

LOCAL MARKETING AGREEMENT

This Local Marketing Agreement ("Agreement") is made as of ~~November~~ ^{December} 5th, 2001 between Bennington Broadcasters Ltd., a Vermont corporation ("Licensee"), and Southern Vermont College, a Vermont corporation ("Broker") and is effective as of 12/5/01 (the "Effective Date").

WITNESSETH:

WHEREAS, Licensee owns and operates a radio facility in Bennington, Vermont, which operates under the call sign WBTN(AM) ("the Station"), pursuant to a license issued by the Federal Communications Commission ("FCC" or the "Commission"), and wishes to broadcast on the Station music and information programming provided by Broker (the "Broker Programs"); and

WHEREAS, Broker wishes to use studio and office space at Licensee's studios; and

WHEREAS, Broker wishes to provide the Broker Programs to Licensee and Licensee wishes to provide studio and office space to Broker; and

WHEREAS, Broker and Licensee have entered into a Stock Transfer Agreement, whereby, pursuant to Commission consent, Broker would acquire the capital stock of Licensee and the license of WBTN(AM);

NOW, THEREFORE, the parties agree as follows:

1. Agreement Term. The term of this Agreement ("the Term") will begin on the Effective Date, as that term is defined in the first paragraph hereof, and will continue until completion of the transfer of assets as set forth in the Stock Transfer Agreement.

2. Purchase of Air Time and Broadcast of the Broker Programs. Subject to the terms and conditions set forth in this Agreement, Licensee agrees to make the broadcast transmission facilities of the Station available to Broker and to broadcast on the Station, or cause to be broadcast on the Station, the Broker Programs, for up to 24

hours per day, seven days per week except for that time reserved by Licensee for (a) the airing of programming which, pursuant to any programming contracts previously entered into by Licensee, must be aired, and (b) the airing of public affairs programming as set forth in Exhibit A, or (c) in order to perform reasonable and customary maintenance (the "Broadcasting Period"). Broker agrees that it will furnish the facilities necessary to deliver Broker Programs to the Station. The Station transmitter will remain under Licensee's control. Licensee will pay for any expenditure for monitoring equipment required by FCC rules. Broker agrees to produce the daily logs for the Station, perform the required Station transmitter readings, and perform maintenance, subject to Licensee's ultimate control, on the Station's transmitter and other equipment. Broker will also air, under Licensee's direction, the station identification required under Section 73.1201 of the FCC's rules. Broker and Licensee each represent and warrant that they have, and will have during the Term, the technical capabilities necessary to fulfill all obligations imposed under this Agreement.

Without in any way limiting the foregoing, Licensee agrees that Broker shall have the exclusive right to solicit underwriting support and run underwriting announcements to be aired over the Station during the Term of this Agreement and further agrees that no commercial messages or "plugs" shall be made by Licensee or any party other than Broker during any programming aired over the Station to or for the benefit of any business venture or profit-making activity.

To the extent necessary or desired by Broker, the Station's studio building, studio facilities and equipment shall be made available by Licensee to Broker for Broker's use at no additional cost to Broker during the Term of this Agreement, to the extent that such facilities are not actually needed in use for Licensee's own broadcasts on the Station.

3. Operation, Ownership, and Control of the Station. Notwithstanding anything to the contrary in this Agreement, as long as Licensee remains the licensee of the Station, it will have ultimate authority, power, and control over the Station's facilities during the Term. Licensee will bear the responsibility for the Station's compliance with all applicable provisions of the rules and policies of the FCC and all other applicable laws. Without limiting the generality of the foregoing, (a) Licensee will employ the General Manager of the Station, who will report and be accountable solely to Licensee and direct the day-to-day operations of the Station, and at least one other employee as required by the FCC's policies (the "Station Employees"), (b) Licensee will retain complete control over the programming of the Station, including the right to preempt, as set forth below, any of the Broker Programs, (c) Licensee will maintain responsibility for financial control over the operating and capital expenses of the Station and (d) Licensee will cause the Station to comply with the station identification and main studio rules, provided that Broker's employees shall broadcast such station identifications as directed by Licensee. Nothing herein contained shall prevent or hinder Licensee from (y) rejecting or refusing programs which Licensee reasonably believes to be unsatisfactory or unsuitable or contrary to the public interest, or (z) substituting a program which, in Licensee's opinion, is of greater local or national importance or which is specifically designed to address the problems, needs, and interests of the community served by the Station.

