

TIME BROKERAGE AGREEMENT

THIS TIME BROKERAGE AGREEMENT (this “*Agreement*”) is made as of November ____, 2004, between **JOYNER RADIO, INC.**, a North Carolina corporation (“*Licensee*”) and **LAKES MEDIA, LLC**, a Delaware limited liability company (“*Programmer*”).

RECITALS:

A. Licensee owns and operates the following radio station (the “*Station*”) pursuant to licenses issued by the Federal Communications Commission (“*FCC*”):

WFXQ(FM), Chase City, Virginia (FCC Facility ID No. 51760)

B. Programmer has available and is producing radio programs that it desires to have broadcast on the Station, and therefore desires to access airtime from Licensee for the broadcast of such programs.

C. Licensee has agreed to make available to Programmer airtime on the Station and accept for broadcast the programs of Programmer on the terms and conditions set forth in this Agreement.

AGREEMENT

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

1. ***Agreement Term.*** Effective 12:01 a.m. on the effective date of this Agreement, as shown above (the “*Commencement Date*”), the parties hereby commence the term of this Agreement. The term of this Agreement (the “*Term*”) will be on a month-to-month basis.

2. ***Programmer’s Purchase of Airtime and Provision of Programs.*** During the Term, Programmer shall obtain from Licensee and have access to airtime on the Station upon the terms specified below, and shall transmit to Licensee programming that it produces, owns or to which it has obtained the rights to broadcast over the Station (the “*Program*” or “*Programs*”) for broadcast on the Station twenty-four (24) hours per day, seven (7) days per week, excluding the period from 6:00 a.m. to 8:00 am each Sunday morning (the “*Broadcasting Period*”). Programmer will transmit, at its own cost, its Programs to the Station’s transmitting facilities via a mode of transmission (*e.g.*, satellite facilities, microwave facilities and/or telephone lines) that will ensure that the Programs

meet technical and quality standards at least equal to those of the Station's broadcasts prior to commencement of the Term.

2.1. **Term Payments.** For the broadcast of the Programs and the other benefits made available to Programmer pursuant to this Agreement, during the Term Programmer will pay Licensee as set forth on **Schedule A** attached hereto.

3. **Broadcasting Obligations.** In return for the Programmer providing its Programs hereunder during the Term, Licensee shall broadcast the Programs delivered by Programmer during the Broadcasting Period, specified in **Section 2** above, subject to the provisions of **Section 6** below. Notwithstanding anything herein to the contrary, Programmer may (but shall not be obligated to) stream Programs furnished hereunder to which it has obtained the rights for Internet streaming in the form and manner Programmer streams the Programs, on any internet website that Programmer may develop for the Station, and Programmer shall be entitled to all revenue therefrom.

4. **Advertising Sales; Accounts Receivable.** Programmer will be exclusively responsible for the sale of advertising on the Station and for the collection of accounts receivable arising therefrom, and Programmer shall be entitled to all revenues of the Station (including for revenues from the Station's websites, if any) during the Term.

5. **Operating Expenses.** The Programmer and Licensee each shall be responsible for their own expenses, as follows:

5.1. **Programming Expenses.** During the Term, Programmer shall be responsible for all costs associated with the production, development and promotion of all the Programmer's Programs that are broadcast by the Station, including (i) the salaries, taxes, insurance and related costs for all personnel used in the production of the Programs supplied to Licensee, and (ii) the costs of delivering the Programs to Licensee.

5.2. **Sales Expenses.** During the Term, Programmer shall be responsible for all costs associated with the sale of advertising that is broadcast by the Station, including (i) the salaries, taxes, insurance and related costs for all personnel used in the sale of advertising on the Station, and (ii) the costs of commission's and agencies involved with the sale of advertising on the Station.

5.3 **Operating Expenses.** During the Term Licensee shall be responsible for all costs associated with the general and technical operation of the Station, including the maintenance of all studio and transmitter equipment and all other operating costs required to be paid to maintain the Station's broadcast operations in accordance with FCC rules and policies and applicable law. Licensee will also pay for all utilities supplied to its main studio and transmitter sites. Licensee will provide all personnel necessary for the broadcast transmission of the Programs (once received at its transmitter

site) and will be responsible for the salaries, taxes, insurance and related costs for all such personnel.

