
TIME BROKERAGE AGREEMENT

by and between

AIR AUGUSTINE, INC., OWNER
and

FLAGLER BROADCASTING, LLC, BROKER

with respect to

Station WALE, Facility ID 53672, St. Augustine Beach, FL

Dated as of October ___, 2014

TIME BROKERAGE AGREEMENT

This Time Brokerage Agreement ("Agreement"), is made and entered into as of the ___ day of October, 2014, by and between **AIR AUGUSTINE, INC.** ("Owner") and **FLAGLER BROADCASTING, LLC** ("Broker").

WITNESSETH THAT:

WHEREAS, Owner is the owner and licensee of FM Radio Station WALE, Facility ID 53672, St. Augustine Beach, Florida (the "Station");

WHEREAS, Owner and Broker have entered into an Asset Purchase Agreement ("Purchase Agreement") providing for the purchase of the Station by Broker subject to the consent of the Federal Communications Commission ("FCC");

WHEREAS, Broker desires to produce and/or acquire radio programs in conformity with this Agreement and all rules, regulations, and policies of the FCC for broadcast on the Station pending Broker's acquisition of the Station; and

WHEREAS, Owner desires to accept the programs produced by Broker and to make time on the Station available to Broker for the broadcast of the such programming on terms and conditions which conform to FCC rules, regulations, and policies and to this 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 Air Time.

1.1. Scope. During the term of this Agreement, Owner shall make available to Broker substantially all the Station's air time, as set forth in this Agreement, for broadcast of the programs produced by Broker. Broker shall provide entertainment programming of its selection, together with commercial matter, news, public service announcements, and other suitable program material for broadcast on the Station (the "Programming"). Owner may set aside up to one hour per broadcast week between the hours between 7 and 9 a.m. on Sundays for the broadcast of

programming produced and/or selected by Owner. Additionally as set forth more fully below, Owner reserves the right at any time to pre-empt the Programming for the broadcast of emergency information and programming of the Owner's selection which Owner believes to be in the public interest.

1.2. Term. The term of this Agreement shall commence on November 1, 2014 (the "Commencement Date") and shall remain in effect until the earlier of 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 licenses to Broker becomes a Final Order.

1.3. Consideration. As the only consideration for the use of the Station's air time for broadcast of the Programming, during the term of this agreement Broker shall reimburse Owner for all of Owner's reasonable and necessary costs and expenses of owning and operating the Station, including without limitation the costs and expenses listed in Exhibit A hereto, and for Owner's reasonable and necessary costs of repairing and/or replacing worn out or defective equipment and components, including, without limitation, transmitter tubes, within ten (10) days of receipt of a written request for such reimbursement accompanied by bills or other evidence reasonably satisfactory to Broker as to the actual operating costs and expenses or costs of effectuating equipment repairs or replacements for which reimbursement is sought, provided that Owner shall not submit requests for reimbursement of its costs and expenses more frequently than once per month. The foregoing notwithstanding, Broker shall not reimburse Owner for costs of repairing or replacing equipment and components which are covered by insurance and/or manufacturer's or supplier's warranties, or for the costs of any capital improvements in the Station unless such capital improvements are approved, in advance and in writing, by Broker.

1.4. Authorization. Owner and Broker each represent that it is legally qualified, empowered, and able to enter into this Agreement and that entering into this Agreement will not constitute a breach or default under their

articles of organization, articles of incorporation or operating agreement as the case may be or under any agreement or court order to which it is a party or under which it is legally bound.

Section 2. Operation.

2.1. Owner's Responsibilities.

(a) Owner shall be responsible for, and shall pay in a timely manner, all costs of operating, owning, and controlling the Station, including, but not limited to, utilities, rent, and maintenance costs for the Station's transmitter and antenna system and the Station's main studio, subject to Broker's obligation to reimburse Owner for certain of Owner's expenses pursuant to Section 1.3(b) hereof and Broker's further obligation to reimburse Owner for all music licensing fees attributable to programming presented over the Station by Broker in the manner specified in Section 2.2 hereof to the extent not paid for directly by Broker.

