

TIME BROKERAGE AGREEMENT

This Time Brokerage Agreement (the "*Agreement*"), made as of the 28th day of August, 2001, is between Clarke Broadcasting Corporation, a Nevada corporation ("*Licensee*"), and Mapleton Communications, L.L.C., a Delaware limited liability company ("*Broker*").

RECITALS

Licensee is the licensee of radio stations KLOQ-FM, Winton, California, KJMQ(FM), Atwater, California, and KRAN(AM), Merced, California, and holds a construction permit for KAXW(AM), Merced, California (collectively the "*Stations*").

Licensee has agreed to sell the Stations, and Broker has agreed to purchase the Stations subject to prior approval of the Federal Communications Commission ("*FCC*"), pursuant to that certain Asset Purchase Agreement dated August 28, 2001 (the "*Purchase Agreement*"), by and between Licensee and Broker.

Licensee has broadcast time available for sale on the Stations and desires that Broker provide radio programming responsive to the needs, interests, issues and desires of the Stations' communities of license and service area.

Broker has experience in radio programming.

Broker desires to purchase time on the Stations to present its programming on the Stations and to sell advertising time for inclusion in such programming, and is willing to purchase such broadcast time, subject to the limitations set forth herein and in accordance with the rules, regulations and policies of the FCC.

Therefore, for and in consideration of the mutual covenants herein contained, the parties agree as follows:

1. SALE OF TIME

1.1. **Broadcast of Programming.** During the Term (as defined below) of this Agreement, Licensee shall make available broadcast time on each of the Stations for the broadcast of Broker's programs (the "*Programming*") for up to 168 hours a week except for: (i) downtime occasioned by routine maintenance consistent with Section 2.1.4 herein; (ii) up to three hours per week on each Station between 6:00 A.M. and 9:00 A.M. on Sunday morning for the broadcast of public affairs programming produced or acquired by Licensee; and (iii) times when Broker's programs are not accepted or are preempted by Licensee in accordance with this Agreement.

1.2. **Advertising and Programming Revenues.** During the Programming it delivers to the Stations, and as provided in Section 1.1 above, Broker shall have full authority to sell for

its own account commercial time on the Stations and to retain all revenues from the sale of such advertising. Unless otherwise agreed between the parties, Licensee shall retain all revenues from the sale of each Station's advertising during any hours each week in which the Licensee airs its own public affairs programming on that Station pursuant to Section 2.1.3 hereof.

1.3. **Force Majeure.** Any failure or impairment of facilities or any delay or interruption in broadcasting the Programming, or failure at any time to furnish the facilities, in whole or in part, for broadcasting, due to acts of God, strikes or threats thereof, force majeure or any other causes beyond the control of Licensee, shall not constitute a breach of this Agreement.

1.4. **Access to Studio Facilities.** To enable Broker to fulfill its obligations hereunder, Licensee shall make its offices and equipment at its main studio (the "*Main Studio*") available, for no additional consideration, to Broker for its use for the production of Programming under this Agreement. Broker accepts complete and full responsibility for the care and maintenance of the Main Studio (including equipment located therein) during the Term provided that Broker shall not be required to expend its own funds to repair or replace any item to the extent that Licensee is reimbursed pursuant to the insurance policies of Licensee. Broker's license to use the Main Studio shall apply only with regard to Programming produced for the Stations and may not be assigned by Broker to any other person or entity other than an entity under common control. Broker shall maintain such equipment free and clear of liens, claims or encumbrances of any third party claiming by, through or under Broker. If Broker originates the Programming from any place other than the Main Studio, Broker shall be responsible for delivering the Programming to the Main Studio for broadcast by Licensee on the Stations.

1.5. **Payments.** Broker shall pay to Licensee the fees set forth on Schedule 1.5 hereto for the rights granted under this Agreement.

1.6. **Term.** The term of this Agreement (the "*Term*") shall be for a period commencing on September 1, 2001 (the "*Commencement Date*") and ending at 11:59 P.M. Pacific Daylight Time on August 31, 2004, provided that this Agreement will terminate (a) upon the closing of the sale of the Stations under the Purchase Agreement to Buyer, or (b) upon termination of this Agreement pursuant to Section 8 hereof.

