

AGREEMENT FOR CONTINGENT APPLICATIONS AND CONVERSION OF CONTOUR PROTECTION

This Agreement for Contingent Applications and Conversion of Contour Protection (this "Agreement"), is entered into on November 7th, 2008, by and between M&M Broadcasting, a Tennessee general partnership ("M&M" or "WMYL"), and Sutton Radiocasting Corporation, a South Carolina corporation ("SRC" or "WNCC-FM").

WITNESSETH

WHEREAS, M&M owns, operates and is the licensee of FM Radio Broadcast Station WMYL, 96.7 MHz, Channel 244A, Facility Identification Number 30610, Halls Crossroads, Tennessee;

WHEREAS, SRC owns, operates and is the licensee of FM Radio Broadcast Station WNCC-FM-FM, 96.7 MHz, Channel 244A, Facility Identification Number 14551, Franklin, North Carolina;

WHEREAS, WNCC-FM currently operates with an effective radiated power of six (6) kilowatts from an antenna whose center of radiation is 681 meters above mean sea level and minus 101 meters above average terrain, File Number BMLH-19900508KB ("WNCC-FM License");

WHEREAS, pursuant to Section 73.215 of the rules and regulations of the Federal Communications Commission ("FCC"), WMYL currently protects the signal of co-channel WNCC-FM by a combination of reduced power and a directional antenna as authorized by its license, File Number BLH-20061120ACE;

WHEREAS, WMYL desires to improve its broadcast signal so as to provide service to a substantial area and population not currently able to receive its broadcast programming by operating at maximum Class A facilities utilizing an non-directional antenna at its current transmitter site (the "Maximum Facilities"), desires to file and prosecute a construction permit application specifying such Maximum facilities (the "Maximum Facilities Application") and thereafter receive a grant of an application for license covering such construction permit (the "WMYL License Application"); and

WHEREAS, WNCC-FM is willing file a contingent construction permit application to convert its status under Section 73.215 from protected status to protecting status pursuant to the terms and conditions set forth herein (the "WNCC-FM Construction Permit Application") so as to allow WMYL to do so;

NOW, THEREFORE, in consideration of the premises and the mutual promises herein made and the representations, warranties and covenants herein contained, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, WMYL and WNCC-FM, intending to be legally bound, hereby agree as follows:

1. In exchange for the consideration specified in Section 2, WNCC-FM hereby agrees to join WMYL in simultaneously filing and prosecuting "contingent" construction

permit applications with the FCC for the Maximum Facilities, including the removal of Section 73.215 status for WMYL and the imposition of Section 73.215 status for WNCC-FM (the "Contingent Applications"), and to perform all other obligations set forth herein. The WMYL Maximum Facilities Application shall make no change to the WMYL facilities that involves any change whatsoever of the current WMYL licensed geographic coordinates nor any change in the present designation of WMYL by the FCC as a Class A station, and WNCC-FM shall not be required to propose any technical changes in its current facilities whatsoever in the WNCC-FM Construction Permit Application.

2. For and in consideration of WNCC-FM's performance of its obligations contained herein, WMYL shall pay to WNCC-FM the sum of SEVENTY-FIVE THOUSAND DOLLARS (\$75,000.00) by electronic transfer of funds on the Closing Date as such date is defined in Section 7 below. In addition, WMYL shall pay to WNCC-FM the sum of FIFTY THOUSAND DOLLARS (\$50,000.00) upon the date on which any sale or transfer of control of WMYL requiring the filing of an FCC Form 314 or 315 is consummated, but only if the agreement leading to the sale or transfer of control is entered into not later than the fifth anniversary of the date of final approval by the FCC of the WMYL-FM License Application.

3. Within THIRTY (30) calendar days from the date of execution of this Agreement, WMYL and WNCC-FM shall simultaneously file the Contingent Applications pursuant to Section 73.3517 of the rules and regulations of the FCC. Within TEN (10) calendar days from the date that FCC Public Notice in its Daily Digest is issued showing: (a) a grant of the WMYL Maximum Facilities Application; or (b) a grant of the Contingent Applications; or (c) a grant of the WNCC-FM Construction Permit Application, whichever is earlier, WMYL shall place into escrow in an interest bearing account of WNCC-FM's specification with a mutually agreeable escrow agent the sum of SEVENTY-FIVE THOUSAND DOLLARS (\$75,000.00) in readily available funds, with all interest thereafter accruing to the benefit of WNCC-FM to be paid to WNCC-FM on the Closing Date in addition to the consideration stated above in Section 2. The failure of WMYL to timely deliver such funds shall entitle WNCC-FM to immediately terminate this Agreement, seek damages for the default of WMYL under this Agreement, and take whatever actions it deems necessary or desirable to protect its existing WNCC-FM facilities.