(b) Owner shall be ultimately responsible for the Station's compliance with all applicable provisions of the Communications Act of 1934, as amended, the rules, regulations, and policies of the FCC and all other applicable laws pertaining to the ownership and operation of the Station.

(c) Owner shall be responsible for employing such personnel as may be required for Owner to be in compliance with the FCC's minimum staffing requirements and for employing, or contracting with, its own chief operator, who shall be responsible for the Station's compliance with all engineering requirements.

(d) Owner shall be responsible for maintaining 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 Owner.

(e) Owner shall be responsible for repair and maintenance of the Station's equipment and facilities, all of which shall be kept in a good state of repair and good working condition so as to permit their operation in compliance with the rules and regulations of the FCC and the standards of good engineering practice.

(f) Owner shall cooperate with Broker, at Broker's expense, in making such arrangements as Broker shall reasonably request for delivery of the Programming from any remote location to the Station's main studio and/or directly to the Station's transmitter site.

2.2. Broker's Responsibilities.

(a) Broker shall employ and be responsible for the salaries, taxes, insurance, and related costs for all personnel involved in the production of its Programming supplied to the Station hereunder, and all other costs incurred by Broker for the production of the Programming and the sale of time in and promotion of the Programming.

(b) Broker shall be responsible for, and shall pay when due, all music licensing fees in connection with the Programming during the term of this Agreement regardless of whether the legal responsibility for the payment of such fees to the music licensing entities is the Owner's or the Broker's.

(c) Broker shall be responsible for any expenses incurred in the origination and/or delivery of the Programming from any remote location to the Station's main studio and/or directly to the Station's transmitter site, and for any publicity or promotional expenses incurred by Broker.

(d) Broker shall include in the Programming the sponsorship identification announcements with respect to the time brokered programming and advertising and other material included in the Programming in exchange for consideration as are required by the rules of the FCC and the Communications Act of 1934, as amended (the "Act").

2.3. Ancillary Broadcast Rights. During the term of this Agreement, Broker shall have the right to transmit material over the Station's subcarriers and to retain any revenue there from without additional compensation to Owner.

2.4. Advertising and Programming. During the term of this Agreement, Broker shall be entitled to all revenue from the sale of advertising or program time on the Station.

2.5 Political Advertising. Broker shall cooperate and consult with Owner concerning its policies and practices regarding political advertising and otherwise take such steps as may be necessary or appropriate in order to insure Owner's compliance with its obligations under the Act and the rules, regulations and policies of the FCC, with respect to the carriage of political advertisements and programs (including, without limitation, the rights of candidates and, as appropriate others, to "equal opportunities") and the charges permitted therefor. To this end, Broker will provide Owner with information as to the lowest unit rate for all classes and categories of time in the Programming that Broker offers for sale to commercial advertisers, and, at the request of Owner, shall provide copies of advertising contracts and other documents used by Broker to determine the lowest unit rate applicable to any class or category of time. Additionally, Broker will promptly notify Owner of any changes in its lowest rates which occur during the forty-five day period before any primary election and the sixty days period before any general election. As soon as practicable, but in any event within 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, Broker shall report the request, and its disposition, to Owner and make sure that appropriate records are placed in the public inspection file for the Station. Owner shall have the right to sell to political candidates as much time in the Programming for political advertisements as Owner reasonably believes is necessary in order for Owner to satisfy its obligations to afford federal candidates reasonable access to the facilities of the Station, to discharge its public interest obligation with respect to non federal candidates, and to comply with its obligations to afford such candidates equal opportunities, and Broker shall insert such political advertisements in the Programming; provided that to the extent practicable and consistent with Owner's obligations as the licensee of the Station, Owner will consult with Broker regarding the number and scheduling of political advertisements to be inserted in the Programming, and provided further that Broker will be entitled to the net revenue received by Owner from the sale of political advertisements inserted in the Programming.