During the Term of this Agreement, Broker shall maintain and deliver to Licensee such records and information required by the FCC to be placed in the public inspection files of the Station pertaining to the broadcast of political programming and advertisements, in accordance with the provisions of Sections 73.1943 and 73.3526 of the Commission's rules, and to the broadcast of sponsored programming addressing political issues or controversial subjects of public importance, in accordance with the

provisions of Section 73.1212 of the Commission's rules. Broker shall also consult with Licensee concerning, and adhere strictly to, the statutes and the rules, regulations, and policies of the Commission, as announced from time to time, with respect to, the carriage of political advertisements and programming and the charges permitted therefor. If necessary to ensure Licensee's compliance with the FCC's political advertising rules, Broker shall relinquish air time back to the Licensee for the carriage of requisite political advertisements. Broker will provide to Licensee such documentation relating to political advertising and political programming as Licensee shall reasonably request and shall indemnify Licensee for any claim, demand, cost or expense (including reasonable attorneys' fees) arising from the broadcast of any such materials by the Station during the Term of this Agreement. Licensee shall not be required to receive or handle mail, cables, telegraph or telephone calls in connection with the Broker Programs but shall be advised promptly by Broker of any public or FCC complaint or inquiry concerning such programming and be given copies of any letters from the public, including complaints, concerning such programming.

4. FCC Regulation. The obligations of the parties under this Agreement are subject to the rules and policies of the FCC and all other applicable law.

5. Programs. All programming delivered by Broker shall be prepared and presented in conformity with the standards set forth in Exhibit B and with all FCC policies and rules

6. Payment Terms and Conditions.

6.1 Payments. All obligations of the parties to pay costs, fees or expenses in connection with the operation of the Station are expressly set forth in the Stock Transfer Agreement of even date.

7. Expenses and Taxes; Proceeds. Broker will employ and be responsible for the salaries, taxes, insurance, and related costs for all personnel used in the

production of the Broker Programs and for delivering the Broker Programs to the Station and shall pay for all costs associated with its program production; for all fees to ASCAP, BMI, and SESAC and for any other copyright fees attributable to the Broker Programs; for all costs associated with Arbitron or any other ratings service to which it may subscribe, except as otherwise expressly provided herein or in the Stock Purchase Agreement; and to the full extent authorized by applicable FCC rules and policies, all costs of operating, owning, and controlling the Station in accordance with law and the licensee obligations. Licensee will also be responsible for the salaries, taxes, insurance, and related expenses for the Station Personnel.

Broker shall retain all revenues from the airing of underwriting announcements on the Station and from the production or broadcasting of the Broker Programs.

8. Licenses; Compliance with Law. During the Term, Licensee will operate its properties and maintain the validity of all of its licenses and other permits and authorizations necessary for the operation of the Station as presently conducted (including FCC licenses, permits, and authorizations) and, at its own expense (except as otherwise expressly provided herein or in the Stock Purchase Agreement), remove all violations with respect to such properties, licenses, permits, and authorizations and maintain standards of good engineering practice and compliance with all rules, regulations, and policies of the FCC.

9. Default.

9.1 Broker's Events of Default. An Event of Default by Broker will be deemed to occur if Broker materially breaches or violates, or fails to observe or perform, any obligation, covenant, condition or agreement imposed upon it under this Agreement, including without limitation, the failure or refusal to pay the monetary reimbursement set forth herein. Broker's failure to provide programming to the Station after notice of termination has been given by Licensee or given by Broker for an Event

of Default under this Agreement by Licensee shall not be deemed an Event of Default as defined in this Paragraph 9.1.

9.2 Licensee's Events of Default. An Event of Default by Licensee will be deemed to occur if Licensee materially breaches or violates, or fails to observe or perform, any obligation, covenant, condition or agreement imposed upon it under this Agreement, including without limitation, the failure or refusal to rebroadcast the Broker Programs other than as permitted by this Agreement.

