

TIME BROKERAGE AGREEMENT

THIS TIME BROKERAGE AGREEMENT (the “Agreement”) is made and entered into this 22nd day of September, 2009 (the “Effective Date”), by and between **Triangle Broadcast Associates, LLC**, a limited liability company organized and existing pursuant to the laws of the State of North Carolina (“Licensee”) and the licensee of Radio Station WCLY(AM), Raleigh, North Carolina, Facility ID No. 52162 (the “Station”), and **WCLY-AM, LLC**, a limited liability company organized and existing pursuant to the laws of the State of North Carolina (“Broker”).

WITNESSETH:

WHEREAS, Licensee is authorized to operate the Station pursuant to a license issued by the Federal Communications Commission (“FCC”);

WHEREAS, contemporaneously herewith Licensee, Broker and certain affiliates of these entities, and WRBZ, LLC, have entered into an Exchange Agreement (the “Exchange Agreement”), pursuant to which, among other transactions, Broker has agreed to acquire certain assets of the Station;

WHEREAS, the Exchange Agreement provides for a number of transactions and contemplates the execution of several additional agreements including this Agreement;

WHEREAS, Licensee has available broadcasting time on the Station and is engaged in the business of radio broadcasting on the Station;

WHEREAS, Broker desires to avail itself of the Station’s broadcast time for up to twenty-four (24) hours per day during the Term (as defined below) of this Agreement to provide an over-the-air program service to Raleigh, North Carolina and the surrounding area using the facilities of the Station;

WHEREAS, Broker agrees to utilize the facilities of the Station solely to broadcast programming that conforms with the policies of Licensee and with all rules, regulations, and policies of the FCC, and as set forth herein; and

WHEREAS, Licensee and Broker have carefully considered the FCC’s time brokerage policies and intend that this Agreement in all respects shall comply with such policies.

NOW, THEREFORE, in consideration of the foregoing, and of the mutual promises set forth herein, Broker and Licensee, intending to be bound legally, hereby agree as follows:

1. **Facilities.** Licensee agrees to make the broadcasting transmission facilities of the Station (including all of the Station’s broadcast auxiliary facilities licensed under Part 74 of the FCC’s rules) available to Broker for up to twenty-four (24) hours per day, seven (7) days per week (subject to down time for routine maintenance), for the broadcast on the Station of Broker’s programs described in Schedule 1, attached and incorporated herein by reference (the “Programming”), which shall originate either from

Broker's own studios or from other studios contracted for by Broker or from Licensee's studio facilities.

2. **Programming.**

- a) **Selection and Approval.** The Programming shall consist of such materials as are determined by Broker to be appropriate and in the public interest, including without limitation such public service announcements, music, news, weather reports, sports, promotional material commercials and advertising as are determined and selected by Broker. Licensee shall have the full and unrestricted right to delete and not broadcast any material contained in any part of the Programming that it regards as being unsuitable for broadcast or the broadcast of which it believes would be contrary to the public interest. Licensee remains responsible for ensuring that issue-responsive programming is broadcast on the Station and may pre-empt such programming as it may deem necessary to discharge this responsibility.
- b) **Broadcasts.** Broker shall furnish or cause to be furnished the personnel and materials for the Programming to be broadcast, which shall not be in violation of the rules or regulations of the FCC or the Communications Act of 1934, as amended (the "Communications Act"). Broker shall make the Programming available to Licensee during a sufficient number of hours to enable the Station to meet the minimum hours of operation required under the FCC's rules and regulations. Broker's employees shall be responsible for the creation and airing of the Programming; provided, however, that the broadcast of all Programming shall be subject to the supervision, direction, and control of Licensee.
- c) **Changes.** Broker shall provide Licensee with not less than twenty-four (24) hours notice of any material change in the Programming.
- d) **Network Advertisements, Barter.** Broker hereby agrees to air any network advertisements due from Licensee's cancellation of network programming and barter advertisements related to barter agreements that were entered into by Licensee prior to the date of this Agreement, provided such network and/or barter advertisements do not exceed a value of \$20,000 in the aggregate.

