

Execution Copy

**LOCAL MARKETING AGREEMENT**

**by and between**

**OTA BROADCASTING (SFO), LLC and**

**TOTAL LIVING INTERNATIONAL, INC.  
d/b/a CHRISTIAN COMMUNICATIONS OF CHICAGOLAND, INC.**

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## LOCAL MARKETING AGREEMENT

This **Local Marketing Agreement** (this “Agreement”) is made as of the \_\_\_ day of \_\_\_\_\_, 2011, by and between **OTA Broadcasting (SFO), LLC** (“Licensee”) and **Total Living International, Inc. d/b/a Christian Communications of Chicagoland, Inc.** (“Programmer”).

### RECITALS

**WHEREAS**, Licensee holds the license and related authorizations issued by the Federal Communications Commission (“FCC”) for the operation of television broadcast station KTLN-TV, a full-power television station licensed to Novato, California, operating on Channel 47, and serving the San Francisco-Oakland, San Jose DMA, FCC Facility ID No. 49153 (the “Station”);

**WHEREAS**, Licensee and Programmer are parties to that certain Asset Purchase Agreement (the “APA”) dated as of May 24, 2011, pursuant to which Licensee will acquire from Programmer substantially all of the assets relating to the Station; and

**WHEREAS**, Licensee and Programmer desire that, as of the Commencement Date (as defined below), Programmer provide programming to be transmitted on the main channel (Virtual Channel 68.1, RF Channel 47.1) of the Station (“Main Channel”) for substantially all of the broadcast time of the Main Channel pursuant to the provisions hereof and subject to all applicable federal, state, and local laws, rules, regulations and policies, including without limitation the Communications Act of 1934, as amended (the “Communications Act”) and the rules, regulations, and policies of the FCC, as modified from time to time (collectively, “Applicable Law”).

**NOW, THEREFORE**, in consideration of the mutual promises, covenants and undertakings set forth herein, the parties agree as follows:

#### 1. **SALE OF TIME.**

1.1 **Broadcast of Programming.** Effective as of the Commencement Date (as defined below), Licensee shall cause to be broadcast on the Main Channel of the Station with a Standard Definition (as defined by SMPTE Standard 259M with throughput not to exceed 6 Mb/s) stream, programs which are presented to it by Programmer as described in greater detail in **Schedule 1.1** hereto (the “Programming”). This Agreement shall become effective on the date (the “Commencement Date”) of the consummation of the sale of assets relating to the Station to Licensee pursuant to the APA. Licensee shall retain all rights with respect to the Station’s secondary channels.

1.2 **Payments.** Programmer shall pay to or on behalf of the Licensee the amounts set forth in **Schedule 1.2** hereto.

1.3 **Term.** The term of this Agreement shall commence on the Commencement Date and shall continue until terminated in accordance with Section 9 hereof (including any extension elected pursuant to Section 9 (the “Term”).

## 2. **PROGRAMMING AND OPERATING STANDARDS AND PRACTICES.**

2.1 **Compliance with Standards.** All Programming delivered by Programmer and all other material furnished by Programmer for broadcast on the Station (together with the Programming, the "Broadcast Material") shall comply, and shall ensure that the Station complies, with Applicable Law, including the requirement under the FCC's rules to provide at least three hours per week of educational informational programming designed to serve the needs of children sixteen and under (and such additional programming as the FCC's rules may require from time to time) and to adhere to commercial limits in children's programming; and Programmer shall maintain records adequate to demonstrate such compliance and shall prepare and timely deliver to Licensee, in a form suitable for placement in Licensee's public file, all reports and certifications necessary to demonstrate compliance with such requirements. Licensee shall have the right to preempt any Broadcast Material to present program material of greater local or national importance. Licensee may reject any Broadcast Material if Licensee reasonably determines that the broadcast of such material would violate applicable laws or would otherwise be contrary to the public interest. Licensee shall promptly notify Programmer of any such rejection, preemption, or rescheduling and shall cooperate with Programmer in efforts to fulfill commitments to advertisers and syndicators. **Schedule 2.1** hereto sets forth Licensee's statement of policy (the "Policy Statement") with regard to Broadcast Material. Programmer shall ensure that all Broadcast Material is in accordance with this Agreement and Licensee's Policy Statement. Licensee reserves the right to refuse to broadcast any Programming containing matter which Licensee believes is not in the public interest or may violate any right of any third party or which Licensee reasonably determines is, or in the reasonable opinion of Licensee may be deemed to be, indecent (and not broadcast during the safe harbor for indecent programming established by the FCC) or obscene under the standards established by the FCC or any court or other regulatory body with authority over Licensee or the Station. If Programmer does not adhere to the foregoing requirements, Licensee may suspend or cancel any specific program not so in compliance. Programmer shall provide a continuous programming feed to the Station seven days each week, for 24 hours each day.