6. 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 full authority, power and control over the operation of the Station and over all persons working at the Station 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, Licensee will employ: (1) a Station Manager for the Station, who will report to Licensee and will direct the day-to-day operations of the Station, and who shall have no employment, consulting, or other relationship with Programmer, (2) a second employee, who will report and be solely accountable to the Station Manager and will perform such duties and responsibilities as directed by the Station Manager. These employees, at Licensee's reasonable discretion, may be full-time or part-time, so long as the staffing is consistent with the FCC's rules and policies. Licensee shall retain control over the policies, programming and operations of the Station. Nothing contained herein shall prevent Licensee from (a) rejecting or refusing programs which Licensee believes to be contrary to the public interest, or (b) substituting programs which Licensee believes to be of greater local or national importance or which are designed to address the problems, needs and interests of the local communities; *provided*, that Licensee shall exercise this right solely to reasonably fulfill its obligations as an FCC licensee and not for its own commercial or economic advantage. If in any month Licensee preempts any Programs, Licensee shall refund to Programmer all reasonable expenses incurred by Programmer as the result of any such preempted Programs, computed on a *pro rata* basis of a ratio that the total time preempted bears to the total amount of time in the Broadcasting Period for such month. Licensee reserves the right to refuse to broadcast any Program containing matter which violates any right of any third party or which constitutes a "personal attack" as that term has been defined by the FCC. Licensee also reserves the right to refuse to broadcast any Program which does not meet the requirements of the rules, regulations, and policies of the FCC or the regulations and restrictions set forth in **Section 10**. Licensee further reserves the right to preempt any Program in the event of a local, state, or national emergency. If Licensee preempts, rejects or otherwise refuses to broadcast any Program, then Licensee shall broadcast substitute programming of equal or greater value to Programmer, *again provided*, that Licensee shall exercise this right solely to reasonably fulfill its obligations as an FCC licensee and not for its own commercial or economic advantage. Programmer agrees to cooperate with Licensee to ensure that EAS transmissions are properly performed in accordance with Licensee's instructions. Licensee reserves the right to delete any commercial announcements that do not comply with the requirements of the FCC's sponsorship identification policy. Programmer will immediately serve Licensee with notice and a copy of any letters of complaint it receives concerning any Program for Licensee review and inclusion in its public inspection file.

6.1. **Capital Expenditures.** Should Programmer make capital expenditures for replacements or additions of freestanding equipment relative to the facilities or equipment used or useful at the Station in connection with this Agreement, then upon termination of this Agreement, for whatever reason, such capital expenditures shall be and remain the property of Programmer.

7. **Maintenance of Signal.** Licensee, at its expense, shall maintain the operating power of the Station at the maximum level authorized by the FCC for the Station throughout the Term and shall repair and maintain the Station's tower and transmitter site and equipment in good working order.

8. **Premises Relocation.** Programmer and Licensee understand and agree that upon the Commencement Date Licensee may choose to relocate its facilities for the studios and offices of the Station (the "*Main Studio*") to the office and studio facilities maintained and operated by Programmer. Accordingly, the parties to this Agreement shall provide and afford each other reasonable access and use of the Main Studio in order to facilitate Licensee's obligations under this Agreement. Any such use and access of Main Studio at the Programmer's premises shall be without consideration or payment by Licensee or Programmer, and shall be in consideration of the Broadcasting Period, as defined above. When on the Main Studio premises, Programmer's personnel shall be subject to the direction and control of Licensee's management personnel. If requested by Programmer, Licensee shall provide Programmer access to and the use of the Main Studio as is reasonably necessary for Programmer to reasonably exercise its rights and perform its obligations under this Agreement. Such use and access of Licensee's premises shall be without additional consideration or payment by Programmer, but shall be in consideration of the Programs provided to the Station by Programmer.

8.1. **Studio Location.** The Main Studio location shall be maintained consistent with Section 73.1125 of the FCC's Rules. In the event Licensee is obligated to further relocate the Main Studio, then such location shall be consistent with Section 73.1125 of the FCC's Rules.

9. **Music Licenses.** During the Term, Licensee will obtain and maintain in full force and effect in its own name all music licenses ("*Music Licenses*") as are currently operative with respect to the Station and as will be required by the licensor of those Music Licenses. All Music Licenses fees incurred by Licensee during the Term that are attributable to the Programs shall be reimbursed by Programmer.

10. **Programs.**

10.1 **Production of the Programs.** Licensee acknowledges that it is familiar with the type of Programs Programmer currently produces and has determined that the broadcast of such programming, in general, on the Station would serve the public interest, but this acknowledgement does not indicate a specific approval of any par-

ticular Program. Programmer agrees that the contents of the Programs it transmits to Licensee shall conform to **Attachment 1** hereto, the FCC's rules, regulations and policies. Programmer agrees that it will consult with Licensee in the selection of the Programs it transmits to Licensee to ensure that the Programs' content contains matters responsive to issues of public concern in the local communities, as those issues are made known to Programmer by Licensee. Licensee acknowledges that its right to broadcast the Programs is non-exclusive and that ownership of the Programs, and all parts thereof, and the right to authorize their use in any manner and in any media whatsoever, shall be and remain vested in Programmer.

10.2 Political Time. Licensee shall oversee and take ultimate responsibility with respect to the provision of equal opportunities, lowest unit charge, and reasonable access to political candidates, and compliance with the political broadcast rules of the FCC. During the Term, Programmer shall cooperate with Licensee as Licensee complies with its political broadcast responsibilities, and shall supply such information promptly to Licensee as may be necessary to comply with the Bilateral Campaign Reform Act, FCC political time record keeping and lowest unit charge requirements of federal law. Programmer shall release advertising availabilities to Licensee during the Broadcasting Period as necessary to permit Licensee to comply with the political broadcast rules of the FCC.

11. Call Signs. During the Term, Licensee will retain all rights to the call letters of the Station or any other call letters which may be assigned by the FCC for use by the Station, and will ensure that proper station identification announcements are made with such call letters in accordance with FCC rules and regulations. Programmer shall include in the Programs it delivers for broadcast an announcement at the beginning of each hour of such Programs to identify such call letters and the Station's communities of license, as well as any other announcements required by the rules and regulations of the FCC. Programmer is specifically authorized to use such call letters in its Programs and in any promotional material, in any media, used in connection with the Programs.

