

PROGRAM SERVICES AGREEMENT

Program Services Agreement ("Agreement") dated August 12, 1994 by and between Lingard Broadcasting Corporation ("Licensee") licensee of Station WLOV-TV, Channel 27, West Point, Mississippi (the "Station"), and WTVA, Inc. ("Programmer").

WHEREAS, Licensee, an ABC affiliate, has available broadcasting time and is engaged in the business of broadcasting on the Station; and

WHEREAS, Programmer desires to avail itself of Station's broadcast time for those time periods not devoted by Licensee to local news, public affairs, and ABC Television Network programming, in conformity with all rules, regulations, and policies of the Federal Communications Commission ("FCC");

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto have agreed and do agree as follows:

WITNESSETH:

1. Facilities. Licensee agrees to make its broadcasting transmission facilities available to Programmer and to broadcast on the Station, or to cause or to allow to be broadcast, for all or substantially all of the Station's air time, other than those time periods devoted by Licensee to local news, public affairs and ABC Television Network programming, as set forth in this Agreement, programs produced or provided by Programmer. Programmer shall provide entertainment programming of its selection, together with

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commercial matter, news, public service announcements, and other suitable programming for broadcast on the Station. Programmer shall also have the right to provide telecommunications service on the vertical blanking interval and the right to use the Station's TV aural baseband subcarriers and to derive revenue from such use subject to Programmer's compliance with the "Programming and Operations Standards" embodied in Paragraph 6 and Attachment II hereof. The compensation to be paid to Licensee for the programs shall be as set forth in Attachment I hereto. Programmer and Licensee represent to each other that they will have during the term of this Agreement, the capability of transmitting by STL from their respective broadcast and transmission studios. Licensee represents that it maintains a toll-free telephone number for use of residents of West Point, Mississippi, and will provide free transportation for West Point residents wishing to visit the Licensee's studio, who are unable to get there on their own, during the term of this Agreement in accordance with representations made to the FCC.

2. Payments. Programmer hereby agrees to pay to Licensee, for the broadcast of the programs provided by Programmer, the amounts specified in Attachment I on a monthly basis. Payment for programs is due and payable on the first day of the calendar month.

3. Term. The initial term of this Agreement shall be for a period of seven (7) years from the effective date of this Agreement as hereinafter specified. Unless this Agreement is terminated prior to its scheduled expiration date as provided herein,

Programmer has the option to exercise two consecutive five (5) year renewals of this Agreement. Notice of Programmer's exercise of the renewal option must be delivered to Licensee no later than sixty (60) days prior to expiration of the current term.

4. Programs. Programmer shall furnish or cause to be furnished the artistic personnel and material for the programs as provided by this Agreement and all programs shall be in good taste and in accordance with FCC rules, regulations and policies. All programs shall be prepared and presented in conformity with the requirements prescribed in Attachment II hereto.

5. Handling of Mail. Except to the extent required to assure compliance with FCC requirements governing maintenance of the Station public inspection file, Licensee shall not be required to receive or handle mail, facsimile transmissions, cables, telegraph or telephone calls, in connection with programs broadcast hereunder unless Licensee at the request of Programmer has agreed in writing to do so. Licensee shall, however, maintain a telephone line exclusively for the use of Station, so that the public will have available a phone line on which to call Licensee concerning Station.

6. Programming and Operations Standards. Programmer agrees to abide by the standards set forth in Attachment II in its programming and operations. Programmer further agrees that if, in the sole judgment of Licensee or its Station's general manager, Programmer does not comply with said standards, Licensee may suspend or cancel any program not in compliance.

