

## **TIME BROKERAGE AGREEMENT**

This Time Brokerage Agreement ("Agreement") is made and entered into as of this \_\_\_\_ day of April, 2006, by and between **1270 AM, Inc.**, a Florida corporation ("Licensee") and **Wilkins Communications Network, Inc.**, a South Carolina corporation, or its permitted assignee ("Programmer").

### **RECITALS**

WHEREAS, Licensee is the licensee of radio broadcast station WIJD(AM), 1270 kHz, Pritchard, Alabama (the "Station"); and

WHEREAS, on this date, Licensee and Programmer are entering into an agreement whereby Programmer is to acquire the Station from Licensee (the "Purchase Agreement"); and

WHEREAS, Programmer desires, in conformity with the rules and policies of the FCC and this Agreement, to produce and present radio programming over the Station pending consummation of the Purchase Agreement or termination hereof; and

WHEREAS, Licensee desires to accept the programming produced by Programmer (the "Programming") and to make broadcasting time on the Station available to Programmer on terms and conditions which conform to FCC rules and policies and to this Agreement; and

WHEREAS, Licensee and Programmer believe that the Station's broadcast of the Programming will serve the needs and interests of the Station's listeners and will facilitate a smooth transition and minimize disruption to the Station's audience upon consummation of the Purchase Agreement;

NOW, THEREFORE, in consideration of the above recitals and mutual promises and covenants contained herein, the parties, intending to be legally bound, agree as follows:

### **Section 1.**

#### **Sale of Station's Air Time**

**1.1. Scope.** Beginning on May 1, 2006 (the "Commencement Date"), Licensee shall make available to Programmer substantially all the Station's air time, as set forth in this Agreement, for broadcast of the Programming. The Programming shall consist of entertainment programming of Programmer's selection, together with commercial matter, news, public service announcements, and other suitable programming for broadcast on the Station. Licensee may set aside such time as it may require (up to four hours per week) during such hours as are appropriate to serve the Station's audience while causing minimal disruption to the Programming, for the broadcast of its own regularly scheduled news, public affairs, and other programming, provided, however, that Licensee shall not broadcast any religious programming as part of the programming so broadcast by Licensee. Additionally as set forth more fully below, Licensee

reserves the right at any time to pre-empt the Programming for the broadcast of emergency information and programming of the Licensee's selection which Licensee believes to be in the public interest.

**1.2. Term.** This Agreement shall commence on the Commencement Date and shall continue unless terminated earlier pursuant to Section 6 hereof until the occurrence of the earliest of the following events: (a) the consummation of the sale of the assets and assignment of the license for the Station pursuant to the Purchase Agreement; (b) the first day of the month following termination of the Purchase Agreement; or (c) the first day of the month following the date on which an order of the FCC denying its consent to the assignment of the Station's license to Broker becomes a Final Order.

**1.3. Consideration.** (a) As consideration for the use of the Station's facilities, during the term of this agreement Programmer shall pay to Licensee the revenues from the Program Contracts listed in Exhibit A hereto and shall reimburse Licensee for its Operating expenses in the manner provided for in Paragraph 2(1)(a) hereof. The payment to Licensee of the revenues from the Programming Contracts will be made in the month following the month in which the revenues are received and simultaneously with the reimbursement of Licensee's Operating expenses.

**1.4 Certifications.** Pursuant to Section 73.3555(a)(3)(ii) of the FCC's rules, Licensee certifies it maintains ultimate control over the Station's facilities, including specifically control over station finances, personnel and programming, and Programmer certifies this Agreement complies with the provisions of Section 73.3555(a) of the FCC's rules.