9.3 Cure Period. An Event of Default will not be deemed to have occurred until ten (10) days after the non-defaulting party has provided the defaulting party with written notice specifying the event or events that if not cured would constitute an Event of Default under this Agreement and the default has not been cured within such 10-day period; provided that, if the alleged defaulting event cannot be cured within said ten day period, and the defaulting party is diligently attempting to make such cure, the ten (10) day period shall be extended to thirty (30) days, and further provided that Licensee's failure or refusal to rebroadcast the Broker Programs other than as permitted under this Agreement cannot be cured.

9.4 Remedies Upon Default. In the event of the occurrence of an Event of Default, the non-defaulting party may terminate this Agreement, and, except as otherwise provided in this Agreement, pursue all remedies available at law or in equity for breach of this Agreement.

9.5 Responsibilities Upon Termination. After termination of this Agreement, Broker shall continue to be responsible for all liabilities, debts, and obligations of Broker resulting from the use of air time and transmission facilities including, without limitation, , any unaired underwriting announcements , but not for Licensee's federal, state, local, and other tax .

10. Indemnification; Warranty.

10.1. Notwithstanding any election of remedies for any other breach of this Agreement, Broker will indemnify and hold harmless Licensee, its managers, members, officers, employees, agents, and affiliates from and against all liability, including without limitation all reasonable attorneys fees, arising out of or incident to the Broker Programs or the conduct of Broker, its employees, contractors or agents. Without limiting the generality of the foregoing, Broker will indemnify and hold and save Licensee, its managers, members, officers, employees, agents, and affiliates harmless against liability for libel, slander, infringement of trademarks, trade names, or program titles, violation of rights of privacy, infringement of copyrights and proprietary rights and violations of FCC rules and policies resulting from the Broker Programs. Licensee reserves the right to refuse to broadcast any program or programs containing matter which is, or in the reasonable opinion of Licensee may be, or which a third party claims to be, in violation of any right of theirs or which may constitute a personal attack as the term is and has been defined by the FCC. Broker's obligation to hold Licensee harmless against the liabilities specified above shall survive any termination of this Agreement.

10.2. Notwithstanding any election of remedies for any other breach of this Agreement, Licensee will indemnify and hold harmless Broker, its managers, members, officers, employees, agents, and affiliates from and against all liability, including without limitation all reasonable attorneys fees, arising out of or incident to any programming broadcast by Licensee or the conduct of Licensee, its employees, contractors, or agents. Without limiting the generality of the foregoing, Licensee will indemnify and hold and save Broker, its managers, members, officers, employees, agents, and affiliates harmless against liability for libel, slander, infringement of trademarks, trade names, or program titles, violation of rights of privacy, infringement of copyrights and proprietary rights and violations of FCC rules and policies resulting from such programming broadcast by Licensee. Licensee's obligation to hold Broker harmless against the liabilities specified above shall survive any termination of this Agreement.

11. Certification. PURSUANT TO SECTION 73.3555(a)(3)(ii) OF THE FCC'S RULES, LICENSEE CERTIFIES THAT IT WILL MAINTAIN ULTIMATE CONTROL OVER THE STATION'S FACILITIES, INCLUDING CONTROL OVER STATION FINANCES, PERSONNEL AND PROGRAMMING, AND BROKER CERTIFIES THAT THE ARRANGEMENT CONTEMPLATED BY THIS AGREEMENT COMPLIES WITH THE PROVISIONS OF SECTION 73.3555(a) OF THE FCC'S RULES.

12. Termination by Broker. In the event that the Stock Transfer Agreement terminates according to the terms and conditions therein set forth, then this Agreement shall terminate at the same time.

Miscellaneous Terms

Governing Law. This Agreement shall be construed and governed in accordance with the laws of the state of Vermont.

Authority. Licensee and Broker each represents that it has the power and authority to enter into this Agreement and to consummate the transactions contemplated by this Agreement. Each further represents that it is duly qualified and in good standing in its state of formation and is qualified to do business in any state where such qualification is necessary.

Modification and Waiver; Remedies Cumulative. No modification or waiver of any provision of this Agreement will be effective unless in writing and signed by both parties. No failure or delay on the part of either party in exercising any right or power under this Agreement will operate as a waiver of such right or power, nor will any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise of such right or power or the exercise of any other right or power. Except as otherwise provided in this Agreement, the rights and remedies provided in this Agreement are cumulative and are not exclusive of any rights or remedies which a party may otherwise have.

