

## TIME BROKERAGE AGREEMENT

AGREEMENT, made this 22 day of November, 2002, by and between Beckham Palmer, III, Receiver (the "Licensee") and John Sisty Enterprises (the "Broker").

### RECITALS:

WHEREAS Licensee owns and operates WNPT-FM, Linden, Alabama, FCC Facility ID No. 37721 (the "Station") pursuant to authorizations issued by the Federal Communications Commission ("FCC");

WHEREAS Broker has experience in radio programming and sales; and

WHEREAS the Broker wishes to purchase air time on the Station for the broadcast of its programming in conformity with Station policies and procedures, FCC policies for time brokerage arrangements, and the provisions hereof, subject to Licensee's full authority to manage and control the operation of the Station.

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

### Section 1. Brokerage of Station Air Time.

1.1 Authorization of Agreement. Both Licensee and Broker represent that they are legally qualified, empowered and able to enter into this Agreement and that the execution, delivery, and performance hereof has been duly authorized and shall not constitute a breach or violation of any agreement, contract or other obligation to which either party is subject or by which it is bound.

1.2 Term. The term of this Agreement shall commence effective 1/1/03 and shall continue in force for a term of Eighteen (18) months, unless otherwise extended or terminated as set forth below.

1.3 Time Brokerage. During the term of this Agreement and any renewal thereof, Licensee shall make available to Broker broadcast time upon the Station as set forth in this Agreement for the broadcast of Broker's programming.. Broker shall deliver its programming, at its expense, to the Station's transmitter facilities or other authorized remote control points as reasonably designated by Licensee. Subject to Licensee's reasonable approval, Broker shall provide programming of its selection complete with commercial matter, news, public service announcements and other suitable programming up to One Hundred Sixty-six (166) hours per week. The Licensee may use the remaining time each week as it may require without any adjustment of the monthly consideration to be paid to Licensee under Section 1.4 and without any award of pro-rata credit to Broker under Section 1.9. All time not reserved by or

designated for Licensee shall be available for use by Broker and no other party.

1.4 Consideration. As consideration for the air time made available hereunder Broker shall make payments to Licensee as set forth in Attachment I.

1.5 Licensee Operation of Station. Licensee will have full authority, power and control over the management and operation of the Station during the term of this Agreement and during any renewal of such term. Licensee will bear all responsibility for the Station's compliance with all applicable provisions of the Communications Act of 1934, as amended ("the Act"), the rules, regulations and policies of the FCC and all other applicable laws. Licensee shall be solely responsible for and pay in a timely manner all operating costs of the Station, including but not limited to maintenance of the studio and transmitting facility and costs of electricity. The Broker shall be responsible for all costs associated with the production and delivery of its programming. Licensee shall be responsible for employing at its expense the employee(s) who will direct the day-to-day operations of the Station, including the Station's General Manager, who will report to and be accountable solely to the Licensee and will be responsible for paying the cost related to the employment of its own personnel. During the term of the Agreement and any renewal hereof, Broker agrees to perform, without charge, routine monitoring of the Station's transmitter performance and tower lighting by remote control, if and when requested by Licensee.

1.6 Licensee Representations and Warranties. Licensee represents and warrants as follows:

Licensee owns and holds or will hold all licenses and other permits and authorizations necessary for the operation of the Station, and such licenses, permits and authorizations are and will be in full force and effect throughout the term of this Agreement. There is not now pending, or to Licensee's best knowledge, threatened, any action by the FCC or by any other party to revoke, cancel, suspend, refuse to renew or modify adversely any of such licenses, permits or authorizations. Licensee is not in material violation of any statute, ordinance, rule, regulation, policy, order or decree of any federal, state or local entity, court or authority having jurisdiction over it or the Station, which would have an adverse effect upon the Licensee, its Assets, the Station or upon Licensee's ability to perform this Agreement. Licensee shall not take any action or omit to take any action which would have an adverse impact upon the Licensee, its Assets, the Station or upon Licensee's ability to perform this Agreement. All reports and applications required to be filed with the FCC or any other governmental body have been, and during the course of the term of this Agreement or any renewal thereof, will be filed in a timely and complete manner. The facilities of the Station will be maintained in accord with good engineering practice and will comply in all material respects with the engineering requirements set forth in the FCC authorizations, permits and licenses for the Station, and Licensee will ensure that the Station broadcasts a high quality signal to its service area (except at such time where reduction of power is required for routine or emergency maintenance). Licensee has and throughout the term of this Agreement and any renewal thereof, will maintain good and marketable title to all of the assets and properties used and useful in the operation of the Station, except those that are leased. During the term of this Agreement and any renewal thereof, Licensee shall not dispose of, transfer, assign or pledge any of such assets and properties, except with the prior written consent of the Broker.