Section 3. Compliance with the Communications Act And

the FCC's Rules and Regulations.

3.1. Licensee Authority. Nothing in this Agreement shall be construed as abrogating the Owner's obligation and responsibility under the Act and the rules, regulations, and policies of the FCC to maintain ultimate control over the Station's facilities and operations, including, specifically, control over the Station's finances, personnel and programming and compliance with the Station's obligation to operate in the public interest and to comply with the rules, regulations, and policies of the FCC, and, by executing this Agreement, Owner certifies that it will at all times during the term of this Agreement maintain ultimate control over all aspects of the Station's facilities and operations to the extent required by law and by the rules, regulations and policies of the FCC. Without limiting the generality of the foregoing, Broker recognizes that Owner will have certain obligations to broadcast programming which covers issues of public importance in St. Augustine Beach, Florida, and the surrounding area. The parties intend that Owner will use a portion of the air time reserved to it under Section 1.1 above to satisfy its public service programming obligations.

3.2 Station Identification Announcements/EAS Tests. During all hours when Broker is delivering the Programming for broadcast over the Station, Broker shall (i) include in the Programming, at the appropriate times, the hourly Station identification announcement required to be broadcast over the Station. Additionally, during all hours when Broker is delivering the Programming for broadcast over the Station, Broker shall maintain at the location from which the Programming is being originated a receiver capable of receiving test messages and alerts over the Emergency Alert System ("EAS"), which EAS receiver shall be continuously monitored. If an EAS test or alert is received during the hours when Broker is delivering the Programming for broadcast over the Station, Broker shall cause the appropriate EAS test or alert message to be transmitted over the Station, 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 log.

3.3. Additional Licensee Obligations. Owner 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. During such times, Owner shall coordinate with Broker the Station's hourly Station identification announcements so that such announcements are aired in accordance with the rules of the FCC. Owner shall maintain a main studio and a public file as required by the rules and regulations of the FCC. Owner represents that all reports and applications required to be filed with the FCC (including ownership reports and renewal applications) or any other governmental agency, department or body in respect of the Station will be filed in a materially timely manner and will be true and complete in all material respects and, to the extent required to be kept in the public inspection file of the Station, will be kept in such file.

3.4. Access to Broker Materials. Owner, solely for the purpose of ensuring Broker's compliance with the law, FCC rules, the policies of the Station, and Owner's obligations under its music licensing agreements, shall be entitled to review on a confidential basis any material relating to the Programming as Owner may reasonably request. Broker shall provide Owner with copies of all correspondence relating to the Station's broadcasts and all complaints received from the public which will, to the extent required, be placed in the Station's public file. Nothing in this section shall entitle Owner to review the corporate or financial records of the Broker other than records which may be necessary for Owner to verify Broker's lowest unit rates in connection with political advertising.

3.5 Multiple Ownership Certification. By executing this Agreement, Broker certifies that the brokerage of time on the Station in the manner contemplated by this Agreement will comply with the provisions of Section 73.3555(a)(1) and (e)(1) of the FCC's Rules relating to multiple ownership.

3.6. 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 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 4. Broadcast Standards and Licensee Control.

4.1. Station Broadcast Guidelines. Owner has adopted and will enforce certain guidelines ("Guidelines"), a copy of which is attached as Exhibit B hereto and is incorporated herein by reference. Broker agrees and covenants to comply in all material respects with the Guidelines and with all rules and regulations of the FCC with respect to the Programming.