Successors and Assigns. This Agreement will be binding upon and inure to the benefit of Licensee, Broker and their respective successors and assigns.

Counterpart Signatures. This Agreement may be signed in one or more counterparts, each of which will be deemed a duplicate original.

Notice. Any notice required under this Agreement must be given in writing. Any payment, notice or other communication will be deemed given when delivered

personally, or mailed by certified mail or recognized overnight courier, postage prepaid, addressed as follows (or to such other address designated in writing upon due notice to the other party):

To Licensee:

Mr. Robert Howe
President
Bennington Broadcasters Ltd.
Harwood Hill
Bennington, VT 05201-0050

To Broker:

Barbara Sirvis, President
Southern Vermont College
Bennington, VT 05201

Entire Agreement. This Agreement and its attachments, along with the Stock Purchase Agreement of even date, embody the entire understanding between the parties relating to the rights herein granted and the obligations herein assumed. Any oral representation or modifications concerning this instrument shall be of no force or effect, excepting a subsequent modification in writing signed by both parties. The parties agree that any oral representations shall not bind the parties until expressed in a written instrument signed by both parties.

Relationship of Parties. Neither Licensee nor Broker will be deemed to be the agent, partner, or representative of the other party to this Agreement, and neither party is authorized to bind the other to any contract, agreement, or understanding.

Force Majeure. The failure of either party hereto to comply with its obligations under this Agreement due to acts of God, strikes or force majeure or due to causes beyond such party's control will not constitute a default under this Agreement and neither party will be liable to the other party therefore. In no event shall Licensee be liable for any consequential or incidental damages relating to its failure or inability to air scheduled programming due to circumstances beyond its control.

Construction. This Agreement shall be construed in accordance with the internal laws of the State of Vermont and the obligations of the parties hereto are subject to all federal, state, or municipal laws or regulations now or hereafter in force and to the regulations of the FCC and all other governmental bodies or authorities presently or hereafter duly constituted. The parties believe that the terms of this Agreement meet all of the requirements of current FCC policy for time brokerage agreements and agree that they shall negotiate in good faith to meet any FCC concern if they are incorrectly interpreting current FCC policy or that policy is subsequently modified. If the parties cannot agree to a modification or modifications deemed necessary by either party to meet FCC requirements, this Agreement may be terminated by either party by providing written notice to the other party as specified by

the provisions of Paragraph 19 hereof. The parties further agree that they will file a copy of this Agreement (other than Exhibit C) with the FCC.

Payola. Broker agrees that neither it nor its employees will accept any material compensation or any material gift or gratuity of any kind, regardless of its form, including, but not limited to, services or labor, whether or not pursuant to written contracts or agreements between Broker and merchants or advertisers, unless the payer is appropriately identified on the air as having paid for or furnished such consideration in accordance with FCC requirements.

Insurance. Licensee shall maintain in effect the casualty and liability insurance in effect with respect to the assets of the Station as of the date hereof. Broker will maintain in full force and effect broadcaster's liability insurance **naming Licensee as additional insured**, and will continue to maintain such insurance coverage in full force and effect throughout the Term. The hazards, **including defamation**, insured against by such policies, and the amounts thereof, are to be substantially similar to the hazards insured against and the amounts of coverage carried by entities of established reputations engaged in the same or similar business as Licensee or Broker, as the case may be. In no event shall such coverage be for less than \$1 million. Broker may, at its own expense, increase the amount of insurance coverage under the Licensee's policies.

Licensee's Cooperation. during the Term of this Agreement, Licensee shall from time to time upon demand fully cooperate with Broker in filing any application, permit, notice of appeal and/or other document which is deemed necessary or appropriate by Broker to be submitted to any governmental or judicial authority in connection with Broker's use of the Station Premises, and Licensee shall take no action inconsistent therewith.

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

BROKER

By: 

Its duly authorized agent

LICENSEE

By: 

Robert Howe
President

LICENSEE PUBLIC AFFAIRS PROGRAMMING

Licensee shall approve the minimum number of hours per week of public affairs programming on the Station as required by the FCC. Licensee's public affairs programs shall respond to area needs and interests which it has ascertained and shall be presented at times deemed by Licensee to best meet listening needs. Licensee's public affairs programming should be presented at hours determined jointly by the Licensee and Broker. Licensee shall maintain a complete public file (as required by the Federal Communications Commission) and compile and file all required quarterly Issues/Programs lists. Broker shall give Licensee copies of all operating and programming information including, without limitation, EAS announcements and station operating logs, necessary to maintain either such file or those records required to be kept by FCC rule or policy.

