

LOCAL PROGRAMMING AND MARKETING AGREEMENT

THIS LOCAL PROGRAMMING AND MARKETING AGREEMENT (this "Agreement") is made as of December 31, 2003, between InterMart Broadcasting Twin Falls, Inc., a Florida corporation ("Licensee") and Citicasters Co., an Ohio corporation ("Programmer").

Recitals

A. Licensee is the permittee of radio station KTWI(FM), Twins Falls, Idaho, FCC Facility ID No. 87843 (the "Station") pursuant to a permit issued by the Federal Communications Commission ("FCC").

B. Programmer has available and is producing radio programs that it desires to have broadcast on the Station, and therefore desires to purchase 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. Provided the Station commences operations pursuant to program test authority ("PTA Operations") under Permit No. BPH-19970731MX (the "Station Permit") on or before December 15, 2004, the term of this Agreement (the "Term") will begin on the date of commencement of PTA Operations (the "Commencement Date") and will continue until December 31, 2008, unless earlier terminated pursuant to Section 14 hereof; provided, however, if PTA Operations commence after December 15, 2004, at Programmer's sole option, the Commencement Date will be a date specified by Programmer within thirty (30) days of the commencement of PTA Operations, and the Term will continue until December 31, 2008, unless earlier terminated pursuant to Section 14 hereof. Licensee shall provide written notice to Programmer at least five (5) business days in advance of the expected commencement of PTA Operations.

2. Programmer's Purchase of Airtime and Provision of Programming. During the Term, Programmer shall purchase from Licensee airtime on the Station for the price and on the terms specified below, and shall transmit to Licensee programming that it produces or owns (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.

3. Broadcasting Obligations. In return for the payments to be made by Programmer 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, (i) Programmer may (but shall not be obligated to) stream programming furnished hereunder on any of the Station's internet websites, and Programmer shall be entitled to all revenue therefrom, and (ii) Licensee shall not include any programming furnished by Programmer hereunder in any internet streaming unless requested to do so by Programmer.

4. Advertising Sales; Accounts Receivable. Programmer shall 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 without limitation all revenues from the Station's websites, if any) during the Term. All contracts for advertising on the Station which may be entered into by Programmer shall terminate upon the termination of this Agreement.

5. Payments. In consideration of the execution of this Agreement by Licensee, within 10 days of the date of execution of this Agreement, Programmer shall pay Licensee the amount set forth on Schedule A attached hereto. For the broadcast of the Programs and the other benefits made available to Programmer pursuant to this Agreement, during the Term, Programmer shall pay Licensee (i) a Monthly Payment as set forth on Schedule B attached hereto and (ii) an Annual Profit Share as set forth on Schedule C attached hereto.

6. Operation, Ownership and Control of the Station. Notwithstanding anything to the contrary in this Agreement, as long as Licensee remains the permittee or 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 and shall retain control over the policies, programming and operations of the Station. 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. Licensee shall employ two full time employees at the main studio of the Station, one of whom shall be a manager, both of whom shall report to and be accountable to Licensee, and who shall be ultimately responsible for the day-to-day operation of the Stations (the "Station Employees"). 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. If in any month Licensee preempts any Programs, Licensee shall refund to Programmer such portion of the Monthly Payment made to Licensee pursuant to Section 5 hereof as 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 11. 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. 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.

7. Maintenance of Authorizations and Signal; Call Signs. During the Term, Licensee shall own and hold all licenses and other permits and authorizations necessary for the operation of the Station as contemplated by the Station Permit (including licenses, permits and authorizations issued by the FCC), and such licenses, permits and authorizations shall be in full force and effect for the entire Term hereunder, unimpaired by any acts or omissions of Licensee, its principals, employees or agents. Licensee 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. 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, 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.

8. Licensee's Premises. If requested by Programmer, Licensee shall provide Programmer access to and the use of such space and facilities at the studios and offices of the

Station as is reasonably necessary for Programmer to exercise its rights and perform its obligations under this Agreement. When on Licensee's premises, Programmer's personnel shall be subject to the direction and control of Licensee's management personnel and shall not act contrary to the terms of any lease for the premises. Programmer shall have the right to install at Licensee's and/or Programmer's premises, and to maintain throughout the Term, at Programmer's expense, any microwave studio/transmitter relay equipment, telephone lines, transmitter remote control, monitoring devices or any other equipment necessary for the proper transmission of the Programs the Station, and Licensee and Programmer shall take all steps reasonably necessary to prepare and file any applications with the FCC to effectuate such proper transmission.