11.1. Call Sign Promotion and/or Change. The call letters for the Station shall not be changed without the prior written consent of Licensee. Licensee will use its best efforts to assist Programmer in the promotion and use of the call letters chosen by Programmer in connection with the broadcast of the Programs on the Station. During the life of this Agreement, Programmer shall have no property right or interest in the call letters of the Station used by Licensee as of the day preceding the Commencement Date. Should Licensee consent to a change of the call sign for the Station ("New Call Sign"), then upon termination of this Agreement by sale or assignment of the licenses for the Station to Programmer, Licensee shall have no property right or interest in such New Call Sign and will release to Programmer any New Call Sign adopted by Programmer. Should this Agreement be terminated without the consummation of the sale or assignment of the licenses for the Station to Programmer, then Programmer

shall have no property right or interest in such New Call Sign and will release to Licensee any New Call Sign adopted and used by or on behalf of the Station as of the termination of this Agreement. Licensee will provide to Programmer such reasonable assistance as Programmer may request (at no cost or penalty to Licensee) to protect Programmer's rights in such New Call Sign, and during the Term hereof, Licensee will not then^[GPS1] replace the call letters with any that are similar to any New Call Sign chosen by Programmer. Subject to Licensee's prior consent to a call sign change, Licensee, in good faith, will reasonably assist and cooperate with Programmer to allow and effectuate one or more changes of the call sign for the Station requested by Programmer. During the term of this Agreement, Programmer shall reimburse Licensee for any reasonable costs and expenses incurred by Licensee in connection with any call sign changes that are requested by Programmer.

12. *Events of Default.*

12.1. ***Programmer's Events of Default.*** The occurrence of any of the following will be deemed an Event of Default by Programmer under this Agreement: (a) Programmer fails to make timely reimbursement payments as provided for in this Agreement; (b) Programmer fails to observe or perform its other obligations contained in this Agreement in any material respect; or (c) Programmer breaches the representations and warranties made by it under this Agreement in any material respect.

12.2. ***Licensee Events of Default.*** The occurrence of the following will be deemed an Event of Default by Licensee under this Agreement: (a) Licensee fails to make timely reimbursement payments as provided for in this Agreement^[GPS2]; (b) Licensee fails to observe or perform its obligations contained in this Agreement in any material respect; or (c) Licensee breaches the representations and warranties made by it under this Agreement in any material respect.

12.3. ***Cure Period.*** Notwithstanding the foregoing, and except as provided in **Section 22**, an Event of Default will not be deemed to have occurred until fifteen (15) 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.

13. *Termination.*

13.1. ***Non-Default Termination.*** This Agreement may be terminated by the parties, as provided by this Section and its subparts, if no default has occurred and without fault or further obligation to the other party in the following circumstances:

13.1.1. ***License Termination.*** By either party if the main operating authority for the Stations is terminated, for whatever reason, by the FCC or other federal agency, and the order of termination has become a Final Order.

13.1.2. **Termination for Change in FCC Rules and Regulations.** The parties believe that the terms of this Agreement comply in all respects with current FCC policies for brokerage agreements and agree that they shall negotiate in good faith to meet any FCC concern with respect to it if they are incorrectly interpreting current Rules and Regulations, or if the Rules and Regulations are modified. If the parties cannot agree within a forty-five (45) day period, or such other period as the parties may mutually set, to modification or modifications deemed necessary by either party to meet FCC requirements, either party may terminate this Agreement without payment of any termination fee by giving the other party forty-five (45) days' written notice of termination.

13.1.3. **Termination upon Written Notification.** This Agreement may be terminated by either Licensee or Programmer upon delivery of written notice of such voluntary termination by one party to the other. In such event, the notice delivery shall occur no less than thirty (30) days prior to the effective Termination Date.

13.1.4. **Actions re Non-Default Termination.** In the event of a termination in accordance with this Section and its subparts, as of the Termination Date the parties may promptly recover any equipment respectively owned by them and shall have no further obligation to otherwise pay further compensation or provide services as set forth in this Agreement.

13.2. **Termination in the Event of Default.** Upon the occurrence of an Event of Default, and in the absence of a timely cure pursuant to **Section 12.3**, the non-defaulting party may terminate this Agreement, effective immediately upon written notice to the defaulting party.

13.3. **Events Upon Termination or Expiration.**

13.3.1. **Obligations.** Upon any termination or expiration of this Agreement: (i) Licensee shall be under no further obligation to make available to Programmer any further broadcast time or broadcast production or transmission facilities; (ii) Programmer's obligation to purchase time on the Stations shall be terminated; and (iii) Programmer shall be responsible for debts and obligations of Programmer resulting from the reservation or use of air time and transmission facilities during the term of this Agreement through the date of termination or expiration; and (iv) the parties shall withdraw from each others' facilities and premises, without harm or damage to such facilities and premises, no later than ten (10) days after the Termination Date.

13.3.2. **No Impairment of Rights.** No expiration or termination of this Agreement shall limit or impair any party's rights to receive payments due and owing hereunder on or before the date of such termination.

13.4. **Termination Procedure.** Termination under this Agreement may only be accomplished in writing that is served upon the other party to this Agreement in accordance with the provisions of **Section 20**, hereof. Unless otherwise provided in the termination notice, termination, subject to this **Section 13** and its subparts, shall be effective as of the day that written notice of such termination is received by the party to whom the termination notice is directed.

