for any reason Broker shall return to Licensee any equipment or property of the Station used by Broker, its employees or agents, in substantially the same condition as such equipment existed on the date hereof, ordinary wear and tear excepted.

6.3.2. No expiration or termination of this Agreement shall terminate the obligation of each party to indemnify the other for claims of third parties under Section 4 of this Agreement or limit or impair any party's rights to receive payments due and owing hereunder on or before the date of such termination.

7. REPRESENTATIONS AND WARRANTIES

7.1. **Representations and Warranties of Licensee.** Licensee hereby represents and warrants that:

7.1.1. **Organization and Standing.** Licensee is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Oklahoma and has the necessary organizational power and authority to own, operate and carry on the business of the Station as provided under this Agreement.

7.1.2. **Authorization and Binding Obligation.** Licensee has all necessary power and authority to enter into and perform this Agreement and the transactions contemplated

hereby, and Licensee's execution, delivery and performance of this Agreement have been duly and validly authorized by all necessary action on its part. This Agreement has been duly executed and delivered by Licensee and constitutes its valid and binding obligation, enforceable in accordance with its terms, except as limited by laws affecting the enforcement of creditors' rights or equitable principles generally.

7.1.3. **Absence of Conflicting Agreements or Required Consents.** Except for consents required in connection with the assignment of certain assigned contracts, if any, the execution, delivery and performance of this Agreement by Licensee: (a) do not require the consent of any third party, except such consents as have already been obtained; (b) will not violate any provisions of Licensee's organizational documents; (c) will not violate any applicable law, judgment, order, injunction, decree, rule, regulation or ruling of any governmental authority to which Licensee is a party; and (d) will not, either alone or with the giving of notice or the passage of time, or both, conflict with, constitute grounds for termination of or result in a breach of the terms, conditions or provisions of, or constitute a default under any agreement, instrument, license or permit to which Licensee is now subject.

7.1.4. **Litigation.** Licensee is subject to no judgment, award, order, writ, injunction, arbitration decision or decree materially adversely affecting the conduct of the business of the Station as it is now conducted, and there is no litigation, proceeding or investigation pending or, to the best of Licensee's knowledge, threatened against Licensee in any federal, state or local court, or before any administrative agency or arbitrator which would have a material adverse effect upon the Station or which seeks to enjoin or prohibit, or otherwise is reasonably likely to defeat the validity of, any action taken or to be taken pursuant to or in connection with this Agreement.

7.1.5. **Bankruptcy.** No insolvency proceedings of any character, including, without limitation, bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, affecting Licensee are pending or threatened, and Licensee has made no assignment for the benefit of creditors or taken any action in contemplation of or which would constitute the basis for the institution of such insolvency proceedings.

7.2. **Representations and Warranties of Broker.** Broker hereby represents and warrants that:

7.2.1. **Organization and Standing.** Broker is a limited liability company formed, validly existing and in good standing under the laws of the State of Colorado and has the necessary organizational power and authority to, operate and carry on the business of the Station as provided under this Agreement.

7.2.2. **Authorization and Binding Obligation.** Broker has all necessary power and authority to enter into and perform this Agreement and the transactions contemplated hereby, and Broker's execution, delivery and performance of this Agreement have been duly and validly authorized by all necessary action on its part. This Agreement has been duly executed and delivered by Broker and constitutes its valid and binding obligation enforceable against Broker in accordance with its terms.

7.2.3. **Absence of Conflicting Agreements or Required Consents.** Except for consents required in connection with the assignment of certain assigned contracts, if any, The execution, delivery and performance of this Agreement by Broker: (a) do not and will not violate any provision of Broker's organizational documents; (b) do not and will not require the consent of any third party or governmental authority; (c) do not and will not violate any law, judgment, order, injunction, decree, rule, regulation or ruling of any governmental authority; and (d) do not and will not, either alone or with the giving of notice or the passage of time, or both, conflict with, constitute grounds for termination or acceleration of or result in a breach of the terms, conditions or provisions of, or constitute a default under any agreement, lease, instrument, license or permit to which Broker is now subject.

7.2.4. **Litigation.** Broker is subject to no judgment, award, order, writ, injunction, arbitration decision or decree materially adversely affecting the conduct of the business of the Station as it is to be conducted under this Agreement, and there is no litigation, proceeding or investigation pending or, to the best of Broker's knowledge, threatened against Broker in any federal, state or local court, or before any administrative agency or arbitrator which would have a material adverse effect upon the Station or which seeks to enjoin or prohibit, or otherwise is reasonably likely to defeat the validity of, any action taken or to be taken pursuant to or in connection with this Agreement.