7. Responsibility for Employees and Expenses. The parties' responsibilities for employees and expenses are as follows:

a. Licensee's Responsibilities. Licensee shall be responsible for, and pay in a timely manner, all costs and expenses of operating, owning, and controlling the Station, including, but not limited to, utilities, rent, and maintenance costs for the Station's transmitter and antenna system. Licensee shall retain full responsibility for the Station's compliance with all applicable provisions of the Communications Act of 1934, as amended, the rules, regulations, and policies of the FCC and all other applicable laws, including, without limitation, laws relating to equal employment opportunity, human exposure to radio frequency radiation, and the safety of air navigation. Licensee shall engage its own general manager/chief operator for the Station who shall be responsible to Licensee and not to Programmer for overseeing the day-to-day operations and programming of the Station and the Station's compliance with all engineering requirements. Licensee's general manager/chief engineer will report and be accountable solely to Licensee and shall have no employment or consulting relationship with Programmer. Licensee shall be responsible for the salaries, taxes, insurance, and related costs of all personnel employed by Licensee. Licensee shall maintain all authorizations required for the construction and operation of the Station in full force and effect during the term(s) of the Agreement, unimpaired by any acts or omissions of Licensee. Licensee represents that there is not now pending or, to Licensee's best knowledge, threatened,

any action by the FCC or any other party that may adversely affect any of the authorizations necessary for the operation of the Station. Except for any pledge of assets as may be required under any loan agreement with the Bank of Mississippi, Licensee shall not sell, transfer, assign, pledge or otherwise dispose of any of the assets used for the operation of the Station, except with the prior written consent of Programmer, if such action would adversely affect Licensee's performance hereunder or the business or operations of Programmer permitted hereby. Programmer expressly consents to the assignment and pledge of assets by Licensee to the Bank of Mississippi in connection with the loan to Licensee to purchase the Station, including all renewals and/or extensions thereof. Licensee shall maintain full replacement value insurance on the Station's transmitter, transmission line, and antenna and, in the event of any loss or damage to such property, Licensee shall use the proceeds of any applicable insurance policies to replace, restore or repair the lost or damaged property as promptly as practicable. Licensee shall cooperate with Programmer, at Programmer's expense, in making such arrangements as Programmer shall reasonably request to deliver Programmer's programming from any remote location to the Station's transmitter site.

b. Programmer's Responsibilities. Programmer shall employ and be responsible for the salaries, taxes, insurance, and related costs for all personnel used in the acquisition or production of the programs supplied to the Station hereunder, and all other costs incurred by Programmer for the acquisition or production of such

programs. Programmer shall be responsible for any expenses incurred in the origination and/or delivery of programming from any remote location to the Station's transmitter site, and for any publicity or promotional expenses incurred by Programmer. Programmer shall be responsible for all maintenance associated with the Station, its studio, and transmitter. Notwithstanding anything to the contrary, Licensee shall be responsible for any replacement parts and equipment required for the operation of the Station.

8. Operation of Station. Notwithstanding anything to the contrary in this Agreement, Licensee shall have full authority and power over the operation of the Station during the period of this Agreement. Licensee shall select and employ the general manager/chief engineer of Station, who shall report solely to and be accountable solely to Licensee and who shall direct the day-to-day operations of the Station. Licensee shall retain control in its absolute discretion over the policies, programming and operations of the Station, including, without limitation, the right to decide whether to accept or reject any programming or advertisements, the right to pre-empt any programs in order to broadcast a program deemed by Licensee to be of greater national, regional, or local interest, and the right to take any other actions necessary for compliance with the laws of the United States, the State of Mississippi, and the rules, regulations, and policies of the FCC.

9. Special Events. Licensee reserves the right in its discretion to pre-empt any of the broadcasts of the programs

referred to herein, and to use part or all of the time contracted for herein by Programmer for broadcast of special news events of public importance to West Point and other communities and areas within the coverage contour of the Station. In all such cases, Licensee will use its best efforts to give Programmer reasonable notice of its intention to pre-empt such broadcast or broadcasts. The right of Licensee hereunder to pre-empt Programmer's broadcasts includes the right of Licensee to produce and broadcast two (2) one-half hour program segments per week to deal with issues of local interest to the residents of West Point in accordance with specific representations made to the FCC. In addition, Licensee shall have the right to evaluate its progress every four (4) months and, if, in its sole discretion, it is deemed appropriate and practical to do so, Licensee shall have the right to recapture up to two (2) hours of air time per week, every four (4) months, with no diminution in the compensation it is to receive.