2.2 **Political Broadcasts.** Programmer shall maintain and deliver to Licensee all records and information required by the FCC to be placed in the public inspection file of the Station pertaining to the broadcast of political programming and advertisements on the Main Channel, in accordance with the provisions of Sections 73.1943 and 73.3526 of the FCC's rules. Programmer shall consult and cooperate with Licensee and adhere to Applicable Law with respect to the carriage of political advertisements and programming (including, without limitation, the rights of candidates and, as appropriate, others to "equal opportunities" and the right of federal candidates to "reasonable access") and the charges permitted therefor. Programmer shall promptly provide to Licensee such documentation relating to such programming as Licensee is required to maintain in its public inspection file or Licensee shall reasonably request.

2.3 **Handling of Communications.** Programmer and Licensee shall cooperate in promptly responding to all mail, cables, telegrams or telephone calls directed to the Station in connection with Broadcast Material provided by Programmer or any other matter relevant to its responsibilities hereunder. Programmer shall provide copies of all such correspondence to Licensee. Promptly upon receipt, Programmer shall advise Licensee of any

public or FCC complaint or inquiry known to Programmer or Licensee, respectively, concerning such Broadcast Material, and each shall provide the other with copies of any letters from the public, including complaints concerning such Broadcast Material. Upon Licensee's request, Programmer shall broadcast material responsive to such complaints and inquiries.

Notwithstanding the foregoing, Licensee shall handle all matters or inquiries relating to FCC complaints and any other matters required to be handled by Licensee under the rules and regulations of the FCC.

**2.4 Preemption.** Licensee may, from time to time, preempt portions of the Programming to broadcast emergency information or other non-entertainment programs it deems necessary to better serve the public interest. Programmer shall be notified at least one week in advance of any preemption of any of the Programming for the purpose of broadcasting programs Licensee deems necessary to serve the public interest unless such advance notice is impossible or impractical, in which case Licensee shall notify Programmer promptly upon making such determination. Licensee covenants and agrees that preemption shall only occur to the extent Licensee deems preemption necessary to carry out its obligations as an FCC licensee, and expressly agrees that its right of preemption shall not be exercised in an arbitrary manner or solely for the commercial advantage of Licensee or others. Licensee further covenants and agrees to compensate Programmer for any loss of revenue to Programmer that results directly from Licensee's preemption of the Programming for any reason other than the broadcast of emergency information or where preemption is due to Programmer's violation of Licensee's programming standards or the failure to comply with the Communications Act or with FCC rules, regulations and policies. Programmer acknowledges and agrees that Licensee may interrupt the transmissions of the Station for periodic maintenance and repairs. To the extent feasible, Licensee shall coordinate with Programmer so that down-time for periodic or necessary maintenance shall take place at hours of limited viewing.

**2.5 "Payola" and "Plugola."** Programmer agrees that it will take steps, including the procurement periodically of executed affidavits from personnel involved with the content of its Programming, reasonably designed to ensure that neither it nor its employees or agents will accept any gift, gratuity or other consideration, directly or indirectly, from any person or company for the presentation of any programming or the broadcast of any commercial announcement over the Station without such broadcast being announced as sponsored. It is further understood and agreed that no commercial message, plugs, or undue reference shall be made in programming presented over the Station to any business venture, profit-making activity or other interest (other than non-commercial announcements provided without charge or other consideration for bona fide charities, church activities or other public service activities) without such broadcast being announced as sponsored and paid for, in accordance with Applicable Law, including without limitation applicable FCC rules and policies.

**2.6 Advertising and Programming.** Beginning on the Commencement Date, Programmer shall be solely responsible and pay for any expenses incurred in connection with Programmer's sale of advertising or program time on the Main Channel of the Station and shall be entitled to all donations and revenue from the sale of all forms of national, regional, and local spot advertising, sponsorships, direct response advertising, paid programming, including infomercials, and all long-form advertising broadcast on the Main Channel of the Station and all advertising on any Internet site maintained by or on behalf of the Station on or after the

Commencement Date and during the Term (the “Advertisements”). Programmer shall maintain the Station’s present website and shall be entitled to sell and place advertising on the Station’s website, provided that Programmer shall cause the Station’s website to include all content necessary or appropriate for Licensee to comply with Applicable Law, including, without limitation, FCC rules relating to the availability of information on websites maintained by broadcast licensees. Programmer shall not be obligated to assume any obligation of Licensee under any programming contract or advertising arrangement except as provided in this Agreement. Programmer shall not discriminate in advertising arrangements on the basis of race or ethnicity. Any arrangement entered into with an advertiser whose intent is to discriminate in such manner shall be null and void. In compliance with FCC rules, Programmer shall include a nondiscrimination clause in all of its advertiser arrangements and shall maintain internal policies demonstrating compliance with the FCC’s nondiscrimination policy. Programmer shall also exercise due diligence to ensure that all third party advertising arrangements concerning the Station contain the nondiscrimination clause and do not discriminate on the basis of race or ethnicity.