## **Section 2.**

### **Operation**

#### **2.1. Licensee's Responsibilities and Operational Expenses.**

(a) **Expenses.** Programmer shall pay all costs incurred directly by Programmer for the production of and delivery to the Station of the Programming. Licensee shall be responsible for, and pay in a timely manner, (a) all capital costs in excess of Five Thousand Dollars (\$5,000) to replace equipment, transmitter tubes and other items that are appropriate to preserve the existing physical plant of the Station and (b) income and other taxes upon Licensee's earnings and business. Programmer shall pay directly all music licensee fees (*i.e.*, ASCAP, BMI and SESAC), utilities, insurance, engineering fees and janitorial services. All other costs of operating the Station, including, but not limited to, reasonable salaries for personnel, whether salaried or contract, that Licensee is required to retain in order to meet its Licensee responsibilities, property tax, lease payments for the transmitter and studio/offices sites, building and tower maintenance, capital costs associated with the Station's existing equipment up to Five Thousand Dollars

(\$5,000), software license fees, FCC regulatory fees and maintenance costs for the Station's transmitters and antenna systems arising upon and after the Commencement Date ("Operating Expenses") shall be paid by Licensee subject to reimbursement by Programmer as provided herein. Upon the Commencement Date and the first day of each month thereafter while this Agreement is in effect Programmer shall pay to Licensee the amount specified in Attachment B hereto (the "Advance"), which the parties anticipate to be a good-faith estimate of the monthly Operating Expenses. (If the Commencement Date is not on the first day of a calendar month, then the first such Advance shall be prorated for the number of days remaining in that month.) After the end of each calendar month during the term hereof, Licensee shall provide to Programmer an itemization of its actual Operating Expenses for the prior month, supported by documentation of bills and receipts demonstrating payment thereof. Within ten (10) business days of receipt of such itemization and documentation, Programmer shall reimburse Licensee for the amount by which all such documented Operating Expenses exceeds the Advance for the preceding month, or Programmer shall receive a credit to be applied to the next Advance of the amount by which the Advance exceeds the Operating Expenses for the preceding month. Upon termination of this Agreement, the parties shall make a final reconciliation of Advances and Operating Expenses.

(b) Regulatory Compliance. Licensee shall be responsible for the Station's compliance with all applicable provisions of the Communications Act of 1934, as amended, the rules and policies of the FCC and all other applicable laws, including, without limitation, laws relating to equal employment opportunity, human exposure to radiofrequency radiation, the safety of air navigation, public service programming, maintaining the political and public inspection files and the Station's logs, and for the preparation of issues/programs lists; *provided, however*, that Programmer shall use reasonable efforts to assist Licensee in complying with such requirements, to the extent reasonably requested by Licensee. Promptly upon Licensee's request, Programmer shall provide Licensee with all information reasonably available to Programmer with respect to the Programming which is responsive to public needs and interests so as to assist Licensee in the preparation of required programming in the satisfaction of the Station's community service needs. Programmer shall also provide upon Licensee's reasonable request such other information necessary to enable Licensee to prepare any other records and reports required by the FCC and local, state or other federal governmental authorities.

(c) Licensee Personnel. Licensee shall employ its own general manager, who shall be responsible for overseeing the operation and programming of the Station, shall employ, or contract with, its own chief operator, who shall be responsible for the Station's compliance with all engineering requirements, and shall employ such other personnel, if any, as may be required to meet the FCC's main studio staffing requirements. Licensee's general manager shall report solely to and be accountable solely to Licensee. Licensee shall be responsible for the salaries, taxes, insurance, and related costs of its general manager, together with all other personnel employed or retained under contract by Licensee, the reasonable costs of which shall be included in the Operating Expenses. In Licensee's sole discretion, it may make its personnel available to Programmer to perform such duties for the mutual benefit of Licensee and Programmer as Licensee may specify, provided, however, that such duties for Programmer shall

not conflict with the duties such personnel shall be responsible for providing to Licensee.

(d) **Studios.** Licensee shall permit Programmer and its employees to utilize such space and such equipment and furnishings at the Station's studios and offices as Programmer may reasonably request in order to prepare and provide the Programming to Licensee. The main studio of the Station shall be adequate to accommodate program origination facilities, the Station's general manager and such other employees of Licensee who are necessary for the operation of the Station in accordance with FCC rules and policies, including, without limitation, the FCC's main studio rule. Programmer shall have access to the main studio 24 hours a day every day of the year. Programmer shall use due care in the use of any equipment or other property of Licensee. Programmer shall reimburse Licensee for any damage (normal wear and tear excepted) to Licensee's equipment or other property caused by Programmer or any employee, contractor, agent or guest of Programmer. Such reimbursement shall be made within ten (10) business days of Licensee's written notice to Programmer of the cost of such damage. In lieu of reimbursement, Programmer, at its expense, may repair or replace the damaged property within ten (10) business days of Licensee's above-referenced written notice. Such repair or replacement shall be subject to the approval of Licensee, which approval shall not be unreasonably withheld.