1.7 Broker Responsibility. Broker shall be solely responsible for any expenses incurred in the origination and/or delivery of programming from any remote location and for any publicity or promotional expenses incurred by Broker. Such payments by Broker shall be in addition to any other payments to be made by Broker under this Agreement.

1.8 Contracts. Broker will not be required to assume performance of any of the Licensee's contracts and leases. Broker will not enter into any third-party contracts, leases or agreements which will bind Licensee in any way except with Licensee's prior written approval.

1.9 Pro Rata Credit. Broker shall receive from Licensee two times the pro rata credit (up to the total amount of the monthly consideration specified in Section 1.5 herein) for any part of the weekly programming time that Licensee preempts to broadcast its own programming beyond those periods specified in Sections 1.3 and 5.2 except for: (a) Broker's failure to deliver its programming to Licensee; and (b) periods during which Licensee is unable, for any reason, to broadcast the Broker's programming due to technical reasons beyond its control.

1.10 Station Operation. Licensee shall notify Broker prior to: (a) making any changes in management personnel; (b) entering into any material contractual obligations; or (c) making any other material changes in the operation of the Station.

1.11 Use of Station's Studios. Licensee agrees to provide Broker with access to the Station's complete facilities including the studios and broadcast equipment for use by Broker, if it so desires, in providing programming for the Station. Subject to the overall supervision of Licensee, Broker shall and may peacefully and quietly have the full use of and enjoy the use of the Station's facilities, studios and equipment free from any hindrance from any person or persons whomsoever claiming by, through or under Licensee. Unless otherwise permitted by the Licensee, subject to the overall supervision of Licensee, Broker shall use the studios and equipment only for the purpose of producing programming for the Station.

## Section 2. Station Obligations to Its Community of License.

2.1 Licensee Authority. Notwithstanding any other provision of this Agreement, Broker recognizes that Licensee has certain obligations to broadcast programming to meet the needs and interests of its community of license. From time to time the Licensee shall air specific programming on issues of importance to the local community. Nothing in this Agreement shall abrogate the unrestricted authority of the Licensee to discharge its obligations to the public and to comply with the Act and the rules and policies of the FCC.

2.2 Additional Licensee Obligations. Although both parties shall cooperate in the broadcast of emergency information over the Station, Licensee shall also retain the right to interrupt Broker's programming in case of an emergency or for programming which in the reasonable good faith judgment of Licensee, is of greater local or national public importance. Licensee shall also coordinate with Broker the Station's hourly station identification and any other announcements required to be aired by FCC rules. Licensee shall continue to maintain a main studio, as that term is defined by the FCC, within the Station's principal community contour, shall maintain its local public inspection file in accordance with the requirements of the FCC's rules, and shall prepare and place in such inspection file or files in a timely manner all

material required by Section 73.3526 of the FCC's Rules, including but not limited to quarterly issues and program lists. Broker shall, upon request by Licensee, provide Licensee with such information concerning Broker's programs and advertising as is necessary to assist Licensee in the preparation of such information. Licensee shall also maintain the station logs, receive and respond to telephone inquiries, and control and oversee any remote control point which may be established for the Station.

2.3 Responsibility for Employees and Expenses. Broker shall employ and be solely responsible for the salaries, taxes, insurance and related costs for all personnel used in the production of its programming (including salespeople, traffic personnel, board operators and programming staff). Licensee will provide and be responsible for the Station personnel necessary for the broadcast transmission of Broker's programs including the Station's General Manager, and will be responsible for the salaries, taxes, insurance and related costs of such personnel. Whenever on the Station's premises, all personnel shall be subject to the overall supervision of Licensee's General Manager, consistent with Broker's right to the use of the Station's facilities pursuant to Section 1.11 hereof.