7.2.5. **Bankruptcy.** No insolvency proceedings of any character, including, without limitation, bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, affecting Broker are pending or threatened, and Broker has made no assignment for the benefit of creditors or taken any action in contemplation of or which would constitute the basis for the institution of such insolvency proceedings.

8. CERTIFICATIONS

8.1. **Broker's Certification.** Broker hereby certifies that this Agreement complies with the provisions of subsections (a) and (c) of Section 73.3555 of the FCC's rules and regulations.

8.2. **Licensee's Certification.** Licensee hereby certifies that it shall maintain ultimate control over the Station's facilities, including specifically control over Station's finances, personnel, and programming.

9. MISCELLANEOUS

9.1. **Amendment, Modification or Waiver.** No amendment, 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.

9.2. **No Waiver; Remedies Cumulative.** No failure or delay on the part of Licensee or Broker 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.

9.3. **Governing Law; Waiver of Jury Trial.** The construction and performance of this Agreement shall be governed by the law of the State of Colorado without regard to its principles of conflict of law. LICENSEE AND BROKER HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING IN ANY WAY TO THIS AGREEMENT, INCLUDING ANY COUNTERCLAIM MADE IN SUCH ACTION OR PROCEEDING, AND AGREE THAT ANY SUCH ACTION OR PROCEEDING SHALL BE DECIDED SOLELY BY A JUDGE. The parties agree that exclusive venue for the resolution of any dispute under this Agreement shall lie with a state or federal court of competent jurisdiction in Prowers County, Colorado. Licensee and Broker hereby acknowledge that they have each been represented by counsel in the negotiation, execution and delivery of this Agreement and that their lawyers have fully explained the meaning of the Agreement, including in particular the jury-trial waiver. Any question of doubtful interpretation shall not be resolved by any rule providing for interpretation against the party who causes the uncertainty to exist or against the drafter of this Agreement.

9.4. **Attorneys' Fees.** In the event of any dispute between the parties to this Agreement, Licensee or Broker, as the case may be, shall reimburse the prevailing party for its reasonable attorneys' fees and other costs incurred in enforcing its rights or exercising its remedies under this Agreement. Such right of reimbursement shall be in addition to any other right or remedy that the prevailing party may have under this Agreement.

9.5. **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 shall be authorized to act as agent of or otherwise represent any other party to this Agreement.

9.6. **Entire Agreement.** This Agreement, and the exhibits and schedules hereto, embody the entire agreement and understanding of the parties hereto and supersede any and all prior agreements, arrangements and understandings relating to the matters provided for herein. Any matter that is disclosed in a schedule to this Agreement in such a way as to make its relevance to the information called for by another schedule readily apparent shall be deemed to have been included in such other schedule, notwithstanding the omission of an appropriate cross-reference.

9.7. **Benefit and Assignment.** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. Broker may not assign its rights under this Agreement without the prior written consent of Licensee. Upon any such assignment of its rights hereunder, references to "Broker" shall include such assignee, provided, however, that no such assignment shall relieve Broker of any obligation hereunder.

9.8. **Headings.** The headings set forth in this Agreement are for convenience only and will not control or affect the meaning or construction of the provisions of this Agreement.

9.9. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which will be deemed an original and all of which together will constitute one and the same instrument.

9.10. **Notices.** Any notice, demand or request required or permitted to be given under the provisions of this Agreement shall be in writing, addressed to the following addresses, or to such other address as any party may request.

If to Licensee:

Beacon Broadcasting, LLC
7 Forrest St.
Lamar, CO 81052
Attention: Bob DeLancey
Telephone: 719/336-8734
Email: bob@kvay.com

With a copy to:

Lerman Senter PLLC
2001 L Street, NW, Suite 400
Washington, DC 20036
Attention: Nancy A. Ory
Telephone: 202/416-6791
Email: nory@lermansenter.com

If to Broker:

Beacon Radio, Inc.
7 Forrest St.
Lamar, CO 81052
Attention: Jose Ramos
Telephone: 719/336-8734
Email: jose@kvay.com

With a copy to:

Gray Miller Persh LLP
2233 Wisconsin Avenue, NW
Suite 226
Washington, DC 20007
Attention: Derek Teslik
Telephone: 202-559-7489

Email: dteslik@graymillerpersh.com

Any such notice, demand or request shall be deemed to have been duly delivered and received (a) on the date of personal delivery, or (b) on the date of transmission, if sent by email (but only if a hard copy is also sent by overnight courier), or (c) on the date of receipt, if mailed by certified mail, postage prepaid and return receipt requested, or (d) on the date of a signed receipt, if sent by an overnight delivery service, but only if sent in the same manner to all persons entitled to receive notice or a copy.