(e) **FCC Licenses.** Licensee shall maintain all authorizations required for the operation of the Station in full force and effect during the term of this Agreement, unimpaired by any acts or omissions of Licensee.

(f) **Licensee Assets.** During the term of this Agreement, Licensee shall not sell, or otherwise dispose of, any of the assets used for the operation of the Station if such action would adversely affect Licensee's performance hereunder or the business and operations of Programmer permitted hereby.

**2.2. Programmer's Responsibilities.** Programmer shall employ and be responsible for the salaries, taxes, insurance, and related costs for all personnel used in the production of the Programming, and all other costs incurred by Programmer for the production of such programs and the sale of advertising thereon. Programmer shall be responsible for any expenses incurred in the origination and/or delivery of the Programming from any remote location to the Station's transmitter site(s), and for any publicity or promotional expenses incurred by Programmer.

**2.3. Advertising and Programming.** Programmer shall be entitled to all revenue from the sale of advertising or programming broadcast on the Station on or after the Commencement Date, except for revenues from advertising or program time sold by Licensee for broadcast during the hours reserved for Licensee's programming. Licensee represents to Programmer that it is obligated under no agreement to broadcast any programming, including commercial advertising, over the Station, except as set forth in ~~Attachment A~~ hereto (the "Contracts"). On the Commencement Date, Programmer shall assume Licensee's rights and obligations under the Contracts.

**2.4. Licensee's Liabilities.** Programmer shall not assume any of the Licensee's liabilities, including without limitation any liability under any single or multi-employer "employee pension benefit plan" as defined in ERISA or for taxes, except for the Contracts .

**2.5. Political Time.** Prior to the Commencement Date, and thereafter ninety (90) days before the start of any other primary or general election campaign, Programmer shall clear with Licensee the rates to be charged political candidates for public office to be sure that the rate is in conformance with applicable law and policy. Programmer shall provide Licensee with access to all its books and records regarding the pricing of advertising sold on the Station in order to confirm that the political rate is correct. Within twenty-four (24) hours of any request to purchase time on the Station on behalf of a candidate for public office or to support or urge defeat of an issue on an election ballot, Programmer shall report the request, and its disposition, to Licensee so that appropriate records can be placed in the public inspection files for the Station. In the event that Programmer fails to provide adequate broadcast time for the broadcast of programming or advertising by political candidates, Licensee shall have the right to preempt Programming to make time available to these political candidates.

### **Section 3.**

#### **Prorations.**

**3.1. Apportionment of Income and Expense.** Licensee shall be entitled to all income attributable to, and shall be responsible for all expenses arising out of, the operation of the Station until 12:01 a.m. on the Commencement Date. Programmer shall be entitled to all income attributable to, and shall be responsible for all Operating Expenses arising out of, the operation of the Station after 12:01 a.m. on the Commencement Date. All overlapping items of income or expense shall be prorated or reimbursed, as the case may be, as of 12:01 a.m. on the Commencement Date.

**3.2. Employee Compensation.** Licensee shall pay all compensation and benefits owed to its employees up to and including the Commencement Date. As soon as practicable after the execution hereof, but in any event prior to the Commencement Date, Programmer shall designate those of Licensee's employees (other than employees retained by Licensee pursuant to section 2.1(c) hereof) that Programmer may elect to employ on terms and conditions determined by Programmer in Programmer's sole discretion. With respect to any Licensee employees employed by Programmer, accrued vacation time, sick leave and other employee benefits shall be pro-rated pursuant to Paragraph 3.1. Licensee shall remain solely responsible for all severance pay, accrued vacation time and sick leave of Licensee's employees who are not hired by Programmer.