3. **Payments.** Broker hereby agrees to pay to Licensee in consideration of the use of the broadcasting facilities of the Station and Licensee's personnel the amounts specified in Schedule 2 attached hereto and incorporated herein by reference (the "Payments"). Any failure by Licensee to demand or insist upon prompt remittance of any Payment shall not constitute a waiver of the right of Licensee to demand or insist upon prompt remittance of any other Payment.

4. **Term.** The term of this Agreement (the "Term") shall commence upon the Effective Date and shall expire upon the earlier to occur: (a) the date of the assignment of Station's broadcast license to Broker pursuant to the Exchange Agreement following FCC consent to such assignment; or (b) five (5) years from the Effective Date, provided, however, that the

Term shall renew automatically after such five (5) years term for an additional five (5) years term unless Broker provides written notice to Licensee no later than three (3) months prior to the expiration date of the first five (5) years term that it desires not to renew this Agreement, and provided further, that the Term shall renew automatically after such second five (5) years term for successive one (1) year terms until such time as either party provides written notice to the other party no later than three (3) months prior to the expiration date of the then current term that it desires not to renew this Agreement. Notwithstanding the foregoing, the Term of this Agreement may be terminated prior to its expiration as provided elsewhere in this Agreement.

5. **Prorations.** All accounts payable, income, accounts receivable, and prepaid expenses pertaining to the operation of the Station shall be pro-rated and adjusted between Broker and Licensee so that Licensee shall be entitled to all income and responsible for all expenses and costs allocable for the period prior to 12:01 a.m. on the Effective Date, and Broker shall be entitled to all income and responsible for all expenses and costs allocable to periods during the Term (commencing on 12:01 a.m. on the Effective Date), provided however, that expenses included in the Variable Fee (as defined in Schedule 2) shall be for the account of Licensee provided that Broker makes timely payment to Licensee of the Payments, as described in Section 3 hereof. Upon the expiration of the Term, or upon termination of this Agreement, in the event the Station's broadcast licensee has not been assigned from Licensee to Broker, the Licensee shall be entitled to all income and responsible for all expenses and costs allocable after such expiration or termination. The prorations and adjustments contemplated by this Section shall be made within 30 days of the Effective Date with respect to prorations concerning periods prior to the Term and within 30 days of the expiration or termination of this Agreement with respect to prorations concerning periods after such expiration or termination. In the event of any disputes between Licensee and Broker as to such adjustments, the amounts not in dispute shall nonetheless be paid within the time period provided above and such disputes shall be determined by an independent certified public accountant mutually acceptable to the parties whose determination shall be final, and the fees and expenses of such accountant shall be paid one-half by Licensee and one-half by Broker. For the avoidance of doubt, to the extent the Term expires due to the assignment of the Station's broadcast license from Licensee to Broker, Broker's obligations to make the Payments specified in Section 3 and Schedule 2 shall survive such expiration of the Term to the extent that such Payments are allocable for periods during the Term.
6. **Collections of Accounts Receivable.** Broker shall be entitled to all revenue from the sale of advertising or program time on the Station during the Term except for revenues from advertising or program time sold by Licensee in connection with programming provided by Licensee in accordance with this Agreement or the advertising inventory retained by Licensee ("Licensee Retained Inventory") as set forth in Schedule 3, attached and incorporated herein by reference. Any accounts receivable received by Broker but which are for the benefit of Licensee shall be promptly remitted by Broker to Licensee, provided, however, that Broker shall have no obligation to collect any such accounts receivable. Any accounts receivable received by Licensee but which are for the benefit of Broker shall be

promptly remitted by Licensee to Broker, provided, however, that Licensee shall have no obligation to collect any such accounts receivable.