1.7. **License to Use Call Sign and Trademarks.** Licensee hereby grants Broker a license to use Licensee's call signs and trademarks and names relating to the Stations (the "*Marks*") for the Programming during the Term.

2. **PROGRAMMING AND OPERATING STANDARDS**

2.1. **Obligations and Rights of Licensee.** Licensee shall be responsible for the control of the day-to-day operations of the Stations in conformance with its FCC licenses, permits and authorizations. Without limiting the generality of the foregoing, Licensee shall have the following rights and obligations with respect to programming and technical operations of the Stations:

2.1.1. **Licensee's Absolute Right to Reject Programming.** Licensee shall retain the absolute right to accept or reject any Programming (including advertisements) that Licensee in its sole discretion deems contrary to the public interest, such right to be exercised reasonably and in good faith. Licensee expressly agrees that its right of preemption under Sections 2.1.1, 2.1.2 and 2.1.3 shall not be exercised in an arbitrary manner or for the commercial advantage of Licensee, and shall be exercised only to the extent that Licensee deems necessary to carry out its obligations as an FCC licensee.

2.1.2. **Licensee's Right to Preempt Programming for Special Events.** Licensee shall have the right, in its sole discretion, to preempt Programming in order to broadcast a program deemed by Licensee to be of greater national, regional, or local interest, and to use part or all of the hours of operation of the Stations for the broadcast of events of special importance. In all such cases, Licensee will use its best efforts to give Broker reasonable advance notice of its intention to preempt any regularly scheduled programming. In the event that the programming substituted by Licensee shall be subject to commercial interruptions, Broker shall be entitled to the revenue from the advertising aired.

2.1.3. **FCC Public Interest Requirements.** The parties agree that Licensee may broadcast its own public service programming as set forth in Section 1.1 hereof and such other public service programming at such other times as the parties may agree. The parties acknowledge that Licensee is ultimately responsible for complying with the FCC's rules and regulations with respect to (a) the carriage of political advertisements and programming (including, without limitation, the rights of candidates and, as appropriate, others to equal opportunities, lowest unit charge and reasonable access); (b) the broadcast and nature of public service programming; (c) the maintenance of political and public inspection files and the Stations' logs; (d) the ascertainment of issues of community concern; and (e) the preparation of all quarterly issues/programs lists. Licensee reserves the right to refuse to broadcast any program containing matter that Licensee reasonably and in good faith believes to be, or that Licensee reasonably and in good faith believes is likely to be determined by the FCC or any court or other regulatory body with authority over Licensee or the Stations to be, violative of any right of any third party or indecent or obscene. Licensee shall further have the right to take any other actions necessary for compliance with the laws of the United States, the State of California, the rules, regulations and policies of the FCC (including the prohibition on unauthorized transfers of control), and the rules, regulations and policies of other federal government authorities, including the Federal Trade Commission and the Department of Justice.

2.1.4. **Maintenance and Repair of Transmission Facilities.** Licensee shall maintain the Stations' transmission equipment and facilities, including the antennas, transmitters and transmission lines, and shall provide for the delivery of electrical power to the Stations' transmitting facilities at all times in order to ensure operation of the Stations. Licensee shall use its best efforts to provide at least forty-eight (48) hours prior notice to Broker in advance of any maintenance work affecting the operation of any Station, and to schedule any such maintenance work at times other than the hours of 7:00 a.m. to 9:00 a.m. or 5:00 p.m. to 7:00 p.m. on weekdays, Pacific Daylight Time. Licensee shall undertake such repairs as are necessary to maintain full-time operation of the Stations with their maximum authorized facilities as expeditiously as possible following the occurrence of any such loss or damage. If Licensee fails

promptly to complete such repairs as reasonably necessary, then Broker may undertake such repairs, subject to Licensee's supervision.

2.1.5. **Studio Location.** Licensee shall maintain and staff a main studio as required under the FCC's rules and regulations.