13.5. **Notice of Termination.** In the event this Agreement is terminated under **Sections 13.1** or **13.2**, and the respective sub-parts to those Sections, the party terminating the agreement shall give written notice of such termination to the other party. Notice shall be given as much in advance as reasonably possible, but in any event should not be less than ten (10) Business Days prior to the intended Termination Date. The term “*Termination Date*” shall mean the effective date on which this Agreement shall be terminated.

13.6. **Mechanics of Unwinding.** In the event this Agreement is terminated and the transaction must be unwound, the parties shall observe the following procedures and covenants:

13.6.1. **Cooperation of Parties.** Programmer and Licensee shall mutually cooperate in the preparation, execution, delivery, and, if necessary, filing of all documents necessary to return the programming operations of the Stations to Licensee;

13.6.2. **Unwind Closing.** The Unwind Closing shall take place on the Termination Date at the offices of the Stations, or such other place as shall be reasonably and mutually acceptable to the Programmer and Licensee;

13.6.3. **Covenants.** Between the date of any notification of Termination and the Termination Date, Licensee and Programmer hereby mutually covenant and warrant that they shall (i) operate the Stations in good faith and in the ordinary course; (ii) not dispose of the Stations’ Assets unless replaced by assets of comparable value in the ordinary course of business; and (iii) maintain property insurance on the Stations’ tangible assets in such amounts as are customarily maintained by similar businesses or as otherwise provided by this Agreement;

13.6.4. **Prorations.** All taxes, accrued and unpaid payrolls, rents, deposits, power and utility charges, obligations under agreements, prepaid items and expenses and similar items applicable to the Stations shall be allocated among Programmer and Licensee effective as of 11:59 PM immediately preceding the Termination Date. On the Termination Date, the expenses shall be prorated in accordance with generally accepted accounting principles. Licensee shall be allowed credit as to any prepayment received by Programmer for services to be rendered by Licensee after The Termination Date, and Programmer shall be allowed credit

for services rendered by it for which payment will be received by Licensee after the Termination Date. The Licensee's accountants and the Programmer's accountants shall attempt in good faith to resolve any disputes to such adjustments. In the event such accountants are unable to resolve any such disputes within thirty (30) days after the realization by the parties of the existence of a dispute, then such dispute shall be resolved by a third party accounting firm to be selected, within ten (10) days of the realization of the dispute, by the respective accountants for Programmer and Licensee (the fees of such third party accounting firm shall be paid equally by the disputing parties), and any such determination of the third party accounting firm shall be binding and conclusive on the disputing parties.

13.6.5. ***Accounts Receivable.*** All accounts receivable from broadcast of the Stations that are attributable to Programmer and which occur prior to 11:59 PM preceding the Termination Date shall be the property of Programmer. In the event that Programmer shall have received prior to the Termination Date any payments under contracts to be assumed by Licensee after the Termination Date, whether as an advance, deposit or otherwise, which relate to the operation of the Stations after the Termination Date, such payments shall be deemed the property of the Licensee and an amount equal to the aggregate of such payments shall be paid over by Programmer to Licensee on the Termination Date.

13.6.5.1. ***Collection of Accounts Receivable***^[GPS3]. Fifteen (15) Business Days after the Termination Date, Programmer shall deliver to Licensee an itemized, preliminary schedule of the accounts receivable, listing each debtor, the amounts due and whether (and when) the debtor has been billed (the "Register"). During the Collection Period, Programmer shall use reasonable efforts to assist Licensee in collecting the accounts receivable in the normal and ordinary course of business. Licensee shall collect the accounts receivable without commission or compensation and Licensee shall remit to Programmer monthly (with a monthly accounting on the fifteenth (15th) Business Day after the close of each month) during the Collection Period following the Termination Date until the Adjustment Date all amounts collected. Without the express written consent of Programmer, Licensee shall not compromise or settle for less than full value any accounts receivable. Licensee shall not incur any liability as the result of failure to collect any accounts receivable and shall not be required to incur any expense or institute suit (or engage in any dunning) to collect any accounts receivable. Programmer and Licensee reasonably shall cooperate to facilitate Licensee's collection of the accounts receivable hereunder (e.g., by execution and delivery of necessary powers of attorney for the deposit of checks). At the end of the Collection Period, Licensee shall assign over to Programmer and shall have no further obligation with respect to any accounts receivable of Programmer uncollected within the Collection Period. All monies collected relating to the accounts receivable during the Collection Period, shall

first be applied toward the payment of the accounts receivable listed on the Register, except that, if any debtor shall dispute in writing an Account Receivable, Licensee shall promptly notify Programmer thereof. Programmer shall have ten (10) Business Days from receipt of such notice to investigate and/or adjust such account with the debtor, except with the prior consent of Licensee and if, at the end of said ten (10) Business Days, Programmer has not received a writing from the debtor that the dispute has been adjusted to the debtor's satisfaction, Licensee may return such account to Programmer and thereafter deal with such debtor as if it were not on the Register, *i.e.*, without the obligation of applying funds subsequently received from such debtor to the accounts receivable, and Licensee shall return any uncollected accounts receivable to Programmer. To the extent Licensee receive any proceeds from an Account Receivable which is returned to Programmer after the Collection Period, Licensee will immediately remit the same to Programmer. For the purposes of this Agreement, the term "Collection Period" shall mean The term "*Collection Period*" shall mean a period of ninety (90) days following the Commencement Date, during which, Programmer shall act as agent for Licensee for the collection of accounts receivable owing to Licensee.