7. **Operation of Station.** Licensee shall operate the Station throughout the Term of the Agreement in accordance with the authorizations issued to it by the FCC and all applicable FCC rules and regulations. Any routine or non-emergency maintenance work that causes the Station to operate at less than full power shall be scheduled with at least forty-eight (48) hours prior notice to Broker.
8. **Interruption of Normal Operations.**
 - a) **Notice and Repair.** If for any reason the Station suffers any loss or damage of any nature to its transmission or studio facilities which results in the interruption of service or the inability of the Station to operate with its maximum authorized facilities or power, Licensee shall immediately notify Broker, and Licensee shall undertake such repairs at its expense, and as expeditiously as possible, as are necessary to restore full-time, full-power operation of the Station with its maximum authorized facilities. If Broker or any of its agents or employees causes any damages to any the Station's facilities, Broker shall promptly reimburse Licensee for the reasonable costs of repairing any such damages.
 - b) **Payment Credit.** Broker shall receive a pro rata credit against Payments which would otherwise be owed but which pertain to any period of time which, through no fault of Broker: (a) the Station is off the air; (b) the Station operates at less than ninety percent (90%) of its authorized effective radiated power for more than twenty-four (24) consecutive hours; or (c) the Station operates at less than ninety percent (90%) of its authorized effective radiated power for more than twenty-four (24) hours in any period of forty-eight (48) hours.
 - c) **Termination.** In addition to any Payment credit which Broker is entitled to receive, in the event that, through no fault of Broker, the Station is either off the air or operates at less than fifty percent (50%) of its authorized effective radiated power for a period of more than ten (10) consecutive days, or for more than ten (10) days during any period of thirty (30) consecutive days, Broker shall have the right, upon five (5) days prior written notice to Licensee, to terminate the Agreement, provided that such right to terminate shall be contingent upon the cure by Broker of any Event of Default of Broker then in existence.
9. **Main Studio Location.** Licensee shall maintain a main studio for the Station in accordance with the rules of the FCC, and shall equip and staff the main studio of the Station consistent with the FCC's rules and policies.
10. **Competing Product.** Broker shall endeavor to maintain appropriate separations between commercials for competing advertisers or products.

11. **Personnel and Promotional Expenses.** As of the Effective Date, Broker shall reimburse Licensee for the salaries, commissions, taxes, insurance and related costs for the personnel of Licensee listed on Schedule 4, attached and incorporated herein by reference. Licensee shall be solely responsible for and pay any costs associated with the termination of Licensee's employees. Broker shall be responsible for all of its promotional expenses in connection with the Programming. Broker shall be solely responsible for payment of any and all copyright license fees (including but not limited to ASCAP, BMI and SESAC) attributable to the Programming, as well as for any of the Station's program consultant costs, and their telephone expenses.
12. **Supervision of Employees.** Broker shall be fully responsible for the immediate supervision and direction of its employees, subject, however, to Licensee's ultimate control while Broker's employees are on the Station's premises. Licensee shall be directly responsible for the supervision and direction of its employees. Licensee is responsible for all termination and severance payments of any of Licensee's employees terminated or severed during the Term of the Agreement.
13. **Advertising and Programming Revenues.** Broker shall retain all revenues from the sale of advertising time on the Station and all other revenues derived from the operation of the Station throughout the Term of the Agreement except as provided in Section 6.
14. **Operation of Station.** Notwithstanding anything to the contrary in this Agreement, Licensee shall have full authority, power and control over the operation of the Station during the Term of this Agreement. The Licensee's General Manager shall direct the day-to-day operation of the Station. Licensee shall retain control over the policies, programming and operations of the Station, including without limitation the right to decide whether to accept or reject any Programming or advertisements; the right to preempt any Programming not in the public interest or in order to broadcast a program deemed by Licensee to be of greater national, regional or local interest; and the right to take any other actions necessary for compliance with federal, state and local laws, the Communications Act, the rules, regulations and policies of the FCC (including the prohibition of unauthorized transfers of control), and the rules, regulations and policies of other federal government entities. Licensee shall at all times be solely responsible for meeting all of the FCC's requirements with respect to public service programming; for ascertaining the problems, issues, needs, and interests of the Station's community of license and its surrounding area; maintaining the political and public inspection files and the Station's logs; and for the preparation of the Station's quarterly issues/programs lists. Broker shall, upon request by Licensee, provide Licensee with information with respect to such of Broker's programs which are responsive to the problems, needs and issues facing the residents of the Station's service area, so as to assist Licensee in the preparation of required programming reports and will provide upon request such other information necessary to enable Licensee to prepare other records and reports required by the FCC or other federal, state or local government entities. During the Term of this Agreement, the Licensee (or one of its affiliates) shall provide certain traffic production management services, engineering services and production services to the Station, as shall be agreed upon between Licensee and Broker.