9. Section 73.3555, Note 2(j)(3) Certifications.

9.1 Licensee Control. Licensee hereby verifies that for the Term of this Agreement it shall maintain ultimate control over the Station's facilities, including specifically control over the Station's finances, personnel and programming, and nothing herein shall be interpreted as depriving Licensee of the power or right of such ultimate control.

9.2 Compliance with 47 C.F.R. § 73.3555. Programmer hereby verifies that the execution and performance of this Agreement complies with the Commission's restrictions on ownership set out in 47 C.F. R. Section 73.3555.

10. 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 required for the Station and as will be required by the licensor of those Music Licenses. All Music Licenses fees during the Term shall be reimbursed by Programmer.

11. Programs.

11.1 Production of the Programs. Licensee acknowledges that it is familiar with the type of programming Programmer currently produces and has determined that the broadcast of such programming on the Station would serve the public interest. Programmer agrees that the contents of the Programs it transmits to Licensee shall conform to all FCC 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.

11.2 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 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; provided, however, that revenues received by Licensee as a result of any such release of advertising time shall promptly be remitted to Programmer.

12. Expenses. During the Term, Programmer will be responsible for (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. Licensee shall be directly responsible for paying the salaries, taxes, insurance and related costs for the Station Employees (the "Station Employee Expenses"). Licensee shall be responsible for paying directly (i) transmitter site rent/mortgage for the Station; and (ii) transmitter site utilities for the Station ("Station Transmitter Expenses"). Licensee shall be responsible for paying directly all income taxes relating to Licensee's earnings from this arrangement. Excluding those expenses for which Licensee is making direct payments as set forth in this Section 12, during the Term, Programmer shall be responsible for paying all other expenses reasonably and directly related to the continued operation of the Station, subject to the covenants of the parties to this Agreement, and further subject to the ultimate authority, control and power of Licensee.

13. Subcarrier Rights. Licensee and Programmer acknowledge and agree that any subsidiary communications services transmitted on a subcarrier within the FM baseband signal of any of the Stations ("Subcarrier"), and any uses of the Subcarrier authorized by the FCC ("Subcarrier Uses"), are subject to the terms and conditions of this Agreement. Licensee hereby agrees (a) to apply, at Programmer's expense, for any additional authorization from the FCC or any other governmental agency or entity that may be necessary in order to make use of any Subcarrier Uses, and (b) that Programmer has the sole and exclusive right, subject to the terms and conditions hereof, to make use of any Subcarrier Uses and collect the revenues therefrom. Programmer hereby agrees to reimburse Licensee for Licensee's reasonable expenses incurred in carrying out Licensee's obligations pursuant to this Section 13, including reasonable attorneys and engineering fees and expenses.

14. Events of Default; Termination.

14.1 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 payments as provided for in Section 5 of 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.

14.2 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 observe or perform its obligations contained in this Agreement in any material respect; or (b) Licensee breaches the representations and warranties made by it under this Agreement in any material respect.

14.3 Cure Period. Notwithstanding the foregoing, 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.

14.4 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 14.3, the non-defaulting party may terminate this Agreement, effective immediately upon written notice to the defaulting party.

14.5 Cooperation Upon Termination. If this Agreement is terminated for any reason, the parties agree to cooperate with one another and to take all actions necessary to rescind this Agreement and return the parties to the status quo ante.

15. Indemnification. Programmer shall indemnify and hold Licensee harmless against any and all liability for libel, slander, illegal competition or trade practice, infringement of trademarks, trade names, or program titles, violation of rights of privacy, and infringement of copyrights and proprietary rights resulting from the broadcast of the Programs on the Station. Licensee shall indemnify and hold Programmer harmless against any and all liability for libel, slander, illegal competition or trade practice, infringement of trademarks, trade names, or program titles, violation of rights of privacy, and infringement of copyrights and proprietary rights resulting from the broadcast of its programming on the Station. The obligations under this Section shall survive any termination of this Agreement.

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 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 State of Ohio without regard to principles of conflicts of laws.

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

21. Notice. All notices, demands, requests, or other communications which may be or are required to be given or made by any party to any party pursuant to this Agreement shall be in writing and shall be hand delivered, mailed by first-class registered or certified mail, return receipt requested, postage prepaid, delivered by overnight air courier, or transmitted by facsimile transmission and shall be deemed to have been duly delivered and received on the date of personal delivery, on the third day after deposit in the U.S. mail if mailed by registered or certified mail, postage prepaid and return receipt requested, on the day after delivery to a nationally recognized overnight courier service if sent by an overnight delivery

service for next morning delivery, and on the same day if transmitted by facsimile, addressed as follows:

If to Licensee: InterMart Broadcasting Twin Falls, Inc.
c/o Patricia S. Woods
3434 S.W. 26th Place
Cape Coral, FL 33914
Facsimile No.: (239)542-4221

with a copy to: Law Office of LAUREN A. COLBY
10 E. Fourth Street
P.O. Box 113
Frederick, MD 21705-0113
Attention Lauren A. Colby:
Facsimile No.: (301) 695-8734

If to Programmer: Citicasters Co.
200 East Basse Road
San Antonio, TX 78209
Attention: President
Facsimile No.: (210) 822-2299
Attention: General Counsel
Facsimile No.: (210) 832-3428

with a copy to: Hogan & Hartson L.L.P.
555 Thirteenth Street, NW
Washington, DC 20004-1109
Attention: Marissa G. Repp
Facsimile No.: (202) 637-5910

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. Force Majeure. The failure of either party hereto to comply with its obligations under this Agreement due to acts of God, strikes or threats thereof or a force majeure or due to causes beyond such party's control, will not constitute an Event of Default under Section 14 of

this Agreement and neither party will be liable to the other party therefor, except that: (a) any resulting failure of Licensee to broadcast the Programs shall entitle Programmer to a pro rata reduction in the Monthly Payment required under Section 5 of this Agreement, (b) any resulting failure of Licensee to broadcast the Programs for a continuous period of eighteen (18) hours or more at any time during the Term shall entitle Programmer to terminate this Agreement by providing Licensee written notice. Programmer and Licensee each agrees to exercise its best efforts to remedy the conditions described in this Section as soon as practicable.

25. 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 and the Programmer 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.

26. 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.

27. Successors and Assigns. Subject to the provisions of Section 18 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.

[SIGNATURE PAGE FOLLOWS]

SIGNATURE PAGE TO LOCAL PROGRAMMING AND MARKETING AGREEMENT

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

PROGRAMMER: CITICASTERS CO.

By: 
Name: Jerome L. Kensting
Title: Senior Vice President

LICENSEE: INTERMART BROADCASTING TWIN FALLS, INC.

By: _____
Name: Patricia S. Woods
Title: Vice President


SIGNATURE PAGE TO LOCAL PROGRAMMING AND MARKETING AGREEMENT

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

PROGRAMMER: CITICASTERS CO.

By: _____
Name:
Title:

LICENSEE: INTERMART BROADCASTING TWIN FALLS, INC.

By: 
Name: Patricia S. Woods
Title: Vice President

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PROGRAMMER: CITICASTERS CO.

By: _____

Name:

Title:

LICENSEE: INTERMART BROADCASTING TWIN FALLS, INC.

By: Patricia S. Woods

Name: Patricia S. Woods

Title: Vice President

Schedule A

Execution Payment

THIRTY THOUSAND FIVE-HUNDRED DOLLARS (\$30,500.00).

Schedule B

Monthly Payment

The Monthly Payment shall be THREE THOUSAND DOLLARS (\$3,000.00), due and payable in full on the first day of each calendar month for which such payment is intended to be applied and shall be prorated for any partial calendar month at the beginning or end of the Term of the Agreement.

In addition to the Monthly Payment, Programmer promptly shall reimburse Licensee the amount of the reasonable Station Employee Expenses and the reasonable Station Transmitter Expenses as they are incurred during the Term. Licensee shall deliver a statement in reasonable detail with back-up documentation for such Expenses, and Programmer shall pay Licensee such Expenses within five (5) business days of receipt of such billing.

Schedule C

Annual Profit Share

In addition to the Monthly Payments, Programmer shall pay to Licensee, on an annual basis, five (5) percent of the net profit (the "Net Profit") on the sale of the advertising on the Station (the "Advertising") as calculated herein (the "Annual Profit Share"). The parties agree that the Net Profit shall be calculated according to the following formula: {revenues allocable to the sale of the Advertising} minus {Programmer's expenses associated with selling the Advertising and securing and producing the Programs, including without limitation, market overhead expenses} minus {the Monthly Payments for the relevant fiscal year}. The parties recognize the difficulty in allocating revenue and expenses related to the sale of the Advertising versus other revenues and expenses in a local marketing arrangement; accordingly, Programmer agrees that it will make a reasonable allocation under the circumstances and Licensee agrees to accept Programmer's allocation. The Annual Profit Share, if due, shall be made as soon as practicable after the close of the relevant fiscal year, and in no event later than ninety days (90) days after the close of the relevant fiscal year.