2.1.6. **Compliance with FCC Technical Rules.** Licensee shall retain, on a full time or part time basis, a qualified engineer who shall be responsible for maintaining the transmission facilities of the Stations. Licensee shall also designate and retain or employ a Chief Operator, as that term is defined by the rules and regulations of the FCC, who shall be responsible for ensuring compliance by the Stations with the technical operating and reporting requirements established by the FCC.

2.1.7. **Maintain Insurance.** Licensee shall maintain insurance coverage on its equipment and broadcast facilities during the Term in amounts not less than the maximum coverage which Licensee has maintained during the current fiscal year, and shall name Broker as an additional named insured on such policies. Upon request, Licensee shall provide Broker with a copy of all policies covering its equipment and broadcast facilities as well as a certificate of insurance naming Broker as an additional named insured.

2.2. **Obligations and Rights of Broker.** Broker shall not knowingly take any action, or omit to take any action, inconsistent with Licensee's obligations under law to retain ultimate responsibility for the programming and technical operations of the Stations. Without limiting the generality of the foregoing, Broker agrees as follows:

2.2.1. **Compliance with Laws and Station Policies.** All Programming shall conform in all material respects to all applicable rules, regulations and policies of the FCC, and all other laws or regulations applicable to the broadcast of programming by the Stations. All Programming shall be prepared and presented in conformity with the regulations prescribed in Schedule 2.2.1 hereto.

2.2.2. **Cooperation with Licensee.** Broker, on behalf of Licensee, shall furnish within the Programming all station identification announcements required by the FCC's rules, and shall, upon request by Licensee, provide information with respect to any of the Programming which is responsive to the public needs and interests of the area served by the Stations so as to assist Licensee in the preparation of any required programming reports, and will provide upon request other information to enable Licensee to prepare other records, reports and logs required by the FCC or other local, state or federal governmental agencies. Broker shall maintain and deliver to Licensee all records and information required by the FCC to be placed in the public inspection files of the Stations pertaining to the broadcast of political programming and advertisements, in accordance with the provisions of Sections 73.1943 and 73.3526 of the FCC's rules, and agrees that broadcasts of sponsored programming addressing political issues or controversial subjects of public importance will comply with the provisions of Section 73.1212 of the FCC's rules. Broker shall cooperate with Licensee to ensure compliance with the FCC's rules regarding Emergency Alert System tests and alerts.

2.2.3. **Payola and Plugola.** Broker shall provide to Licensee in advance any information known to Broker regarding any money or other consideration which has been paid or accepted, or has been promised to be paid or to be accepted, for the inclusion of any matter as a part of any programming or commercial material to be supplied to Licensee by Broker for broadcast on the Stations, unless the party making or accepting such payment is identified in the program as having paid for or furnished such consideration in accordance with FCC requirements. Commercial matter with obvious sponsorship identification will not require disclosure beyond the sponsorship identification contained in the commercial copy. Broker shall at all times endeavor to proceed in good faith to comply with the requirements of Sections 317 and 507 of the Communications Act of 1934, as amended, and the related rules and regulations of the FCC.

2.2.4. **Handling of Mail.** Broker shall provide Licensee with the original or a copy of any correspondence from a member of the public relating to the Programming to enable Licensee to comply with FCC rules and policies, including those regarding the maintenance of the public inspection file. Licensee shall not be required to receive or handle mail, facsimiles, emails or telephone calls in connection with the Programming unless Licensee has agreed to do so in writing. Licensee shall promptly forward to Broker all correspondence, payments, communications or other information and/or documents which it receives and which relate to the Programming, including without limitation, invoices, billing inquiries, checks, money orders, wire transfers, or other payments for services or advertising.

2.2.5. **Compliance with Copyright Act.** Broker shall not broadcast any material on the Stations in violation of the Copyright Act or the rights of any person. All music supplied by Broker shall be (a) licensed by a music licensing agent such as ASCAP, BMI, or SESAC; (b) in the public domain; or (c) cleared at the source by Broker. Licensee shall not be obligated to pay any music licensing fees or other similar expenses required in connection with the material broadcast by Broker on the Stations. Licensee, to the extent the material is not covered by licenses Broker has acquired, shall be obligated to pay any music licensing fees and other similar expenses required in connection with material broadcast by Licensee in accordance with Section 1.1 of this Agreement.

