

## **INTERFERENCE ACCEPTANCE AGREEMENT**

Interference Acceptance Agreement ("Agreement"), made and entered into this 20th day of December, 2010, by and between Metro Broadcasters – Texas, Inc. ("Metro"), a Texas corporation, and Penfold Communications, Inc. ("Penfold"), a California not-for-profit corporation.

### **WITNESSETH:**

WHEREAS, Metro holds the license issued by the Federal Communications Commission ("FCC") for the operation of FM Broadcast Station KXEZ, Farmersville, Texas, on the frequency 92.1 MHz, Channel 221; and

WHEREAS, Penfold holds the license issued by the FCC for the operation of FM Translator Station K221FM, also on the frequency 92.1 MHz, Channel 221, at Irving, Texas; and

WHEREAS, Metro has evidence in the form of third-party listener reports that the operation of the FM translator station is creating electrical interference to the operations of Station KXEZ, and has planned to file a complaint with the FCC concerning that interference; and

WHEREAS, the parties desire to resolve this matter on an amicable basis without the filing of any such complaint;

NOW, THEREFORE, for and in consideration of the mutual promises and covenants hereinafter set forth, it is agreed as follows:

1. Reduction in Power at Station K221FM: Penfold will within five (5) days from the date of this Agreement file a request with the FCC for a special temporary authority to reduce the effective radiated power at Station K221FM to 25 watts without change in the station's height above average terrain or transmitter site as presently specified in its instrument of authorization. Immediately upon grant of the special temporary authority (if not before), Penfold will reduce power to 25 watts. Penfold will renew such special temporary authority, and will continue to operate under such special temporary authority, until one of the two applications described in paragraph 2 is granted and the facilities authorized thereby are licensed.

2. Penfold's Further Obligations: Penfold will within thirty (30) days file an application with the FCC for a construction permit for a change in the operating channel of Station K221FM to Channel 260, or some other channel which is not co-channelled with Station KXEZ (the "Displacement Application"). Penfold will vigorously prosecute Displacement Application and do all things reasonably necessary and/or appropriate to obtain a grant thereof. If the application is granted, Penfold will promptly construct the facilities specified in the construction permit and place those facilities in operation. If for any reason the Displacement

Application is dismissed or denied, Penfold will promptly file an appropriate application to modify the facilities of Station K221FM to specify continued operations on Channel 221 at the currently-authorized transmitter site and antenna height, but with effective radiated power reduced to no more than 25 Watts. Penfold will vigorously prosecute such application and do all things reasonably necessary and/or appropriate to obtain a grant thereof; and upon grant of same will file an appropriate license application to reflect such modification.

3. Obligations of Metro: In return for the undertakings of Penfold under this Agreement, Metro will not file any complaint with the FCC regarding alleged interference from Station K221FM to Station KXEZ. Furthermore, Metro will not encourage any third party or parties to file any such complaint or complaints, nor will Metro assist in any way in the filing of any such complaints. To the extent that the operation of Station K221FM in accordance with the facilities specified in the special temporary authority still creates any interference to Station KXEZ, Metro hereby expressly consents to any such interference and accepts same. Metro's obligations under this paragraph are not contingent upon a grant of the Displacement Application.

4. Texas Contract: This Agreement is a Texas contract and shall be construed and interpreted in accordance with the laws of that state (other than laws relating to conflicts of laws)

5. Notices: Any notice required hereunder shall be in writing and any payment, notice or other communications shall be deemed given when delivered personally, or mailed by certified mail or Federal Express, postage prepaid, with return receipt request, and addressed as follows:

If to Metro Broadcasters – Texas, Inc.:

ATTN: Ken Jones  
Metro Broadcasters – Texas, Inc.  
P.O. Box 940670  
Plano, TX 75094

If to Penfold Communications, Inc.:

ATTN: Jeffrey Smith  
Penfold Communications, Inc.  
35200 Cathedral Canyon Dr.  
Suite G53  
Cathedral City, CA 92234

6. Counterparts: This Agreement may be executed in counterpart and/or by telecopy and, when so executed, the counterparts taken together shall constitute a complete and binding agreement.

7. Successors and Assigns: This Agreement shall be binding upon the successors and assigns of the parties hereto and any future purchaser of either station shall take title subject to the terms of this Agreement.

IN WITNESS WHEREOF, the premises considered, the parties to this Interference Acceptance Agreement have set the hands and seals of their authorized representative on the day and year first above written.

**METRO BROADCASTERS – TEXAS, INC.**

By: \_\_\_\_\_  
**Ken Jones, President**

**PENFOLD COMMUNICATONS, INC.**

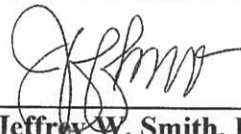
By: \_\_\_\_\_  
**Jeffrey W. Smith, President**

IN WITNESS WHEREOF, the premises considered, the parties to this Interference Acceptance Agreement have set the hands and seals of their authorized representative on the day and year first above written.

**METRO BROADCASTERS – TEXAS, INC.**

By: \_\_\_\_\_  
**Ken Jones, President**

**PENFOLD COMMUNICATONS, INC.**


By:  \_\_\_\_\_  
**Jeffrey W. Smith, President**

IN WITNESS WHEREOF, the premises considered, the parties to this Interference Acceptance Agreement have set the hands and seals of their authorized representative on the day and year first above written.

**METRO BROADCASTERS - TEXAS, INC.**

By:   
Ken Jones, President

**PENFOLD COMMUNICATONS, INC.**

By:   
Jeffrey W. Smith, President