13.6.6. **Personnel.** On the Termination Date Programmer shall deliver to Licensee a listing of all personnel employed by Programmer in connection with the preparation, implementation, and delivery of the Programming on the Stations, as well as the sale of advertising time on the Stations. The listing shall enumerate the compensation paid by Programmer to said personnel, and any bonus arrangements and other benefits paid or due by Programmer to the personnel. Licensee shall be entitled and authorized by Programmer to employ, on and after the Termination Date, any of the personnel identified by Programmer on the personnel listing. Between any notice of termination and the Termination Date, Programmer shall not increase, or agree to increase more than five percent (5%) the compensation or rate of compensation of any of Programmer's agents or employees, respecting the Programming or the operation of the Stations.

13.6.7. **Trade-Out Agreements; Limited Assumption.** It is understood and agreed that Programmer in good faith shall take all necessary action in the time prior to the Termination Date to conclude all obligations of the Stations and of Programmer, and/or any Affiliate, subsidiary, or other party in interest, with reference to Trade-Out Agreements entered into by Programmer after the Commencement Date, so that, at the Termination Date Licensee's obligation with reference to such arrangements shall be reduced. As to such arrangements to which Licensee shall have given written consent, Licensee shall discharge Programmer's obligations after The Termination Date. Should there be any prepaid Trade Out Agreements or cash agreements in effect as of the Termination Date and made by Programmer, Licensee shall perform the outstanding obligations under such con-

tracts. Programmer promptly shall reimburse Licensee for the value of advertising time used by Licensee to fulfill such contracts if the value of such outstanding prepaid advertising exceeds **TWO THOUSAND AND NO/100 DOLLARS** (\$2,000.00). Such reimbursement shall be made in the form of a credit against the accounts receivable collected by Licensee for Programmer's benefit during the Collection Period. The credit shall be in an amount equal to the contract value of such advertising time broadcast, based upon the rates established by the Programmer in each of the respective contracts for the Trade Out Agreements.

13.6.8. ***Liabilities Upon Termination.*** Upon termination of this Agreement, Programmer shall be responsible for all liabilities, debts and obligations of Programmer accrued from the purchase of air time and transmission services including, without limitation, accounts payable, barter agreements and unaired commercials, but not for Licensee's federal, state and local tax liabilities associated with Programmer's payments to Licensee as provided for herein. With respect to Programmer's obligations for consideration in the form of air time, if Programmer does not actually purchase the Station, Programmer may propose compensation to Licensee for meeting these obligations, but Licensee shall be under no duty to accept such compensation or to perform such obligations. In the event of a termination of this Agreement for any reason, Programmer shall return to Licensee any equipment or property of Stations(s) used by Programmer, its employees or agents, in substantially the same condition as such equipment existed on the date of this Agreement, ordinary wear and tear excepted. Termination shall not extinguish any rights of either party as may be provided by this Agreement.

13.7. ***Cooperation Upon Termination.*** If this Agreement is terminated for any reason, the parties agree to reasonably cooperate with one another and to take all actions necessary to rescind this Agreement and return the parties to the status *quo ante*, subject to the terms and conditions of the Purchase Agreement.

14. ***Force Majeure.*** No failure or impairment (*i.e.*, failure to broadcast at the Station's full authorized height and power) of the facilities of the Station or any delay or interruption in the broadcast of the Programming, or failure at any time to furnish facilities, in whole or in part, for broadcasting, due to acts of God, or terrorists, strikes or threats thereof or *force majeure* or due to other causes beyond the reasonable control of Licensee shall constitute an Event of Default under this Agreement.

14.1. ***Cessation of Operations.*** Notwithstanding anything set forth above, in the event that there shall be any casualty or damage due to fire, earthquake, flood or act of God sufficient to preclude operations of the Station for a period of: (i) seven (7) consecutive days, or (ii) ten (10) days in total, Programmer may terminate this Agreement on three (3) Business Days' written notice to Licensee.

15. **Indemnification.** Each party will indemnify and hold harmless the other party, and the directors, officers, employees, agents and affiliates of such other party, from and against any and all liability, including, without limitation, all consequential damages and reasonable attorneys' fees, arising out of or incident to (i) any material breach by such party of a representation, warranty or covenant made herein, (ii) the programming produced and/or furnished by such party hereunder, (iii) the conduct of such party, its employees, contractors, agents or invitees in performing its obligations hereunder, or (iv) any FCC violations resulting from the failure by either party to carry out its obligations hereunder. Without limiting the generality of the foregoing, each party will indemnify and hold harmless the other party, and the directors, officers, employees, agents and affiliates of such other party, from and against any and all liability for libel, slander, infringement of trademarks, trade names, or program titles, violation of rights of privacy, and infringement of copyrights and proprietary rights resulting from the programming produced or furnished by it hereunder. The parties' indemnification obligations hereunder shall survive any termination or expiration of this Agreement. Licensee and Programmer will each hold the other harmless for any violation of the Rules and Regulations, and Programmer will indemnify Licensee for any violation of the Rules and Regulations that is wholly attributable to, or caused by, Programmer.