2.7 **Trade and Barter Spots.** Programmer shall honor all contracts for the sale of advertising time on the Station for non-cash consideration that are in effect as of and will extend beyond the Commencement Date (“Trade Agreements”), if and to the extent that Trade Agreement spots may be broadcast on a preemptible basis. After the Commencement Date, Programmer shall have the right to enter into new contracts for the sale of Advertisements for non-cash consideration and shall retain the benefit of those contracts. The term Trade Agreement applies only to the bartering of advertising in return for goods and services other than programming.

2.8 **Accounts Receivable.** Programmer shall be entitled to all accounts receivable arising from the sale of advertising and other goods and services on the Station prior to the Commencement Date (“Pre-Commencement Accounts Receivable”). Programmer shall also be responsible for collecting the Pre-Commencement Accounts Receivable and for the payment of any commissions owed thereon.

2.9 **Control.** Notwithstanding anything to the contrary in this Agreement, Licensee and Programmer acknowledge and agree that during the Term, Licensee will maintain ultimate control and authority over the facilities of the Station, including specifically control and authority over the Station’s operations, including finances, personnel, and programming. Programmer shall not represent, warrant or hold itself out as the Station’s licensee, and all sales material prepared by Programmer for the sale of advertising time on the Station shall identify Licensee as the licensee of the Station using mutually agreeable wording and references. Programmer shall sell Advertising and enter into all agreements for the sale of time on the Station and for the Programming in its own name.

2.10 **Technical Services.**

(a) Beginning as soon as reasonably practicable following the Commencement Date, Programmer shall perform monitoring and maintenance of the Station’s technical equipment and facilities and shall assist Licensee with the installation, repair, maintenance and replacement of the Station’s equipment and facilities.

(b) Beginning as soon as reasonably practicable following the Commencement Date, Programmer shall make available to Licensee, on an independent contractor basis, a staff engineer employed by Programmer to assist Licensee's chief operator for the Station in fulfilling his duties as specified by the rules and regulations of the FCC.

2.11 **Compliance with Laws.** At all times during the Term, Programmer and Licensee shall comply in all material respects with all applicable federal, state and local laws, rules and regulations.

### 3. **RESPONSIBILITY FOR EMPLOYEES AND EXPENSES.**

3.1 **Licensee's Employees.** Licensee shall employ and be responsible for the payment of salaries, taxes, insurance, and all other costs related to Licensee's employees at the Station. Licensee shall maintain the level of staffing at its main studio required by the FCC's rules with employees of Licensee, but shall not be required under this Agreement to maintain more than the minimum staff levels necessary to comply with the FCC's rules.

3.2 **Programmer's Expenses.** Programmer shall pay for all costs incurred by Programmer or otherwise associated with the production and delivery of the Programming and the performance of its other duties and obligations hereunder, including but not limited to, (i) all ASCAP, BMI, SESAC and other copyright fees associated with delivery of the Programming, (ii) any expenses incurred in connection with its sale of advertising time hereunder (including without limitation sales commissions or other charges) in connection with the Programming, and (iii) the salaries, taxes, insurance, and related costs for all personnel used in the production of the Programming and any sales personnel (including any salespeople, traffic personnel, and programming staff employed) by Programmer.

3.3 **Operating Expenses.** Licensee shall be responsible for the payment when due of all fees and expenses relating to the operation and maintenance of the Station as necessary to maintain the licensed transmitting capability of the Station and to fulfill Licensee's obligations as an FCC licensee. Programmer shall directly pay, pre-pay or timely reimburse Licensee for such expenses as provided in **Schedule 1.2** hereof, such payment in accordance with the payment terms described in **Schedule 1.2(b)** following Programmer's receipt of an invoice from Licensee describing the expenses paid by Licensee; provided, however, that notwithstanding any other provision of this Agreement, Programmer shall not be responsible for the payment or reimbursement of any additional out-of pocket fees or expenses incurred as a result of and which are directly attributable to Licensee's use of the Station's transmission facilities to generate revenue ("Licensee Revenue Services"), including, without limitation, Licensee's offering of ancillary or supplementary services as described in Section 73.624 of the FCC's rules.