4.2. Owner Control of Programming. Broker recognizes that the Owner has full authority to control the operation of the Station. The parties agree that Owner's authority includes, but is not limited to, the right to reject or refuse such portions of the Programming which Owner reasonably believes to be contrary to the public interest; provided, however, that Owner shall use its best efforts to give Broker prior notice of Owner's objection to segments of the Programming, including the basis for such objection, and a reasonable opportunity to substitute acceptable programming material. In accordance with the Guidelines and FCC rules, regulations and policies, Owner and Broker will cooperate in an effort to avoid conflicts regarding the Programming. Owner also may substitute programming for that provided by Broker which Owner, in its sole discretion, believes will better serve the public interest. In no event shall Owner be liable for any consequential damages due to the pre-emption or rejection of Programming, or due to any Service Interruption as may occur.

4.3. Pre-Emption or Rejection of Programming; Interruption of Service. On the Commencement Date, the Station shall be operating in substantial compliance with the terms of its FCC authorizations. In the event Owner pre-empts or rejects programming from Broker pursuant to the terms of this Agreement, or in the event that the Station experiences a Service Interruption as defined below, the reimbursements due Owner pursuant to Section 1.3 hereof shall be reduced by the percentage by which the total hours in any calendar month of programming pre-empted

or rejected by Owner, or not aired due to a Service Interruption, bears to the total amount of programming that Broker would have broadcast over the Station during the month if no programming had been pre-empted or rejected and/or no Service Interruption had occurred; provided that no reduction in the reimbursement shall be applied unless the aggregate amount of the Programming not broadcast in any calendar month as a consequence of Owner's rejection or pre-emption or a Service Interruption exceeds 4 hours, in the event the Service Interruption is due to the Broker's operation of the Station, or in the event that Programming was rejected by Owner on the grounds that Owner reasonably believed it to be contrary to the public interest or the Commission's policies. A Service Interruption is defined as either of the Station being off the air, except for routine maintenance between the hours of midnight and 6 a.m. on Sundays, or not operating with at least eighty percent (80%) of its licensed power, during any portion of any day when the Programming is scheduled to be aired over the Station pursuant to this Agreement. In no event shall Owner be liable for any consequential damages due to the pre-emption or rejection of Programming or to any Service Interruption that may occur.

Section 5. Termination.

In addition to other remedies available at law or equity, this Agreement may be terminated by either Owner or Broker 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:

(i) this Agreement is declared invalid or illegal in whole or substantial part by a final order or decree of an administrative agency or court of competent jurisdiction, such order or decree has gone into effect and has not been stayed, and the parties are unable, after negotiating in good faith pursuant to Section 3.6 for a period of at least thirty days, to modify this Agreement to comply with applicable law.

(ii) the other party is in material breach of its obligations hereunder and has failed to cure such breach within ten business days after receipt of written notice thereof from the non-breaching party; provided, however, that if the breach is one that cannot be cured with reasonable diligence within ten (10) days, but could

be cured within an additional thirty (30) days and the breaching party is diligently attempting to cure the breach, then the nonbreaching party may not terminate this Agreement on account of such breach until such additional thirty (30) day period has elapsed without a cure;

(iii) the other party is in material breach of its obligations under the Purchase Agreement and the time specified in that agreement for curing the breach has expired;

(iv) the mutual consent of both parties;

(v) there is a change in FCC rules, policies or precedent that would cause this Agreement to be in violation thereof and such change is in effect and has not been stayed, and the parties are unable, after negotiating in good faith pursuant to Section 3.6 for at least thirty (30) days, to modify this Agreement to comply with the change in FCC rules, policies or precedent.

Section 6. Indemnification.

6.1. Broker's Indemnification. Broker shall indemnify, defend, and hold harmless Owner 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) the broadcast of Broker's Programming under this Agreement; (ii) any misrepresentation or breach of any warranty of Broker contained in this Agreement; (iv) an liability for copyright infringement due to Broker not having a valid license for any music included in the Programming and (iv) any breach of any covenant, agreement, or obligation of Broker contained in this Agreement.

6.2. Owner's Indemnification. Owner shall indemnify, defend, and hold harmless Broker 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) Owner's broadcasts under this Agreement; (ii) any misrepresentation or breach of any warranty of Owner contained in this Agreement; and (iii) any breach of any covenant, agreement or obligation of Owner contained in

this Agreement.

