

**SHARED SERVICES AGREEMENT**

**by and between**

**NM Acquisition Sub, LLC**

**and**

**Matrix Broadcasting, LLC**

**[\_\_\_\_\_], 2014**

## SHARED SERVICES AGREEMENT

THIS SHARED SERVICES AGREEMENT (this “**Agreement**”) is entered into as of [date], by and between Matrix Broadcasting, LLC, a Delaware limited liability company (“**Station Licensee**”) and NM Acquisition Sub, LLC, a Delaware limited liability company (“**Service Provider**”).

### WITNESSETH:

Service Provider is party to an asset purchase agreement (the “**NM APA**”) among NextMedia Group, Inc., a Delaware corporation (“**NextMedia**”), and The Mile High Station Trust, LLC, a Delaware limited liability company (“**MHST**”) (collectively, “**Seller**”), and Service Provider for the purchase of, among other things, the licenses and other assets of two full-power radio stations licensed by the Federal Communications Commission (“**FCC**”), WZSR(FM), Woodstock, Illinois (Facility ID No. 53505), and WFXF(FM), Dundee, Illinois (Facility ID No. 3135) (collectively, the “**Stations**”). Pursuant to an asset purchase agreement between Station Licensee and Service Provider dated as of October 8, 2013 (the “**Asset Purchase Agreement**”), Station Licensee has purchased from Service Provider the right to acquire the assets relating to the Stations, and Service Provider has directed Seller to assign such assets to Station Licensee.

Service Provider, with its experience and operating infrastructure, is capable of providing services to Station Licensee that should permit Station Licensee to maintain or improve the overall efficiency of its business and operations and reduce costs, thereby helping the Stations to serve the public.

In view of the desire of the parties to obtain important efficiencies through shared services provided by Service Provider, and the role such services are likely to provide in the efficient promotion of the business development of the Stations, the parties hereto desire to enter into this Agreement;

NOW, THEREFORE, in consideration of the above recitals and of the mutual agreements and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be bound legally, agree as follows:

#### 1. **Defined Terms.**

##### 1.1 **Specific Terms.** For purposes of this Agreement:

“**Affiliate**” means, with respect to any Person, (a) any other Person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with such Person, or (b) an officer or director of such Person or of an Affiliate of such Person within the meaning of clause (a) of this definition. For purposes of clause (a) of this definition, without limitation, (i) a Person shall be deemed to control another Person if such Person (A) has sufficient power to enable such Person to elect a majority of the board of directors (or comparable governing body) of such Person, or (B) owns a majority of the

beneficial interests in income and capital of such Person, and (ii) a Person shall be deemed to control any partnership of which such Person is a general partner.

“**Applicable Law**” means any of the Communications Act, the FCC Rules, and all other federal, state and local constitutions, laws, statutes, codes, rules, regulations, ordinances, judgments, orders, decrees and the like of any governmental entity, including common law, applicable to the Stations and their operations.

“**Commencement Date**” means the date of this Agreement.

“**Communications Act**” means the Communications Act of 1934, as amended from time to time.

“**FCC Rules**” means the rules and published policies of the FCC as in effect from time to time.

“**Person**” includes, without limitation, natural persons, corporations, business trusts, associations, limited liability companies, joint ventures, and partnerships.

“**Third Party Claim**” means any action, suit, claim or legal, administrative, arbitration, mediation, governmental or other proceeding, or investigation, other than any brought by a party to this Agreement or an Affiliate of a party to this Agreement.

“**Transaction Documents**” means this Agreement and the other documents, agreements and instruments executed by the parties hereto.

1.2 *Cross-References.* In addition to the defined terms in the preamble, recitals and Section 1.1 hereof, the following is a list of terms used in this Agreement and a reference to the section or schedule hereof in which such term is defined:

<u>Term</u>	<u>Section</u>
ABCF	Schedule A
Broadcast Material	Section 6
Defense Counsel	Section 15.3(a)
Defense Notice	Section 15.3(a)
Delivered Programming	Section 5.4
Direct Claim	Section 15.3(e)
Indemnified Party	Section 15.3(a)
Indemnifying Party	Section 15.3(a)
Initial Term	Section 8.1
Loss	Section 15.1
Policy Statement	Section 6
Provided Advertising	Section 4.1
Service Provider Indemnified Party	Section 15.2
Service Provider Premises	Schedule D
Services Fee	Section 7
Station Indemnified Party	Section 15.1
Term	Section 19.2

2. ***General Principles Governing Sharing Arrangements.*** All sharing arrangements contemplated by this Agreement will be subject to, and are intended to comply in all respects with, the Communications Act, the FCC Rules and all other Applicable Law. The arrangements made pursuant to this Agreement shall not be deemed to constitute “joint sales,” “time brokerage,” “local marketing,” or similar arrangements that would be subject to Section 73.3555 of the FCC Rules or a partnership, joint venture, or agency relationship between the parties; and no such arrangement will be deemed to give Service Provider any right to control the policies, operations, management or any other matter relating to the Stations, or otherwise authorize Service Provider to engage in any activity that would cause Service Provider to hold an attributable interest in the Stations in violation of Section 73.3555 of the FCC Rules.

3. ***Certain Services Not to Be Shared.***

3.1 ***Station Licensee’s Personnel.*** Station Licensee shall maintain for the Stations sufficient personnel to comply with its obligations as a broadcast licensee under the FCC’s Rules and to fulfill its obligations under this Agreement. Such personnel shall (a) include not less than one managerial employee, (b) be retained solely by, and report solely to, Station Licensee, and (c) have no involvement in or responsibility with respect to the business and operation of Service Provider’s broadcast stations or other media properties. Without limiting the foregoing, Station Licensee agrees that it shall maintain a sales force sufficient and competent under general industry standards for the sale of those commercial availabilities on the Stations that are available for sale by the Station Licensee other than the Provided Advertising, as defined in Section 4 of this Agreement, and for the collection of any amounts owed to Station Licensee by reason of such sales. Station Licensee shall have sole responsibility for the compensation and supervision of Station Licensee’s personnel.

3.2. ***Control.*** Notwithstanding anything to the contrary in this Agreement, the parties hereto acknowledge and agree that during the Term, Station Licensee will maintain ultimate control and authority over the Stations, including, specifically, control and authority over the Stations’ operations, finances, personnel and programming. To that end, Station Licensee shall (a) have exclusive authority for the negotiation, preparation, execution and implementation of any and all programming agreements for the Stations, and (b) retain and hire or utilize whatever employees Station Licensee reasonably deems appropriate or necessary to fulfill those programming functions. Without limiting the generality of the foregoing, Station Licensee shall employ at least two full-time employees (and no fewer than the number required to comply with Applicable Law) in connection with the business and management of the Stations, one of whom shall be a management-level employee. Service Provider shall not represent, warrant or hold itself out as the licensee of the Stations.

3.3. ***Joint Advertising Sales.*** Except as provided in Section 4 hereof, Station Licensee shall conduct and manage all advertising sales for the Stations. Station Licensee shall act diligently and use all commercially reasonable efforts to maximize the revenues from the sale of advertising availabilities on the Stations and shall use commercially reasonable efforts to collect all amounts owned for advertising availabilities in accordance with accepted industry practice.

3.4 *Payment of Station Expenses.* Station Licensee shall pay directly and timely the operational expenses of the Stations, including without limitation: (i) all payments for programming (other than the Delivered Programming) including, without limitation, music rights payments, (ii) capital expenditures relating to any transmission or other facilities owned by Station Licensee, (iii) utility costs for Station Licensee's transmission facilities, (iv) costs and expenses of Station Licensee's employees, including severance expenses and benefits, (v) any payments to programming networks, (vi) lease payments, and other payments on any real, personal or other property leased by Station Licensee, (vii) out-of-pocket expenses related to FCC compliance and filing fees, (viii) premiums and other out-of-pocket costs and expenses relating to insurance, and (ix) any taxes or governmental fees assessed or levied upon Station Licensee or its revenue.

3.5 *Maintenance of Facilities.* If any of the Stations should suffer loss or damage of any nature to its transmission facilities which results in the interruption of service or the inability to operate full time at its authorized facilities, Station Licensee shall undertake (or, in the case of leased facilities, provide notice so as to cause to be undertaken) such repairs as are reasonably necessary to restore the full-time operation of the Stations with authorized facilities.

3.6 *Other Matters.* Nothing in this Agreement relieves or is intended to relieve Station Licensee of its duties and obligations with respect to any service, function, or responsibility that Station Licensee may not delegate pursuant to the Communications Act and the FCC Rules or that Service Provider is not specifically obligated to provide under this Agreement. Station Licensee shall operate the Stations in a manner that complies in all material respects with the Communications Act, the FCC Rules, other generally applicable federal, state, or local law, and generally accepted broadcast industry standards.

#### 4. *Joint Advertising Sales.*

4.1 *Joint Sales Right.* Beginning upon the Commencement Date, Service Provider, as partial consideration for the duties and obligations undertaken by Service Provider, shall have the right, during the Term of this Agreement, to sell to third parties for its own account, commercial time availabilities on the Stations, *provided that* the commercial availabilities sold by Service Provider with respect to either of the Stations shall not equal or exceed fifteen percent (15%) of the total amount of commercially available advertising time on either Station during any calendar week (Sunday to Saturday) (the advertising sold by Service Provider in accordance with this Section being referred to hereinafter the "**Provided Advertising**"). Any sales accounts for which NextMedia acted as sales representative for MHST prior to the acquisition of the Stations by Station Licensee shall be subject to the fifteen percent (15%) limit. Service Provider shall act as exclusive sales agent to such accounts unless the Provided Advertising is insufficient to meet the needs of the accounts, in which case Service Provider shall refer such accounts to Station Licensee to provide additional advertising availabilities.

(a) All Provided Advertising shall be placed at such breaks in the programming of the Stations as shall be determined by Station Licensee and Service Provider. Such breaks shall be equally distributed throughout the broadcast day. Subject to Station Licensee's rights of review and preemption, as provided herein, including without limitation in

Section 6, Station Licensee shall air the Provided Advertising as provided to Station Licensee. In the event that Station Licensee preempts, deletes, or otherwise rejects any of the Provided Advertising or if any of the Provided Advertising is not broadcast due to a technical failure, Station Licensee shall attempt in good faith to broadcast the Provided Advertising through “make good” commercial announcements.

(b) The rates for the Provided Advertising shall be set by Service Provider, provided, however, that Station Licensee shall establish the rates to be charged for candidate political advertising in a manner consistent with FCC Rules. Service Provider and Station Licensee shall comply with the Communications Act, the FCC Rules, all other applicable laws and the requirements set forth in Schedule C regarding access to airtime and rates charged for political advertising. Station Licensee shall cooperate with Service Provider to provide affidavits of performance confirming the placement of advertisements in accordance with industry practice within five business days after the close of each broadcast month.

(c) Service Provider shall be entitled to collect and receive directly all revenues attributable to the Provided Advertising. Station Licensee shall forward immediately to Service Provider any amounts received by Station Licensee as payments for the Provided Advertising.

4.2 *Financial Obligations.* Service Provider shall maintain its own sales staff for the sale of the Provided Advertising and shall have sole responsibility for the compensation and supervision of its employees in connection therewith and for collection of amounts owed to Station Licensee by reason of such sales. All credit and collection risks stemming from the sale of the Provided Advertising and all profits and benefits therefrom shall accrue to Service Provider.

4.3 *Compliance Obligations.* Station Licensee and Service Provider shall cooperate as necessary to comply with the sponsorship identification obligations imposed by the Communications Act and the FCC Rules. Station Licensee shall retain the responsibility for compliance with the FCC’s political broadcasting rules and for the Stations’ obligation under the Communications Act to provide candidates with “equal opportunities” and “reasonable access” at the “lowest unit charge,” where required by the Communications Act and the FCC Rules. Service Provider shall cooperate with Station Licensee in meeting these obligations and shall comply with the requirements of Schedule C regarding the sale of political advertising. Station Licensee shall have the responsibility to prepare and submit to the FCC (and any other governmental authority) in a timely manner all reports and other filings, required to be submitted by Station Licensee pursuant to the FCC Rules (or any other governmental authorities). Service Provider shall cooperate in the furnishing of any information within its actual possession that reasonably may be requested by Station Licensee to prepare and submit such reports or filings to the FCC.

4.4 *Notice of Change.* Station Licensee shall provide Service Provider with at least thirty (30) days’ prior notice before implementing any format change at either of the Stations that would affect the market for either Station’s advertising availabilities.

4.5 *Avoidance of Conflicts.* Other than commission arrangements with Station Licensee's own employees and Station Licensee's arrangements with Christal Radio Sales, Inc. to serve as national sales representative for the Stations, Station Licensee shall not enter into any agreement or arrangement that would authorize or permit any third party to undertake, directly or indirectly, to sell commercial advertising on behalf of the Stations that would conflict with or impede the exercise of the rights of the Service Provider under this Section 4 or authorize any third party that holds an FCC license in the Stations' markets, directly or through an affiliate, to sell commercial advertising on behalf of the Stations.

5. *Shared Services.* Subject to Station Licensee's ultimate supervision and control, Service Provider agrees to provide to Station Licensee the following services to support the operation of the Stations; provided, however, that such supervision and control shall not be deemed to permit Station Licensee to expand in any material respect the obligations of Service Provider or to require Service Provider to incur any material additional obligation or liability hereunder:

5.1 *Technical Services.*

(a) Commencing on the Commencement Date, Service Provider shall perform monitoring and maintenance of the Stations' technical equipment and facilities and, upon the request of Station Licensee, shall assist Station Licensee with the installation, repair, maintenance and replacement of the Stations' equipment and facilities; provided, however, that Station Licensee shall be responsible for all capital and equipment replacement expenditures.

(b) Commencing on the Commencement Date, Service Provider shall make available to Station Licensee, on an independent contractor basis, a staff engineer employed by Service Provider to act as chief operator for the Stations or to assist Station Licensee's chief operator for the Stations in fulfilling the duties specified by the FCC Rules.

5.2 *Promotional and Other Services.* Station Licensee shall be responsible for the promotion of the Stations; provided, however, that Service Provider shall have the right to supplement the promotional efforts undertaken by Station Licensee, but shall coordinate such efforts with Station Licensee to maintain image consistency with Station Licensee's promotional efforts. Service Provider shall (a) maintain and operate a website associated with the Stations and (b) provide, maintain and operate such mobile applications and other forms of promotional services and activities using new technology as Service Provider shall deem appropriate under the circumstances. All original content produced by Service Provider for the website and any data developed on or through the website, including contact data provided by persons accessing the site, shall be exclusively the property of Service Provider.

5.3 *Back-Office and Related Support Services.* Service Provider shall provide reasonable and customary back-office support services with respect to the business of the Stations, including with respect to payroll.

5.4 *Delivered Programming.* Service Provider shall have the right, subject to the agreement of Station Licensee, to provide programming to the Station Licensee for broadcast, simulcast or rebroadcast on one or both of the Stations (the "**Delivered**

**Programming**”), which Delivered Programming shall be less than fifteen percent (15%) of broadcast hours for any week for either of the Stations. Service Provider shall be responsible for obtaining the rights to broadcast the Delivered Programming on the Stations and for paying all costs incurred in obtaining such rights. To the extent permission is required to rebroadcast any Delivered Programming under Section 325 of the Communications Act, Service Provider hereby grants Station Licensee such permission. The Delivered Programming shall be subject to Service Provider’s editorial judgment, but also to the requirements of Section 3.2 and Section 6, including but not limited to the Station Licensee’s right of rejection or preemption. All Delivered Programming shall be in conformity in all material respects with standards established by Station Licensee and consistent with similar programming broadcast on Service Provider’s own radio broadcast stations and shall otherwise conform to all Applicable Law, including the Communications Act, the FCC Rules and the intellectual property rights of third parties.

5.5 *Content Policies.* All material furnished by Service Provider for broadcast on the Stations, including all Delivered Programming and Provided Advertising (collectively, “**Broadcast Material**”) shall comply with applicable federal, state and local regulations and policies. Station Licensee shall have the right to preempt any Broadcast Material to present program material of greater local or national importance. Station Licensee may reject any Broadcast Material if it reasonably determines that the broadcast of such material would violate Applicable Law or would otherwise be contrary to the public interest. Station Licensee shall promptly notify Service Provider of any such rejection, preemption, or rescheduling and shall cooperate with Service Provider in efforts to fulfill commitments to advertisers and syndicators. Schedule C sets forth Station Licensee’s statement of policy (the “**Policy Statement**”) with regard to the Broadcast Material. Service Provider shall ensure that the Broadcast Materials comply with the terms of this Agreement and the Policy Statement.

6. *Premises and Facilities.* Upon the Commencement Date and during the Term, Service Provider shall make available to Station Licensee (a) such premises and facilities as may be reasonably necessary (i) to conduct broadcast operations from such location and establish the main studio of the Station at such location and (ii) for the employees of Station Licensee to conduct the applicable business and operations of the Stations; provided, that all such access and use shall be pursuant to the terms and subject to the conditions set forth in Schedule D attached hereto (the “**Lease Terms**”) and (b) the use of, certain tangible personal property with respect to the Stations sufficient to ensure and enable Station Licensee to conduct broadcast operations of the Stations consistent with, and pursuant to, the FCC Rules and the Communications Act.

7. *Services Fee.* In consideration for the services to be provided to Station Licensee by Service Provider pursuant to this Agreement, Station Licensee shall pay to Service Provider with respect to each calendar month during the term of this Agreement the amount set forth in Schedule A hereto (the “**Services Fee**”). The Services Fee will be payable monthly, in arrears and will be prorated on a daily basis for the first and last months during which this Agreement is in effect.

8. *Service Provider Costs.* Service Provider shall be solely responsible for the salaries, taxes and related costs for all personnel employed by Service Provider who are used by Service Provider in the performance of Service Provider’s obligations hereunder, including,



without limitation, any publicity or promotional expenses incurred in performing its obligations hereunder.

9. ***Term of Agreement.***

9.1 ***Initial Term.*** The initial term of this Agreement shall commence on the Commencement Date and such initial term (the “***Initial Term***”) shall end on the date that is the eighth (8th) anniversary of the Commencement Date, unless sooner terminated in accordance with Section 13 below.

9.2 ***Renewal Term.*** This Agreement shall be renewed automatically for successive one-year renewal terms (the Initial Term and any such renewal term hereinafter referred to as the “***Term***”) unless either party provides the other party with written notice of non-renewal at least one-hundred-eighty (180) days prior to the expiration of the then-current Term.

10. ***Representations and Warranties of Station Licensee.*** Station Licensee represents and warrants to Service Provider as follows:

10.1 ***Authorization and Binding Obligation.*** The execution, delivery, and performance of this Agreement by Station Licensee have been duly authorized by all necessary organizational action on the part of such party. This Agreement has been duly executed and delivered by Station Licensee and constitutes the legal, valid, and binding obligation of such party, enforceable against it in accordance with its terms except as the enforceability thereof may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium, insolvency, reorganization, or other similar laws of general application affecting the enforcement of creditors’ rights or by general principles of equity limiting the availability of equitable remedies.

10.2 ***Absence of Conflicting Agreements or Consents.*** The execution, delivery, and performance by Station Licensee of this Agreement and the documents contemplated hereby (with or without the giving of notice, the lapse of time, or both): (a) will not conflict with the organizational documents of Station Licensee; (b) to the actual knowledge of Station Licensee or its respective Affiliates, does not conflict with, result in a breach of, or constitute a default under any law, judgment, order, ordinance, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality applicable to Station Licensee; and (c) will not create any claim, lien, charge, or encumbrance upon any of the assets of the Stations owned by Station Licensee.

11. ***Representations and Warranties of Service Provider.*** Service Provider represents and warrants to Station Licensee as follows:

11.1 ***Authorization and Binding Obligation.*** The execution, delivery, and performance of this Agreement by Service Provider have been duly authorized by all necessary organizational action on the part of such party. This Agreement has been duly executed and delivered by Service Provider and constitutes the legal, valid, and binding obligation of such party, enforceable against it in accordance with its terms except as the enforceability thereof may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium, insolvency, reorganization or other similar laws of general application affecting the enforcement

of creditors' rights or by general principles of equity limiting the availability of equitable remedies.

11.2 *Absence of Conflicting Agreements and Required Consents.* The execution, delivery, and performance by Service Provider of this Agreement and the documents contemplated hereby (with or without the giving of notice, the lapse of time, or both): (a) will not conflict with the organizing documents of Service Provider; (b) to the actual knowledge of Service Provider or its Affiliates, does not conflict with, result in a breach of, or constitute a default under, any law, judgment, order, ordinance, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality applicable to Service Provider; and (c) does not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of, any material agreement, instrument, license or permit to which Service Provider is a party or by which it is bound as of the date hereof.

12. **Insurance.** Station Licensee shall maintain in effect policies of insurance insuring the assets and the business of the Stations in accordance with good industry practices. Without limiting the foregoing, Station Licensee shall carry (i) comprehensive general liability insurance with reputable companies covering their activities under this Agreement, in an amount not less than Two Million Dollars (\$2,000,000.00) per occurrence; (ii) worker's compensation and/or disability insurance; and (iii) libel/defamation/First Amendment liability insurance in an amount not less than \$1,000,000 per occurrence, with a deductible of no more than \$100,000. Each Party shall name the other party as an additional insured on these policies.

13. **Termination.** This Agreement may be terminated prior to the expiration of the Term as follows:

13.1 By either Station Licensee or Service Provider, by written notice to the other party, if, subject to Section 17, this Agreement shall have been declared invalid or illegal in whole or in material part by an order or a decree of the FCC or any other administrative agency or court of competent jurisdiction (including, but not limited to, any order or decree finding Service Provider to hold an attributable interest in the Stations in violation of FCC Rules), and such order or decree shall have become final and shall no longer be subject to further administrative review;

13.2 By Service Provider if Station Licensee or its Affiliate is no longer the licensee of the Stations;

13.3 Automatically, immediately following the Option Closing (as such term is defined in the Option Agreement) under the Option Agreement;

13.4 By the mutual consent of Station Licensee and Service Provider;

13.5 By Station Licensee, by written notice to Service Provider if Service Provider fails to observe or perform any material obligation contained in this Agreement in any material respect or breaches any material representation, warranty or covenant made by it under this Agreement in any material respect, unless such failure results from the failure of Station Licensee to perform its obligations under this Agreement;

13.6 By Service Provider, by written notice to Station Licensee if Station Licensee fails to observe or perform any material obligation contained in this Agreement in any material respect or breaches any material representation, warranty or covenant made by it under this Agreement in any material respect (including, without limitation, the failure to pay the Services Fee calculated as set forth in Schedule A), unless such failure results from the failure by Service Provider to perform its obligations under this Agreement; or

13.7 Notwithstanding the foregoing, (i) any breach or default under the foregoing will not be deemed to have occurred until 30 calendar days after the non-defaulting party has provided the defaulting party with written notice specifying the event of default and such event of default remains uncured. Upon the occurrence of an event of default, and in the absence of a timely cure pursuant to this Section 13, the non-defaulting party may terminate this Agreement pursuant to this Section 13, effective sixty (60) days (or such longer period as the terminating party may specify without extending the term as specified in Section 9) after written notice to the defaulting party.

#### 14. ***Certain Matters upon Termination.***

14.1 *Continuing Obligations.* No expiration or termination of this Agreement shall terminate the indemnification obligations of Service Provider or Station Licensee hereunder, relieve a party of any obligation or liability for breach or default prior to termination, or limit or impair any party's rights to receive payments due and owing hereunder on or before the effective date of such termination.

14.2 *Cooperation.* If this Agreement is terminated pursuant to Section 13, the parties shall cooperate with each other as may be reasonably requested to effect an allocation of the revenues and expenses for any partial calendar month resulting from such termination or to effect any working capital payment required in connection with such.

#### 15. ***Indemnification.***

15.1 *By Service Provider.* Service Provider shall indemnify, defend and hold harmless Station Licensee and its employees, directors, members, managers, officers, or agents, or any of their Affiliates, successors or assignees (exclusive of Service Provider and its Affiliates and agents) (each, a "***Station Indemnified Party***"), from and against, and reimburse and pay to such Station Indemnified Party as incurred, any loss, liability, damage or expense (including reasonable legal expenses and costs and any cost or expense arising from or incurred in connection with any action, suit, proceeding, claim or judgment) relating to any matter described in this section, or in enforcing the indemnity provided by this section (any such amount, a "***Loss***"), which any such Station Indemnified Party may suffer, sustain or become subject to, in any way arising from, relating to, or as a result of:

(i) any act or omission, event or occurrence that was or shall be caused by Service Provider, its agents or Affiliates (including any predecessor in interest thereto) relating to the business and operations of Service Provider or the performance of its obligations hereunder; or

(ii) any omission or breach by Service Provider (including any predecessor in interest to Service Provider) of any of its obligations hereunder.

The obligations of Service Provider under this Section 15.1 shall survive any termination or expiration of this Agreement. Notwithstanding anything to the contrary contained herein, in no event shall Service Provider be liable under this Section 15.1 for punitive, treble, exemplary, consequential, special or other damages that are not actual damages in accordance with Applicable Law, except to the extent that such damages relate to fraud committed by Service Provider.

15.2 *By Station Licensee.* Except with respect to or to the extent of any Loss subject to indemnification pursuant to the terms and subject to the conditions of Section 15.1, Station Licensee shall indemnify, defend and hold harmless Service Provider and any employee, director, member, manager, officer, stockholder or agent of Service Provider, or any of its Affiliates, successors or assignees (each, a “**Service Provider Indemnified Party**”) from and against, and reimburse and pay to such Service Provider Indemnified Party, as incurred, any Loss, which any such Service Provider Indemnified Party may suffer, sustain or become subject to, in any way arising from, relating to, or as a result of the actions or omissions of any of the respective employees, agents and representatives of Station Licensee in performing their duties under this Agreement or in acting outside the scope of their employment, which actions or omission constitute willful misconduct or gross negligence. Notwithstanding anything to the contrary contained herein, in no event shall Station Licensee be liable under this Section 15.2 for punitive, treble, exemplary, consequential, special or other damages that are not actual damages in accordance with Applicable Law, except to the extent that such damages relate to fraud committed by Station Licensee.

The payment of any indemnification obligation by Station Licensee under this Agreement shall in no event be due until and solely in the event of an Option Closing (as defined in the Option Agreement) under the Option Agreement and in connection with such Option Closing the amount of indemnification shall be applied as a credit against the payment obligations of the Option Holder (as defined in the Option Agreement) thereunder.

15.3 *Procedure.*

(a) If any Person entitled to indemnification under this Agreement (an “**Indemnified Party**”) asserts a claim for indemnification for or receives notice of the assertion or commencement of any Third Party Claim as to which such Indemnified Party intends to seek indemnification under this Agreement, such Indemnified Party shall give reasonably prompt written notice of such claim to the party from whom indemnification is to be sought (an “**Indemnifying Party**”), together with a statement of any available information regarding such claim. The Indemnifying Party shall have the right, upon written notice to the Indemnified Party (the “**Defense Notice**”) within 15 days after receipt from the Indemnified Party of notice of such claim, to conduct at its expense the defense against such Third Party Claim in its own name, or if necessary in the name of the Indemnified Party (which notice shall specify the counsel the Indemnifying Party will appoint to defend such claim (“**Defense Counsel**”); *provided, however*, that the Indemnified Party shall have the right to approve the Defense Counsel, which approval shall not be unreasonably withheld or delayed). The parties hereto agree to cooperate fully with

each other in connection with the defense, negotiation or settlement of any Third Party Claim. If the Indemnifying Party delivers a Defense Notice to the Indemnified Party, the Indemnified Party will cooperate with and make available to the Indemnifying Party such assistance and materials as may be reasonably requested by the Indemnifying Party, all at the expense of the Indemnifying Party.

(b) If the Indemnifying Party shall fail to give a Defense Notice, it shall be deemed to have elected not to conduct the defense of the subject Third Party Claim, and in such event the Indemnified Party shall have the right to conduct such defense in good faith. If the Indemnified Party defends any Third Party Claim, then the Indemnifying Party shall reimburse the Indemnified Party for the costs and expenses of defending such Third Party Claim upon submission of periodic bills. If the Indemnifying Party elects to conduct the defense of the subject Third Party Claim, the Indemnified Party may participate, at its own expense, in the defense of such Third Party Claim; *provided, however*, that such Indemnified Party shall be entitled to participate in any such defense with separate counsel at the expense of the Indemnifying Party if (i) so requested by the Indemnifying Party or (ii) in the reasonable opinion of counsel to the Indemnified Party, a conflict or potential conflict exists between the Indemnified Party and the Indemnifying Party that would make such separate representation advisable; and *provided, further*, that the Indemnifying Party shall not be required to pay for more than one counsel for all Indemnified Parties in connection with any Third Party Claim.

(c) Regardless of which party defends a Third Party Claim, the other party shall have the right at its expense to participate in the defense of such Third Party Claim, assisted by counsel of its own choosing. The Indemnified Party shall not compromise, settle, default on, or admit liability with respect to a Third Party Claim without the prior written consent of the Indemnifying Party, which consent shall not be unreasonably withheld or delayed, and, if the Indemnified Party settles, compromises, defaults on, or admits liability with respect to a Third Party Claim except in compliance with the foregoing, the Indemnified Party will be liable for all Losses paid or incurred in connection therewith and the Indemnifying Party shall have no obligation to indemnify the Indemnified Party with respect thereto. The Indemnifying Party shall not compromise or settle a Third Party Claim without the consent of the Indemnified Party, which consent shall not be unreasonably withheld or delayed, unless such compromise or settlement includes as a term thereof an unconditional release of the Indemnified Party and such compromise or release does not impose any non-monetary obligations on the Indemnified Party other than immaterial administrative obligations (and all monetary obligations are subject to the indemnification provisions of this Agreement), in which case the consent of the Indemnified Party shall not be required.

(d) After any final decision, judgment or award shall have been rendered by a court or governmental entity of competent jurisdiction and the expiration of the time in which to appeal therefrom, or after a settlement shall have been consummated, or after the Indemnified Party and the Indemnifying Party shall have arrived at a mutually binding agreement with respect to a Third Party Claim hereunder, the Indemnified Party shall deliver to the Indemnifying Party notice of any sums due and owing by the Indemnifying Party pursuant to this Agreement with respect to such matter and the Indemnifying Party shall be required to pay all of the sums so due and owing to the Indemnified Party by wire transfer of immediately available funds within ten (10) business days after the date of such notice.

(e) It is the intent of the parties that all direct claims by an Indemnified Party against a party not arising out of Third Party Claims shall be subject to and benefit from the terms of this Section 15.3. Any claim under this Section 15.3 by an Indemnified Party for indemnification other than indemnification against a Third Party Claim (a “**Direct Claim**”) will be asserted by giving the Indemnifying Party reasonably prompt written notice thereof, and the Indemnifying Party will have a period of twenty (20) days within which to satisfy such Direct Claim. If the Indemnifying Party does not so respond within such 20-day period, the Indemnifying Party will be deemed to have rejected such claim, in which event the Indemnified Party will be free to pursue such remedies as may be available to the Indemnified Party under this Section 15.3, including litigation.

(f) A failure by an Indemnified Party to give timely, complete, or accurate notice as provided in this Section 15.3 shall not affect the rights or obligations of either party hereunder except to the extent that, as a result of such failure, any party entitled to receive such notice was deprived of its right to recover any payment under its applicable insurance coverage or was otherwise materially adversely affected or damaged as a result of such failure to give timely, complete, and accurate notice.

(g) The parties shall use their commercially reasonable efforts to collect the proceeds of any insurance that would have the effect of reducing any Losses (in which case such proceeds shall reduce such Losses). To the extent any Losses of an Indemnified Party are reduced by receipt of payment under insurance policies or from third parties not affiliated with the Indemnified Party, such payments (net of the expenses of the recovery thereof) shall be credited against such Losses and, if indemnification payments shall have been received prior to the collection of such proceeds, the Indemnified Party shall remit to the Indemnifying Party the amount of such proceeds (net of the cost of collection thereof) to the extent of indemnification payments received in respect of such Losses. The indemnification obligations hereunder shall survive any termination of this Agreement.

15.4 *Exclusivity.* After the Commencement Date, the indemnification provided by this Section 15 shall be the sole and exclusive remedy of Station Licensee and Service Provider against the other party for any claim arising out of a breach of any representation, warranty, covenant or agreement herein or otherwise in connection with this Agreement; *provided*, that this Section 15.4 shall not prohibit (i) injunctive relief (including specific performance) pursuant to Section 22 if available under Applicable Law or (ii) any other remedy available at law or in equity for any fraud committed in connection with this Agreement.

16. ***Force Majeure.*** Any delay or interruption in the performance of a party’s obligations, in whole or in part, due to acts of God, strikes, lockouts, material or labor restrictions, governmental action or applicable law, riots, natural disasters or any other cause not reasonably within the control of such party shall not constitute a breach of this Agreement, and no party shall be liable to any other party for any liability or obligation with respect thereto.

17. ***Change in FCC Rules or Policies; Severability.*** In the event that the FCC determines that this Agreement does not comply with the Communications Laws (or causes Service Provider to violate the Communications Laws), the parties shall negotiate in good faith and attempt to agree to an amendment to this Agreement that will provide the parties with a valid

and enforceable agreement that conforms to the Communications Laws and preserves in all material respects the parties' rights, benefits and obligations under this Agreement. In the event that any of the provisions of this Agreement shall be held unenforceable, then so long as no party is deprived of the benefits of this Agreement in any material respect, the remaining provisions shall be construed as if such unenforceable provisions were not contained herein. Any provision of this Agreement that is unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such unenforceability without invalidating the remaining provisions hereof, and any such unenforceability in any jurisdiction shall not invalidate or render unenforceable such provisions in any other jurisdiction. To the extent permitted by applicable law, the parties hereto hereby waive any provision of law now or hereafter in effect that renders any provision hereof unenforceable in any respect.

18. ***Notices.*** All notices and other communications hereunder shall be in writing and shall be deemed given when delivered personally, by a nationally recognized overnight courier service (such as Federal Express) (with evidence of receipt), by facsimile transmission (with electronic confirmation of receipt) or mailed by registered or certified mail (return receipt requested and postage prepaid), to the Parties at the address set forth on Schedule B hereto (or at such other address for a party as shall be specified by like notice):

19. ***Assignment; Binding Agreement.*** Neither party may assign this Agreement or delegate its obligations under this Agreement without the prior written consent of the other. Upon any assignment of this Agreement by Station Licensee, Station Licensee shall pay, or shall cause to be paid, all amounts accrued and owing to Service Provider as of the consummation date of such assignment. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. Any permitted assignee of any party hereto shall be a "party" to this Agreement for all purposes hereof. Notwithstanding the foregoing, subject to any required FCC consents (i) either party may collaterally assign all or any of their respective rights under this Agreement to their respective senior secured lenders or an agent on their behalf from time to time, and (ii) upon written notice by any such lender or agent to the other party hereto, such lender or agent shall be entitled to exercise any and all rights of the applicable collaterally assigning party hereunder.

20. ***Entire Agreement; Amendment; Waiver.*** This Agreement and the exhibits and schedules hereto and thereto, embody the entire agreement and understanding of the parties hereto and supersede any and all prior agreements, arrangements and understandings relating to the matters provided for herein. No term or provision hereof may be changed, modified, amended, terminated or discharged (other than in accordance with its terms), in whole or in part, except by a writing which is dated and signed by the parties hereto. No waiver of any of the provisions or conditions of this Agreement or of any of the rights, powers or privileges of a party shall be effective or binding unless in writing and signed by the party claimed to have given or consented to such waiver.

21. ***Governing Law; Waiver of Jury Trial.*** The construction and performance of this Agreement shall be governed by, and construed in accordance with, the law of the State of Delaware without regard to its principles of conflict of law. The exclusive forum for the resolution of any disputes arising under this Agreement shall be the state or federal courts located in Delaware, and each party hereto irrevocably submits to the exclusive jurisdiction of

such courts in any such action or proceeding and irrevocably waives the defense of an inconvenient forum to the maintenance of any such action or proceeding. Each party agrees not to bring any action or proceeding arising out of or relating to this Agreement in any other court. EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

22. ***Specific Performance.*** The parties hereby agree that the services to be provided hereunder are unique and that substitutes therefor cannot be purchased or acquired in the open market. For that reason, either party would be irreparably damaged in the event of a material breach of this Agreement by the other party. Accordingly, to the extent permitted by the Communications Act and the FCC Rules then in effect, either party may request that a decree of specific performance be issued by a court of competent jurisdiction, enjoining the other party to observe and to perform such other party's covenants, conditions, agreements and obligations hereunder, and each party hereby agrees neither to oppose nor to resist the issuance of such a decree on the grounds that there may exist an adequate remedy at law for any material breach of this Agreement.

23. ***Confidentiality.*** Each party hereto agrees that it will not at any time during or after the termination of this Agreement disclose to others or use, except as duly authorized in connection with the conduct of the business or the rendering of services hereunder, any secret or confidential information of the other parties hereto. To the extent required by the Communications Act or the FCC Rules, each party shall place a copy of this Agreement in its public inspection file and shall consult with and agree upon the confidential and proprietary information herein that shall be redacted from such copy.

24. ***Press Release.*** No party hereto shall publish any press release, make any other public announcement or otherwise communicate with any news media concerning this Agreement or the transactions contemplated by this Agreement without the prior written consent of the other party hereto; *provided, however*, that nothing contained herein shall prevent any party from promptly making all filings with governmental authorities as may, in its judgment, be required or advisable in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby.

25. ***No Partnership or Joint Venture.*** This Agreement is not intended to be and shall not be construed as a partnership or joint venture agreement between the parties.

26. ***Certifications.*** Without limiting any other provision of this Agreement related to compliance with FCC Rules, (a) Service Provider hereby certifies that this Agreement complies with the ownership restrictions contained in Sections 73.3555(a), (c), and (d) of the FCC Rules and (b) Station Licensee certifies that it maintains ultimate control over the Stations' facilities, including control over the Stations' finances, personnel, and programming.

27. ***Further Assurances.*** The parties hereto shall take any actions and execute any other documents that may be necessary or desirable to the implementation and consummation of this Agreement.



28. ***Counterparts and Facsimile Signatures.*** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Facsimile or other electronically delivered copies of signature pages to this Agreement, or any document or instrument delivered pursuant to this Agreement, shall be treated as between the parties as original signatures for all purposes.

29. ***Captions.*** The captions used in this Agreement are for convenience of reference only, do not constitute a part of this Agreement and will not be deemed to limit, characterize or in any way affect any provision of this Agreement, and all provisions of this Agreement will be enforced and construed as if no caption had been used in this Agreement.

30. ***Other Definitional Provisions.*** The terms “hereof,” “herein” and “hereunder” and terms of similar import will refer to this Agreement as a whole and not to any particular provision of this Agreement. Section references contained in this Agreement are references to Sections in this Agreement, unless otherwise specified. Each defined term used in this Agreement has a comparable meaning when used in its plural or singular form. Each gender-specific term used in this Agreement has a comparable meaning whether used in a masculine, feminine or gender-neutral form. Whenever the term “including” is used in this Agreement (whether or not that term is followed by the phrase “but not limited to” or “without limitation” or words of similar effect) in connection with a listing of items within a particular classification, that listing will be interpreted to be illustrative only and will not be interpreted as a limitation on, or an exclusive listing of, the items within that classification.

31. ***Other Agreements.*** No action taken by Station Licensee or Service Provider shall be deemed to be a breach by such party of its obligations under this Agreement, or give rise to any right of indemnification under this Agreement, if such action is taken at the request or with the agreement or consent of the other party or, in the case of Station Licensee, if it arises out of services performed or required to be performed by Service Provider under this Agreement.

32. ***Expenses.*** Except as provided herein, each Party bears its own expenses hereunder. Notwithstanding the previous sentence, Service Provider agrees to reimburse Station Licensee for all reasonable legal fees and expenses up to an aggregate maximum of \$20,000 incurred in connection with the negotiation of this Agreement, provided that Service Provider shall have no obligation to reimburse Station Licensee for any legal fees relating to a dispute regarding, or litigation relating to, this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF the parties have executed this Shared Services Agreement as of the date first written above.

**STATION LICENSEE:**

**MATRIX BROADCASTING, LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**SERVICE PROVIDER:**

**NM ACQUISITION, LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## **SCHEDULE A SERVICES FEE**

For each calendar month during the Term, Station Licensee shall pay, or shall cause to be paid, to Service Provider the Services Fee, consisting of the sum of the Base SSA Amount and a performance bonus (the “*Performance Bonus*”), if any. The Performance Bonus, if any, shall be determined as set forth in this Schedule A.

**Base SSA Amount.** The *Base SSA Amount* for each month during the Term of this Agreement shall be equal to Fifty Thousand Dollars (\$50,000).

**Determination of Performance Bonus.** If Station Licensee determines in good faith that the performance of Service Provider has contributed to an increase in the performance of the Station, Service Provider shall be eligible to receive a Performance Bonus with respect to the preceding three month period, which, if any, shall be in an amount determined by Station Licensee to reflect the value of the services provided by Service Provider relative to the performance of the Station for such period, which determination shall be in the sole and absolute discretion of Station Licensee.

**Payment.** Except as the parties may otherwise agree, the Services Fee shall be due and payable no later than the fifteenth (15th) day of each calendar month during the Term.

## EXHIBIT 1

1. On or before the Commencement Date, Station Licensee, in cooperation with Service Provider, shall prepare a budget for the Stations (the “**Annual Budget**”) setting forth the reasonable and necessary expenses Station Licensee expects to incur over the subsequent twelve-month period in connection with its operation of the Stations as contemplated herein.

2. Station Licensee shall notify Service Provider promptly in writing if Station Licensee becomes aware that any anticipated circumstances or anticipated action reasonably is expected to (or, in the event such anticipated action is taken, reasonably would be expected to) result in expenses in excess of any of the amounts set forth in the Annual Budget. The parties shall then coordinate and cooperate in good faith to determine whether a mutually agreed adjustment or temporary adjustment to an expense item is appropriate; and, if the parties agree to such adjustment, the expense item shall be adjusted for the period agreed to by the parties in writing.

3. In the event that the expenses for any three-month period (a) exceed an amount equal to one-fourth of the total annual amount for the expenses set forth in the Annual Budget or (b) require that a Supplementary Payment (as defined herein) be made, then Station Licensee shall notify Service Provider and consult with Service Provider and, at the request of Service Provider, shall take all commercially reasonable action to effectuate a reduction in expenses.

4. In the event that net revenues for the Stations are insufficient (i) to fund capital expenditures (a) no greater than the amounts for capital expenditures set forth in the Annual Budget or (b) greater than the amount for capital expenditures set forth in the Annual Budget, if and to the extent that Station Licensee and Service Provider reasonably agree that capital expenditures in excess of the amount set forth in the Annual Budget are necessary, (ii) to fund timely payment of principal and interest due under the Credit Agreement (as defined herein), or (iii) such that payment of necessary expenses of the Stations in a manner consistent with the Annual Budget would result in the violation of a covenant of the Credit Agreement (as defined herein) relating to debt-to-cash flow ratios (each of (i), (ii), or (iii), a “**Negative Event**”), Station Licensee shall take all commercially reasonable action to effectuate a reduction in expenses. In the event that such expense reductions are insufficient to eliminate the Negative Event, Service Provider shall, in consultation and coordination with Station Licensee, surrender to Station Licensee such portion of the Provided Advertising as is necessary to increase Station revenues sufficiently to eliminate the Negative Event, in which case Service Provider and Station Licensee shall coordinate to ensure that any advertisers that had committed to purchase Provided Advertising would not experience any disruption.

5. If the ABCF for any month is insufficient to pay all or any portion of the Services Fee, Station Licensee shall pay over to Service Provider the portion of such Services Fee corresponding to available ABCF, and the outstanding portion of such Services Fee shall accrue and apply to the subsequent month, subject to the application of this Section 5 to such subsequent month. Until any Services Fees accrued pursuant to this Section 5 are paid to Service Provider, such accrued amounts shall be considered a Supplementary Payment (as defined herein).

6. Notwithstanding the foregoing and subject to the provisions of Sections 2 through 4 of this Exhibit 1, if the ABCF for any month nevertheless is negative, Service Provider shall not be due payment of the Services Fee for such month (as set forth in Section 5) and shall, to the extent permitted under applicable rules and policies of the FCC without causing Service Provider to hold an attributable ownership interest in Station Licensee (a “**Prohibited Interest**”), make such additional cash payment (a “**Supplementary Payment**”) to Station Licensee as is necessary for the sum of (i) the ABCF for such month and (ii) the Supplementary Payment to equal zero; provided that Station Licensee thereupon shall, in good faith, take all commercially reasonable action to effectuate a reduction in the expenses of the Stations. Station Licensee shall notify Service Provider if Station Licensee shall become aware of any circumstances reasonably expected to result in reduction of ABCF so as to require the making of a Supplementary Payment in any month.

7. In the event that Station Licensee and Service Provider reasonably agree that capital expenditures in excess of the amount set forth in the Annual Budget are necessary and such expenditures, if reflected in the calculation of ABCF, would cause ABCF to be negative, then notwithstanding the capital expenditure cap in the Annual Budget and only if and to the extent that the procedures set forth in Section 2 through 4 of this Exhibit 1 do not produce sufficient revenue to fund such capital expenditures, Service Provider shall not be due payment of the Services Fee for such month (as set forth in Section 5) and shall, to the extent permitted under applicable rules and policies of the FCC without causing Service Provider to hold a Prohibited Interest, make such Supplementary Payment as is necessary to ensure that the sum of (i) the ABCF, if calculated to reflect the necessary capital expenditure, and (ii) the Supplementary Payment would equal zero. Service Provider shall reserve sufficient funds to ensure that it will be able to make any Supplementary Payments required pursuant to this provision.

8. On the first anniversary of the Commencement Date and every twelve months thereafter, the parties shall cooperate in good faith to determine whether an adjustment in the Base SSA Amount or the Annual Budget is necessary or appropriate. If the parties agree to adjust the Base SSA Amount or the Annual Budget, such adjustment shall be effective as of the subsequent calendar month.

9. For the purposes of this Exhibit 1, “**ABCF**” shall mean (a) all cash revenue from advertising sold on the Stations other than revenues for the Provided Advertising or for advertising included in the Broadcast Material, (i) less agency, buying service or other sales commissions paid to or withheld by an advertiser, agency or service, as the case may be, (ii) less the expenses reasonably incurred by the Station Licensee to produce such revenue up to the amounts set forth in the Annual Budget; and (iii) less the cost of debt service under that certain Credit Agreement dated as of [•] by and between Station Licensee and [•], such agreement having been entered into by Station Licensee for the financing of the purchase of the Stations, or any successor financing agreement (the “**Credit Agreement**”); and (b) any other revenues derived from the business and operation of the Stations except for those revenue-producing functions specifically allocated to Service Provider under the terms of this Agreement; provided that, ABCF shall not be adjusted to reflect (i) expenses related to operation of the Stations in excess of the amounts set forth on the Annual Budget, which shall remain the obligation of the Station Licensee, (ii) the value of trade agreements, (iii) income taxes payable by Station Licensee’s sole

member; and (iv) amortization and depreciation. Upon reasonable request by Service Provider, Station Licensee shall provide Service Provider with access to Station Licensee's books and records to the extent necessary for Service Provider to assess the expenses of the Stations. Station Licensee shall make available all information on the business, revenues, and expenses of the Stations for the books of the Stations to be current and reliable, with the accounts of the Station Licensee maintained in connection with generally accepted accounting principles, subject to such qualifications and exceptions as to which the parties shall agree.

## **SCHEDULE B**

If to Station Licensee:

Matrix Broadcasting, LLC  
c/o Star Media Group, Ltd.  
5080 Spectrum Drive  
Suite 609 East  
Addison, TX 75001  
Attn: Peter S. Handy  
Fax:  
Email: pshandy@starmediagroup.com

With a copy (which shall not constitute notice) to:

Lerman Senter PLLC  
2000 K Street, N.W., Suite 600  
Washington, DC 20006  
Attn: Sally A. Buckman  
Fax: (202) 293-7783  
Email: sbuckman@lermansenter.com

If to Service Provider: Add dean's address

NM Acquisition Sub, LLC  
701 Northpoint Parkway, 5th Floor  
West Palm Beach, Florida 33407  
Attention: Dean Goodman  
Fax: 561-686-7364  
Email: Dean@GoodRadio.TV

With a copy (which shall not constitute notice) to:

Dow Lohnes PLLC  
1200 New Hampshire Avenue, NW, Suite 800  
Washington, DC 20036-6802  
Attention: Michael D. Basile, Esq.  
Fax: (202) 776-2222  
Email: mbasile@dowlohnesh.com

## **SCHEDULE C**

### **POLICY STATEMENT FOR BROADCAST MATERIAL**

Service Provider agrees to cooperate with Station Licensee in the broadcasting of programs of high quality and, for this purpose, to observe the following policies in the preparation, writing, production and delivery of Broadcast Material.

Service Provider agrees to observe the following regulations in the preparation, writing and broadcasting of its Broadcast Material:

1. *Compliance with Applicable Law.* All Broadcast Material, including advertising, announcements and promotional material, shall comply with the Communications Act, the FCC Rules, all other applicable laws, and this Schedule C.

2. *No Plugola or Payola.* Service Provider shall comply in all material respects with applicable legal requirements for sponsorship identification in accordance with the Communications Act and FCC Rules, including the Sponsorship Identification Rules and Service Provider shall exercise reasonable diligence as required by the FCC's Legal Requirements to prevent Service Provider's personnel from accepting or agreeing to accept from any person any money, service, or other valuable consideration for the broadcast of any matter on the Stations as part of the Broadcast Material except in compliance with the Sponsorship Identification Rules.

3. *No Lotteries.* Service Provider's Broadcast Material shall not include promotional announcements for lotteries or games if such announcements are prohibited by federal or applicable state law.

4. *Election Procedures.* Absent prior approval of the Station Licensee, Service Provider shall not include within the Broadcast Material any political editorial or political candidate or ballot proposition endorsements on behalf of the Stations; provided that, this policy shall not be applied to exclude *bona fide* news and information programming. No advertising or paid announcement may be sold to, nor any free time provided for the use of, candidates for political office or their supporters without the prior approval of the Station Licensee, which shall retain responsibility for the compliance of the Stations with the Communications Act and the regulations of the FCC. If the Station Licensee gives prior approval for political candidate advertising or paid political announcements at least sixty days before the start of any primary or election campaign (or such shorter period as may be permitted in the discretion of the Station Licensee), Service Provider will clear with the Station Licensee's manager the rates Service Provider will charge for the time to be sold to candidates for public office and their supporters to make certain that the rates charged are in conformance with applicable law (including FCC Rules) and the Station Licensee's policy. If any programming or other material submitted for broadcast by Service Provider triggers equal access or related obligations to competing political candidates under the Communications Act and the FCC Rules, Service Provider shall provide any broadcast time out of the air time purchased by it pursuant to the Agreement and ensure compliance with the Communications Act and applicable FCC Rules.



5. *Required Announcements.* During the Delivered Programming Service Provider shall broadcast an announcement at the beginning of each hour to identify the applicable Station's call letters and any other announcements that the Stations are required to make under applicable law, and the format and content of such announcements shall be reasonably acceptable to the Station Licensee.

6. *No Illegal Announcements; Fraudulent Advertising.* No announcements or promotion that either of the Stations is prohibited from making by federal or state law or regulation shall be made over either Station. No advertising matter, announcement or claim which Service Provider knows to be fraudulent, misleading or untrue shall be included in any matter submitted for broadcast over either of the Stations or otherwise broadcast over either of the Stations.

7. *Indecent, Defamatory or Certain Other Broadcast Material.* No programs, announcements, advertising matter or any other material, or any portion thereof submitted for broadcast over the Stations or otherwise broadcast over the Stations, shall be defamatory, obscene, or profane, and no indecent material shall be broadcast at any time that such broadcast would violate FCC rules and policies or that would be heard in hours at which children reasonably could be expected to be in the listening audience.

8. *Miscellaneous.*

(a) *Waiver.* To the extent legally permissible, the parties may jointly waive any of the foregoing policies in specific instances if, in their opinion, good broadcasting in the public interest is served.

(b) *Prior Consent.* In any case where questions of policy or interpretation arise, Service Provider will attempt in good faith to submit the same to Station Licensee for decision before making any commitments in connection therewith.

(c) *Non-Discrimination.* Station Licensee and its stations do not discriminate in advertising contracts on the basis of race or ethnicity. Any provision in any order or agreement for advertising that purports to discriminate on the basis of race or ethnicity, even if handwritten, typed or otherwise made a part of the particular contract, is hereby rejected.

## **SCHEDULE D LEASE TERMS**

Pursuant to the terms and subject to the conditions of this Agreement, Service Provider shall provide Station Licensee with office space, tower space, equipment, and furnishings (the “*Service Provider Premises*”) as follows:

1. During the Term, Service Provider shall provide, rent-free, to Station Licensee’s employees and agents the non-exclusive right, in common with Service Provider, to access and use of space and facilities in the applicable Service Provider Premises, including (a) accommodation of Station Licensee’s studio transmitter links from time to time, and (b) (i) furnishings and office equipment for a main studio for the Station and (ii) sufficient space to permit Station Licensee to maintain and make available to the public the Station’s public inspection file and otherwise satisfy the applicable “main studio” requirements under the FCC Rules at such locations in or near the Service Provider Premises, the grant of such rights as may be mutually acceptable to Service Provider and Station Licensee and in accordance with the FCC Rules, so long as the provision of such space and the use of such equipment do not unreasonably interfere with the conduct of Service Provider’s business or operations. Station Licensee acknowledges and agrees that (y) it inspected and accepts the Service Provider Premises in their “as is” condition, without any representations or warranties by Service Provider, or anyone acting or purporting to act on behalf of Service Provider, as to the present or future condition of such Service Provider Premises, except as specifically set forth in this Agreement; and (z) Service Provider shall have no obligation to perform any work therein, except as specifically set forth in this Agreement.

2. During the Term, Service Provider shall give Station Licensee and its agents a nonexclusive and unrestricted right of access, in common with Service Provider, to the space provided for Station Licensee at the Service Provider Premises under Section 1 of this Schedule D at all times, subject only to Service Provider’s reasonable security procedures and rules applicable to its own employees, as the Station Licensee reasonably requires for the conduct of the business of the Station and to fulfill its obligations as an FCC licensee. Station Licensee shall not use the Service Provider Premises for any other purposes without the prior written consent of Service Provider. Station Licensee shall use and occupy the Service Provider Premises in compliance with all Applicable Laws, ordinances, requirements and regulations of any applicable governmental authority and in accordance with all superior leases, mortgages, deeds of trust and encumbrances of record. The rights granted under this section shall include the incidental benefit and reasonable right of use of utilities (heat, water, electricity) provided for purposes of Service Provider’s own operations. In addition, Service Provider shall provide separate and, to the extent reasonably practicable, lockable office facilities for use by Station Employees and, subject to Service Provider’s reasonable prior approval, shall permit Station Licensee to install appropriate signs on the inside and outside of the Service Provider Premises (consistent with applicable local requirements governing such signage, if any, and the overall appearance of the Service Provider Premises) identifying Station Licensee as the licensee of the Station. No alterations or additions may be made to the Service Provider Premises without the prior written consent of Service Provider, in its sole and absolute discretion, except as otherwise permitted under the Agreement.

3. Station Licensee shall be given a transition period (“***Transition-Tail Period***”) of one hundred eighty (180) days following the expiration or notice of termination of this Agreement in which to relocate the operations of the Station and shall surrender the Service Provider Premises at such time in substantially the same condition as Station Licensee received such Service Provider Premises upon commencement of the Initial Term (including removing all signage installed by Station Licensee), subject only to reasonable wear and tear. All costs incurred by Station Licensee with respect to relocating the operations of the Station following such termination shall be paid by Station Licensee. During such Transition-Tail Period, Station Licensee shall have access to the Service Provider Premises in the same manner as during the Term. Such Transition-Tail Period may be lengthened upon such terms and conditions as may be mutually agreeable to the parties in writing. If Station Licensee holds over beyond the expiration of the Transition-Tail Period, then, in addition to all other rights and remedies of Service Provider provided by Applicable Law or by the terms of this Agreement, Station Licensee shall pay to Service Provider an amount equal to the Services Fee last payable by Station Licensee under this Agreement prior to termination of this Agreement, pro-rated as a monthly amount, for each month or partial month of such holdover; provided, that, in such event, at any time, Service Provider, without waiving any other remedy that it may have, may use legal process to enter upon, take possession of the Service Provider Premises and expel or remove Station Licensee and any other person in occupancy thereof from the Studio Facility. Nothing contained in this Agreement shall be deemed a consent by Service Provider to the holding over by Station Licensee, nor a waiver of any other remedy which may be available to Service Provider. The obligations of Station Licensee under this Section 3 shall survive the termination of this Agreement.

4. Station Licensee shall not assign its rights under this Schedule D or sublet or permit the occupancy or use of Service Provider Premises by any Person or entity other than Station Licensee, except as otherwise permitted under this Agreement.

5. Without the necessity of any additional document being executed by Station Licensee for the purpose of effecting a subordination, this Agreement shall be subject and subordinate at all times to ground or underlying leases and to the lien of any mortgages or deeds of trust now or hereafter placed on, against or affecting the Service Provider Premises, Station Licensee’s interest or estate in the Service Provider Premises, or any ground or underlying lease; provided, that if the lessor, mortgagee, trustee, or holder of any such mortgage or deed of trust elects to have Station Licensee’s interest in this Agreement be superior to any such instrument, then, by notice to Station Licensee, this Agreement shall be deemed superior, whether this Agreement was executed before or after said instrument. Notwithstanding the foregoing, Station Licensee covenants and agrees to execute and deliver within ten (10) days of delivery of Service Provider’s request such further instruments evidencing such subordination or superiority of this Agreement as may be required by Service Provider. Within ten (10) days following delivery of any written request which Service Provider may make from time to time, Station Licensee shall execute and deliver to Service Provider or mortgagee or prospective mortgagee a sworn statement certifying such matters as may be requested by Service Provider.

With respect to any Service Provider Premises that are subject to a lease agreement with a third party, Station Licensee’s rights under this Schedule D shall automatically terminate upon the termination for any reason (including by reason of casualty or condemnation) of any superior

lease for the Service Provider Premises. Station Licensee shall occupy the Service Provider Premises in compliance with any superior lease. Station Licensee shall have no rights under the superior lease for the Service Provider Premises, including any assignment or subletting, extension, renewal, first offer or purchase rights. Service Provider shall not be responsible for the failure of lessor or other counterparty to the superior lease for the Service Provider Premises to provide any services or utilities or access to the Service Provider Premises; provided, that to the extent of any failure of services, utilities or access, Service Provider shall use reasonable efforts to obtain such services, utilities or access from its landlord.