

JOINT SALES AGREEMENT

This JOINT SALES AGREEMENT ("*Agreement*") is entered into effective as of June 1, 2002, by and between East Mississippi Broadcasters, Inc. ("*Operator*") and New South Communications, Inc. ("*Sales Agent*").

Operator owns and operates radio station WKZB-FM, Butler, Alabama, and certain related auxiliary facilities (the "*Station*") pursuant to licenses, permits and authorizations issued by the Federal Communications Commission (the "*FCC*"). Operator desires to grant Sales Agent the right to sell advertising time on the Station.

In consideration of the foregoing and of the mutual premises and covenants contained herein, the parties, intending to be bound legally, agree as follows:

1. **SALES REPRESENTATION.** Operator hereby grants to Sales Agent the right to sell up to 240 minutes per day of advertising time on the Station.
2. **TERM.** This Agreement shall continue in effect indefinitely, provided that either party may terminate this Agreement without cause upon no less than 30 days written notice to the other Party.
3. **STATION OPERATIONS.** Throughout the term of this Agreement, Operator shall make available to Sales Agent advertising time sufficient to meet its obligations under Section 1 hereof. Upon a reasonable request by Operator, Sales Agent shall provide in a timely manner any such information in its possession that will enable Operator to prepare, file or maintain the records and reports required by the FCC.
4. **CONTROL OF STATION.**
 - 4.1. **Reserved to Operator.** At all times during the term of this Agreement, Operator shall be in complete control of, and have ultimate responsibility for, the operation of the Station, including full authority and control over the finances, personnel, policies, programming and operations of the Station.
 - 4.2. **No Time Brokerage.** The parties understand that this is not a time brokerage agreement, and that Sales Agent shall not purchase nor provide to Operator for broadcast any programming other than commercial announcements, commercial programs produced by third parties and content derived from the sale of advertising time. Sales Agent shall not represent, warrant or hold itself out as the Station's operator, and shall sell all its advertising time and enter into all agreements in its own name.
 - 4.3. **Pre-emption of Commercial Announcements.** Operator shall have the right to preempt any of Sales Agent's commercial announcements or commercial programs if Operator reasonably determines that its obligations as a public trustee require preemption of such commercial matter to provide coverage of a current event of overriding local, regional or national importance. In the event of such preemption, the preempted commercial

announcements and commercial programs will be rescheduled at a time mutually agreeable to Sales Agent and Operator.

4.4. *Rejection of Commercial Announcements.* Operator reserves the right to refuse to broadcast any advertising or commercial announcement containing matter which does not comply with the Communications Act of 1934, as amended, the rules, regulations or policies of the FCC, or any other applicable laws, or which violates the rights of any third party.

5. FEES AND EXPENSES

5.1. *Fee.* As consideration for the sale of advertising time hereunder, Sales agent shall pay to Operator a monthly fee of Nine Thousand Dollars (\$9,000.00), payable monthly in arrears on the first business day of each month during the term of this Agreement. Such fee shall be pro rated for any partial month during the term of this Agreement.

5.2. *Expenses.* Sales Agent shall be responsible for all its own costs, including sales promotion and production costs, and the salaries, taxes, insurance and related costs for all personnel directly employed by Sales Agent and associated with the sale of air time on the Station. Operator shall be responsible for all of its own costs, including programming, programming promotion, utility expenses, debt service, all Station personnel (including talent fees), and all other costs associated with operating the Station.

6. SALES OF POLITICAL ADVERTISING.

6.1. *Records.* During the term of this Agreement, Sales Agent shall maintain and deliver to the Station such records and information required by the FCC to be placed in the public inspection and political files of the Station pertaining to the broadcast of political programming and advertisements and, in accordance with the provisions of the FCC's rules, and pertaining to the broadcast of sponsored programming addressing political issues or controversial subjects of public importance.