10. Broadcast Interruption. Any failure or impairment of facilities or any delay or interruption in broadcasting programs, or failure at any time to furnish facilities, in whole or in part, for broadcasting, due to Acts of God, strikes or threats thereof, or force majeure, or due to causes beyond the control of Licensee, shall not constitute a breach of this Agreement and Licensee will not be liable to Programmer.

If interruptions occur due to equipment failure or malfunction, that are not in any way due to the intentional acts or negligence of Programmer, either in the maintenance or operation of

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the Station, which cause the Station broadcast operation to be interrupted for more than a total of five (5) hours per day for ten (10) or more days (whether or not consecutive) during one month, Programmer shall give Licensee written notice of such interruption and the reason therefor. Licensee shall then have twenty (20) days to replace any equipment whose failure or malfunction has caused such interruption, which time may be extended by mutual agreement of the parties. If Licensee fails to replace such equipment by the end of 20 days, or by the end of such other period as the parties agree, then Programmer will have the right at its own expense to cause such repairs to be made to correct any malfunction. In no event may Programmer terminate this Agreement if broadcasting on the Station is interrupted due to the failure for any reason of Programmer to maintain the Station in proper working order or as the result of repairs made by or under the supervision of Programmer.

11. Advertising, Programming, and Other Contracts. The right to use the programs and to authorize their use in any manner and in any media whatsoever, shall be and remain vested in Programmer. Programmer shall be entitled to all revenue from the sale of advertising or program time on the Station. Programmer does not assume any obligation of Licensee under any contract, agreement or arrangement relating to advertising and/or programming, entered into by Licensee, nor does Programmer assume any obligations of Licensee under any other contract, agreement or arrangement.

12. Payola. Programmer agrees that Programmer will not accept any compensation of any kind or gift or gratuity of any kind whatsoever, regardless of its value or form, including, but not limited to, a commission, discount, bonus, materials, supplies or other merchandise, services or labor, whether or not pursuant to written contracts or agreements between Programmer and merchants or advertisers, unless the payer is identified in the program as having paid for or furnished such consideration in accordance with FCC requirements. Programmer agrees to execute and provide Licensee with an affidavit ("Payola Affidavit"), substantially in the form which is attached hereto as Attachment III.

13. Compliance with Law. Programmer agrees that throughout the term of this Agreement Programmer will comply with all laws and regulations applicable in the conduct of Licensee's business.

Licensee shall coordinate with Programmer the Station's station identification announcements so that such Licensee's announcements are aired in accord with FCC rules. In addition, Licensee and Programmer shall coordinate the broadcast of such sponsorship identification announcements as are necessary and appropriate concerning the programming supplied by Programmer hereunder. Licensee shall maintain a main studio within the Station's principal community contour, or at such other location as may be authorized by the FCC, and shall also maintain the Station's local public inspection file in West Point, Mississippi, or at such other location which, in the opinion of Licensee's counsel, would comply with FCC regulations. Licensee confirms that all reports

and applications required to be filed with the FCC (including ownership reports, employment reports, and renewal applications) or any other government agency, department or body in respect of the Station have been, and will in the future be, filed in a timely manner and are and will be true and complete and accurately present the information contained therein and, to the extent required to be kept in the public inspection file of the Station, are and will be kept in such file. Programmer shall cooperate fully with Licensee to ensure that the public inspection file includes all information required by the FCC's rules, including its political broadcasting rules.

14. Indemnifications; Warranties. Programmer warrants that the broadcasting of the programs, excluding any and all programs broadcast by Licensee in lieu of Programmer's programming, will not violate any rights of others, of any nature whatsoever, and Programmer indemnifies Licensee, the Station, its agents, employees, and subsidiaries, harmless from any and all claims, damages, liability, costs and expenses, including counsel fees (at trial and on appeal), arising from the production and/or broadcasting of the programs. Licensee reserves the right to refuse to broadcast any and all programs containing matter which is, or in the reasonable opinion of Licensee may be, or which a third party claims to be, violative of any right of theirs or which may constitute a personal attack as the term is defined by the FCC.