6.3. 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 9.7, 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 (i) 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 Indemnatee shall have the right to assume the defense of, and to compromise or settle, the claim on behalf of and for the account and risk of the Indemnitor, subject to the right of the Indemnitor (upon notifying the Indemnatee of its election to do so) to assume the defense of such claim at any time prior to the settlement, compromise, judgment, or other final determination thereof, (ii) if in the reasonable judgment of the Indemnatee, based on the advice of its counsel, a direct or indirect conflict of interest exists between the Indemnatee and the Indemnitor, or that the assumption of the defense by Indemnitor would be contrary to law or policy, the Indemnatee shall (upon notifying the Indemnitor of its election to do so) have the right to undertake the defense, compromise, and settlement of such claim on behalf of and for the account and risk of the Indemnitor (it being understood and agreed that the Indemnitor shall not be entitled to assume the defense of such claim), (iii) if the Indemnatee in its sole discretion so elects, it shall (upon notifying the Indemnitor of its election to do so) be entitled to employ separate counsel and to participate in the defense of such claim, but the fees and expenses of counsel so employed shall (except as contemplated by clauses (i) and (ii) above) be borne solely by the Indemnatee, (iv) the Indemnitor shall not settle or compromise any claim or consent to the entry of any judgment that does not include as an unconditional term thereof the grant by the claimant or plaintiff to each Indemnatee of a release from any and all liability in respect thereof, (v) the Indemnitor shall not settle or compromise any claim in any manner, or consent to the entry

of any judgment, that could reasonably be expected to have a material adverse effect on the Indemnatee, and (vi) the indemnitor may not settle any claim without the consent of the Indemnatee, provided, however, that if the indemnatee does not consent to a *bona fide* offer of settlement made by a third party and the settlement involves only the payment of money, then the Indemnitor may, in lieu of payment of that amount to such third party, pay that amount to Indemnatee. After such payment to the Indemnatee, the Indemnitor shall have no further liability with respect to that claim or proceeding and the Indemnatee shall assume full responsibility for the defense, payment or settlement of such claim or proceeding.

Section 7. Office and Studio Space. During the term of this Agreement, Owner shall make available to Broker, rent free, at Owner's studio/office complex suitable studio and office space for the production of Broker's Programming and the conduct of Broker's business activities in connection with the promotion of the Programming and the sale of advertising.

Section 8. Disputes Resolution. Any dispute arising out of or related to this Agreement that the parties are unable to resolve between themselves shall be settled in the manner specified in Section 15 to the Purchase Agreement which provisions are incorporated herein by reference.

Section 9. Miscellaneous.

9.1. Assignment. Broker may assign its rights and obligations under this Agreement to any legal entity that is controlled by Broker without Owner's consent. Subject to the preceding sentence, neither party may assign its rights or obligations hereunder without the prior written consent of the other party. This Agreement shall be binding upon, inure to the benefit of, and be enforceable by the parties hereto and their respective successors and assigns.

9.2. Call Letters. During the term of this Agreement, Owner will not, without Broker's prior written consent, request that the Station's call letters be changed. At Broker's request Owner will file a request with the FCC to change the call letters of the Station to ones chosen by Broker, provided that Broker shall pay all

costs of filing such a request including, without limitation, the filing fee and Owner=s reasonable attorneys' fees.

9.3. 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.

9.4. Entire Agreement. This Agreement embodies the entire agreement and understanding of the parties and supercedes any and all prior agreements, arrangements, and understandings relating to matters provided for herein. No amendment, waiver of compliance with any provision or condition 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.

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

9.6. Governing Law. The obligations of Owner and Broker are subject to applicable federal, state and local law, rules and regulations, including, but not limited to, the Act, as amended, and the rules, regulations, and policies of the FCC. The construction and performance of this Agreement will be governed by the laws of the State of Florida except for the choice of law rules used in that jurisdiction.