3. RESPONSIBILITY FOR EMPLOYEES AND EXPENSES

3.1. **Licensee's Responsibility for Employees and Expenses.** Licensee will employ a full-time management-level employee for the Stations, who shall report and be solely accountable to Licensee and shall be responsible for overseeing the operations of the Stations and a staff-level employee who shall report to and assist the manager in the performance of his or her duties. Whenever at the Main Studio or otherwise on the Stations' premises, all of Broker's personnel shall be subject to the supervision and the direction of the Stations' General Manager and/or the Stations' Chief Operator. Licensee shall be responsible for timely paying: (a) all lease payments for the transmitter and studio sites; (b) all FCC regulatory or filing fees and the cost of preparing such filings; (c) all real and personal property taxes relating to the Main Studio and the transmitter sites; (d) all utility costs (telephone, electricity, etc.) relating to the Main Studio and the transmitter sites; (e) all maintenance and repair costs on the transmitting equipment that are Licensee's responsibility under Section 2.1.4 of this Agreement, (f) insurance

payments on facilities; (g) consulting engineer fees; and (h) the salaries, taxes, insurance and related costs for its Station personnel (the "Station Expenses").

3.2. **Broker's Responsibility for Employees and Expenses.** Broker shall be responsible for the artistic personnel and material for the production of the Programming to be provided under this Agreement. Broker shall provide any transmitter duty operators required for the operation of the Stations during any period when the Programming is being broadcast. Broker shall employ and be responsible for the salaries, taxes, insurance and related costs for all of its own personnel used in fulfillment of its rights and obligations under this Agreement. Broker shall pay for all costs associated with production and listener responses, including telephone costs, fees to ASCAP, BMI and SESAC, any other copyright fees, and all other costs or expenses attributable to the Programming that is delivered by Broker for broadcast on the Stations. Broker shall be responsible for all maintenance and repair costs for the Main Studio and for all equipment located therein used by Broker. Broker shall maintain at its expense and with reputable insurance companies reasonably acceptable to Licensee, commercially reasonable coverage for broadcaster's liability insurance, worker's compensation insurance and commercial general liability insurance. Licensee shall be named as an additional insured on such policies, and such policies shall not be terminable without notice to Licensee and an opportunity to cure any default thereunder. Broker shall deliver to Licensee on or before the Effective Date, and thereafter upon request, current certificates establishing that such insurance is in effect.

3.3. **Station Employees.**

3.3.1 **Transferred Employees.** Broker may offer employment as of the Commencement Date to any of Licensee's employees at the Stations except for the employees identified on Schedule 3.3.1, but shall not be required to offer employment to any such employee. Employees who accept Broker's offer of employment are hereafter referred to as "*Transferred Employees*." At least 14 days prior to the Commencement Date, Broker will give Licensee written notice of the employees to whom Broker will not offer employment (the "*Terminated Employees*"). Licensee shall be responsible for terminating the Terminated Employees as of the Commencement Date and for all liabilities arising from such terminations. In addition, in the event that Broker terminates any Transferred Employee without cause during the 90-day period beginning on the Commencement Date, Licensee shall pay such employee the severance benefits to which he or she would have been entitled if Licensee had terminated such employees on the Commencement Date.

3.3.2. **Proration of Salaries and Compensation.** Except as otherwise expressly set forth in this Agreement, including Section 5.1 below, Licensee shall be solely responsible for all salaries and other compensation which will or may become payable to any Transferred Employee in respect of any period of employment by Licensee prior to the Commencement Date, and Broker shall be solely responsible for any salaries and other compensation which will or may become payable to any Transferred Employee in respect of any period on and after the Commencement Date.

3.3.3. **No Third Party Beneficiary Rights.** No provisions of this Agreement shall create any third party beneficiary rights of any employee or former employee (including

any beneficiary or dependent thereof) of Licensee in respect of continued employment (or resumed employment) with Licensee or with Broker or in respect of any other matter.