Licensee shall indemnify, defend, and hold harmless Programmer from and against any and all claims, losses, costs,

liabilities, damages, FCC forfeitures, and expenses (including reasonable legal fees and other expenses incidental thereto) of every kind, nature, and description, arising out of (i) Licensee's locally originated programs broadcast under this Agreement; (ii) any misrepresentation or breach of any warranty of Licensee contained in this Agreement; and (iii) any breach of any covenant, agreement or obligation of Licensee contained in this Agreement.

Programmer shall indemnify, defend, and hold harmless Licensee from and against any and all claims, losses, costs liabilities, damages, FCC forfeitures, and expenses (including reasonable legal fees and other expenses incidental thereto) of every kind, nature, and description, arising out of (i) Programmer's broadcasts under this Agreement; (ii) any misrepresentation or breach of any warranty of Programmer contained in this Agreement; and (iii) any breach of any covenant, agreement or obligation of Programmer contained in this Agreement.

15. Events of Default. The following shall, after the expiration of the applicable cure periods, constitute Events of Default under the Agreement:

a. Non-Payment. Programmer's failure to timely pay the consideration provided for in Paragraph 2 hereof;

b. Default in Covenants. Programmer or Licensee shall default in the material observance or performance of any material covenant, condition or agreement contained herein;

c. Breach of Representation. Any material representation or warranty herein made by Programmer or Licensee,

shall prove to have been false or misleading in any material respect as of the time made or furnished.

d. Termination of Agreement. Termination of this Agreement for any reason prior to August 12, 2001.

e. Cure Periods. An Event of Default shall not be deemed to have occurred until twenty (20) business days after Licensee has provided Programmer with written notice specifying the event or events that if not cured would constitute an Event of Default and specifying the actions necessary to cure within such period. This period may be extended for a reasonable period of time if the Programmer is acting in good faith to cure and such delay is not materially adverse to Licensee.

f. Termination Upon Default. In the event of the occurrence of an uncured Event of Default by Programmer, Licensee shall be under no further obligation to make available to Programmer any further broadcast time or broadcast transmission facilities and all amounts accrued or payable to Licensee up to the date of termination which have not been paid and all sums due for the remaining term of this Agreement shall immediately become due and payable upon termination. In the event of the occurrence of an uncured Event of Default by Licensee, Programmer shall be under no further obligation to provide programming for the Station to Licensee; however, Programmer shall continue to be liable for payments to Licensee as provided in Section 15(g) hereof.

g. Liabilities Upon Termination. Upon termination of this Agreement for any reason, Programmer shall be responsible for

all liabilities, debts and obligations of Programmer accrued from the purchase of air time and transmission facilities, including, without limitation, accounts payable, barter agreements and unaired advertisements but not for Licensee's Federal and local tax liabilities associated with Programmer's payment to Licensee as provided for herein. Programmer acknowledges that Licensee will suffer immediate and irreparable harm to its business interests and goodwill if this Agreement is terminated. Upon termination of this Agreement for any reason, including a termination by mutual consent, Programmer shall pay to Licensee, as liquidated damages, within thirty (30) days of said termination, an amount equal to the number of months remaining under this Agreement times Twenty-Five Thousand Dollars (\$25,000.00) it being agreed that such sum is not a penalty but rather a reasonable and just estimate of the amount of damages Licensee will sustain as a result of the termination. Upon the termination of this Agreement, Licensee shall use its best efforts to negotiate and enter into a Program Services Agreement with another programmer in an attempt to mitigate the liquidated damages set forth in this Paragraph 15(g). In the event Licensee secures a new Program Services Agreement, Licensee shall be obligated to reimburse Programmer up to Twenty-Five Thousand Dollars (\$25,000.00) per month from the proceeds of the new Program Services Agreement for each month remaining under this Agreement. Notwithstanding anything hereinabove to the contrary, these remedies shall not be construed to limit Licensee's right to pursue any other remedy or relief available under this Agreement or

otherwise available, including, but not limited to, injunctive relief and/or the right to pursue additional damages. Licensee's pursuit of any remedy available under this Agreement or otherwise available shall not constitute an election of remedies by Licensee. Licensee shall be allowed to split its claims, both legal and equitable, in separate and cumulative actions.