16. **Authority.** Programmer and Licensee each represent and warrant to the other that (i) it has the power and authority to enter into this Agreement and to consummate the transactions contemplated hereby; (ii) it is in good standing in the jurisdiction of its organization and is qualified to do business in all jurisdictions where the nature of its business requires such qualification; (iii) it has duly authorized this Agreement, and this Agreement is binding upon it; and (iv) the execution, delivery, and performance by it of this Agreement does not conflict with, result in a breach of, or constitute a default or ground for termination under any agreement to which it is a party or by which it is bound.

17. **Modification and Waiver; Remedies Cumulative.** No modification of any provision of this Agreement will be effective unless in writing and signed by all parties. No failure or delay on the part of Programmer or Licensee 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 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 other rights or remedies which a party may otherwise have.

18. **Assignability; No Third Party Rights.** This Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and permitted assigns. Notwithstanding the foregoing, no party may assign its rights or obligations under this Agreement without prior written consent of the other party, which consent shall not be unreasonably withheld, delayed, or conditioned; *provided, however*, that Programmer may assign and delegate its rights and obligations under this Agreement to a party that

controls, or is controlled by, or is under common control with, Programmer, and qualified under applicable FCC rules, upon prior written notice to, but not the prior written consent of, Licensee. The covenants, conditions and provisions hereof are and shall be for the exclusive benefit of the parties hereto and their permitted assigns, and nothing herein, express or implied, is intended or shall be construed to confer upon or to give any person or entity other than the parties hereto and their permitted assigns any right, remedy or claim, legal or equitable, under or by reason of this Agreement.

19. **Construction.** This Agreement will be construed in accordance with the laws of the Commonwealth of Virginia without regard to principles of conflicts of laws.

20. **Notice.** Any notice required hereunder shall be in writing, including by facsimile, and any payment, notice or other communications shall be delivered personally, or mailed by certified mail, postage prepaid, with return receipt requested, or delivered to FedEx (Federal Express), or any other nationally recognized overnight delivery service for next morning delivery or when dispatched by facsimile transmission (with the facsimile transmission confirmation being deemed conclusive evidence of such dispatch), or by electronic mail with such notice attached in Portable Document Format (PDF) and sent with requests for delivery and read receipts, the return of such receipts being deemed conclusive evidence of such dispatch, in each case addressed to the persons, parties or entities as follows:

If to Licensee:	JOYNER RADIO, INC. Mr. A. Thomas Joyner President 415 Wayfield Lane Apex, NC 27539-6371 Fax: 919-387-6026	If to Pro- grammer:	LAKES MEDIA, LLC Mr. Thomas C. Birch 11971 Glenmore Drive Coral Springs, FL 33071-7806 Fax: 954-827-0277
with copies to:*	Gregg P. Skall, Esq. Womble Carlyle Sandridge & Rice, PLLC 1401 Eye Street, N.W. Suite 700 Washington, DC 20005 Fax: 202-261-0041	with a copy to:*	Lee W. Shubert, Esq. Katten Muchin Zavis Rosenman 1025 Thomas Jefferson Street, N.W. East Lobby, Suite 700 Washington, DC 20007-5201 Fax: 202-295-1122

*which shall not constitute notice.

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

22. **Entire Agreement.** This Agreement embodies the entire agreement, and supersedes all prior oral or written understandings, between the parties with respect to the subject matter of this Agreement.

23. ***Relationship of Parties.*** Neither the Programmer nor Licensee 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.

24. ***Interpretation of Agreement.*** This Agreement is the product of negotiation and preparation by, between and among Programmer and Licensee and their respective attorneys. Accordingly, the parties hereto acknowledge and agree that this Agreement shall not be deemed prepared or drafted by one party or another, and shall be construed accordingly.

25. ***Further Assurances; Cooperation.*** After the Commencement Date, each of the parties, upon the reasonable request of the other, will take such reasonable actions or deliver or execute such further documents, materials, signatures, or information as may be reasonably necessary to assure compliance with, or effectuation of, the terms and conditions to this Agreement and the *bona fide* good faith intentions of the parties hereto. Each party will cooperate with the other with respect to establishing and attaining the strategic and operational goals of the Station.

26. ***Subject to Laws; Partial Invalidity.*** The obligations of the parties under this Agreement are subject to the rules, regulations and policies of the FCC and all other applicable laws. The parties agree that Licensee may file a copy of this Agreement with the FCC. If any provision in this Agreement is held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability will not affect any other provision of this Agreement, and this Agreement will be construed as if it did not contain such invalid, illegal, or unenforceable provision.

27. ***Headings.*** The headings of the various provisions of this Agreement are included for convenience only, and no such heading shall in any way affect or alter the meaning of any provision.

28. ***Successors and Assigns.*** Subject to the provisions of **Section 16** above, this Agreement shall be binding and inure to the benefit of Licensee's successors and assigns. This Agreement shall also be binding upon and inure to the benefit of Programmer and its successors and assigns.

29. ***Schedules and Exhibits.*** All schedules, exhibits and riders attached to this Agreement shall be deemed part of this Agreement and incorporated herein, where applicable, as if full set forth herein.