3.4 **Performance of Licensee's Contracts.** On and after the Commencement Date, Programmer shall perform, in accordance with the terms thereof, the existing contracts and agreements for services and products used in the business and operations of the Station and shall either (i) make timely payments of amounts owing on such contracts and agreements directly to the vendor or service provider or (ii) reimburse Licensee no later than five (5) business days

following Programmer's receipt of an invoice from Licensee describing the expenses paid by Licensee in connection therewith.

#### 4. **OPERATION OF STATION.**

Notwithstanding any provision of this Agreement to the contrary, Licensee shall retain ultimate authority and power with respect to the operation of the Station during the Term of this Agreement. The parties agree and acknowledge that Licensee's ultimate control of the Station is an essential element of the continuing validity and legality of this Agreement. Accordingly, Licensee shall retain full authority and control over the policies, finances, personnel, programming and operations of the Station, including, without limitation, the decision whether to preempt programming in accordance with Section 2.4 hereof. Licensee shall have full responsibility for the Station's compliance with the Communications Act and with FCC rules, regulations and policies, including, without limitation, the FCC's political programming rules. Licensee shall be responsible for maintaining the Station's quarterly issues/programs lists and public inspection files. Programmer promptly shall supply Licensee with documents that may come into Programmer's possession and should be placed in the Station's public inspection file.

#### 5. **DELIVERY OF PROGRAMMING TO LICENSEE FACILITIES.**

5.1 **Delivery Obligations.** Programmer shall be solely responsible for, and shall pay any costs associated with, delivering a broadcast-quality feed of Programmer's Broadcast Material to Licensee's main studio location ("Licensee's Main Studio") in a form to be accepted by the Station's equipment for transmission. Programmer will provide reasonable assistance to Licensee in connection with the delivery of programming for the secondary channels of the Station.

5.2 **Licensee's Broadcast Obligations.** Notwithstanding any provision of this Agreement to the contrary, Programmer agrees to broadcast on the Station, at the times required, the programs that the Station is required to air pursuant to existing obligations. To the extent that Licensee receives payment for the broadcast of programming under any such existing agreements attributable to the period after the Commencement Date and during the Term of this Agreement, Licensee shall pay to Programmer, promptly upon Licensee's receipt of payment, an amount equal to the payment received by Licensee for the broadcast of such programming to the extent such payments are attributable to the period prior to the termination date of this Agreement.

#### 6. **OTHER OBLIGATIONS OF THE PARTIES.**

6.1 **Certain Responsibilities of Licensee.** Licensee, at its expense and subject to reimbursement by Programmer to the extent provided by **Schedule 1.2**, shall be responsible for and perform the following obligations with respect to the business and operations of the Station during the Term, in accordance with and subject to the following:

(a) Licensee shall cause the Station to comply with all applicable provisions of the Communications Act, the FCC's rules, and all other provisions of Applicable Law.

Licensee shall file in a timely and complete manner all reports and applications required to be filed with the FCC or any other governmental body.

(b) Licensee shall cooperate with Programmer to maintain in effect policies of insurance insuring the assets and the business of the Station consistent with the coverage provided under such policies as were in existence on the day prior to the Commencement Date.

(c) Licensee shall cooperate with Programmer to use and operate in a commercially reasonable manner, and maintain in operating condition (subject to normal wear and tear), all of the assets of the Station. If any loss, damage, impairment, confiscation or condemnation of any of such assets occurs, Licensee shall repair, replace, or restore the assets to their prior condition as soon thereafter as reasonably practicable, and Licensee shall use the proceeds of any claim under any insurance policy to repair, replace or restore assets that are lost, damaged, impaired or destroyed in respect of which such proceeds are received.

(d) Licensee shall be solely responsible for and shall directly pay in a timely manner all operating costs of the Station (excluding those costs to be borne by Programmer in accordance with Sections 3.3 and 6.2), including the cost of electricity, other utilities and rental or other payments with respect to real property, if any, leased by Licensee, taxes, and the salaries, insurance, and other costs for all personnel employed by Licensee, subject to reimbursement for such expenses as provided in **Schedule 1.2**.

(e) Subject to the provisions of any network affiliation or other programming agreement, Licensee shall consult and cooperate with Programmer in Licensee's negotiation, maintenance, and enforcement of retransmission consent agreements with cable, satellite and other multichannel video providers. Licensee, in consultation with Programmer, shall exercise Licensee's rights to mandatory carriage and retransmission consent for cable television and other multichannel video providers in a manner that ensures the maximum possible distribution of the Station's signal on cable, direct-broadcast-satellite, and other multichannel video programming distributors serving communities located in the Station's market.