### **Section 4.**

#### **Compliance with Regulations**

**4.1. Licensee Authority.** Nothing in this Agreement shall abrogate the unrestricted authority of the Licensee to discharge its obligations to the public and to comply with the law, and the rules and policies of the FCC. Without limiting the generality of the foregoing, Programmer recognizes that Licensee will have certain obligations to broadcast programming which covers issues of public importance in the service areas of the Station. The parties understand that Licensee may use a substantial portion of the air time reserved to it under Section 1.1 above to satisfy its programming obligations.

**4.2. Station Identification Announcements and EAS Tests.** During all hours when Programmer is delivering the Programming for broadcast over the Station, Programmer shall include in its Programming, at the appropriate times, the hourly station identification announcements required to be broadcast over the Station. During all hours when Programming is being broadcast over the Station, Licensee shall maintain at the location from which the programming is being originated receivers capable of receiving test messages and alerts over the Emergency Alert System, which EAS receiver Programmer shall cause to be operated in automatic mode or be continuously monitored or otherwise operated so as to assure compliance with FCC EAS rules. If an EAS test or alert is received during the hours when Programmer is delivering its Programming for broadcast over the Station, Programmer shall cause the appropriate EAS test or alert message to be transmitted over the Station and shall, in the event of an actual activation of the Emergency Alert System, cause all steps that the Station is required to take in such an event to be taken, and shall be responsible for assuring that the receipt and broadcast of all EAS tests and alerts are properly recorded in the station logs.

**4.3. Additional Licensee Obligations.** Licensee retains the right to cut into the Programming in case of an emergency, although both parties shall cooperate in the broadcast of emergency information over the Station. Licensee shall coordinate with Programmer the Station's hourly station identification announcements so that such announcements are aired in accord with FCC rules. In addition, Licensee and Programmer shall coordinate the broadcast of such sponsorship identification announcements as are necessary and appropriate concerning the programming supplied by Programmer hereunder. Licensee shall maintain a public inspection file for the Station at its main studio consistent with applicable rules and policies of the FCC.

**4.4. Access to Programmer Materials.** Licensee, solely for the purpose of ensuring Programmer's compliance with the law, FCC rules, and the Station's policies, shall be entitled to review on a confidential basis any of Programmer's programming material. Programmer shall provide Licensee with copies of all correspondence relating to the Station's broadcasts and all complaints received from the public.

**4.5. Regulatory Changes.** In the event of any order or decree of an administrative agency or court of competent jurisdiction, including without limitation any material change or clarification in FCC rules, policies, or precedent, that would cause this Agreement to be invalid or violate any applicable law, and such order or decree has become effective and has not yet been stayed, the parties will use their respective best efforts and negotiate in good faith to modify this

Agreement to the minimum extent necessary so as to comply with such order or decree without material economic detriment to either party, and this Agreement, as so modified, shall then continue in full force and effect.

## **Section 5.**

### **Station Broadcasts**

**5.1. Station Broadcast Guidelines.** Licensee has adopted and will enforce certain guidelines ("Guidelines"), a copy of which appears as Attachment C hereto. Programmer agrees and covenants to comply in all material respects with the Guidelines and to all rules and policies of the FCC with respect to the programming supplied to the Station by Programmer.

**5.2. Licensee Control of Programming.** Programmer recognizes that the Licensee has full authority to control the operation of the Station. The parties agree that Licensee's authority includes, but is not limited to, the right to pre-empt programming and to substitute programming which Licensee in its sole discretion believes to be in the public interest and to reject or refuse such portions of the Programming which Licensee reasonably believes to be contrary to the public interest; *provided, however*, that Licensee shall use its best efforts to give Programmer prior notice of Licensee's objection to proposed Programming, including the basis for such objection, and a reasonable opportunity to substitute acceptable programming.