15. **Special Events.** Licensee reserves the right, in its discretion, to preempt any of the broadcasts of the Programming for broadcast of what Licensee considers to be special programs of public importance. In all such cases, Licensee will use its best efforts to give Broker reasonable notice of its intention to preempt Broker's programs. Broker shall receive a pro rata credit against Payments which would otherwise be owed for the length of time during which Licensee preempts the programming of Broker in order to broadcast special events hereunder.
16. **Station Identification.** Licensee shall be responsible for the proper broadcast of FCC-required station identification announcements, provided, however, the Broker shall cooperate with Licensee to ensure that all required station identification announcements are broadcast with respect to the Station in full compliance with FCC rules and policies.
17. **Political Advertising.** Broker shall cooperate with Licensee as Licensee complies with the political broadcasting requirements of the Communications Act and the FCC's rules and policies thereunder. Broker shall supply such information promptly to Licensee as may be necessary to comply with the lowest unit charge requirements of Section 315 of the Communications Act. To the extent that Licensee believes it necessary in its sole discretion, Broker shall release advertising availabilities to Licensee to permit it to comply with its reasonable access provisions of Section 312(a)(7) of the Communications Act and the equal opportunities provision of Section 315 of the Communications Act and the rules and policies of the FCC thereunder provided, however, that all revenues realized by Licensee as a result of such a release of advertising time shall promptly be remitted to Broker. In any event, with respect to the Station, Licensee must oversee and take ultimate responsibility with respect to the provisions of equal opportunities, lowest unit charge, reasonable access to political candidates and compliance with the political broadcast rules and policies of the FCC.
18. **Licensee's Responsibility for Compliance with FCC Technical Rules.** Licensee (or one of its affiliates) shall retain, on a full-time or part-time basis, a qualified Chief Engineer who shall be responsible for maintaining the transmission facilities of the Station. Licensee shall employ a Chief Operator (who may also hold the position of Chief Engineer), as that term is defined by the rules and regulations of the FCC, who shall be responsible for ensuring compliance by the Station with technical operating and reporting requirements established by the FCC. Licensee shall be responsible for ensuring that qualified control operators monitor and control the Station's transmissions at all times, in full conformity with FCC requirements.
19. **Force Majeure.** Any failure or impairment of facilities or any delay or interruption in the broadcast of programs, or failure at anytime to furnish facilities, in whole or in part, for broadcast, due to causes beyond the control of Licensee shall not constitute a breach of this Agreement and Licensee will not be liable to Broker, except to the extent of allowing in each case an appropriate credit against Payments.
20. **Right to Use Programming.** The right to use the Programming and to authorize its use in any manner and in any media whatsoever shall be and remain vested solely in Broker,

subject, however to the rights of others (including, without limitation, copyright rights, trademark and service mark rights and other intellectual property rights) in and to the Programming.