30. ***Publicity.*** The parties agree to cooperate in coordinating any public announcement or other publicity regarding their activities under this Agreement. Programmer will file a copy of this Agreement with the FCC within thirty (30) days of the

execution thereof, and both parties will place copies in their respective public inspection files maintained pursuant to Section 73.3526 of the FCC's Rules.

31. **Confidentiality.** Each party agrees that any and all non-public information learned or obtained by it from the other shall be confidential and agrees not to disclose any such information to any person whatsoever other than as is necessary for the purpose of effecting this Agreement, or as otherwise required by law.

32. **Disputes; Final Termination.** In the event Programmer or Licensee in good faith contests any basis for termination exercised pursuant to this Agreement, the termination shall not become effective until the dispute is arbitrated as provided herein. In the event the Licensee terminates the Agreement, the Agreement shall continue in effect until the dispute is arbitrated, as provided herein, only so long as Programmer continues to make payments as provided by **Section 2.1** of this Agreement. A dispute over the payment of the Master Fee or Expense Reimbursement, shall not relieve Programmer of the obligation to make the Master Fee payments in a full and timely manner. Any dispute concerning termination pursuant to this Agreement shall be resolved by binding arbitration pursuant to the rules of the American Arbitration Association. The prevailing party shall be entitled to reimbursement from the non-prevailing party of all reasonable expenses actually incurred to comply with this arbitration provision. The prevailing party shall mean the party that is successful in obtaining substantially all the relief sought. In the event of a dispute under this Agreement, Programmer shall satisfy its payment obligations under **Section 2** if payments during the dispute are made by Programmer to a Dispute Escrow Agent. Unless otherwise hereafter provided, the Dispute Escrow Agent shall be **KOZACKO MEDIA SERVICES**, 800 Underwood Avenue, Elmira, New York 14902. Should the Programmer be the party seeking termination of this Agreement, and in the event the Programmer is declared to be the prevailing party, then any disputed payments made by Programmer to Licensee, under **Section 2** of this Agreement, during the term the dispute is being arbitrated shall be refunded by Licensee to Programmer by not later than the tenth (10th) day after the decision of the arbitrator(s) is issued.

33. **Explication.** Unless the context of this Agreement clearly requires otherwise, references to the plural include the singular and to the singular include the plural, references to any gender include any other gender, the part includes the whole, the term "including" is not limiting, and the term "or" has, except where otherwise indicated, the inclusive meaning represented by the phrase "and/or." The words "hereof," "herein," "hereby," "hereunder," and similar terms in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement. Article, section, subsection, clause, exhibit and schedule references are to this Agreement, unless otherwise specified. Any reference in or to this Agreement or the Purchase Agreement includes any and all permitted alterations, amendments, changes, extensions, modifications, renewals, or supplements thereto or thereof, as applicable.

++ E-X-E-M-P-L-A-R ++	< 11/19/04 5:14 PM> [41568234_3.DOC]	++ E-X-E-M-P-L-A-R ++
-----------------------	---	-----------------------

34. ***Certification.*** Licensee verifies that it maintains ultimate control over the facilities of Station; including ultimate control over the Station's facilities, and specifically control over station finances, personnel and programming. Licensee and Programmer hereby certify that they each respectively verify that this Agreement complies with the provisions of Title 47 C.F.R. Section 73.3555(a), (c) and (d).

[THIS SPACE INTENTIONALLY LEFT BLANK — SIGNATURE PAGE FOLLOWS]

++ E-X-E-M-P-L-A-R ++	< 11/19/04 5:14 PM> [41568234_3.DOC]	++ E-X-E-M-P-L-A-R ++
-----------------------	---	-----------------------

[SIGNATURE PAGE TO TIME BROKERAGE AGREEMENT]

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

PROGRAMMER: **LAKES MEDIA, LLC**

By _____
Name: Thomas C. Birch
Title: Chief Executive Officer

LICENSEE: **JOYNER RADIO, INC.**

By _____
Name: A. Thomas Joyner
Title: President

SCHEDULE A
To
TIME BROKERAGE AGREEMENT

RADIO STATION WFXQ, CHASE CITY, VIRGINIA
(FCC FACILITY ID No. 51760)

PAYMENTS

1. **Master Fee.** As consideration for the Programming and Licensee's continued performance of its obligations under this Agreement, Programmer monthly shall pay Licensee a commission based the actual monthly receipts collected by Programmer and derived from Programmer's sale of programming and/or advertising (including non-traditional revenue sources) directly pertaining to the business and operations of the Station. The commission shall be equal to thirty percent (30%) of Net Revenue collected by Programmer during the month preceding the month in which the commission payment is due by Programmer to Licensee. For the purposes of this Agreement, "*Net Revenue*" shall mean gross cash receipts generated in connection with sales directly involving the Station, less all sales commissions (agency as well as account executives/representatives).

1.1. **Partial Month Proration of Master Fee.** The Master Fee shall be prorated for any partial month by multiplying the applicable monthly Master Fee payment by a factor derived from the actual number of days in the month to which the Agreement is effective or applicable divided by the total number of days in that month.