### Section 3. Station Programming Policies.

3.1 Broadcast Station Programming Policy Statement. Licensee has adopted and will enforce a Broadcast Station Programming Policy Statement (the "Policy Statement"), a copy of which appears as Attachment II hereto and which may be amended in a reasonable manner from time to time by Licensee upon notice to Broker. Broker agrees to comply in all material respects with the Policy Statement, to all rules and regulations of the FCC, and to all changes subsequently made by Licensee or the FCC. All programs shall be prepared and presented by Broker in conformity with the rules, regulations and policies of the FCC and with the Policy Statement. All advertising spots and promotional material or announcements shall comply with applicable federal, state and local regulations and policies and shall be produced in accordance with quality standards established by Broker. If Licensee reasonably determines that a program supplied by Broker is unsatisfactory or unsuitable or contrary to the public interest, or does not comply with the Policy Statement it may, upon written notice to Broker, suspend or cancel such program without liability under Section 1.9.

3.2 Licensee Control of Programming. Broker recognizes that the Licensee has full authority to control the operation of the Station. The parties agree that Licensee's authority includes but is not limited to the right to review all programming of Broker and to reject or refuse such portions of the Broker's programming which Licensee reasonably believes to be unsatisfactory, unsuitable or contrary to the public interest. Broker shall have the right to change the programming supplied to Licensee and shall give Licensee at least twenty-four (24) hours notice of substantial and material changes in such programming.

3.3 Broker Compliance with Copyright Act. Licensee will maintain music licenses with ASCAP, BMI and SESAC. Broker represents and warrants to Licensee that Broker has full authority to broadcast its programming on the Station, and that Broker shall not broadcast any material in violation of the Copyright Act. All programming supplied by Broker shall be: (a) licensed by ASCAP, SESAC or BMI; (b) in the public domain; or (c) cleared at the source by

Broker. The right to use the programming and to authorize its use in any manner shall be and remain vested in Broker.

3.4 Sales. Broker shall retain all revenues from the sale of advertising time within the programming time it brokers from the Licensee. Broker may sell advertising on the Station in combination with any other broadcast stations of its choosing. Broker shall be responsible for payment of the commissions due to any national sales representative engaged by it for the purpose of selling national advertising which is carried during the programming it provides to Licensee. Unless otherwise agreed between the parties, Licensee shall retain all revenues from the sale of Station's advertising during the hours each week in which the Licensee airs its own programming pursuant to Section 1.3 hereof, with the exception provided for certain political advertising as set forth in Section 5.2 herein.

3.5 Payola. Broker agrees that it will not accept any consideration, compensation, gift or gratuity of any kind whatsoever, regardless of its value or form, including, but not limited to, 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, unless the payer is identified in the program for which Consideration was provided as having paid for or furnished such Consideration, in accordance with the Act and FCC requirements. Upon the request of Licensee, Broker agrees to obtain an executed Payola Affidavit from each of its employees involved in the preparation or delivery of programming to or sale of advertising on the Station in the form requested by Licensee.

3.6 Cooperation on Programming. Licensee shall, on a regular basis, assess the issues of concern to its community and address those issues in its public service programming. Broker, in cooperation with Licensee, will endeavor to ensure that programming responsive to the needs and interests of the community of license and surrounding area is broadcast, in compliance with applicable FCC requirements. Licensee will describe those issues and the programming that is broadcast in response to those issues and place issues/programs lists in the Station's public inspection file as required by FCC rules. Further, Licensee may request, and Broker shall provide, information concerning such of Broker's programs as are responsive to community issues so as to assist Licensee in the satisfaction of its public service programming obligations. Broker shall also provide Licensee upon request such other information necessary to enable Licensee to prepare records and reports required by the Commission or other local, state or federal government entities.

#### Section 4. Indemnification.

4.1 Broker's Indemnification. Broker shall indemnify and hold harmless Licensee from and against any and all claims, losses, costs, liabilities, damages, fines, forfeitures and expenses (including reasonable legal fees and other expenses incidental thereto) of every kind, nature and description, including but not limited to, slander or defamation or otherwise arising out of Broker's programming and sale of advertising time under this Agreement to the extent permitted by law or Broker's breach of its obligations hereunder.

4.2 Licensee's Indemnification. Licensee shall indemnify and hold harmless Broker from and against any and all claims, losses, consents, liabilities, damages, FCC forfeitures and expenses (including reasonable legal fees and other expenses incidental thereto) of every kind, nature and description, arising out of Licensee's operation of the Station to the extent permitted by law, or Licensee's breach of its obligations hereunder.

4.3 Limitation. Neither Licensee nor Broker shall be entitled to indemnification pursuant to this section unless such claim for indemnification is asserted in writing delivered to the other party.