9.11. **Severability.** In the event that any of the provisions of this Agreement shall be held unenforceable, then the remaining provisions shall be construed as if such unenforceable provisions were not contained herein. Any provision of this Agreement which is unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such unenforceability without invalidating the remaining provisions hereof, and any such unenforceability in any jurisdiction shall not invalidate or render unenforceable such provisions in any other jurisdiction. To the extent permitted by applicable law, the parties hereto hereby waive any provision of law now or hereafter in effect which renders any provision hereof unenforceable in any respect.

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

BEACON BROADCASTING, LLC

By: _____
Name: Robert DeLancey
Title: Managing Member

BEACON BROADCAST, LLC

By: _____
Name: Jose Ramos
Title: President

Schedule 1.5 – Monthly Fee; Expense Reimbursement

The Monthly Fee shall be as follows:

Broker shall pay Licensee \$10,000 per month, payable in advance on the first business day of each month during the Term.

Monthly Studio Payment:

The studio is located at 7 Forrest St., Lamar, CO 81052. This building is owned by Licensee and the monthly bank payment is approximately \$5,400. This payment will be made by Licensee during the Term.

Expense Reimbursement:

In addition, Broker shall reimburse (the “*Expense Reimbursement*”) Licensee for all costs and expenses associated with the operation of the Station (“*Station Expenses*”) accruing on or after the Commencement Date. The Licensee shall be responsible for all Station Expenses accruing prior to the Commencement Date. If Licensee receives an invoice for any Station Expense that straddles the Term and any period beginning or ending before or after the Term, then to the extent that the expense is not clearly allocable to periods before or after the Term, such expense shall be prorated between Licensee and Broker on the basis of the number of days elapsed. The Station Expenses include but are not limited to the following:

- (a) all personal and real property taxes and other taxes and other costs incident for the Station’s transmitter site, transmitter, and building(s) located at the transmitter sites and studio site;
- (b) all engineering, maintenance and repair costs for the Station’s transmission equipment and facilities, including the antenna(s), transmitter(s) and transmission line(s);
- (c) all utility costs (telephone, electricity, water, etc.) relating to the transmitting sites, transmitters and antennas, and the cost of any telephone lines maintained by Licensee for the Station’s offices. Utility costs are estimated as follows:

Studio Building:	Approximately \$1,500/month
Transmitter Site:	Approximately \$3,500/month
- (d) all costs of insurance with respect to the Station’s properties, operations and equipment;
- (e) all costs of repairs or replacements as are necessary to maintain full-time operation of the Station with maximum authorized facilities following the occurrence of any loss or damage in excess of applicable insurance coverage less deductibles;
- (f) all FCC regulatory fees (subject to increase based on annual FCC regulatory fee

schedule) and filing fees with respect to applications or other filings relating to the Station;

(g) all of Licensee's expenses under ASCAP, BMI, SESAC, GMR and SoundExchange, as required by such organizations, to the extent that such licenses have not been obtained directly by Broker.; and

(h) all other usual and ordinary expenses of operation of the Station incurred by Licensee consistent with past practices, except as affected by operation under this Agreement.

Broker shall pay the Expense Reimbursement to Licensee within five (5) days after receipt by Broker of an invoice, which shall provide such detail and back-up documentation as Broker may reasonably request.

SCHEDULE 2.2.1 PROGRAM STANDARDS

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. Political Programming and Procedures. At least 90 days before the start of any primary or general election campaign, Programmer will clear with Licensee's General Manager the rate that 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 the Station's policies. Throughout a campaign, 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. Programmer shall broadcast, on the Station, an announcement in a form reasonably satisfactory to Licensee at the beginning of each hour to identify the Station, and any other announcement that may be required by the Rules or the Station's policy.

3. Commercial Recordkeeping. 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 by the rules 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. Any game, contest or promotion relating to or to be presented over the Station must be fully stated and explained in advance, and such explanation be presented to Licensee, which reserves the right, in its reasonable discretion to reject any game, contest or promotion.

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

6. Controversial Issues. Any broadcast over the Station concerning controversial issues of public importance shall comply with the Rules.

7. Credit Terms Advertising. Pursuant to the rules and regulations of the Federal Trade Commission, any advertising of credit terms shall be made over the Station in accordance with all applicable federal and state laws.