4. WMYL and WNCC-FM shall each use their best efforts towards the prompt grant of the Maximum Facilities Application and agree to cooperate in vigorously prosecuting the applications and will interpose no objections or take any actions, including, but not limited to, the filing of any other application that would conflict with or impede the prompt grant by the FCC of the Maximum Facilities Application, provided however that WNCC-FM may amend its WNCC-FM Construction Permit Application in any way at any time, or may after its WNCC-FM Construction Permit Application permit is granted, file for a modification of such construction permit as long as such an amendment or modification does not delay, conflict or impede a grant of the Maximum Facilities Application or the WMYL License Application. WNCC-FM agrees to provide a copy of any such amendment or modification application to WMYL not later than TEN (10) calendar days prior to filing such amendment and/or modification application in order to allow WMYL to verify that no delay in the grant of the Maximum Facilities Application would be caused thereby. WMYL and WNCC-FM shall take

all reasonable actions to promptly respond to any oppositions, petitions to deny, or other objections filed with respect to the subject applications, and shall reasonably cooperate with each other to coordinate the submission of pleadings, amendments and related filings with the FCC. Each party shall promptly notify the other party hereto in the event it is or becomes aware of any other facts, actions, communications or occurrences that might directly or indirectly affect the parties' intent or ability to effect prompt FCC approval of the applications.

5. Within FIVE (5) calendar days from the date that WMYL notifies WNCC-FM that it has completed construction of the Maximum Facilities, WMYL and WNCC-FM shall simultaneously file applications for license to cover the construction permits contemplated by the Contingent Applications (together the "License Applications") unless WMYL may, without further action being taken at that time by WNCC-FM, file, prosecute and have granted the WMYL License Application in which case WMYL shall proceed to file such license application without WNCC-FM being similarly obligated.

6. WMYL and WNCC-FM shall each use their best efforts towards the prompt grant of the WMYL License Application and agree to cooperate in vigorously prosecuting the WMYL License Application and will interpose no objections or take any actions, including, but not limited to, the filing of any other application that would conflict with or impede the prompt grant by the FCC of the WMYL License Applications. WMYL and WNCC-FM shall take all reasonable actions to promptly respond to any oppositions, petitions to deny, or other objections filed with respect to the applications, and shall reasonably cooperate with each other to coordinate the submission of pleadings, amendments and related filings with the FCC. Each party shall promptly notify the other party hereto in the event it is or becomes aware of any other facts, actions, communications or occurrences that might directly or indirectly affect the parties' intent or ability to effect prompt FCC approval of the WMYL License Application.

7. The Closing Date shall be TEN (10) business days following the earlier of: (a) the finality of the FCC's grant of the WNCC-FM Construction Permit Application, with finality being defined as the date upon which the FCC's grant is no longer subject to rehearing, reconsideration or review by the FCC, or to appeal or review by a court under the Communications Act of 1934, as amended, or the rules and regulations of the FCC; or (b) the date upon which WMYL institutes program test authority operations under the grant of its Maximum Facilities Application pursuant to Section 73.1620(a) of the Commission's rules. The closing shall take place at the offices of counsel for WMYL or may take place by facsimile or electronic mail exchanges as mutually agreed by the parties.

8. From the date of execution of this Agreement, WMYL and WNCC-FM shall exercise their best efforts not to cause or permit the occurrence of any event that would enable the FCC to delay or deny either the Contingent Applications or the WMYL License Application, including, but not limited to the failure to timely pay any fee or other monetary obligation to the FCC. WMYL and WNCC-FM each represent and warrant to the other that there are no proceedings or material complaints pending at the FCC or, to its knowledge, threatened before the FCC or any other governmental agency to vacate, revoke, refuse to renew or modify the existing licenses for any station licensed to it that would enable the FCC to delay or deny either the Contingent Applications or the License Applications.

9. WMYL and WNCC-FM each represent and warrant to the other that it has full power and authority to execute and perform all obligations set forth in this Agreement. This Agreement constitutes the valid and legally binding obligations of the parties hereto, enforceable in accordance with its terms and conditions. WMYL and WNCC-FM each represent and warrant to the other that the execution, delivery and performance of this Agreement will not require the consent, approval or authorization of any person, entity or governmental authority other than WMYL's lenders or the FCC.

10. If WNCC-FM defaults in any material respect in the performance of its obligations under this Agreement, and has not cured its default within THIRTY (30) days of written notice from WMYL of the default, and as a result of such default, the FCC fails to issue a grant that becomes final of the WMYL License Application, WNCC-FM acknowledges and agrees that WMYL shall be entitled to bring a suit for specific performance to require WNCC-FM to cure such default, as any damages that WMYL would suffer as a result of such default are not readily ascertainable and that the removal of Section 73.215 status for WMYL is unique and not capable of compensation by money damages. Except as otherwise described in Section 3 above, should either party default in any material respect in the performance of its obligations under this Agreement, and has not cured its default within THIRTY (30) days of written notice of the default, it shall be liable for all costs and expenses incurred by the non-defaulting party in enforcing this Agreement, and any damages resulting from such a default, including attorneys fees, court costs and other expenses incurred thereby.

11. Each Party shall be responsible for its own legal, accounting and other fees incurred in the preparation and consummation of this Agreement, and such fees shall be borne by the Party incurring the same, provided, however, that WMYL shall advance the cost of the filing fees for WNCC-FM's half for the Contingent Applications and the License Applications, and shall be entitled to a credit for such fees against the payment on the Closing Date.