4.4 Time Brokerage Challenge. If this Agreement is challenged at the FCC, whether or not in connection with the Station's license renewal application, counsel for the Licensee and counsel for the Broker shall jointly defend the Agreement and the parties' performance thereunder throughout all FCC proceedings at the sole expense of the Broker. If portions of this Agreement do not receive the approval of the FCC Staff, then the parties shall reform the Agreement as necessary to satisfy the FCC Staff's concerns or, at Broker's option and expense, seek reversal of the Staff's decision and approval from the full Commission on appeal.

## Section 5. Access to Broker Materials and Correspondence.

5.1 Confidential Review. Licensee, solely for the purpose of ensuring Broker's compliance with the law, FCC rules and Station policies, shall be entitled to review at its discretion from time to time on a confidential basis any programming material it may reasonably request. Broker shall promptly provide Licensee with copies of all correspondence and complaints received from the public (including any telephone logs of complaints called in), and copies of all program logs and promotional materials. However, nothing in this section shall entitle Licensee to review the internal corporate or financial records of the Broker.

5.2 Political Advertising. Broker shall cooperate with Licensee to assist Licensee in complying with all rules of the FCC regarding political broadcasting. Licensee shall promptly supply to Broker, and Broker shall promptly supply to Licensee, such information, including all inquiries concerning the broadcast of political advertising, as may be necessary to comply with FCC rules and policies, including the lowest unit rate, equal opportunities, reasonable access, political file and related requirements of federal law. Licensee, in consultation with Broker, shall develop a statement which discloses its political broadcasting policies to political candidates, and Broker shall follow those policies and rates in the sale of political programming and advertising. In the event that Broker fails to satisfy the political broadcasting requirements under the Act and the rules and regulations of the FCC and such failure inhibits Licensee in its compliance with the political broadcasting requirements of the FCC, then to the extent reasonably necessary to assure such compliance, Broker shall release broadcast time and/or advertising availabilities to Licensee as Licensee may reasonably require with no responsibility to provide pro rata credit under Section 1.9; provided, however, that all revenues realized by Licensee as a result of such a release of advertising time shall be immediately paid to Broker.

## Section 6. Termination and Remedies Upon Default.

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

- (a) this Agreement is declared invalid or illegal or contrary to FCC regulations or policies in whole or substantial part by an order or decree of an administrative agency or court of competent jurisdiction and such order or decree has become final and no longer subject to further administrative or judicial review;
- (b) the other party is in material breach of its obligations hereunder and has failed to cure such breach within thirty (30) days of notice from the non-breaching party;
- (d) the mutual consent of both parties;
- (e) there has been a material change in FCC rules, policies or precedent that would cause this Agreement to be in violation thereof and such change is in effect and not the subject of an appeal or further administrative review; or
- (f) upon the closing of any sale of the Station to Broker.

6.2 Force Majeure. Any failure or impairment of the Station's facilities or any delay or interruption in the broadcast of programs, or failure at any time to furnish facilities, in whole or in part, for broadcast, due to Acts of God, strikes, lockouts, material or labor restrictions by any governmental authority, civil riot, floods and any other cause not reasonably within the control of Licensee, or for power reductions necessitated for maintenance of the Station or for maintenance of other stations located on the tower from which the Station will be broadcasting, shall not constitute a breach of this Agreement and Licensee will not be liable to Broker for reimbursement or reduction of the consideration owed to Licensee or for pro rata reimbursement under Section 1.9 of this Agreement.

6.3 Other Agreements. During the term of this Agreement or any renewal hereof, Licensee will not enter into any other time brokerage, program provision, local management or similar agreement with any third party.

## Section 7. Miscellaneous.

7.1 Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns. Broker shall have the right to assign this Agreement and all of its rights and obligations hereunder, following written notice to Licensee, to any affiliate, parent company or subsidiary of Broker.

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

signed by the parties.

7.3 Taxes. Licensee and Broker shall each pay its own taxes, if any, which may be assessed on such party's respective personal property for the periods that such items are owned by such party. Broker shall pay all taxes, if any, to which the consideration specified in Section 1.4 herein is subject, provided that Licensee is responsible for payment of its own income taxes.

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

7.5 Governing Law. The obligations of Licensee and Broker are subject to applicable federal, state and local law, rules and regulations, including, but not limited to, the Act and the Rules and Regulations of the FCC. The construction and performance of the Agreement will be governed by the laws of the State of Alabama without regard to any otherwise applicable principles of conflicts of laws.