21. **Payola.** Broker agrees that neither it nor any of its employees will accept any consideration, compensation, gift or gratuity of any kind whatsoever, regardless of its value or form, including without limitation a commission, discount, bonus, material, supplies, or other merchandise, services, or labor (collectively, "Consideration"), whether or not pursuant to written contracts or agreements between Broker and merchants or advertisers, in consideration for the broadcast of any matter on the Station unless the payor is identified, in the broadcast for which Consideration was provided, as having paid for or furnished such Consideration, to the extent such identification is required pursuant to Sections 507 and 317 of the Communications Act and FCC rules and policies. Broker agrees to execute, and to have each of its employees who are in a position to determine the content of the Programming execute, at least once every year, payola affidavits in a form reasonably acceptable to Licensee, and Broker agrees to deliver the originals of all such affidavits to Licensee as expeditiously as possible following their execution.
22. **Compliance with Law.** Broker agrees that, throughout the Term of the Agreement, Broker will comply with applicable laws, rules, regulations and policies of all governmental bodies, including without limitation all FCC rules and policies.
23. **Indemnification.**
 - a) **Indemnification of Licensee.** Broker shall indemnify and hold Licensee, its directors, officers, employees, and agents harmless from and against: (i) all liability for libel, slander, unfair competition or trade practices, infringement of trademarks, service marks, trade names or program titles, violation of rights of privacy and infringement of copyrights and other proprietary rights, and any and all other claims, damages, and causes of action resulting from or caused by the actions of Broker, or the inaction of Broker where a duty to act was owed by Broker, with respect to the Programming; and (ii) any and all claims, damages, and causes of action, whether for injury to person and/or property, arising from any action of Broker, or the inaction of Broker where a duty to act was owed by Broker, in connection with the brokerage of the Station and/or its facilities hereunder. Broker's indemnification and hold harmless obligations hereunder shall survive the expiration or termination of the Term of the Agreement until the expiration of the statute of limitations applicable to the Claim (as identified below).
 - b) **Indemnification of Broker.** Licensee shall indemnify and hold Broker, its directors, officers, employees, and agents harmless from and against: (i) all liability for libel, slander, unfair competition or trade practices, infringement of trademarks, service marks, trade names or program titles, violation of rights of privacy and infringement of copyrights and other proprietary rights, and any and all other claims, damages, and causes of action resulting from or caused by the actions of Licensee, or the inaction

of Licensee where a duty to act was owed by Licensee, with respect to the programming on the Station other than the Programming; and (ii) any and all claims, damages, and causes of action, whether for injury to person and/or property, arising from any action of Licensee, or the inaction of Licensee, where a duty to act was owed by Licensee, in connection with the brokerage of the Station and/or its facilities hereunder or Licensee's ownership of the Station and its facilities. Licensee's indemnification and hold harmless obligations hereunder shall survive the expiration or termination of the Term of this Agreement until the expiration of the statute of limitations applicable to the Claim (as defined below).

- c) **Notice.** A party asserting the right to be indemnified (the "Indemnitee") hereunder shall notify the other party (the "Indemnitor") in writing within fifteen (15) days of the occurrence of any event, or of the discovery of any facts, which in the Indemnitee's opinion entitles or may entitle the Indemnitee to indemnification under Section 23 hereof (a "Claim").

- d) **Defense.** The Indemnitor shall have the right to defend, compromise, and settle a Claim at its own expense, provided that the Indemnitee shall reasonably cooperate with the Indemnitor in such defense, compromise, or settlement. The Indemnitee may elect to retain separate counsel with respect to such defense, compromise, or settlement provided that the expenses and costs of such counsel shall be solely the responsibility of the Indemnitee. If the Indemnitor, within a reasonable time after notice of a Claim, fails to defend, compromise, or settle such Claim, the Indemnitee shall, upon written notice to Indemnitor, be entitled to undertake the defense, compromise, or settlement of the Claim, subject to the right of the Indemnitor to assume the defense, compromise, or settlement of such Claim at any time prior to the final settlement, compromise, or determination thereof. Anything in this Section 23 to the contrary notwithstanding (i) if the facts giving rise to the indemnification hereunder shall involve a possible claim by the Indemnitee against a third party, the Indemnitee shall have the right, at its own cost and expense, to undertake the prosecution, compromise, and settlement of such claim; (ii) the Indemnitor shall not, without the Indemnitee's prior written consent, settle or compromise any Claim, or consent to any entry of judgment which does not include as an unconditional term thereof given by the claimant or the plaintiff to the Indemnitee of a release of the Indemnitee, its directors, officers, employees and agents from all liability in respect to such Claim, with prejudice and (iii) the Indemnitor shall not be liable for any settlement or compromise to which it did not consent, which consent shall not be unreasonably withheld or delayed.

- e) **Statutes of Limitation and Repose.** No provision in this Agreement is intended by the parties to, or shall be construed to, extend any statute of limitations or statute of repose.