**5.3. Preemption of Programming.** In the event Licensee preempts Programming pursuant to the terms of this Agreement, then Programmer shall be entitled to deduct from the consideration payable pursuant to Section 2.1 hereof a prorated amount for each period (not including time set aside for Licensee pursuant to Section 1.1) that is preempted by Licensee. Programmer may elect to terminate this Agreement at any time during the term hereof in the event that Licensee preempts Programming during ten percent (10%) or more of the total hours of operation of the Station during any calendar month. In the event Programmer elects to terminate this Agreement pursuant to this provision, it shall give Licensee notice of such election at least fourteen (14) days prior to the termination date.

**5.4. Failures to Broadcast.** If the broadcasts of the Station are interrupted or discontinued after the Commencement Date, other than as a result of circumstances or events attributable to Programmer, Programmer shall be entitled to deduct from the consideration payable pursuant to Section 2.1 hereof a prorated amount for each period in which broadcasting is interrupted on such Station. Notwithstanding the foregoing, Licensee shall have the right to take either Station off the air for up to four hours per week for regular maintenance, during the hours of 9:00 p.m. to 1:00 a.m. Monday through Sunday, without such a deduction.

**5.5. Interruption of Normal Operations.** Either party shall notify the other if either of the following (a "Specified Event") shall occur: (i) the regular broadcast transmissions of the Station in the normal and usual manner is interrupted or discontinued (except for regular maintenance pursuant to Section 4.4); or (ii) the Station is operated at less than ninety percent (90%) of its authorized effective radiated power. Upon the occurrence of a Specified Event, Licensee shall use its commercially reasonable best efforts to restore normal transmissions as soon as possible. If Specified Events persist for more than forty-eight (48) hours, whether or not consecutive, during any period of thirty (30) consecutive days, then Programmer may, at its option, terminate this Agreement by written notice given to Licensee not more than ten (10) days after the expiration of such thirty (30) day period. In the event of termination of this Agreement by Programmer pursuant to this Section, the parties shall be released and discharged from any further obligation hereunder. Nothing herein shall be deemed to override, supersede or alter the rights of the parties under the Purchase Agreement.

## **Section 6.**

### **Termination**

**6.1. Circumstances Permitting Termination.** In addition to other remedies available at law or equity, this Agreement may be terminated as set forth below by either Licensee or Programmer by written notice to the other, if the party seeking to terminate is not then in material default or breach hereof, upon the occurrence of any of the following:

(a) This Agreement is declared invalid or illegal in whole or substantial part by an order or decree of an administrative agency or court of competent jurisdiction, if such order or decree has gone into effect and has not been stayed, and if the parties are unable, pursuant to Section 4.5 hereof, to modify this Agreement to comply with applicable law.

(b) The other party is in material breach of its obligations hereunder and has failed to cure such breach within ten (10) days after receipt of written notice of such breach from the party seeking to terminate; *provided, however*, that with respect to the interruption of normal operations, Section 5.5. shall apply and not this Section 6.1(b).

(c) The end of the term specified in Section 1.2 hereof.

(d) As provided in Sections 5.3. and 5.5.

(e) By the mutual written consent of both parties.

(f) Upon consummation of the Purchase Agreement.

**6.2. Liabilities Upon Termination.** Upon any termination of this Agreement for any reason other than consummation of the Purchase Agreement, Licensee shall cooperate reasonably with Programmer to the extent permitted to enable Programmer to fulfill advertising or other



programming contracts then outstanding upon termination of this Agreement; *provided, however*, that Licensee shall receive as compensation for the carriage of such advertising and programming the net amounts which otherwise would have been received by Programmer hereunder (payments to Programmer minus commissions, agency fees, station rep fees and the like). Thereafter, neither party shall have any liability to the other except as provided by this Agreement and the Purchase Agreement.

## **Section 7.**

### **Indemnification**

**7.1. Programmer's Indemnification.** Programmer shall indemnify, defend, and hold harmless Licensee from and against any and all claims, losses, costs, liabilities, damages, FCC forfeitures, and expenses (including reasonable legal fees and other expenses incidental thereto) of every kind, nature, and description, arising out of (i) Programmer's broadcasts under this Agreement; (ii) Programmer's use of Licensee's equipment or other property; (iii) any misrepresentation or breach of any warranty of Programmer contained in this Agreement; and (iv) any breach of any covenant, agreement, or obligation of Programmer contained in this Agreement.