4. ASSIGNMENT AND ASSUMPTION OF CERTAIN AGREEMENTS, RIGHTS AND OBLIGATIONS

4.1. **Assignment and Assumption.** As of the Commencement Date, and except as set forth in Schedule 4.1 attached hereto, Licensee shall assign to Broker all of Licensee's right, title and interest in the Assumed Contracts (as defined under the Purchase Agreement) in existence on the Commencement Date as they relate to the Stations (the "*Assumed Contracts*"). As of the Commencement Date, Broker shall assume and undertake to pay, satisfy or discharge the liabilities, obligations and commitments of Licensee arising or accruing on or after the Commencement Date under the Assumed Contracts.

4.2. **Limitation.** Except as set forth in Section 4.1, Broker expressly does not, and shall not, assume or be deemed to assume, under this Agreement or otherwise by reason of the transactions contemplated hereby, any liabilities, obligations or commitments of Licensee of any nature whatsoever.

4.3. **Third-Party Consents.** Licensee shall use its reasonable efforts to obtain the consent of any third party necessary for the assignment to Broker of any of the Assumed Contracts. To the extent a required consent has not been obtained, Licensee shall use its reasonable efforts to provide Broker with the benefits of any such Assumed Contract (including, without limitation, permitting Broker to enforce any rights of Licensee under such Assumed Contract), and Broker shall not be deemed to have assumed such contract and Licensee shall not be deemed to have transferred such contract, provided, however, that Broker and Licensee shall work together in good faith to find, if possible, reasonable alternatives to obtaining such consent, to the end that Licensee and Broker are put in the same economic position they would have been in had such consent been obtained.

5. PRORATIONS; ACCOUNTS RECEIVABLE

5.1. **Proration of Income and Expenses.** Other than with respect to Station Expenses and income and expenses under any contract retained by Licensee (a "*Retained Contract*"), all income and expenses arising from the conduct of the business and operation of the Stations shall be prorated between Broker and Licensee as of 12:01 a.m. on the Commencement Date in accordance with generally accepted accounting principles consistently applied ("*GAAP*"). Such prorations shall be based upon the principles that Licensee shall be entitled to all income earned and shall be responsible for all liabilities and obligations accruing in connection with the operation of the Stations until the Commencement Date, and that, other than with respect to Station Expenses and Retained Contracts, Broker shall be entitled to all income earned and (subject to Section 4.2 above) be responsible for such liabilities and obligations accruing thereafter until the expiration of the Term. Such prorations shall include music and other license fees, wages and salaries of Transferred Employees hired by Broker in accordance with Section 3.3 above (excluding accruals up to the Commencement Date for vacation, bonuses,

commissions, and related payroll taxes), deposits, liabilities and obligations under all Assumed Contracts, and similar prepaid and deferred items and all other expenses attributable to the operation of the Stations except for income and expenses under the Retained Contracts. Contracts for the sale of advertising time on the Stations in exchange for goods and services ("*Trade Agreements*") shall be prorated to the extent provided in Section 5.2 of this Agreement.

5.2. **Trade Agreements.** Liabilities and obligations under Trade Agreements (other than Trade Agreements between the Stations and Sign Pro of Merced) shall be prorated in favor of Broker to the extent that the aggregate liability of the Stations for air time as of the Commencement Date (determined in accordance with GAAP) exceeds by over \$10,000 the aggregate value of property to be received by Broker on and after the Commencement Date (including property that has been received but not yet utilized, e.g., concert tickets) under such Trade Agreements. Broker shall not be obligated to make any proration in favor of Licensee with respect to Trade Agreements, notwithstanding that the aggregate fair market value of property to be received by Broker exceeds the aggregate liability for air time. There shall be no proration for liabilities and obligations arising from Trade Agreements between the Stations and Sign Pro of Merced.