16. Representations. Both Licensee and Programmer represent that they are legally qualified, empowered, and able to enter into this Agreement, and that this Agreement will not constitute a breach or default under any agreement or certification to which it is a party.

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

18. No Waiver; Remedies Cumulative. No failure or delay on the part of Licensee or Programmer 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. The rights and remedies of Licensee and Programmer herein provided are cumulative and are not exclusive of any right or remedies which it may otherwise have.

19. Construction. This Agreement shall be construed in accordance with the laws of the State of Mississippi, 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 to be constituted.

20. 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.

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

22. Assignability of Payments. Licensee may assign the payments and benefits hereunder to its lender, the Bank of Mississippi.

23. 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. This Agreement shall be effective as of the date on which the executed counterparts are exchanged by the parties.

24. Effective Date. This Agreement shall be effective as of 12:01 a.m., August 13, 1994. Notwithstanding any other provision to the contrary, all debts, liabilities, and obligations incurred by Licensee in connection with the Station shall be and remain solely the debts, liabilities, and obligations of Licensee and

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Licensee shall be solely responsible for the discharge thereof. Programmer does not assume liability or duty under any past, present or future agreements, contracts or understandings whatsoever between Licensee and any third party, including, but not limited to, leases, syndication agreements, employment contracts, promissory notes, mortgages, advertising arrangements, contracts for repairs and/or improvements to the Station's premises, equipment or transmitter, professional or consulting services, and any other debts or liabilities whatsoever whether or not listed herein. All of the Station's accounts receivable and income for services performed prior to such time and date, shall remain the property of Licensee.

25. Notices. Any notice required hereunder shall be in writing and any payment, notice or other communications shall be deemed given when delivered personally, or mailed by certified mail, postage prepaid, with return receipt requested, and addressed in accordance with the listing set forth in Attachment IV hereto.

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

27. Severability. In the event that any provisions contained in this Agreement are held to be invalid, illegal or unenforceable, such event 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.

28. Termination. Subject to the provisions of Paragraph 15(g) hereof, this Agreement may be terminated upon the mutual consent of both parties, or unilaterally by Licensee at any time it determines that Programmer is not adhering to the Programming and Operations Standards embodied in Paragraph 6 and Attachment II hereof. Licensee further reserves the right to terminate this Agreement upon thirty (30) days' written notice to Programmer, should it receive a bona fide written offer from another programmer or network that would provide Licensee monthly compensation that would exceed by at least twenty percent (20%) the amounts paid hereunder by Programmer. In the event Licensee receives such an offer, it shall present to Programmer written evidence of such offer within seven (7) days of receipt thereof. Programmer then shall have ten (10) days from the receipt thereof to match said compensation offer made by another programmer or network. Should Programmer fail to match such offer in the time allowed herein, then Licensee shall be free to accept any such offer. Nothing contained herein shall be construed as affecting the Programmer's obligations to pay to Licensee the liquidated damages as set forth in paragraph 15(g) hereof.

29. Modifications to Comply with Law. Licensee and Programmer have entered into this Agreement in reliance on the FCC's current policies and rules permitting time brokerage agreements. If the FCC should change its policies and rules such

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that performance of this Agreement violates the FCC's rules or is likely to be considered materially adverse in a renewal proceeding, then the parties hereto agree to use their best efforts to reform this Agreement to conform to all new FCC rules and policies prior to the effective date of such rules or policies, including any grandfathering periods the FCC may allow.

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

LINGARD BROADCASTING CORPORATION

By: 

John R. Lingard, President

WTVA, INC.