(f) Licensee shall maintain the call letters "KTLN" for the Station and shall grant Programmer the exclusive right to use "KTLN" in connection with marketing the Station's Main Channel programming and the Station's web site.

**6.2 Certain Responsibilities of Programmer.** In addition to its other obligations under this Agreement, Programmer, at its expense, shall be responsible for and pay the following:

(a) With respect to the marketing and sale of the Advertisements, Programmer shall be solely responsible for and pay (i) all commissions to employees, agencies or representatives and other expenses incurred in its marketing and sale of the Advertisements; (ii) all expenses incurred in its performance of traffic, billing, and collections functions with respect to the Advertisements; (iii) any publicity or promotional expenses and other fees it incurred in performing its obligations under this Agreement; and (iv) all fees related to the software used for sales, traffic, billing and similar functions.

(b) Programmer shall be solely responsible for and pay the salaries, taxes, and related costs for all personnel employed by Programmer who are used by Programmer in the sale of the Advertisements and the collection of accounts receivable (including salespeople, billing personnel and traffic personnel).

(c) Programmer shall cooperate with Licensee to assist Licensee in complying with the provisions of the Communications Act regarding political advertising, including compliance with Licensee's statement disclosing political advertising rates and practices for purchasers of political advertising consistent with Applicable Law, including, without limitation, applicable FCC rules and policies. Programmer shall supply such information promptly to Licensee as may be necessary to comply with the public inspection file, lowest unit rate, equal opportunities, and reasonable access requirements of the Communications Act. If the Station fails to meet its political time obligations under the Communications Act based on the advertising sold by Programmer, then to the extent reasonably necessary to enable Licensee to cause the Station to comply with its political time obligations, Programmer shall release advertising availabilities to Licensee; provided, however, that all revenues realized by Licensee from the sale of such advertising time, net of any costs incurred by Licensee in the sale thereof shall be immediately paid to Programmer.

**6.3 Provision of Main Studio Facilities.** Licensee will maintain and staff a main studio facility for the Station in accordance with FCC rules. Licensee shall provide to Programmer and its employees and agents access to Licensee's studio and offices and the right to use the equipment located therein (and any other equipment and facilities of the Station) in connection with preparing or transmitting Programming, selling Advertisements or any related purpose.

**6.4 Access to Information.** To ensure compliance with Applicable Law, Licensee shall be entitled to review at its reasonable discretion from time to time any Advertisement or Programming that Licensee may reasonably request. Programmer also shall maintain and deliver to the Station such records and information required by the FCC to be placed in the public inspection file of the Station pertaining to the sale of political programming and advertisements, in accordance with the provisions of Sections 73.1940 and 73.3526 of the FCC's rules, and to the sale of sponsored programming addressing political issues or controversial issues of public importance, in accordance with the provisions of Section 73.1212 of the FCC's rules. Programmer shall furnish to Licensee upon request any other information that is reasonably necessary to enable Licensee to prepare any records or reports required by the FCC or other governmental entities.

## **7. INDEMNIFICATION AND SURVIVAL.**

### **7.1 Indemnification Rights.**

(a) Licensee shall indemnify and hold harmless Programmer and its shareholders, members, directors, officers, employees, agents, and affiliates from and against any and all damages, losses, liabilities and expenses including, without limitation, reasonable attorneys' fees, arising out of or resulting from:

(i) any breach by Licensee of a representation, warranty, covenant or agreement made by it herein;

(ii) any programming produced or furnished by Licensee hereunder;

(iii) libel, slander, infringement of trademarks, trade names, or program titles, violation of rights of privacy, and infringement of copyrights and proprietary rights resulting from any action by Licensee or programming produced or furnished by Licensee; and

(iv) the conduct of Licensee or its employees, contractors, or agents after the Commencement Date.

(b) Programmer shall indemnify and hold harmless Licensee and its shareholders, members, directors, officers, employees, agents, and affiliates from and against any and all damages, losses, liabilities and expenses including, without limitation, reasonable attorneys' fees, arising out of or resulting from:

(i) any breach by Programmer of a representation, warranty, covenant or agreement made by it herein;

(ii) any Broadcast Material produced or furnished by Programmer hereunder;

(iii) libel, slander, infringement of trademarks, trade names, or program titles, violation of rights of privacy, and infringement of copyrights and proprietary rights resulting from any action by Programmer or Broadcast Material produced or furnished by Programmer;

(iv) Programmer's failure to adhere to Licensee's Policy Statement;

(v) Programmer's provision of Broadcast Material that violates Applicable Law governing indecent and obscene programming;

(vi) the conduct of Programmer or its employees, contractors, or agents after the Commencement Date; and

(vii) the operations of the Station following the Commencement Date (except, in the case of this clause (vii), for any such damage, loss, liability or expense to the extent arising out of or resulting from the conduct of Licensee or its employees, contractors, or agents after the Commencement Date).