9.7. Notices. Any notice, demand, or request required or permitted to be given under the provisions of the Agreement shall be in writing, shall be sent to the addresses set out below, and shall be deemed to have been duly delivered on the date of personal delivery, on the date of receipt if mailed by registered or certified mail, postage prepaid and return receipt requested, or if sent via electronic mail with a request for a "read receipt" or similar confirmation that the message has been read, the date on which the email was opened or read:

To Owner Air Augustine, Inc.
 2261 Piper Way
 Keswick, VA 22947
 Email: mixworxm@aol.com
 Attn: David Mitchell, President

With a copy that shall not constitute notice to:

David Tillotson, Esq.
4606 Charleston Terrace, N.W.
Washington, DC 20007-1911
Email: dtlaw67@starpower.net

To Buyer: Flagler Broadcasting, LLC
2405 East Moody Blvd
Suite 402
Bunnell, FL 32110
Email: david@wnzf.com

With copy that will not constitute notice to:

Gary S. Smithwick, Esq.
Smithwick & Belenduik, PC
5028 Wisconsin Ave, NW
Suite 301
Washington, DC 20016
Email: gsmithwick@fccworld.com

And

Jack O. Hackett II, Esq.
Farr Law Firm
99 Nesbit Street
Punta Gorda, FL 33950
Email: jhackett@farr.com

Either party may change its address for notices by written notice to the other given pursuant to this Section. Any notice purportedly given by a means other than as set forth in this Section shall be deemed ineffective.

9.8. Confidentiality. Confidentiality. Except to the extent reasonably necessary for the parties to comply with the requirements of applicable FCC regulations, including Section 73.3613(d) of the Commission's rules [47 C.F.R. 73.3613(d)] and requirements of any other governmental agencies and except for the need of the parties to inform their respective employees as to the existence and substance of this Agreement, the parties agree to use their respective best efforts to keep the

terms of this Agreement confidential.

9.9. Anti Payola Declaration. Simultaneously with the execution of this Agreement and at six (6) month intervals thereafter, Broker shall execute and deliver to Owner the Anti-Payola Declaration attached as Exhibit C hereto.

9.10. Licensee Certification. Owner hereby certifies that it shall maintain ultimate control over the Station's facilities and operations, including specifically control over the Station's finances, personnel and programming, throughout the term of this Agreement.

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

AIR AUGUSTINE, INC.

By: _____
David Mitchell, President

FLAGLER BROADCASTING, LLC

By: _____
David Ayres, Vice President

EXHIBIT A
Expenses to Be Reimbursed

Salaries, payroll taxes and benefits for required Owner employees

Insurance-Hazard

Insurance-Liability

Rent for studio site to be reimbursed for 120 days after Commencement Date

Utilities

Telephone Service

Contract Engineering Services

FCC Regulatory Fees (to be pro rated)

Real Estate Taxes (to be pro rated)

EXHIBIT B

Guidelines

Broker will take care to observe and exercise reasonable diligence and warrants to comply with the following guidelines in the preparation, writing and broadcasting of programs on the Station:

1. **Respectful of Faiths**. The subject of religion and references to particular faiths, tenets and customs will be treated with respect at all times.
2. **No Denominational Attacks**. The Station will not be used as a medium for attack on any faith, denomination or sect or upon any individual or organization.
3. **Controversial Issues**. Any discussion of controversial issues of public importance will be reasonably balanced with the presentation of contrasting viewpoints in the course of overall programming; no attacks on the honesty, integrity or like personal qualities of any person or group of persons will be made during the discussions of controversial issues of public importance; and, during the course of political campaigns, the programs are not to be used as a forum for editorializing about individual candidates.
4. **No Plugola or Payola**. The mention of any business activity or "plug" for any commercial, professional or other related endeavor, except where contained in an actual commercial message of a sponsor, is prohibited. No commercial messages (plugs) or undue references shall be made in programming presented over the Station to any business venture, profit making activity or other interest (other than noncommercial announcements for bona fide charities, church activities or other public service activities) in which Programmer is directly or indirectly interested without the same having been approved in advance by the Station's Manager and such broadcast being announced as sponsored material. Concurrently with the execution of this Agreement, Programmer is executing and delivering to Owner a Payola/Plugola Affidavit in the form attached hereto, and Broker shall execute and deliver, and shall cause its Third Party Programmers to execute and deliver to Owner, such an affidavit annually thereafter.