**STATEMENT OF STATION POLICIES OF
LICENSEE**

Bennington Broadcasters Ltd. ("Licensee"), Licensee of Radio Station WBTN-AM (the "Station"), hereby establishes the following standards, practices, policies and regulations to govern the broadcast of all programming aired over the Station. The following standards, practices and policies are to be adhered to in the preparation, writing, production and broadcasting of all advertisements and programs aired over the Station:

1. No Payola Or "Plugola". The mention of any business activity or "plug" for any commercial, professional or other related endeavor on the Station is prohibited, except where contained in a regular commercial message of a sponsor, and where such commercial message contains a sponsorship identification announcement which meets the requirements of Section 317 of the Communications Act of 1934, as amended (the "Communications Act") and Section 73.1212 of the rules of the Federal Communications Commission ("FCC").
2. No Lotteries. Unless permitted under applicable law, no lotteries or information concerning lotteries shall be broadcast.
3. Station Identification Announcements Required. A station identification announcement must be broadcast each time the Station goes on the air and when it signs off the air. A station identification announcement must also be broadcast each hour, as close to the top of the hour as feasible, at a natural break in programming, and shall comply with the requirements of Section 73.1201 of the FCC's Rules.
4. Contests and Promotions. In the event that any time broker broadcasts on the Station, or advertises information about, a contest that it conducts, the Broker shall comply with Section 73.1216 of the FCC's Rules by fully and accurately

disclosing the material terms of the contest and by conducting the contest "substantially as announced or advertised". No contest description by any time broker shall be broadcast on the Station where the Broker knows that such description is false, misleading or deceptive with respect to any material terms.

5. Obscenity and Indecency Prohibited. No obscene material may be broadcast over the facilities of the Station. No indecent material may be broadcast on the Station during any time when the airing of such programming would be contrary to law or FCC regulations or policies. For these purposes, "indecent" material is defined as language or material that describes sexual or excretory activities or organs in a patently offensive manner, as measured by contemporary community standards for broadcasting. Material will be considered obscene if (a) the average person, applying contemporary community standards, would find that the material appeals to the prurient interest, (b) it describes or depicts, in a patently offensive manner, sexual conduct as defined by applicable state law, and (c) taken as a whole, it lacks serious literary, artistic, political or scientific value.

6. False and Misleading Advertising and Programming Prohibited. No advertising or programming which is known to contain false or misleading claims shall be broadcast over the facilities of the Station.

7. Defamatory Statements Prohibited. No statements which are known to be libelous or defamatory may be broadcast over the facilities of the Station. Libel is a false statement of fact about a person, which tends to injure that person's reputation or otherwise cause injury or damages to that person.

8. "Equal Time" For Political Candidates. If a legally qualified candidate for public office is allowed to appear on the Station during his/her campaign in a "use" of the Station's facilities (as defined in Section 73.1941(b) of the FCC's Rules), his/her legally qualified opponents must be afforded equal opportunities to appear on the air.

9. Sponsorship Identification Announcements. All commercial announcements or commercial broadcasts must (a) contain an announcement stating

the fact that the matter broadcast was sponsored or paid for and must disclose the true identity of the person or entity on whose behalf payment was made or promised for the broadcast, or (b) otherwise comply with Section 317 of the Communications Act and Section 73.1212 of the FCC's Rules. Whenever such a sponsorship identification announcement is required, the announcement must be made both at the beginning and conclusion of each program of over five minutes in length. However, if a sponsored broadcast is five minutes or less in duration, only one such announcement is required, and it may be made either at the beginning or the conclusion of the broadcast or announcement.

10. Personal Attacks; Political Editorializing. No attacks on the character, honesty, integrity, or like personal qualities of any identified person or group of persons shall be broadcast over the Station during the discussion of any controversial issue of public importance unless the attacked person or group is afforded a reasonable opportunity to respond. During the course of political campaigns, no program broadcast on the Station is to be used as a forum for editorializing in support of or in opposition to any individual candidate, except for editorials by Licensee itself which are identified as such.