24. **Events of Default: Cure Periods: Remedies.** Each of the following, after the expiration of the applicable cure periods without the curing of the acts or omissions set forth below, shall constitute an "Event of Default":

- a) **Non-payment.** Broker's failure to fully and timely pay any expenses required to be paid by Broker pursuant to this Agreement.
- b) **Defaults in Covenants or Adverse Legal Action.** The default by any party hereto in the material observance or performance of any material covenant, condition, or agreement contained herein, or if any party hereto: (i) shall make a general assignment for the benefit of creditors; or (ii) files or has filed against it a petition for bankruptcy, reorganization or an arrangement for the benefit of creditors, or for the appointment of a receiver, trustee, or similar creditors' representative for the property or assets of such party under any federal or state insolvency law which has not been dismissed or discharged within sixty (60) days.
- c) **Breach of Representation.** If any material representation or warranty herein made by any party hereto, or in any certificate or document furnished by any party to any other party pursuant to the provisions hereof, shall prove to have been false or misleading in any material respect as of the time made or furnished.
- d) **Cure Periods.** Except for the Broker's failure to fully and timely make Payments, an Event of Default shall not be deemed to have occurred until thirty (30) business days after the non-defaulting party has provided the defaulting party with written notice specifying the event or events that if not cured would constitute an Event of Default and specifying the action necessary to cure the Event of Default within such period; provided, however, that no such opportunity to cure shall be required in the event of a repeated default with respect to the same provision of the Agreement. This period shall be extended for a reasonable period of time if the defaulting party is acting in good faith to cure the default and such delay is not materially adverse to the other party. Where an Event of Default arises from Broker's failure to fully and timely make Payments, such Event of Default shall not be deemed to have occurred until ten (10) days after Licensee shall have provided Broker with written notice specifying the non-payment or lateness in payment that if not cured would constitute and Event of Default. Upon the expiration of the ten (10) day period following date of such notice, the occurrence of an Event of Default by Broker shall be deemed to exist unless within such then (10) day period the Payment in full shall have been made by Broker of all sums past due.
- e) **Termination Upon Default.** Upon the occurrence of Event of Default, as defined hereinabove, the non-defaulting party may terminate this Agreement provided that it is not also in material default hereunder. If Broker has committed an Event of Default in the performance of its obligations, Licensee shall be under no further obligation to make available to Broker any further broadcast time or broadcast transmission facilities following the calendar month in which such Event of Default shall have occurred. If the Term has extended beyond the termination or expiration of the Exchange Agreement (and the FM Translator Assets were transferred to WRBZ, LLC, pursuant to Section 1.12 of the Exchange Agreement without payment of \$400,000 to WRAL-FM, Inc.), and if Licensee has committed an Event of Default that results in the termination of this Agreement, then Licensee shall pay to Broker the sum equal to

\$200,000 multiplied times a fraction where the numerator is the number equal to 3650 minus the number of days that elapsed during the Term prior to termination and the denominator is 3650 (the "Licensee Default Payment"), and such Licensee Default Payment shall be the sole and exclusive remedy of Broker and constitute liquidated damages in such amount (which the parties agree represents their reasonable estimate of actual damages and does not constitute a penalty).