The parties' indemnification obligations hereunder shall survive any termination or expiration of this Agreement.

7.2 **Procedure for Indemnification.** The procedure for indemnification shall be as follows:

(a) The party claiming indemnification (the "Claimant") shall promptly give notice to the party from which indemnification is claimed (the "Indemnifying Party") of any claim, whether between the parties or brought by a third party, specifying in reasonable detail the

factual basis for the claim, the amount thereof, estimated in good faith, and the method of computation of such claim, all with reasonable particularity and containing a reference to the provisions of this Agreement in respect of which such indemnification claim shall have arisen; provided, that the failure to give prompt notice shall not jeopardize the right of any Claimant to indemnification except to the extent such failure shall have materially prejudiced the ability of the Indemnifying Party to defend such claim.

(b) With respect to claims solely between the parties, following receipt of notice from the Claimant of a claim, the Indemnifying Party shall have thirty (30) days to make such investigation of the claim as the Indemnifying Party deems necessary or desirable. For the purposes of such investigation, the Claimant agrees to make available to the Indemnifying Party and its representatives the information relied upon by the Claimant to substantiate the claim. If the Claimant and the Indemnifying Party agree at or prior to the expiration of such thirty-day period (or any mutually agreed upon extension thereof) to the validity and amount of such claim, the Indemnifying Party shall immediately pay to the Claimant the recoverable amount of the claim, subject to the terms hereof. If the Claimant and the Indemnifying Party do not agree within such thirty-day period (or any mutually agreed upon extension thereof), the Claimant may seek appropriate remedies at law or equity, as applicable. Any claim for indemnification pursuant to this **Section 7** with respect to which (i) the Claimant and the Indemnifying Party agree as to its validity and amount, or (ii) a final, non-appealable judgment, order or award of a court of competent jurisdiction deciding such claim has been rendered, as evidenced by a certified copy of such judgment, is referred to as a “Settled Claim.”

(c) With respect to any claim by a third party as to which the Claimant is entitled to indemnification under this Agreement, the Indemnifying Party shall have the right, at its own expense, to participate in or assume control of the defense of such claim, and the Claimant shall cooperate fully with the Indemnifying Party, subject to reimbursement for reasonable out-of-pocket expenses incurred by the Claimant as the result of a request by the Indemnifying Party. If the Indemnifying Party elects to assume control of the defense of any third-party claim, the Claimant shall have the right to participate in the defense of such claim at its own expense. If the Indemnifying Party does not elect to assume control or otherwise participate in the defense of any third-party claim, then the Claimant may defend through counsel of its own choosing, subject to the right of the Indemnifying Party to assume control of or otherwise participate in the defense thereof at any time prior to the settlement, compromise or final determination thereof. No party shall compromise or settle any third party claim, action or suit without the prior written consent of the other party; provided, however, if such compromise or settlement relates only to monetary amounts and provides for the full and unconditional release of the Claimant from all liability in connection with such claim, then the Indemnifying Party may settle such claim without the Claimant’s consent as long as the Indemnifying Party is responsible for the recoverable amount of such claim and the settlement of such claim does not contain an admission of wrongdoing on the part of the Claimant.

## 8. **DEFAULT.**

8.1 **Events of Default.** The following, after the expiration of the applicable cure periods specified in **Section 8.2**, shall constitute Events of Default under this Agreement:

(a) **Default in Covenants.** Programmer's or Licensee's material default in the observance or performance of any of its respective covenants, conditions, or agreements contained herein;

(b) **Breach of Representation or Warranty.** Programmer's or Licensee's material breach of any representation or warranty made by it herein, or in any certificate or document furnished pursuant to the provisions hereof.

(c) **Programmer's failure to Pay Station Expenses.** Programmer's failure to timely pay the expenses described on Schedule 1.2 to Licensee or to any third party when due.

8.2 **Cure Periods.** Except as otherwise provided in this Agreement, an Event of Default shall not be deemed to have occurred until twenty (20) 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 such event or events have not been cured within such time period.