By: 

Mark Ledbetter, Vice President
and General Manager

PROGRAMMER SERVICES AGREEMENT**ATTACHMENT I**

Compensation to be paid by Programmer to Licensee to be as follows commencing from the effective date of this Agreement:

Twenty-Five Thousand Dollars (\$25,000.00) per full calendar month and Eight Hundred Thirty-Three Dollars (\$833.00) per day for each partial month, and an amount equal to the Station's operating expenses for each month. The operating expenses of the Station shall include, but shall not be limited to, those items listed in Exhibit A to this Attachment I, and shall not exceed Twelve Thousand Dollars (\$12,000.00) per month. Any money paid to Licensee by the ABC Television Network shall be credited against the monthly expense payment due from Programmer to Licensee. If the Programmer elects to exercise its option(s) to renew this Agreement for an additional five (5) years, the monthly expense payment shall be increased by an amount that is the product of multiplying the average net monthly expense payment during the five (5) year term immediately preceding renewal, by the total increase in the Consumer Price Index ("CPI") for such five (5) year period.

Although Programmer shall reimburse Licensee for the expenses of the Station, Licensee shall remain fully liable for all such expenses. If Licensee fails to pay the Station's expenses, Programmer may, at its sole discretion, pay such expenses on behalf of Licensee and shall have the right to recover such expenses. Payment of such expenses by Programmer shall not in any way constitute assumption by Programmer of Licensee's debts,

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liabilities or obligations for such expenses, or for any future debts, liabilities or obligations of Licensee.

If Programmer elects to exercise its option(s) to renew this Agreement for an additional five (5) years, the monthly payment of Twenty-Five Thousand Dollars (\$25,000.00) paid by Programmer to Licensee shall be increased to an amount that is the product of multiplying Twenty-Five Thousand Dollars (\$25,000.00) by the total increase in the CPI for such immediately preceding five (5) year period.

At the time of the signing of this Agreement, Programmer shall pay to Licensee the sum of Twenty-Five Thousand Dollars (\$25,000.00) in earnest money. This earnest money payment shall be applied to the payment due from Programmer to Licensee for the first full month of operations following the effective date of this Agreement. If, for any reason, Programmer fails to perform under this Agreement on the effective date thereof, the earnest money shall remain the property of Licensee.

PROGRAM SERVICES AGREEMENT

EXHIBIT A TO ATTACHMENT I

The expenses to be paid by Programmer include, but are not limited to, the following:

- Tower rent
- Studio rent
- Telephone
- Utilities, including electricity for both studio and transmitter
- Payroll
- Insurance

PROGRAM SERVICES AGREEMENT
ATTACHMENT II
PROGRAM STANDARDS

Programmer agrees to cooperate with Licensee in the broadcasting of programs of the highest possible standard of excellence and for this purpose to observe the following regulations in the preparation, writing, and broadcasting of its programs:

1. **Respectful of Faiths.** The references to particular faiths, tenets, and customs shall be treated with reasonable respect at all times, except that this provision shall not restrain Programmer from airing programs which discuss the views of public figures or experts concerning religion generally or particular religions, or which provide coverage of newsworthy events.
2. **Controversial Issues.** Any discussion of controversial issues of public importance shall comply with current FCC rules and policies, if any.
3. **No Plugola or Payola.** The mention of any business activity or "plug" for any commercial, professional, or other related endeavor, except where contained in an actual commercial message of a sponsor, is prohibited.
4. **No Lotteries.** Announcements giving any information about lotteries or games prohibited by federal or state law or regulation are prohibited.
5. **Election Procedures.** At least forty-five (45) days before the start of any primary election or sixty (60) days prior to the start of any regular general election campaign, Programmer will clear with Licensee's general manager the rate

Programmer will charge for the time to be sold to candidates for public office and to make certain that the rate charged conforms to the applicable law and Station policy.

6. **Spot Commercial Limitations.** Upon request by Licensee, Programmer will make available to Licensee a list of all commercial announcements carried during its programming. A request by Licensee for such a list shall be made no later than the tenth day of the calendar month following the calendar month for which the request is made.

7. **Required Announcements.** Programmer shall broadcast (i) an announcement in a form satisfactory to Licensee at the beginning of each hour to identify Station, (ii) an announcement at the beginning and end of each program day to indicate that program time has been purchased by Programmer, and (iii) any other announcement that may be required by law, regulation, or Station policy.

8. **Credit Terms Advertising.** Any advertising of credit terms shall be made in accordance with the rules of the Federal Trade Commission and state and local law.