6.2. *Compliance.* Sales Agent shall also consult with the Operator and adhere to statutes and the rules, regulations and policies of the FCC, as announced from time to time, pertaining to the sale and carriage of political advertisements and programming (including, without limitation, the rights of candidates and, as appropriate, others to "equal opportunities") and the charges permitted therefor.

7. REPRESENTATIONS, WARRANTIES AND COVENANTS.

The Operator and Sales Agent each represent to each other that:

7.1. *Authority.* Each is duly authorized and has the necessary authority to enter into and perform this Agreement, and holds all necessary governmental authorizations, including those issued by the FCC, to perform its obligations under this Agreement. The execution, delivery, and performance of this Agreement have been duly and validly authorized by all necessary action on its part and does not conflict with and will not

violate or constitute a breach of any agreement, contract or other obligation to which either is subject or by which either is bound.

7.2. *Compliance With FCC Requirements.* The obligations of the parties hereto are subject to applicable federal, state or municipal laws or regulations, including the regulations and policies of the FCC. The parties believe that the terms of this Agreement comply with current FCC policy regarding joint sales agreements. The parties covenant that they shall negotiate in good faith to modify the terms of this Agreement should there be any final FCC determination adverse to the terms of this Agreement. Sales Agent covenants that all commercial material which it supplies for broadcast on the Station shall comply with all applicable laws, including the Communications Act of 1934, as amended, and the rules, regulations and policies of the FCC, and shall not violate the rights of any third parties.

7.3. *No Joint Venture.* The parties agree that nothing herein shall constitute a joint venture between them. The parties acknowledge that call letters, trademarks and other intellectual property shall at all times remain the property of the respective parties and that neither party shall obtain any ownership interest in the other party's intellectual property by virtue of this Agreement.

8. *NOTICES.* Any notice, consent, waiver or other communications hereunder shall be sent by United states mail mail, to the address specified below (or at such other address which a party shall specify to the other party in writing in accordance herewith):

(a) If to Operator:

East Mississippi Broadcasters, Inc.
P.O. Box 1699
Meridian, MS 39302

(b) if to Sales Agent:

New South Communications, Inc.
P.O. Box 5797
Meridian, MS 39302

Notice shall be deemed to have been given three business days after mailing.

9. MISCELLANEOUS

9.1 *Successors And Assigns.* This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns.

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

9.3 *Modification.* No modification or waiver of any provision of this Agreement shall in any event be effected unless the same shall be in writing and signed by the party adversely affected by the waiver or modification, and then such waiver and consent shall be effective only in the specific instance and for the purpose for which given.

9.4 *No Waiver.* No failure or delay on the part of any party in exercising any right or power hereunder shall operate as a waiver thereof, nor shall 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 thereof or the exercise of any other right or power.

9.5 *Construction.* This Agreement shall be construed in accordance with the laws of Mississippi applicable to transactions entirely within Mississippi.

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

9.7 *Entire Agreement.* This Agreement embodies the entire agreement between the parties with regard to the subjects addressed in this Agreement. No alterations, modifications or changes of this Agreement shall be valid unless made by like written instrument.

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

9.9 *Further Assurances.* The parties to this Agreement hereby each pledge to the other that they shall take whatever steps are reasonably necessary, in good faith, and shall use their best efforts to carry out their obligations under this Agreement so that the transactions contemplated herein shall be consummated in a complete and expeditious manner.

9.10 *Other Documents.* The parties shall execute such other documents as may be necessary and desirable to the implementation and consummation of this Agreement.

9.11 *Assignment.* This Agreement may not be assigned by either party to any other party without the express written consent of the other.

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

OPERATOR:

EAST MISSISSIPPI BROADCASTERS, INC.

By: C. S. Holladay

Name: Clay E. Holladay

Title: President

SALES AGENT:

NEW SOUTH COMMUNICATIONS, INC.

By: F. E. Holladay

F. E. Name: PRESIDENT F. E. HOLLADAY

Title: PRESIDENT