26. **Termination Upon Order of Governmental Authority.** This Agreement shall terminate in the event that a federal, state or local government authority, including but without limitation the FCC, orders, takes or announces any action which would require the termination of this Agreement and/or the curtailment in any material manner of the transactions contemplated hereby or the relationship between the parties hereunder and such order or action has gone into effect and has not been stayed; provided, however, that the parties may agree to seek administrative or judicial relief from such order(s) or action(s) (in which event Licensee shall cooperate with Broker, provided that Licensee and Broker shall each be responsible for its own reasonable legal fees and costs incurred in such proceedings). In the event that the effective date of such a governmental termination of this Agreement shall occur in the middle of the calendar month (i.e., on any date other than the first day of the calendar month), Broker shall be entitled to a prorated credit against any Payments owed provided that Broker is not in default under this Agreement as of the effective date of such termination of the Agreement. In the event of termination upon any government order(s), Licensee shall cooperate reasonably with Broker to the extent permitted to enable Broker to fulfill advertising or other programming contracts then outstanding, in which event Licensee shall receive as compensation for the carriage of such programming that which otherwise would have been paid to Broker hereunder. In the event of termination of this Agreement upon any government order(s), Broker shall be entitled to pursue collection of its own accounts receivable accrued from any advertiser which has contracted directly with Broker for the purchase of advertising time on the Station. In the event that the validity of any portion of this Agreement is called into question by the FCC or as the result of any change in FCC rules or policies, the parties hereto shall consult with the FCC and its staff concerning such matters and shall negotiate in good faith a modification to the Agreement which would obviate any such FCC questions as to validity while preserving, to the extent possible, the intent of the parties and the economic and other benefits of this Agreement and the portion hereof whose validity is called into question.
27. **Representations and Warranties.**
- a) **Mutual Representations and Warranties.** Licensee and Broker represent to each other that they are legally qualified, empowered and able to enter into this Agreement, and that the execution, delivery and performance hereof shall not constitute a breach or violation of any agreement, contract, or other undertaking to which it is subject or by which it is bound. Licensee and Broker warrant, represent, covenant and certify that Licensee maintains, and shall continue to maintain, ultimate control over the Station's facilities during the Term of Agreement, including, without limitation, control of the Station's finances, personnel and programming. Each party hereto represents and warrants that it

has taken all necessary corporate and other necessary action to make this Agreement legally binding on such party, and that the individual signing this Agreement on behalf of such party has been fully authorized and empowered to execute this Agreement on behalf of such party.

b) **Licensee's Representations, Warranties and Covenants.** Licensee further represents, warrants and covenants to Broker as follows:

- i. Licensee owns and holds all licenses and other permits and authorizations necessary for the operation of the Station as presently conducted (including licenses, permits, and authorizations issued by the FCC). Licensee shall use commercially reasonable efforts to maintain such licenses, permits and authorizations in full force and effect for the entire term hereof, unimpaired by any acts or omissions of Licensee or any of its principals, employees or agents;
- ii. Throughout the Term of this Agreement, Licensee shall equip and maintain Station's main studio and local public inspection file as required by the rules and policies of the FCC;
- iii. Throughout the Term of this Agreement, Licensee at its sole cost and expense shall retain at the Station a General Manager and at least one other employee and all other personnel, if any, required by the FCC; and
- iv. Licensee shall comply with FCC rules and policies, which shall at all times remain the sole responsibility of Licensee.

28. **Notices.** Any notice or other communication given or required pursuant to the Agreement, or any agreement or instrument delivered pursuant hereto, shall be effective if, and only if, delivered personally, sent by facsimile transmission confirmed by the recipients, sent by certified or registered mail in the United States mail, return receipt requested, or sent by reputable overnight carrier, such as "Federal Express." A notice delivered personally shall be deemed given when delivered; a notice delivered via facsimile shall be deemed given upon confirmation of receipt by the recipient; a notice delivered via certified or registered mail, return receipt requested, shall be deemed given as of the date that the receipt indicates that the notice was received by or on behalf of the addressee; and a notice delivered via overnight courier shall be deemed given the day after delivery to the overnight courier. If a notice is delivered by more than one of the foregoing methods, the notice shall be deemed given on the earliest date of the methods used. All such notices shall be effective only if delivered to the following:

a) If to Broker: WCLY-AM, LLC
 c/o Capitol Broadcasting Company, Inc.
 2619 Western Boulevard
 Raleigh, NC 27606
 Attention: George W. Habel
 Facsimile: (919) 821-8733

With a copy to: Capitol Broadcasting Company, Inc.
2619 Western Boulevard
Raleigh, NC 27606
Attention: General Counsel
Facsimile: (919) 821-8733

b) If to Licensee:
Triangle Broadcast Associates, LLC
3012 Highwoods Blvd., Suite 201
Raleigh, NC 27604
Attention: Donald W. Curtis
Facsimile: (919) 790-6654