12. Except as and to the extent required by law, without the prior written consent of the other party, neither party will, and each will direct its representatives not to make, directly or indirectly, any public comment, statement or communications with respect to, or otherwise to disclose or permit the disclosure of the existence of discussions regarding, a possible transaction between the parties, this Agreement, or any of the terms, conditions, or other aspects of the transactions contemplated herein. If a party is required by law to make any such disclosure, it must first provide to the other party the content of the proposed disclosure, the reasons that such disclosure is required by law, and the time and place that the disclosure will be made. Any disclosures required to be made to the FCC or the WMYL's lenders shall be exempt from the requirements of this subsection.

13. All necessary notices, demands and requests required or permitted to be given under the provisions of this Agreement shall be in writing and shall be deemed duly given when delivered or mailed by certified mail, postage prepaid, by overnight mail service with receipt confirmation, addressed as follows:

(i) If to WMYL:

Ronald C. Meredith
M&M Broadcasting
PO Box 329
Clinton TN 37717
Telephone: (865) 457-1380
Facsimile: (865) 457-4440
[e-mail: wysham@aolcom](mailto:wysham@aolcom)

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

Robert S. Stone, Esq.
Young, PC
P.O. Box 550
Knoxville, TN 37901-0550
Telephone (865) 637-1440
Facsimile (865) 546-9808
[e-mail: bob@tn-attorneys.com](mailto:bob@tn-attorneys.com)

(ii) If to WNCC-FM

Douglas M. Sutton, Jr.
GA-Carolina Radiocasting
P. O. Drawer E
Toccoa, GA 30577
Telephone: (706) 297-7264
Facsimile: (706) 297-7266
[e-mail: Sutton@carol.net](mailto:Sutton@carol.net)

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

John F. Garziglia, Esq.
Womble Carlyle Sandridge & Rice, PLLC
1401 I Street, N.W. Suite 700
Washington, DC 20005
Telephone: (202) 857-4455
Facsimile: (202) 261-0055
[e-mail: jgarziglia@wcsr.com](mailto:jgarziglia@wcsr.com)

14. This Agreement supersedes any prior agreements and is the only agreement between the parties and contains all of the terms agreed upon with respect to the subject matter hereof being entered into by the parties simultaneously herewith. In the event that the FCC fails to grant the Contingent Applications by December 31, 2009, this Agreement shall terminate and be of no further force and effect, and each party may withdraw its respective FCC application.

15. In the event that either party shall sell or transfer the respective radio station that is the subject of this Agreement, each party agrees that an acceptance and assumption by the buyer

of such station shall be a condition to such sale or transfer, and the failure of such buyer to assume this Agreement in writing shall be a material breach of this Agreement.

16. This Agreement may be signed in any number of counterparts with the same effect as if the signature on each counterpart were on the same instrument. The Agreement may not be altered or amended except in writing and signed by both parties.

17. In case any one or more of the provisions contained in this Agreement should be invalid, illegal, or unenforceable in any respect, provided that the original intent of the parties is fully preserved the validity, legality and enforceability of the remaining provisions herein shall not be affected or impaired therein, and any such invalid provision shall be given effect to the extent possible or shall be reformed so as to make it enforceable and valid.

18. This Agreement shall be construed and enforced in accordance with the laws of the State of Tennessee and the parties agree that any legal action arising pursuant to this Agreement shall be brought before a court of competent jurisdiction in Knox County, Tennessee.

18. No delay or failure on the part of any party hereto in exercising any right, power or privilege under this Agreement or under any other instrument or document given in connection with or pursuant to this Agreement shall impair any such right, privilege, or be construed as a waiver of any default or any acquiescence therein. No single or partial exercise of any such right, power or privilege shall preclude any further exercise of such right, power and privilege. No waiver shall be valid against any party hereto unless made in writing and signed by the party against whom enforcement of such waiver is sought and then only to the extent expressly specified therein.

19. This Agreement shall be binding upon the parties hereto and upon their permitted assigns and successors in interest as if they were the parties hereto.

M&M BROADCASTING

By: 

Ronald C. Meredith, Partner

**SUTTON RADIOCASTING
CORPORATION**

By: _____

Douglas M. Sutton, Jr., President

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18. This Agreement shall be construed and enforced in accordance with the laws of the State of Tennessee and the parties agree that any legal action arising pursuant to this Agreement shall be brought before a court of competent jurisdiction in Knox County, Tennessee.


18. No delay or failure on the part of any party hereto in exercising any right, power or privilege under this Agreement or under any other instrument or document given in connection with or pursuant to this Agreement shall impair any such right, privilege, or be construed as a waiver of any default or any acquiescence therein. No single or partial exercise of any such right, power or privilege shall preclude any further exercise of such right, power and privilege. No waiver shall be valid against any party hereto unless made in writing and signed by the party against whom enforcement of such waiver is sought and then only to the extent expressly specified therein.

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