## 9. **TERMINATION.**

The term of this Agreement shall begin on the Commencement date and shall continue for an initial term of two (2) years ("Initial Term"). Programmer may elect to continue this Agreement for an additional one-year period by providing Licensee with written notice of its intent to renew no later than six (6) months prior to the expiration of the initial term. This Agreement can then be continued for a fourth year upon the mutual agreement of the parties. From and after the Initial Term, Licensee may terminate this Agreement in the event Licensee sells the assets of the Station or the stock of the entity holding the FCC Licenses for the Station to a third party. In addition, this Agreement shall terminate as provided below.

9.1 **Termination Upon Default, Change in FCC Rules or Policies, or Necessity to Maintain FCC Compliance.** In addition to other remedies available to the parties hereto at law or equity, and in addition to any other provisions providing for termination herein, this Agreement may be terminated as set forth below by written notice to the non-terminating party if the party seeking to terminate is not then in material default or breach hereof:

(a) by Licensee, upon an uncured Event of Default by Programmer;

(b) by Programmer, upon an uncured Event of Default by Licensee; or

(c) by either party, upon a change in FCC rules, policies or precedent that would cause this Agreement to be in violation thereof, and such change is final, in effect and has not been stayed, and the parties are unable, after negotiating in good faith for at least thirty (30) days, to modify this Agreement to comply with the change in FCC rules, policies or precedent in such a manner that the economic or legal substance of the transactions contemplated hereby are not affected in any way materially adverse to any party.

## 9.2 **Miscellaneous Termination Matters.**

(a) Upon any termination of this Agreement, Licensee shall have no further obligation to provide to Programmer any broadcast time on the Station and Programmer shall have no further obligation to provide programming under this Agreement.

(b) No expiration or termination of this Agreement shall terminate the obligation of each party to indemnify the other pursuant to **Section 7** hereof or limit or impair any party's rights to receive payments from the other party that are due and owing hereunder on or before the date of such termination.

## 10. **REMEDIES.**

In addition to a party's rights of termination hereunder (and in addition to any other remedies available to it hereunder or provided under law), in the event of an uncured Event of Default with respect to either party, the other may seek specific performance of this Agreement to the extent permitted by Applicable Law, including, without limitation, the Communications Act and the rules, regulations, and policies of the FCC, in which case the defaulting party shall waive the defense in any such suit that the other party has an adequate remedy at law and interpose no opposition, legal or otherwise, as to the propriety of specific performance as a remedy hereunder.

## 11. **CERTAIN REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE PARTIES.**

### 11.1 **Representations, Warranties and Covenants of Programmer.**

Programmer hereby represents, warrants, and covenants to Licensee as follows:

(a) **Organization; Authorization.** Programmer is a corporation duly organized, validly existing and in good standing under the laws of the Illinois and is qualified to do business in California. This Agreement has been duly executed and delivered by Programmer, and is valid, binding, and enforceable against Programmer in accordance with its terms. Programmer has full right, power, authority, and legal capacity to enter into and perform its obligations under this Agreement and to consummate the transactions contemplated hereby.

(b) **Enforceability.** The execution, delivery, and performance of this Agreement and the consummation of the transactions provided for hereby have been duly authorized by all necessary organizational action on the part of Programmer, and no other corporate or other proceedings on the part of Programmer are necessary to authorize the execution or delivery of this Agreement or the transactions contemplated hereby.

11.2 **Representations and Warranties of Licensee.** Licensee hereby represents and warrants to Programmer as follows:

(a) **Organization; Authorization.** Licensee is a [limited liability company] duly organized, validly existing and in good standing under the laws of [Delaware] and is qualified to do business in California. This Agreement has been duly executed and delivered by Licensee, and is valid, binding, and enforceable against Licensee in accordance with its terms.

Licensee has full right, power, authority, and legal capacity to enter into and perform its obligations under this Agreement and to consummate the transactions contemplated hereby.

(b) **Enforceability.** The execution, delivery and performance of this Agreement and the consummation of the transactions provided for hereby have been duly authorized by all necessary action on the part of Licensee, and no other proceedings on the part of Licensee are necessary to authorize the execution or delivery of this Agreement or the transactions contemplated hereby.

## 12. MISCELLANEOUS.

12.1 **Modification and Waiver.** No modification or waiver of any provision of this Agreement shall in any event be effective unless the same shall be in writing signed by the party against whom the modification or waiver is sought to be enforced, and then such modification or waiver shall be effective only in the specific instance and for the purpose for which given.

12.2 **No Waiver; Remedies Cumulative.** No failure or delay on the part of Licensee or Programmer in exercising any right or power hereunder shall operate as a waiver thereof, nor 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, shall preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of Licensee and Programmer herein provided are cumulative and are not exclusive of any rights or remedies which they may otherwise have.