5. **No Gambling.** Any form of gambling on the programs is prohibited.

6. **Required Announcements.** Broker will broadcast (i) an announcement in a form satisfactory to Owner at the beginning of each hour to identify the Station, and (ii) any other announcements required by applicable law or Station policy.

7. **Credit Terms Advertising.** Unless all applicable state and federal guidelines relative to disclosure of credit terms are complied with, no advertising of credit terms will be made over the Station beyond mention of the fact that, if desired, credit terms are available.

8. **No Illegal Announcements.** No announcements or pro-motions prohibited by law of any lottery or game will be made over the Station.

9. **Owner Discretion Paramount.** In accordance with the Owner's responsibility under the Communications Act of 1934, as amended, and the rules and regulations of the FCC, Owner reserves the right to reject or terminate any advertising proposed to be presented or being presented over the Station which is in conflict with programming policies of the Station or which, in Owner's judgment would not serve the public interest.

10. **Programming Prohibitions.** Broker will not broadcast any of the following programs or announcements:

(a) **False Claims.** False or unwarranted claims for any product or service.

(b) **Unfair Imitation.** Infringements of another advertiser's rights through plagiarism or unfair imitation of either program idea or copy or any other unfair competition.

(c) **Profanity.** Any programs or announcements that are slanderous, obscene, profane, indecent, vulgar, repulsive or offensive, either in theme or in treatment.

(d) **Price Disclosure.** Any price mentions except as permitted by Owner's policies current at the time.

(e) **Unauthorized Testimonials.** Any testimonials which

cannot be authenticated.

(f) **Descriptions of Bodily Functions.** Any descriptions of internal bodily functions or symptomatic results of internal disturbances, and any references to matters which are not considered acceptable topics in social groups

ANTI-PAYOLA DECLARATION

David Ayres, Vice President hereby states as follow:

1. I am vice president of Flagler Broadcasting, LLC ("Broker").

2. I hereby certify that all programming that Broker will furnish to Station WALE, St. Augustine Beach, Florida (the "Station") in the future and all programming that Broker has furnished to the Station in the past for which services, money or other valuable consideration has been directly or indirectly paid or promised to, or charged or accepted by any other person will and has included an announcement, or has otherwise indicated, that the programming was paid for or furnished by the payor.

2. I further certify that, in the future, neither Broker, nor any of its principals, employees or agents will pay, promise to pay, request or receive any service, money or any other valuable consideration, direct or indirect, from a third party in exchange for the influencing of, or the attempt to influence, the preparation or presentation of broadcast matter on the Station unless the broadcast matter is accompanied by proper sponsorship identification announcements.

3. I further certify that neither Broker nor any member of the immediate family of Broker or any of Broker's principals,

employees or agents has any present direct or indirect ownership interest in any entity engaged in the following businesses or activities (other than an investment in a corporation whose stock is publicly held), serves as an officer or director of, whether with or without compensation, or serves as an employee of, any entity engaged in the following business or activities:

1. The publishing of music;
2. The production, distribution (including wholesale and retail sales outlets), manufacture or exploitation of music, films, tapes, recordings or electrical transcriptions of any program material intended for radio broadcast use;
3. The exploitation, promotion or management of persons rendering artistic, production and/or other services in the entertainment field; or
4. The wholesale or retail sale of records intended for public purchase.

Executed under penalty of perjury, this ____ day of
October ____ 2014

David Ayres