7.6 Notices. Any notice, demand, waiver or consent required or permitted hereunder shall be in writing and shall be effective upon delivery, if given by personal delivery, prepaid overnight courier or prepaid certified mail, return receipt requested, to the appropriate party at the following address or at such other address as such party may by written notice designate as its address for purposes of notice hereunder:

To Broker: John Sisty, President  
John Sisty Enterprises, Inc.  
3738 Carisbrooke Drive  
Birmingham, AL 35226

To Licensee: Beckham Palmer, III., Receiver  
Palmer & Co., CPAs  
2728 6th Street  
Tuscaloosa, AL 35401

7.7 Severability. If any provision of this Agreement or the application thereof to any person or circumstances shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law. In the event that the FCC alters or modifies its rules or policies in a fashion which would raise substantial and material question as to the validity of any provision of this Agreement, the parties hereto shall negotiate in good faith to revise any such provision of this Agreement with a view toward assuring compliance with all then existing FCC rules and policies which may be applicable, while attempting to preserve, as closely as possible, the intent of the parties as embodied in the provision of this Agreement which is to be so modified.

7.8 Specific Performance. The parties recognize that in the event Licensee should refuse to perform under the provisions of this Agreement, monetary damages alone would be inadequate



Accordingly, in the event that Broker is not itself in breach of this Agreement, Broker shall be entitled to obtain specific performance of all terms of this Agreement. In the event of any action to enforce this Agreement, Licensee hereby waives the defense that there is an adequate remedy at law.

7.9 Sale. In the event that Licensee and Broker should, during the term of this Agreement, enter into any agreement providing for the purchase of the Station by Broker, or an application has been filed with the FCC seeking approval for the assignment of the Station's license to Broker, and such FCC approval shall not have been approved or the assignment shall not have been consummated by the termination of this Agreement or any renewal thereof, this Agreement shall remain in effect until such approval and consummation have occurred, or until such application is no longer pending or the subject of an appeal or petition for reconsideration, whichever last occurs.

7.10 Attorneys Fees and Costs. In the event either party initiates legal action, based on any default on the part of the other party or to obtain specific performance of the other's obligations, hereunder, such party shall be entitled to recover, in addition to any relief granted, reasonable attorneys' fees and the costs of such action.

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

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

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BECKHAM PALMER, III. RECEIVER

ATTEST:

Gacey M. Howter

JOHN SISTY ENTERPRISES, INC.

By: J. H. Sisty

President

ATTEST:

Dana Morgan

## ATTACHMENT I

Broker shall reimburse Licensee for all costs incurred by Licensee in the operation of the Station, including but not limited to: the salary and related costs of employing the Station's General Manager, rent payable for the transmitter and studio site, payments due under equipment leases, insurance, taxes applicable to the operation of the Station, maintenance, supplies, repairs and music licensing fees.

An amount equal to the total fixed monthly expenses of the Station will be paid by Broker to Licensee on or before the fifth (5<sup>th</sup>) day of each month during the term of the Agreement.

With respect to all other reimbursable expenses, Broker shall reimburse Licensee within five (5) business days of invoice by Licensee.

Licensee agrees to supply Broker with copies of bills and invoices supporting such costs, as Broker may reasonably request.

## ATTACHMENT II STATION PROGRAMMING POLICY STATEMENT

The following sets forth the policies generally applicable to the presentation of programming and advertising over Radio Station WNPT-FM, Linden, Alabama.

All programming and advertising broadcast by the Station must conform to these policies and to the provisions of the Communications Act of 1934, as amended (the "Act"), and the Rules and Regulations of the Federal Communications Commission (the "Commission").

**Station Identification.** The Station must broadcast a Station identification announcement once an hour as close to the hour as feasible in a natural break in the programming. The announcement must include (1) the Station's call letters followed immediately by (2) the Station's city of license.

**Broadcast of Telephone Conversations.** Before recording a telephone conversation for broadcast or broadcasting such a conversation simultaneously with its occurrence, any party to the call must be informed that the call will be broadcast or will be recorded for later broadcast, and the party's consent to such broadcast must be obtained. This requirement does not apply to calls initiated by the other party which are made in a context in which it is customary for the Station to broadcast telephone calls.