12.3 **Governing Law.** This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of California, without giving effect to any conflict of laws rule or principle that might require the application of the laws of another jurisdiction and the obligations of the parties hereto are subject to all Applicable Law as now or hereafter in force, including, without limitation, to the regulations of the FCC and all other governmental bodies or authorities presently or hereafter duly constituted.

12.4 **Successors and Assigns.** Neither this Agreement nor any of the rights, interests or obligations hereunder may be assigned or delegated by Licensee or Programmer without the prior written consent of the other party. Any purported assignment or delegation in violation hereof shall be null and void.

12.5 **Force Majeure.** Each party acknowledges and agrees that a party will not be liable for any failure to timely perform any of its obligations under this Agreement if such failure is due, in whole or in part, directly or indirectly, to accidents, fires, floods, governmental actions, war, civil disturbances, other causes beyond such party's control or any other occurrence which would generally be considered an event of force majeure.

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

**12.7 Notices.** All notices that are required or may be given pursuant to this Agreement must be in writing and delivered personally, by a recognized courier service, by a recognized overnight delivery service, by facsimile or by registered or certified mail, postage prepaid, to the parties at the following addresses (or to the attention of such other person or such other address as any party may provide to the other parties by notice in accordance with this **Section 12.7**), and any such notice or other communication will be deemed to have been given and received on the day it is personally delivered or delivered by courier or overnight delivery service or sent by facsimile (receipt confirmed) or, if mailed, when actually received:

if to Licensee, to:

OTA Broadcasting (SFO), LLC  
11710 Plaza America Drive, Suite 2000  
Reston, VA 20190  
Attention: Todd Lawyer  
Facsimile: (800) 827-5078

with copies to (which shall not constitute notice):

Wilkinson Barker Knauer, LLP  
2300 N Street, NW, Suite 700  
Washington, D.C. 20037  
Attention: F. Thomas Moran  
Facsimile: (202) 783-5851

if to the Programmer, to:

Total Living International, Inc.  
2880 Vision Court  
Aurora, IL 60506  
Attention: Jerry Rose  
Facsimile: (630) 801-3839

with copies to (which shall not constitute notice):

Louis E. Bellande  
Bellande & Sargis Law Group, LLP  
200 W. Madison St., Suite 2140  
Chicago, IL 60606  
Facsimile: 312-853-8702

**12.8 Entire Agreement.** This Agreement (including all attachments, exhibits and schedules) embody the entire agreement between the parties with respect to the matters contained herein and there are no other agreements, representations, warranties, or understandings, oral or written, between them with respect to the subject matter herein.

12.9 **Severability.** Except as expressly set forth in Section 12.11, if any provision contained in this Agreement is held to be invalid, illegal, or unenforceable in any respect by any court or other authority, then such provision shall be deemed limited to the extent that such court or other authority deems it reasonable and enforceable, and as so limited shall remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby are not affected in any manner materially adverse to any party. In the event that such court or other authority shall deem any such provision wholly unenforceable, this shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision or provisions had not been contained herein, in each case, so long as the economic or legal substance of the transactions contemplated hereby are not affected in any manner materially adverse to any party.

12.10 **No Joint Venture.** The parties agree that nothing herein shall constitute a joint venture between them. The parties 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.

12.11 **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 or legal detriment to either party, and this Agreement, as so modified, shall then continue in full force and effect. In the event that the parties are unable to agree upon a modification of this Agreement so as to cause it to comply with such order or decree without material economic or legal detriment to either party, then this Agreement shall be terminated consistent with **Section 9.2** of this Agreement.

12.12 **Publicity.** Neither Programmer nor Licensee nor any of their respective affiliates shall issue any press release or make any public statement (oral or written) regarding the transactions contemplated by this Agreement except as required by law or regulation or as agreed to in writing in advance by Licensee and Programmer.

12.13 **Certifications.** The parties certify as follows:

(a) Licensee certifies that it shall at all times maintain ultimate control of the Station's facilities, including specifically control over station finances, personnel and programming; and

(b) Programmer certifies that it complies with the provisions of Sections 73.3555(b), (c) and (d) of the FCC rules.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

**OTA BROADCASTING (SFO), LLC**

By: \_\_\_\_\_  
Name:  
Title:

**TOTAL LIVING INTERNATIONAL, INC.  
d/b/a CHRISTIAN COMMUNICATIONS OF  
CHICAGOLAND, INC.**

By: \_\_\_\_\_  
Name:  
Title: