

TIME BROKERAGE AGREEMENT

for

FM CHANNEL 243C3, BILTMORE FOREST, NORTH CAROLINA

Between

LIBERTY PRODUCTIONS, A LIMITED PARTNERSHIP

and

ASHVILLE RADIO PARTNERS, LLC

TIME BROKERAGE AGREEMENT

TIME BROKERAGE AGREEMENT ("Agreement") dated as of February ____, 2002, by and between LIBERTY PRODUCTIONS, a Limited Partnership ("Licensee"), the permittee of a new FM broadcast station to operate on Channel 243C3 and be licensed to Biltmore Forest, North Carolina, and ASHVILLE RADIO PARTNERS, LLC, a Limited Liability Company, ("Broker").

WHEREAS, Licensee is authorized to construct and operate a new FM broadcast station to operate on Channel 243C3 and be licensed to Biltmore Forest, North Carolina ("Station") pursuant to a Construction Permit ((File No. BPH-19870831MI) issued by the Federal Communications Commission ("Commission" and/or "FCC");

WHEREAS, Licensee wishes to retain Broker to provide programming for the Station that is in conformity with Station policies and procedures, FCC policies for time brokerage arrangements, and the provisions hereof;

WHEREAS, Broker agrees to broadcast such programming of its selection that is in conformity with all rules, regulations and policies of the FCC and subject to Licensee's full authority to control the operation of the Station;

WHEREAS, Broker and Licensee agree to cooperate to make this Time Brokerage Agreement work to the benefit of the public and both parties and as contemplated in this Agreement; and

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

WITNESSETH:

1. Program Time. During the term of this Agreement, Licensee agrees to make broadcasting time on the Station available to Broker and to broadcast on the Station, or cause to be broadcast, Broker's programs under the direction and supervision of the Licensee, through it's general manager or his/her delegates. The broadcast time brokered hereunder shall consist of all available broadcast hours on the Station, excluding two (2) hours per week which Licensee is reserving between 7 and 9 a.m. on Sundays for the broadcast of its own public affairs programming, subject to certain conditions and preemptions set forth herein.

2. Payments. Broker shall pay to Licensee an amount each month equal to the total expenses, costs and obligations incurred by Licensee during the previous month in the operation of the Station, including the regular and recurring expenses described in Attachment I, hereto (the "Monthly Fee"). Such payments shall to be remitted to Licensees within ten (10) days of the delivery to Broker of invoices or evidence of such expenses, except as to debt service and other fixed monthly expenses listed on Attachment I, which shall be paid on the first of each month.

3. Effective Date and Term.

3.1. Effective Date. This Agreement shall be effective on the day the Station commences program tests (the "Effective Date").

3.2. Term. This Agreement shall be for a term of five (5) years, commencing on the Effective Date and ending on the fifth anniversary of the Effective Date, unless earlier terminated pursuant to Sections 10 or 11 of this Agreement; provided, however, that in the event that the grant of the Construction Permit has not become final within four years of the Effective Date then the term shall be extended up to a date which shall be one (1) year following the date on which the Construction Permit for the Station has become final and no longer subject to judicial appeal or further consideration by the FCC, whichever period of time is longer.

4. Programs. Broker shall furnish or cause to be furnished the personnel and materials for its programs which shall be in good taste and in accordance with the rules, regulations and policies of the FCC and the Communications Act of 1934, as amended (the "Act"). Broker shall make available to Licensee its programming, including commercial announcements for up to 166 broadcast hours per week, but in no event less than the number of hours necessary to permit the Station to maintain a minimum operating schedule, subject to FCC rules, regulations and policies. All advertising messages and promotional material or announcements shall comply with all applicable federal, state and local laws, regulations and policies, as well as the policies set forth in Attachment II. Licensee reserves the right at any time to preempt the Programming for the broadcast of emergency information or the broadcast of any programming the broadcast of which Licensee believes to be in the public interest.

5. Station Facilities.

5.1. 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. Licensee shall be solely responsible for and pay in a timely manner all operating costs of the Station. Licensee shall be responsible for assuring that the Station operates in accordance with the authorizations issued to it by the Commission. Throughout the term of this Agreement, Licensee shall make available to Broker the maximum authorized facilities of the Station, Sunday through Saturday, except for downtime occasioned by routine maintenance. Any maintenance work affecting the operation of the Station at full power shall be scheduled with the approval of Broker, which shall not be unreasonably withheld, upon at least forty-eight (48) hours prior notice to Broker. 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.

5.2. Interruption of Normal Operations. The failure of either party hereto to comply with its obligations under this Agreement due to acts of God, strikes or threats thereof or force majeure, or due to causes beyond such party's control, such as brief interruptions in service due to technical failures, will not constitute an Event of Default under Section 11 of this Agreement and neither party will be liable to the other party therefor. Broker and Licensee each agree to exercise its best efforts to remedy any conditions adversely affecting its own facilities as soon as practicable.

5.3 Use of Station's Studios. Licensee agrees to provide Broker with access to the Station's studios and broadcast equipment for use by Programmer in providing programming for the Station. 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.

6. Expenses, Revenues and Accounts Receivable.

6.1. Responsibility for Employees and Expenses.

(a) Licensee will provide, compensate and be responsible for the Station personnel necessary for the broadcast transmission of Programmer's programs (including, without limitation, the Station's General Manager and Chief Operator. Whenever on the Station's premises, all personnel shall be subject to the overall supervision of Licensee's General Manager.

(b) Broker shall employ and be responsible for the salaries, commissions, taxes, insurance and all other related costs of all personnel involved in the production and broadcast of its programming (including air personalities, salespeople, traffic personnel, board operators and programming staff).

Broker shall pay for all telephone calls associated with program production and listener responses, for the fees to ASCAP, BMI and SESAC and other copyright fees attributable to the programming it produces. Licensee shall be responsible for maintenance of its facilities, the transmitting equipment, and for all capital costs (such as replacement of transmitting equipment) necessary to carry out the intent of this Agreement.

6.2. Advertising, Programming Revenues and Contracts. Broker will be entitled to all revenue from the sale of commercial advertising or program time on the Station during the hours of airtime purchased by Broker pursuant to this Agreement. Licensee shall be entitled to retain any revenues within or related to public affairs programming carried by Licensee during its reserved time.

6.3. Broker's Accounts Receivable. Broker will be responsible for the collection of its own accounts receivable arising from its sale of advertising for the hours during which it is responsible for programming the Station.

7. Operation of Station. Notwithstanding anything to the contrary in this Agreement, Licensee shall have full authority and power over the operation of the Station during the period of this Agreement. Licensee's Station Manager shall direct the day-to-day operation of the Station. Licensee has certain obligations to broadcast programming to meet the needs and interests of its community of license and shall retain control (said control to be reasonably exercised) over the policies, programming and operations of the Station, including, without limitation, the right to decide whether to accept or reject any programming or advertisements, the right to preempt any programs not in the public interest or in order to broadcast a program deemed by Licensee to be of greater national, regional or local interest, and the right to take any other actions necessary for compliance with federal, state and local laws, the Act and the rules, regulations and policies of the Commission

(including the prohibition on unauthorized transfers of control) and the rules, regulations and policies of other federal government entities, including the Federal Trade Commission and the Department of Justice. 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 good faith judgment of Licensee, is of greater local or national importance. In all such cases, Licensee will use its best efforts to give Broker reasonable notice of its intent to preempt Broker's programs and in the event of such preemption, Broker shall receive a pro rata payment credit for any advertisements preempted which cannot be rescheduled in any case of preemption which does not involve emergency programming.

8. **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 and covenants 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. Broker shall furnish or cause to be furnished the artistic personnel and material for the programs as provided by this Agreement and all programs shall be prepared and presented 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.

9. **Additional FCC Obligations.** Licensee shall (i) continue to maintain and staff a main studio, as that term is defined by the FCC, within the Station's principal community contour, (ii) prepare and place in the Station's public inspection file in a timely manner all material required by Section 73.3526 of the Commission's rules, including without limitation the Station's quarterly issues and programs list, and (iii) prepare and file with the FCC in a timely manner all reports, applications and other documents required under FCC rules, including but not limited to applications for renewal of license and Annual Ownership Reports. Broker shall coordinate with Licensee to assure that issues of local importance are being addressed in the programming of the Station and shall provide Licensee with such information concerning Programmer's programming as is necessary to assist Licensee in the preparation of quarterly issues and programs lists. Licensee shall coordinate with Broker the Station's hourly station identification and any other announcements required to be aired by FCC rules. Licensee shall oversee and take ultimate responsibility for complying with the FCC's rules and requirements governing uses of the Station's facilities by legally qualified candidates for public office. Broker shall cooperate with Licensee in ensuring such compliance and shall provide Licensee with copies of any information that may be necessary to comply with the recording and lowest unit charge requirements of political law. Broker agrees that it will not accept any

consideration, compensation or 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 advertiser, 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.

8. Political Time. At least ninety (90) days before the start of any primary or general election campaign, Broker shall clear with Licensee the rates to be charged political candidates for public office to be sure that the rate is in conformance with applicable law and policy. Broker shall provide Licensee with access to all its books and records regarding the pricing of advertising sold on the Station in order to confirm that the political rate is correct. Within twenty-four (24) hours of any request to purchase time on the Station on behalf of a candidate for public office or to support or urge defeat of an issue on an election ballot, Broker shall report the request, and its disposition, to Licensee so that appropriate records can be placed in the Station's public file. In the event that Broker fails to provide adequate broadcast time for the broadcast of programming or advertising by political candidates, Licensee shall have the right to preempt Broker programming to make time available to these political candidates.

9. Indemnification Warranty

9.1. Broker Indemnification. Broker will indemnify and hold Licensee harmless against all liability for libel, slander, illegal competition or trade practice, infringement of trademarks, trade names or program titles, violation of rights of privacy, and infringement of copyrights and proprietary rights resulting from the broadcast of programming furnished by Broker. Further, Broker warrants that the broadcasting of its programs will not violate any rights of others and Broker agrees to hold Licensee, the Station and their employees, harmless from any and all claims, damages, liability, costs and expenses, including reasonable attorney's fees, arising from the broadcasting of such programs. Licensee reserves the right to refuse to broadcast any and all programs containing matter which is, or in the reasonable opinion of Licensee may be, or which a third-party claims to be, violative of any right of theirs or which may constitute a personal attack as the term is defined by the Commission. Broker's obligation to hold Licensee harmless against the liabilities specified above shall survive any termination of this Agreement until the expiration of all applicable statutes of limitation.

9.2. Licensee Indemnification. Licensee shall indemnify and hold Programmer harmless against all liability for libel, slander, illegal competition or trade practices, infringement of trademarks, trade names or program titles, violations of rights of privacy and infringement of copyrights and proprietary rights resulting from programming furnished by Licensee. Further Licensee warrants that the broadcasting of its programs will not violate any rights of others and Licensee agrees to hold Programmer harmless for any loss, damage or injury of any kind, including

reasonable legal fees and related costs arising from the broadcast of programming on the Station furnished by Licensee. Licensee's obligation to hold Programmer harmless against the liabilities specified above shall survive any termination of this Agreement until the expiration of the applicable statute of limitations.

9.3. Procedure. 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, together with a statement as to the factual basis for the claim and the amount of the claim. The party making the claim (the "Claimant") shall make available to the other party (the "Indemnitor") the information relied upon by the Claimant to substantiate the claim. With respect to any claim by a third party as to which the Claimant is entitled to seek indemnification hereunder, the Indemnitor shall have the right at its own expense to participate in or assume control of the defense of the claim, and the Claimant shall cooperate fully with the Indemnitor, subject to reimbursement for actual out-of-pocket expenses incurred by the Claimant at the request of the Indemnitor. If the Indemnitor does not elect to assume control or participate in the defense of any third party claim, it shall be bound by the results obtained by the Claimant with respect to the claim.

10. Events of Default; Cure Periods and Remedies. The following shall, after the expiration of the applicable cure periods, constitute Events of Default:

- a. Non-Payment. Broker's failure to pay or credit as appropriate the consideration provided for in Paragraph 2 hereof;
- b. Default in Covenants or Adverse Legal Action. The default by either party hereto in the material observance or performance of any material covenant, condition or agreement contained herein, or if either party (i) shall make general assignment for the benefit of creditors, (ii) files or has filed against it a petition for bankruptcy, reorganization or an arrangement for the benefit of creditors, or for the appointment of a receiver, trustee or creditor representative for the property or assets of such party under any federal or state insolvency law, which, if filed against such party, has not been dismissed or discharged within sixty (60) days thereof;
- c. Breach Other Agreements. If either party has breached, and after notification, has failed to cure such alleged breach under the (i) Option Agreement; (ii) Promissory Note; (iii) Amended and Restated Security Agreement or (iv) Amended and Restated Loan Agreement, provided however that the terms and conditions of each of those documents respectively shall govern what constitutes breach, notice and cure periods under each respective document.

- d. Breach of Representation. If any material representation or warranty herein made by either party hereto, or in any certificate or document furnished by either party to the other pursuant to the provisions hereof, shall prove to have been false or misleading in any material respects as of the time made or furnished.

10.1. Cure Periods. An Event of Default under this Agreement shall not be deemed to have occurred until twenty (20) business days after the nondefaulting party has provided the defaulting party with written notice specifying the event or events that if not cured would constitute an Event of Default and specifying the action necessary to cure the Default within such period. This period may be extended for a reasonable period of time, if the defaulting party is acting in good faith to cure the default and such default is not materially adverse to the other party.

10.2. Termination Upon Default. Upon the occurrence of an Event of Default, the nondefaulting party may terminate this agreement provided that it is not also in material default hereunder. If Broker has defaulted in the performance of its obligations, Licensee shall be under no further obligation to make available to Broker any further broadcast time or broadcast transmission facilities and all amounts accrued or payable to Licensee up to the date of termination which have not been paid shall immediately become due and payable. If Licensee has defaulted in the performance of its obligations hereunder, Broker may terminate this Agreement. In addition to these remedies, either party has the right to collect monetary damages for failure to perform the obligations under this Agreement, including any balance due by Broker under this Agreement.

10.3. Liabilities Upon Termination. Following termination, Broker shall be responsible for all liabilities, debts and obligations of Broker based upon the purchase of air time and use of Licensee's transmission facilities including, without limitation, accounts payable, barter agreements and unaired advertisements, but not for Licensee's federal, state and local income and business franchise tax liabilities or taxes levied upon Licensee's real estate or personal property after termination.

10.4. Specific Performance. In addition to either party's right of termination hereunder (and in addition to any other remedies available to that party), in the event of an uncured Event of Default, either party may seek specific performance of this Agreement, in which case the other party shall waive the defense in any such suit that the other party has an adequate remedy at law and shall interpose no opposition, legal or otherwise, as to the propriety of specific performance as a remedy hereunder.

11. Termination Upon Order of Governmental Authority. In the event that a federal, state or local government authority orders the termination of this Agreement and/or the curtailment in any manner material to the relationship between the parties hereto of the provision of programming by Broker hereunder, the parties will seek administrative and/or judicial relief from such order(s). In the event the parties are not successful in obtaining relief from such order(s), Broker shall pay to Licensee any fees due but unpaid as of the date of termination as may be permitted by such order(s), and Licensee shall cooperate reasonably with Broker to the extent permitted to enable Broker to fulfill advertising or other programming contracts then outstanding, in which event Licensee shall receive as compensation for the carriage of such programming that which otherwise would have been paid to Broker hereunder. Thereafter, neither party shall have any liability to the other under this Agreement except as may be provided pursuant to Paragraphs 9, 10 and 27 of this Agreement.

12. Representations and Warranties.

12.1. Mutual Representations and Warranties. 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 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. The signatures appearing for Broker and Licensee at the end of this Agreement have been affirmed pursuant to such specific authority as, under applicable law, is required to bind them.

12.2. Licensee's Representations, Warranties and Covenants. Licensee makes the following further representations, warranties and covenants:

12.3 Authorizations. Licensee owns and holds all licenses and other permits and authorizations necessary for the operation of the Station as presently conducted, and such licenses, permits and authorizations will be in full force and effect for the entire term hereof. Appeals of the Commission's Memorandum Opinion and Order (FCC 01-129), released May 25, 2001 ("MO&O"), are currently pending before the U.S. Court of Appeals for the District of Columbia Circuit in Case No. 01-1279 and consolidated cases, challenging the grant of Licensee's application and the issuance of the construction permit (File No. BPH-19870831MI) (the "Construction Permit"). There is also pending before the Commission a Petition for Reconsideration, filed by Sutton Radiocasting Corporation on June 13, 2001, seeking reconsideration in part of the the Commission's MO&O to the extent that it accepted an amendment to Licensee's application, upgrading the specified facilities from Class A to Class C3. Licensee has and will defend the grant of its application and the Construction Permit in these pending cases and in all other circumstances.

Licensee is not in any material violation of any statute, ordinance, rule, regulation, policy, order or decree of any federal, state, local or foreign government entity, court or authority having jurisdiction over it or over any part of its operations or assets, which default or violation would have an adverse effect on Licensee or its assets or on its ability to perform this Agreement.

12.2.1. Filings. All reports and applications required to be filed with the Commission (including ownership reports and renewal applications) or any other government entity, department or body in respect of the Station have been, and in the future will be, filed in a timely manner and are and will be true and complete and accurately present the information contained and required thereby. All such reports and documents, to the extent required to be kept in the public inspection files of the Station, are and will be kept in such files.

12.2.2. Facilities. Subject to the reimbursement of expenses provided in Paragraphs 2.1 and 6.1, the Station's facilities will be maintained at the expense of Licensee and comply in all material respects with the maximum technical facilities permitted by the Commission's authorizations and will be operated in all material respects in accordance with good engineering standards necessary to deliver a high quality technical signal to the area served by the Station and with all applicable laws and regulations (including the requirements of the Act and the rules, regulations, policies and procedures of the Commission promulgated thereunder). All capital expenditures reasonably required to maintain the quality of the Station's signal and facilities shall be made promptly at the expense of Licensee.

12.2.3. Title to Equipment. Licensee has, and will throughout the term hereof, maintain good and marketable title to all of the equipment used in the operation of the Station, free and clear of any liens, claims, or security interests. Licensee will not dispose of, transfer, assign or pledge any such asset, if such action would affect adversely Licensee's performance hereunder or the business and operation of Broker permitted hereby.

12.2.4. Insurance. Licensee will maintain in full force and effect throughout the term of this Agreement insurance with responsible and reputable insurance companies or associations covering such risks (including fire and other risks insured against by extended coverage, public liability insurance, insurance for claims against personal injury or death or property damage and such other insurance as may be required by law) and in such amounts and on such terms as is conventionally carried by broadcasters operating radio stations with facilities comparable to those of the Station. Any insurance proceeds received by Licensee in respect of damaged property will be used to repair or replace such property so that the operation of the Station conforms with this Agreement.

13. Broker's Affirmative Covenant. Broker covenants and agrees that it will comply with all applicable federal, state and local laws, rules and regulations (including, without limitation, all FCC rules, policies and regulations) and pertinent provisions of all contracts, permits and pertinent agreements to which it is a party or is otherwise bound that relate to this Agreement. Broker further agrees that it will make its best efforts to comply with the program policies and restrictions required by Licensee which are attached as Attachment II.

14. Compliance with Copyright Act and program Licensing Agreements. Broker represents and warrants to Licensee that all Broker Programming provided to Licensee for broadcast on the Station will comply with the Copyright Act or the rights of any person under the Copyright Act. Broker shall assume and pay all copyright liability that may occur as a result of the broadcast of Broker programming on the Station. Broker further represents and warrants that it has or will enter binding agreements with all program sources which authorize the broadcast of the Broker Programming on the Station. Broker shall assume and pay all liabilities to program suppliers for broadcast of the Broker Programming on the Station.