5.3 **Payment of Proration Items.** To the extent practicable, prior to the Commencement Date, Licensee shall deliver to Broker a preliminary list of any items to be prorated pursuant to Section 5.1, and, to the extent feasible, such prorations and adjustments shall be settled at the Commencement Date. As soon as practicable, but in no event later than 45 days after the Commencement Date, Broker shall deliver to Licensee a schedule of its proposed prorations and adjustments pursuant to Sections 5.1 and 5.2 (which shall set forth in reasonable detail the basis for those determinations) (the "*Proration Schedule*"). The Proration Schedule shall be conclusive and binding upon Licensee unless Licensee provides Broker with written notice of objection (the "*Notice of Disagreement*") within 30 days after Licensee's receipt of the Proration Schedule, which notice shall state the prorations of expenses proposed by Licensee (the "*Licensee's Proration Amount*"). Broker shall have 20 days from receipt of a Notice of Disagreement to accept or reject Licensee's Proration Amount. If Broker rejects Licensee's Proration Amount, the dispute shall be submitted within 10 days to a disinterested accounting firm selected by counsel for Broker and Licensee (the "*Referee*") for resolution of the dispute, such resolution to be made within 30 days after submission to the Referee and to be final, conclusive and binding on Licensee and Broker. Broker and Licensee agree to share equally the cost and expenses of the Referee, but each party shall bear its own legal and other expenses, if any. Payment by Broker or Licensee, as the case may be, for the proration amounts determined pursuant to this Section 5.3 shall be due 15 days after the last to occur of (a) Licensee's acceptance of the Proration Schedule or failure to give Broker a timely Notice of Disagreement; (b) Broker's acceptance of Licensee's Proration Amount or failure to reject Licensee's Proration Amount within 20 days of receipt of a Notice of Disagreement; or (c) notice to Licensee and Broker of the resolution of the disputed amount by the Referee.

5.4. **Accounts Receivable.** Licensee shall retain all right, title and interest to all accounts receivables for cash for services performed or provided by the Stations prior to the Commencement Date (the "*Accounts Receivable*"). Licensee hereby assigns its interest in the Accounts Receivable to Broker for purposes of collection only. Broker will collect the Accounts

Receivable as Licensee's agent in the same manner and with the same diligence that Broker uses to collect its own accounts receivable for a period of 120 days following the Commencement Date (the "*Collection Period*"); provided, however, that Broker shall not be obligated to institute litigation, employ any collection agency, legal counsel or other third party, or take any other extraordinary means of collection. Any payment received by Broker from a customer of the Stations who is obligated with respect to any Account Receivable shall be applied by Broker in order of the date of invoice until Licensee's accounts with such customer are paid in full, except if the customer disputes a particular account with Licensee, in which case the payment shall be applied to the oldest undisputed invoice. Within 10 business days after the Commencement Date, Licensee shall deliver to Broker a complete and detailed statement of each Accounts Receivable. Within 15 days after the end of each month during the Collection Period, Broker shall pay to Licensee all amounts collected by Broker in the preceding month on the Accounts Receivable during the Collection Period. If during the Collection Period an account debtor disputes an account included among the Accounts Receivable, Licensee may request the return of that account to Licensee for collection. At the conclusion of the Collection Period, any remaining accounts Receivable shall be reassigned to Licensee and thereafter Broker shall have no further obligation with respect to the Accounts Receivable. Broker shall not be entitled to set-off any amount owing to it by Licensee under this Agreement or any other agreement by amounts collected by Broker with respect to any Account Receivable.

5.5. **Interest.** Subject to Section 7 and Schedule 1.5, if either Broker or Licensee fails to timely pay any amount within five (5) days of the due date under this Agreement, such amount shall bear interest at a fluctuating rate equal to the Prime Rate plus two percent (2%) from the date such amount was due until the date such amount is paid.