**Sponsorship Identification.** When money, service, or other valuable consideration is either directly or indirectly paid or promised as part of an arrangement to transmit any programming, the Station at the time of broadcast shall announce (1) that the matter is sponsored, either whole or in part; and (2) by whom or on whose behalf the matter is sponsored. Products or services furnished to the Station in consideration for an identification of any person, product, service, trademark or brand name shall be identified in this manner. In the case of any political or controversial issue broadcast for which any material or service is furnished as an inducement for its transmission, an announcement shall be made at the beginning and conclusion of the broadcast stating (1) the material or service that has been furnished; and (2) the person(s) or association(s) on whose behalf the programming is transmitted. However, if the broadcast is 5 minutes duration or less, the required announcement need only be made either at its beginning or end. Prior to any sponsored broadcast involving political matters or controversial issues, the Station shall obtain a list of the chief executive officers, members of the executive committee or board of directors of the sponsoring organization and shall place this list in the Station's public inspection file.

**Payola/Plugola.** The Station, its personnel, or its programmers shall not accept or agree to accept from any person any money, service, or other valuable consideration for the broadcast

of any matter unless such fact is disclosed to the Station so that all required Station identification announcements can be made. All persons responsible for Station programming must, from time to time, execute such documents as may be required by Station management to confirm their understanding of and compliance with the Commission's sponsorship identification requirements.

**Rebroadcasts.** The Station shall not rebroadcast the signal of any other broadcast Station without first obtaining such Station's prior written consent to such rebroadcast.

**Fairness.** Station shall seek to afford coverage to contrasting viewpoints concerning controversial issues of public importance.

**Personal Attacks.** The Station shall not air attacks upon the honesty, character, integrity or like personal qualities of any identified person or group. If such an attack should nonetheless occur during the presentation of views on a controversial issue of public importance, those responsible for programming shall submit a tape or transcript of the broadcast to Station management and to the person attacked within 48 hours, and shall offer the person attacked a reasonable opportunity to respond.

**Political Editorials.** Unless specifically authorized by Station management, the Station shall not air any editorial which either endorses or opposes a legally qualified candidate for public office.

**Political Broadcasting.** All "uses" of the Station by legally qualified candidates for elective office shall be in accordance with the Act and the Commission's Rules and policies, including without limitation, equal opportunities requirements, reasonable access requirements, lowest unit charge requirements and similar rules and regulations.

**Obscenity and Indecency.** The Station shall not broadcast any obscene material. Material is deemed to be obscene if the average person, applying contemporary community standards in the local community, would find that the material, taken as a whole, appeals to the prurient interest; depicts or describes in a patently offensive way sexual conduct specifically defined by applicable state law; and taken as a whole, lacks serious literary artistic, political or scientific value. The Station shall not broadcast any indecent material outside of the periods of time prescribed by the Commission. Material is deemed to be indecent if it includes language or material that, in context, depicts or describes, in terms patently offensive as measured by contemporary community standards for the broadcast medium, sexual or excretory activities or organs.

**Billing.** No entity which sells advertising for airing on the Station shall knowingly issue any bill, invoice or other document which contains false information concerning the amount charged or the broadcast of advertising which is the subject of the bill or invoice. No entity which sells advertising for airing on the Station shall misrepresent the nature or content of aired advertising,

nor the quantity, time of day, or day on which such advertising was broadcast.

**Contests.** Any contests conducted on the Station shall be conducted substantially as announced or advertised. Advertisements or announcements concerning such contests shall fully and accurately disclose the contest's material terms. No contest description shall be false misleading or deceptive with respect to any material term.

**Hoaxes.** The Station shall not knowingly broadcast false information concerning a crime or catastrophe.

**Emergency Information.** Any emergency information which is broadcast by the Station shall be transmitted both aurally and visually or only visually.

**Lottery.** The Station shall not advertise or broadcast any information concerning any lottery (except a state lottery sponsored by the State in which the Station is licensed). The Station may advertise and provide information about lotteries conducted by non-profit groups, governmental entities and in certain situations, by commercial organizations, if and only if there is no state or local restriction or ban on such advertising or information about the lottery is legal under state or local law. Any and all lottery advertising must first be approved by Station management.

**Advertising** Station shall comply with all federal, state and local laws concerning advertising, including without limitation, all laws concerning misleading advertising, and the advertising of alcoholic beverages.

**Programming Prohibitions.** Knowing broadcast of the following types of programs and announcements is prohibited:

**False Claims.** False or unwarranted claims for any product or service.

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

**Commercial Disparagement.** Any unfair disparagement of competitors or competitive goods.

**Profanity.** Any programs or announcements that are slanderous, obscene, profane, vulgar, repulsive or offensive, as evaluated by Station management.

**Violence.** Any programs which are excessively violent.

**Unauthenticated Testimonials.** Any testimonials which cannot be authenticated.