15. Notices. All necessary notices, demands and requests permitted or required under this Agreement shall be in writing and shall be deemed given when delivered, whether personally or by certified mail or overnight courier, postage prepaid, with return receipt requested, and addressed as follows:

If to Licensee:

Valerie Klemmer Watts, General Partner
Liberty Productions, a Limited Partnership
30 Lakeview Road
Asheville, NC 28804

with a copy to

Timothy K. Brady
P.O. Box 71309
Newnan, GA 30271-1309

If to Broker:

Edward F. Seeger
Asheville Radio Partners, LLC
1311 Chuck Dawley Blvd., Suite 202
Mt. Pleasant SC 29464
Fax No: (843) 881-4436

with a copy to

Mark Lipp
Shook Hardy & Bacon LLP

Hamilton Square
600 14th Street, N.W., Suite 800
Washington, DC 20005-2004
Fax No. (202) 783-4211

16. Modification and Waiver. No modification of any provision of this Agreement shall in any event be effective unless the same shall be in writing and then such modification shall be effective only in the specific instance and for the purpose for which given.

17. Construction. This Agreement shall be interpreted, construed, and enforced under and in accordance with the laws of the State of North Carolina and the obligations of the parties hereof are subject to all federal, state and local laws and regulations now or hereafter in force and to the rules, regulations and policies of the Commission and all other government entities or authorities presently or hereafter to be constituted.

18. Headings. The headings contained in this Agreement are included for convenience only and no such heading shall in any way alter the meaning of any provision.

19. Assignability. Broker may not assign this Agreement without the prior written consent of Licensee, provided however, that Broker may assign this Agreement as a matter of right to an affiliate of Broker.

20. Counterpart Signature. This Agreement may be signed in one or more counterparts, each of which shall be deemed a duplicate original, binding on the parties hereto notwithstanding that the parties are not signatory to the original or the same counterpart.

21. Entire Agreement. This Agreement embodies the entire agreement between the parties and there are no other agreements, representations, warranties or understandings, oral or written, between them with respect to the subject matter hereof. No alteration, modification or change of this Agreement shall be valid unless by like written instrument executed by an authorized principal.

22. No Partnership or Joint Venture Created. Nothing in this Agreement shall be construed to make Licensee and Broker partners or joint venturers or to afford any rights to any third party other than as expressly provided herein.

23. Invalidity. If any provision of this Agreement or the application thereof to any person or circumstances shall be held invalid or unenforceable to any extent, the parties shall negotiate in good faith and attempt to agree on an amendment to this Agreement that will provide

the parties with substantially the same rights and obligations, to the greatest extent possible, as the original Agreement in valid, binding and enforceable form.

24. Severability. In the event any provision contained in this Agreement is held to be invalid, illegal or unenforceable, such holding shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had not been contained herein.

25. Certification -- FCC Rules. Pursuant to Section 73.3555(a)(3)(ii) of the FCC's rules, the parties certify as follows:

- (i) Licensee certifies that it shall at all times maintain ultimate control of the Station's facilities, including specifically control over Station finances, personnel and programming.
- (ii) Broker certifies that this Agreement complies with the provisions of Section 73.3555(a)(1) of the FCC's rules.

26. Confidentiality. Neither party shall disclose the terms of this Agreement to any third party, except when such disclosure is required by law.

27. Attorney's Fees and Expenses. In the event of any dispute arising under this Agreement, the prevailing party shall be entitled to its reasonable attorney's fees incurred in connection therewith and all related costs and expenses.

28. Jurisdiction and Venue. The parties agree that this Agreement and the transaction herein contemplated shall be interpreted, construed, and enforced under and according to the laws of the State of North Carolina. Any judicial proceedings brought to enforce or construe this Agreement or relating to any matter arising hereunder shall be brought in a appropriate state or federal court of competent jurisdiction, having jurisdiction over Buncombe County, North Carolina, which courts shall have exclusive jurisdiction and venue.

IN WITNESS WHEREOF, the parties executed this Agreement as of the date first above

LIBERTY PRODUCTION, A LIMITED PARTNERSHIP

Valerie Klemmer Watts

BY:

VALERIE KLEMMER WATTS
GENERAL PARTNER

ATTEST:

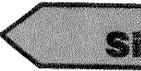
RADIO ASHEVILLE PARTNERS, LLC

Edward F. Seeger

BY:

EDWARD F. SEEGER
MANAGING MEMBER

ATTEST:



STATION PROGRAMMING POLICY STATEMENT

The following sets forth the policies generally applicable to the presentation of programming and advertising over the Station.

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.

Lottery. The Station shall not advertise or broadcast any information concerning any lottery (except a state lottery). 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 and 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.