**7.2. Licensee's Indemnification.** Licensee shall indemnify, defend, and hold harmless Programmer from and against any and all claims, losses, costs, liabilities, damages, FCC forfeitures, and expenses (including reasonable legal fees and other expenses incidental thereto) of every kind, nature and description, arising out of (i) Licensee's broadcasts under this Agreement; (ii) any misrepresentation or breach of any warranty of Licensee contained in this Agreement; and (iii) any breach of any covenant, agreement or obligation of Licensee contained in this Agreement.

**7.3. Procedure for Indemnification.** The party seeking indemnification under this Section ("Indemnatee") shall give the party from whom it seeks indemnification ("Indemnitor") prompt notice, pursuant to Section 8.6, of the assertion of any such claim, *provided, however*, that the failure to give notice of a claim within a reasonable time shall only relieve the Indemnitor of liability to the extent it is materially prejudiced thereby. Promptly after receipt of written notice, as provided herein, of a claim by a person or entity not a party to this Agreement, the Indemnitor shall assume the defense of such claim; *provided, however*, that if the Indemnitor fails, within a reasonable time after receipt of written notice of such claim, to assume the defense, compromise, and settlement of such claim on behalf of and for the account and risk of the Indemnitor, the Indemnatee shall have the right to undertake the defense, compromise and settlement of such claim on behalf of and for the account and risk of Indemnitor.

**7.4. Dispute Over Indemnification.** If upon presentation of a claim for indemnity hereunder, the Indemnitor does not agree that all, or part, of such claim is subject to the

indemnification obligations imposed upon it pursuant to this Agreement, it shall promptly so notify the Indemnitee. Thereupon, the parties shall attempt to resolve their dispute, including where appropriate, reaching an agreement as to that portion of the claim, if any, which both concede is subject to indemnification. To the extent that the parties are unable to reach some compromise, the parties agree to submit the matter for binding arbitration pursuant to the rules and procedures of the American Arbitration Association. The fees and expenses of such arbitrator shall be divided between Licensee and Programmer in proportion to the respective amounts by which the arbitrator's award deviates from the position of each party. (For example, if the Programmer were to claim entitlement to indemnification of \$20,000, the Licensee were to assert that the amount is only \$10,000 and the arbitrator awards \$12,000, then the Programmer would pay 80% and the Licensee 20% of the arbitrator's fees and expenses.)

## **Section 8.**

### **Miscellaneous**

**8.1. Assignment.** Neither party may assign its rights or obligations hereunder without the prior written consent of the other party, such consent not to be unreasonably withheld, except by Buyer to an entity under common control with Buyer or the principals of Buyer.

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

**8.3. Entire Agreement.** This Agreement and the Attachments hereto embody the entire agreement and understanding of the parties and supersede any and all prior agreements, arrangements, and understandings relating to the matters provided for herein. No amendment, waiver of compliance with any provision or conditions hereof, or consent pursuant to this Agreement, will be effective unless evidenced by an instrument in writing signed by the party to be charged therewith.

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

**8.5. Governing Law.** The obligations of Licensee and Programmer are subject to applicable federal, state and local law, rules and regulations, including, but not limited to, the Communications Act of 1934, as amended (the "Act"), and the rules and regulations of the FCC. The construction and performance of the Agreement will be governed by the laws of the State of Alabama except for the choice of law rules used in that jurisdiction.