29. **Miscellaneous.**

- a) **Modification and Waiver.** No modification of any provision of this Agreement shall in any event be effective unless the same shall be in writing and executed by both parties hereto and then such modification shall be effective only in the specific instance and for the purpose for which given.
- b) **Construction.** This Agreement shall be construed in accordance with the laws of the State of North Carolina, except for the choice of law rules utilized in North Carolina. The obligations of the parties hereto are subject to all federal, state and local laws and regulations now and hereafter in force and to the rules, regulations and policies of the FCC and all other government entities or authorities presently or hereafter to be constituted.
- c) **Headings.** The headings contained in the Agreement are included for convenience only and no such heading shall in any way alter the meaning of any provision.
- d) **Assignment.** This Agreement shall not be assigned by either party hereto without the prior written approval of the other party hereto, provided that Broker may assign this Agreement to any affiliate of Broker or any entity controlled by Broker at any time during the Term of this Agreement upon notice to Licensee, and provided, further, that Licensee may assign this Agreement to WRBZ, LLC upon notice to Broker.
- e) **Counterpart Signature.** This Agreement may be signed in one or more counterparts, each of which shall be deemed a duplicate original, binding on the parties hereto notwithstanding that the parties are not signatory to the original or the same counterpart.
- f) **Entire Agreement.** This Agreement supersedes any prior agreements between the parties concerning the time brokerage arrangements contemplated hereunder and contains all of the terms agreed upon with respect to such arrangements.

- g) **No Partnership or Joint Venture Created.** Nothing in this Agreement is intended to or shall be construed to make Broker and Licensee partners or joint venturers.
- h) **No Third Party Beneficiaries.** Nothing in this Agreement is intended to or shall be construed as affording or conferring any rights to any third party.
- i) **Severability.** In the event any provision contained in this Agreement is held to be invalid, illegal or unenforceable, such holding shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had not been contained herein.
- j) **Legal Effect.** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their heirs, executors, personal representatives, successors and assigns.
- k) **Broker's Right to Specific Performance.** In addition to, and not in place of, any and all other rights and remedies which may be available to Broker under this Agreement or at law or equity, upon an Event of Default or a material breach of this Agreement or any representation, warranty or covenant herein made by Licensee, Broker shall have the right to specific performance thereof, and Licensee hereby affirmatively waives, and agrees that it shall be estopped from asserting, any defense that Broker is not entitled to such specific performance.
- l) **Certification of Licensee.** Licensee hereby certifies that throughout the Term of this Agreement it shall maintain ultimate control over the Station's facilities, including, specifically, control over the Station's finances, personnel and programming.
- m) **Certification of Broker.** Broker hereby certifies that this Agreement complies with the provisions of Section 73.3555 of the FCC's Rules concerning multiple ownership.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective on the Effective Date.

Broker:

WCLY-AM, LLC

By: Capitol Broadcasting Company, Incorporated
Its Manager

By: James F. Goodman
Name: James F. Goodman
Title: President & CEO

Licensee:

**TRIANGLE BROADCAST
ASSOCIATES, LLC**

By: Donald W. Curtis
Name: Donald W. Curtis
Title: Member and Manager

SCHEDULE 1
(Programming)

Hispanic sports talk radio format consisting of national and local sports news, local and syndicated listener call-in programming, live play-by-play broadcasts and other sports-related and informational programming.

SCHEDULE 3
(Licensee Retained Inventory)

During the Term of this Agreement, Licensee may retain the following time periods during the programming provided by Broker for the broadcast of advertisements sold by Licensee:

10 Minutes per day or 70 Minutes Per Week in Morning Drive (Sign on to 10 AM)

10 Minutes Per day or 70 Minutes Per Week in Mid Days (10 AM to 3 PM)

10 Minutes Per day or 70 minutes per week in PM Drive (3 PM to 7 PM)

10 Minutes per day or 70 minutes per week in Nights (7PM to Midnight)

Ads do not carry over without permission of Broker

All such advertising spots will be provided in advance to Broker. All billing and collection for the above bartered time will be the responsibility of Licensee.