9. **Sponsorship Identification.** Programmer shall not receive any consideration in money, goods, services, or otherwise, directly or indirectly (including to relatives) from any person or company for the presentation of any programming over the Station without sponsorship identification.

10. **No Illegal Announcements.** No announcements or promotion prohibited by federal or state law or regulation of any lottery or game shall be made over Licensee's Station. Any game, contest, or promotion relating to or to be presented over the Station must be fully stated and explained in advance to

Licensee, which reserves the right in its sole discretion to reject any game, contest, or promotion.

11. **Licensee's Discretion Paramount.** In accordance with the Licensee's responsibility under the Communications Act of 1934, as amended, and the Rules and Regulations of the Federal Communications Commission, Licensee reserves the right to reject or terminate any advertising proposed to be presented or being presented over the Station which is in conflict with Station policy or which in Licensee's or its general manager/chief engineer's sole judgment would not serve the public interest.

12. **Programming Prohibitions.** Programmer shall not 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. **Commercial Disparagement.** Any unfair disparagement of competitors or competitive goods.

D. **Obscenity or Indecency.** Any programs or announcements that are slanderous, obscene, profane, vulgar, repulsive or offensive, either in theme or treatment, as defined by any lawful FCC restrictions on such programming.

E. **Conflict Advertising.** Any advertising matter or announcement which may, in the opinion of Licensee, be injurious or prejudicial to the

interests of the public, the Station, or honest advertising and reputable business in general.

Licensee may waive any of the foregoing regulations in specific instances if, in its opinion, good broadcasting in the public interest is served.

In any case where questions of policy or interpretation arise, Programmer should submit the same to Licensee for decision before making any commitments in connection therewith.

PROGRAM SERVICES AGREEMENT

ATTACHMENT III

PAYOLA/PLUGOLA AFFIDAVIT

STATE OF _____)
)
) SS.
COUNTY OF _____)

(name and position of affiant)

1. My name is _____.
2. My position is _____ for _____.
(position) (employer)
3. I have held this position since _____.
(month/year)
4. I understand that the Communications Act of 1934, as amended, and the rules and regulations of the Federal Communications Commission require that when a broadcast station transmits any matter for which money, service, or other valuable consideration is either directly or indirectly paid or promised the station or any employee, or charged by or accepted by the station or any employee, then the station must make an announcement that such matter is sponsored, paid for, or furnished, in whole or in part, and must name the supplier of the valuable consideration in the announcement.
5. I understand that if I receive or am promised any money, service, or other compensation for broadcasting any matter, I must disclose this fact to my employer, so that the announcement which my employer is required by law to make can be broadcast.
6. I understand that if I fail to disclose to my employer the receipt or promise of any money, service, or other compensation for broadcasting any matter, I could be found guilty of committing a felony, and that I could be fined up to \$10,000 or imprisoned for up to one year, or both.

-- Continued --

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7. I have made the proper disclosure to my employer whenever I have received or been promised any compensation for broadcasting any matter.
8. So far as I know, Station _____ has always properly announced that a broadcast matter was paid for or furnished by the person or organization who supplied the matter or offered compensation for its broadcast.
9. I will neither give nor receive any money, service, or other compensation (from anyone except my employer) in exchange for influencing the preparation or broadcast of any matter on Station _____.
10. I, my spouse, and my immediate family do ___ do not ___ presently own any interest in (except publicly traded stock, held as an investment), or serve as an officer, director, or employee of any other person, firm or corporation engaged in
 - a) The publishing of music;
 - b) The production, distribution (including wholesale and retail sales outlets), manufacture or exploitation of music, films, tapes, recordings or electrical transcriptions of any program material intended for radio or television broadcast use;
 - c) The exploitation, promotion, or management of persons rendering artistic, production and/or other services in the entertainment field;
 - d) The ownership or operation of one or more radio or television stations;
 - e) The wholesale or retail sale of records intended for public purchase;
 - f) Advertising on Station _____, or any other station owned by its licensee (excluding nominal stockholdings in publicly owned companies).