**8.6. Notices.** All notices, requests, demands, and other communications pertaining to this Agreement shall be in writing and shall be deemed duly given when delivered personally or mailed by certified mail, return receipt requested, postage prepaid, or by an overnight carrier that

provides a written confirmation of delivery, addressed as follows:

Licensee: 1270 AM, Inc.  
2070 N. Palafox  
Pensacola, Florida 32501  
Attn: Michael B. Gliner, President

With a copy, which shall not constitute notice to:

David Tillotson, Esquire  
4606 Charleston Terrace, NW  
Washington, DC 20007

Programmer: Wilkins Communications Network, Inc.  
7924 Lasley Forest Road  
Lewisville, North Carolina 27023  
Attn: Robert Wilkins, President

With a copy, which shall not constitute notice, to:

Peter Gutmann, Esquire  
Womble Carlyle Sandridge & Rice, PLLC  
1401 I Street, 7<sup>th</sup> Floor  
Washington, DC 20005

Either party may change its address for notices by written notice to the other given pursuant to this Section.

**8.7. Attorneys' Fees.** If either party initiates any litigation against the other involving this Agreement, the prevailing party in such action shall be entitled to receive reimbursement from the other party for all reasonable attorneys' fees and other costs and expenses incurred by the prevailing party in respect of that litigation, including any appeal, and such reimbursement may be included in the judgment or final order issued in that proceeding.

**8.8. Licensee's Representations, Warranties and Covenants.** Licensee hereby further represents, warrants and covenants:

(a) **Authorizations.** Licensee owns and holds all licenses and other permits and authorizations necessary for the operation of the Station as conducted immediately prior to the date hereof (including licenses, permits and authorizations issued by the FCC) ("Operating Authorizations"). There is not now pending or, to Licensee's knowledge, threatened any action by the Commission or other party to revoke, cancel, suspend, refuse to renew or materially and adversely modify any of such Operating Authorizations and, to Licensee's knowledge, no event

has occurred which allows or, after notice or lapse of time or both, would allow, the revocation or termination of such Operating Authorizations or the imposition of any restrictions thereon of such a nature that may limit in any material respect the operation of the Station as previously conducted. Licensee has no knowledge that any such Operating Authorizations will not be renewed in due course during the term of this Agreement. To the best of its knowledge, Licensee is not in violation in any material respect of any statute, ordinance, rule, regulation, policy, order or decree of any federal, state, local or foreign government entity, court or authority having jurisdiction over it or its operations or assets, which would have a material adverse effect on Licensee or its assets or on its ability to perform this Agreement.

(b) **Facilities.** The Station's operating equipment will be maintained and will comply in all material respects with the maximum facilities permitted by the Operating Authorizations and will be maintained, in all material respects, in accordance with all applicable laws and regulations (including the requirements of the FCC).

(c) **Contracts.** All Contracts are valid, binding, and enforceable by Licensee in accordance with their terms. Neither Licensee nor any other party to such Contracts is in material breach or default on any of the Contracts, there is no claim of breach or default by Licensee or any other party thereto, and Licensee has no knowledge of any act or omission which has occurred or which has been threatened which could result in any party to such contract being in breach or default thereof. Licensee will procure the written consent of all contracting parties to the assignment of the Contracts designated as "material" on Attachment A prior to the Commencement Date if such consent is required by the terms of such Assumed Contract. As to all other Contracts requiring the consent of any third parties in order for Licensee to assign that Contract to Programmer, Licensee shall use its best efforts to obtain all such required consents prior to the Commencement Date and shall continue to use its best efforts to obtain consents following the Commencement Date.

**8.9. No Partnership or Joint Venture Created.** Nothing in this Agreement shall be construed or interpreted to make Programmer or Licensee partners or joint venturers, or to make one an agent or representative of the other, or to afford any rights to any third party other than as expressly provided herein. Neither Programmer nor Licensee is authorized to bind the other to any contract, agreement or understanding. Programmer and Licensee acknowledge that call letters, trademarks and other intellectual property shall at all times remain the property of the respective parties, and that neither party shall obtain any ownership interest in the other party's intellectual property by virtue of this Agreement.

**-- THE NEXT PAGE IS THE SIGNATURE PAGE --**

IN WITNESS WHEREOF, the parties hereto have executed this Time Brokerage Agreement on the day and year first written above.