2. **Expense Reimbursement.** Additionally, Programmer shall reimburse to Licensee the actual, reasonable costs incurred by Licensee with respect to the following expenses incurred solely in the actual operation of the Station attributable to the Term of this Agreement, in each case except as otherwise provided below or elsewhere in this Agreement to include, but not be limited to: tower and studio rents, utilities, property taxes with regard to the Station property, normal and ordinary building and tower maintenance, normal and ordinary engineering fees incurred by Licensee in the operation of the Station, casualty and liability insurance premiums with respect to insurance policies currently maintained by the Station in an amount equal to the current premiums being currently paid by the Station therefor, Music License fees (*i.e.*, ASCAP, BMI and SESAC), production Music License fees and software license fees, pro rata FCC annual regulatory fees, salaries and benefits of Licensee's employees at the Station described in **Section 6** and programming and production costs incurred by Licensee in respect of any

++ E-X-E-M-P-L-A-R ++	< 11/19/04 5:14 PM> [41568234_3.DOC]	++ E-X-E-M-P-L-A-R ++
-----------------------	---	-----------------------

Programming to be aired after the date hereof and that first become due and payable during the Term (“*Operating Expenses*”). Anything to the contrary contained herein or in this Agreement notwithstanding,

On the 5th of each month, Licensee will provide Programmer a list of the actual expenses incurred the preceding month, together with copies of the invoices or other backup information as may exist (the “*Monthly Reconciliation*”). Programmer shall remit and deliver to Licensee an amount equal to the aggregate of such expenses in each case consistent with the terms of this Agreement, within ten (10) Business Days of receipt by Programmer of such expense documentation. In the event the Commencement Date is in the middle of a month, Programmer only will be responsible to reimburse Licensee for Operating Expenses relating to the portion of the month during which any term of this Agreement has been in effect.

Disputes Generally. In the event of a bona fide dispute as to any requested reimbursement, Programmer may dispute such reimbursement and may withhold payment to Licensee for such reimbursement until such dispute is resolved. In the event of a reasonable dispute over the amount of any payment hereunder because of adjustment, *e.g.*, for preemption prorations or *force majeure* or other interruptions, the dispute shall be resolved as provided in **Section 32** of this Agreement.

Disputes Respecting Monthly Reconciliation. In the event of any reasonable dispute respecting the reasonableness or necessity of any amount included in the monthly Expense Reimbursement, then the Licensee’s accountants and the Programmer’s accountants shall attempt in good faith to resolve any disputes respecting the Monthly Reconciliation of expenses. In the event such accountants are unable to resolve any such dispute within thirty (30) days after the realization by the parties of the existence of a dispute, then such dispute shall be resolved by a third party accounting firm to be selected, within ten (10) days of the realization of the dispute, by the respective accountants for Programmer and Licensee (the fees of such third party accounting firm shall be paid equally by the disputing parties), and any such determination of the third party accounting firm shall be binding and conclusive on the disputing parties.

Grace Period/Notice. Programmer shall be entitled to a grace period of five (5) Business Days for each payment to be made under this Agreement. If, after the grace period default is not cured within five (5) days after receipt of written notice of default,

+ + E-X-E-M-P-L-A-R + +	< 11/19/04 5:14 PM> [41568234_3.DOC]	+ + E-X-E-M-P-L-A-R + +
-------------------------	---	-------------------------

the Licensee may at its option declare Programmer in default and pursue such remedies as may be available to it.

Mode of Payment. All payments by Programmer under the terms of this Agreement shall be in the form of Immediately Available Funds. “Immediately Available Funds” shall mean cash, a certified bank cashier’s check, or funds immediately available by wire transfer, all in, or payable in, the valid currency and legal tender of the United States.

++ E-X-E-M-P-L-A-R ++	< 11/19/04 5:14 PM> [41568234_3.DOC]	++ E-X-E-M-P-L-A-R ++
-----------------------	---	-----------------------

Attachment 1

Program Guidelines

Programmer will take care to observe and exercise reasonable diligence to comply with the following guidelines in the preparation, writing and broadcasting of programs on the Stations:

i) **Payola.** Programmer shall not broadcast any material in violation of applicable laws and regulations governing "payola." Programmer shall verify its compliance with such laws by executing and delivering an affidavit in the form attached hereto to Broker at such times as Broker may reasonably request.

ii) **No Gambling.** Any form of gambling on the program is prohibited.

iii) **Required Announcements.** Programmer will broadcast (i) an announcement in a form satisfactory to Licensee at the beginning of each hour to identify the Stations, and (ii) any other announcements required by applicable law or the Station's policy.

iv) **No Illegal Announcements.** No announcements or promotions prohibited by law of any lottery or game will be made over the Station.

v) **Programming Prohibitions.** Programmer will not knowingly broadcast any of the following programs or announcements:

(a) **False Claims.** False or unwarranted claims for any product or service.

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

(c) **Profanity.** Any programs or announcements that are slanderous, obscene, profane, or indecent, either in theme or in treatment.

(d) **Unauthorized Testimonials.** Any testimonials which cannot be authenticated.

vi) **Political Advertising.** With respect to the sale of political advertising, see **Section 10.2** of the Agreement.

[GPS1]When does the "then" refer to? It should refer to the term of this Agreement, right?

[GPS2]Refer to the reimbursement by Licensee Section numbers.

[GPS3]Need to have a mirror provision for the collection of accounts receivables of Licensee by Programmer during the Term of the Agreement