-- Continued --

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11. The facts and circumstances relating to any such interest listed in 10. above are

none ____ .

as follows ____ :

 (Use the back of this sheet if additional space is necessary)

12. I have read and I understand the foregoing statements, and they are true and correct of my personal knowledge.

Executed on _____ (Month/day/year) _____ (Signature)

STATE OF _____)
) SS.
 COUNTY OF _____)

On this _____ day of _____, 19____,

before me personally came _____,
 to me known and known to me to be the individual described in
 the foregoing affidavit and who executed the foregoing affidavit
 in my presence as their voluntary and willful act.

 Notary Public

My commission expires: _____.

-- Continued --

Section 507 of the Communications Act of 1934, as amended, provides:

(a) Subject to subsection (d), any employee of a radio station who accepts or agrees to accept from any person (other than such station), or any person (other than such station) who pays or agrees to pay such employee, any money, service or other valuable consideration for the broadcast of any matter over such station shall, in advance of such broadcast, disclose the fact of such acceptance or agreement to such station.

(b) Subject to subsection (d), any person who, in connection with the production or preparation of any program or program matter which is intended for broadcasting over any radio station, accepts or agrees to accept, or pays or agrees to pay, any money, service or other valuable consideration for the inclusion of any matter as a part of such program or program matter, shall, in advance of such broadcast, disclose the fact of such acceptance or payment or agreement to the payee's employer, or to the person for which such program or program matter is being produced, or to the licensee of such station over which such program is broadcast.

(c) Subject to subsection (d), any person who supplies to any other person any program or program matter which is intended for broadcasting over any radio station shall, in advance of such broadcast, disclose to such other person any information of which he has knowledge, or which has been disclosed to him, as to any money, service or other valuable consideration which any person has paid or accepted, or has agreed to pay or accept, for the inclusion of any matter as a part of such program or program matter.

(d) The provisions of this section requiring the disclosure of information shall not apply in any case where, because of a waiver made by the Commission under section 317(d), an announcement is not required to be made under section 317.

(e) The inclusion in the program of the announcement required by section 317 shall constitute the disclosure required by this section.

(f) The term "service or other valuable consideration" as used in this section shall not include any service or property furnished without charge or at a nominal charge for use on, or in connection with, a broadcast, or for use on a program which is intended for broadcasting over any radio station, unless it is so furnished in consideration for an identification in such broadcast or in such program of any person, product, service, trademark, or brand name beyond an identification which is reasonably related to the use of such service or property in such broadcast or such program.

(g) Any person who violates any provision of this section shall for each such violation, be fined not more than \$10,000 or imprisoned not more than one year, or both.

Section 73.1212(a) of the Rules of the FCC provides:

(a) When a broadcast station transmits any matter for which money, service, or other valuable consideration is either directly or indirectly paid or promised to, or charged or accepted by such station, the station, at the time of the broadcast, shall announce:

(1) That such matter is sponsored, paid for, or furnished, either in whole or in part, and

(2) By whom or on whose behalf such consideration was supplied: Provided, however, That "service or other valuable consideration" shall not include any service or property furnished either without or at a nominal charge for use on, or in connection with, a broadcast unless it is so furnished in consideration for an identification of any person, product, service, trademark, or brand name beyond an identification reasonably related to the use of such service or property on the broadcast.

By signing below, I acknowledge that I have read the foregoing:

PROGRAM SERVICES AGREEMENT**ATTACHMENT IV**

Any notice, payment or other communication given pursuant to the terms or requirements of the Program Services Agreement shall be given to the following:

If the notice is to Licensee:

To: Mr. John R. Lingard
180 Featherwood Hollow
Athens, GA 30601

With a copy to: Robert E. Levine, Esq.
Mullin, Rhyne, Emmons and
Topel, P.C.
1225 Connecticut Ave., N.W.
Suite 300
Washington, D.C. 20036-2604

If the notice is to Programmer:

To: Mark Ledbetter
Vice President and General Manager
WTVA, Inc.
P.O. Box 350
Tupelo, MS 38802

With a copy to: Henry A. Solomon, Esq.
Haley, Bader & Potts
4350 N. Fairfax Drive
Suite 900
Arlington, VA 22203-1633