**LICENSEE:**

**1270 AM, Inc.**

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By: Michael B. Gliner, President

**PROGRAMMER:**

**WILKINS COMMUNICATIONS NETWORK, INC.**

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By: Robert Wilkins, President

### **PROGRAM AND OPERATING STANDARDS**

Licensee and Programmer shall cooperate in the broadcasting of programs that shall observe the following policies in their preparation, writing and production:

1. Respectful of Faiths. The subject of religion and references to particular faiths and tenets shall be treated with respect at all times.
2. Controversial Issues. Programmer shall exercise care to ensure that, during any discussion of controversial issues of public importance, no attacks on the honesty, integrity or like personal qualities of any person or group of persons shall be made. During the course of political campaigns, Station programs (other than public forum or talk features) are not to be used as a forum for editorializing about individual candidates without the express permission of Licensee. If such events occur, Licensee may require that responsive programming be aired. In the event that a statute, regulation or policy is adopted that requires the airing of responsive programming, Broker shall comply with such statute, regulation or policy, and shall provide such responsive programming.
3. Donation Solicitation. Requests for donations shall not be made if there is any suggestion that such donation will result in miracles, physical cures, life-long prosperity or the like. However, statements generally requesting donations to support a broadcast or Church are permitted.
4. Treatment of Parapsychology. The advertising or promotion of fortune-telling, occultism, astrology, phrenology, palm reading or numerology, mind-reading, character readings or subject of the like nature shall not be broadcast.
5. Lotteries. Announcements giving any information about lotteries or games prohibited by federal or state law or regulation are prohibited.
6. Required Announcements. Programmer shall broadcast (i) an announcement in form satisfactory to Licensee at the beginning of each hour to identify the Station, (ii) an announcement at the beginning of each broadcast day or appropriate broadcast period 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.
7. False Claims. Programmer shall not knowingly broadcast any false or unwarranted claims for any product or service.
8. Obscenity and Indecency. Programmer shall not broadcast any programs or announcements that are obscene or indecent either in theme or treatment.

9. Tape Delay for Live Broadcasts. Programmer shall use a 10 second tape delay for any call-in or live interview programs
10. Licensee Discretion Paramount. In accordance with Licensee's responsibility under the Communications Act of 1934, as amended, and the Rules and Regulations of the Federal Communications Commission, Licensee reserves the right to reject or terminate any advertising or programming being presented over the Station which is in conflict with Station policy or which in Licensee's sole but reasonable judgment would not serve the public interest.

The parties may jointly waive any of the foregoing policies in specific instances if, in the opinion of both Licensee and Programmer, good broadcasting in the public interest is served.

In any cases where questions of policy or interpretation arise, Programmer shall attempt in good faith to submit the same to Licensee for decision before making any commitments in connection therewith, and Licensee shall use its best efforts to reach a timely decision taking into due consideration the business objectives of Programmer.

# **EXHIBIT A**

## **Time Brokerage Agreement**

### **Program Contracts**

|  |                           |
|--|---------------------------|
| <b>Renewing Your Mind</b>              | <b>\$ 537.62 Monthly</b>  |
| <b>R.G. Hardy Presents Christ</b>      | <b>\$ 552.00 Monthly</b>  |
| <b>Healthwatch, Daniel Chapter One</b> | <b>\$ 500.00 Monthly</b>  |
| <b>The Voice of Truth Ministry</b>     | <b>\$ 260.00 Monthly</b>  |
| <b>Bible Line</b>                      | <b>\$1,191.66 Monthly</b> |

**Total: \$3,041.28 Monthly**



## **EXHIBIT B**

### **Time Brokerage Agreement Estimated Reimbursements**

|                             |   |
|-----------------------------|---|
| <b>Tower Rent:</b>          | <b>\$ 750.00 Monthly</b>                  |
| <b>Office Rent:</b>         | <b>\$ 350.00 Monthly</b>                  |
| <b>Music Fees:</b>          | <b>\$ 136.50 Monthly</b>                  |
| <b>Employee Reimburse:</b>  | <b>\$2,250.00 Monthly (Gross Payroll)</b> |
| <b>Contract Engineer</b>    | <b>at hourly rate not to exceed \$75</b>  |
| <b>Maintenance and</b>      |   |
| <b>Repair as documented</b> |   |