6. **INDEMNIFICATION**

6.1. **Broker Indemnification.** Broker shall indemnify and hold Licensee and its officers, directors, shareholders, members, partners, agents, and employees harmless against any and all claims, damages, liabilities, costs, and expenses (including by way of example and without limitation, reasonable attorneys' fees) (individually or collectively "*Damages*") arising out of: (a) libel, slander, illegal competition or trade practice, infringement of trademarks, trade names, or program titles, violation of rights of privacy, and infringement of copyrights or proprietary rights and any other violations of the rights of any third party, resulting from the broadcast of the Broker's programs; or (b) any action taken by Broker or its employees or agents with respect to the Stations, or any failure by Broker or its employees or agents to take any action with respect to the Stations, including but not limited to Broker's payment and performance of obligations and liabilities, unless resulting from a failure by Licensee to perform hereunder; or (c) Broker's breach of any of its representations, warranties or covenants set forth in this Agreement. Broker's obligation to hold Licensee harmless under this Section shall survive a termination of this Agreement until the expiration of all applicable statutes of limitations.

6.2. **Licensee Indemnification.** Licensee shall indemnify and hold Broker and its officers, directors, shareholders, members, partners, agents and employees harmless against any and all Damages arising out of: (a) libel, slander, illegal competition or trade practice,

infringement of trademarks, trade names, or program titles, violation of rights of privacy, and infringement of copyrights or proprietary rights and any other violations of the rights of any third party, resulting from Licensee's broadcast of programs other than the Broker's programs; or (b) any action taken or omission by Licensee or its employees or agents with respect to the Stations, or any failure by Licensee or its employees or agents to take any action with respect to the Stations, including but not limited to Licensee's payment and performance obligations and liabilities, unless resulting from a failure by Broker to perform hereunder; or (c) Licensee's breach of any of its representations, warranties or covenants set forth in this Agreement. Licensee's obligation to hold Broker harmless under this Agreement shall survive any termination of this Agreement until the expiration of all applicable statutes of limitations.

6.3. **Procedure for Indemnification and Limitations.** The procedure for indemnification shall be as set forth in Section 9.3 of the Purchase Agreement, and claims for indemnification shall be subject to the limitations set forth at Section 9.4 of the Purchase Agreement, provided, however, that the survival periods set forth in Sections 6.1 and 6.2 herein shall apply, except as to Licensee's representations and warranties in Section 9.1.4, which shall expire six months after the Commencement Date.

7. **EVENTS OF DEFAULT AND CURE PERIODS**

7.1. **Events of Default.** The following shall, after the expiration of the applicable cure periods as set forth in Section 7.2, each constitute an Event of Default under this Agreement:

7.1.1. **Non-Payment.** Broker's failure to pay when due the fees payable under Section 1.5 of this Agreement;

7.1.2. **Default in Covenants or Adverse Legal Action.** Either party (a) defaults in the performance of any material covenant, condition or undertaking contained in this Agreement or the Purchase Agreement, (b) makes a general assignment for the benefit of creditors, or (c) files or has filed against it a petition for bankruptcy, for reorganization or an arrangement, or for the appointment of a receiver, trustee or similar creditors' representative for the property or assets of such party under any federal or state insolvency law, which, if filed against such party, has not been dismissed or discharged within sixty (60) days thereafter; and

7.1.3. **Breach of Representation.** Any material representation or warranty made by either party to this Agreement, or in any certificate or document furnished by either party to the other pursuant to the provisions of this Agreement, proves to have been false or misleading in any material respect as of the time made or furnished.

7.2. **Cure Periods.** Except for a default in payment as required under Section 1.5 on the date provided for in Schedule 1.5, an Event of Default shall not be deemed to have occurred until 30 days after the non-defaulting party has provided the defaulting party with written notice specifying the event or events that, if not cured, would constitute an Event of Default and specifying the actions necessary to cure the default(s) within such period. A default in payment as required under Section 1.5 on the date provided for in Schedule 1.5, shall not be deemed to have occurred until ten (10) days after such notice. This period (excluding defaults relating to

the payment required under Section 1.5) may be extended for a reasonable period of time if the defaulting party is acting in good faith to cure and such delay is not materially adverse to the other party.

8. TERMINATION

8.1. **Termination Upon Default.** Upon the occurrence of an Event of Default, the non-defaulting party may terminate this Agreement, provided that it is not also in material default of this Agreement. Upon the occurrence of an Event of Default by Broker, and if Licensee shall not itself be in material default of this Agreement, then all amounts accrued or payable to Licensee up to the date of termination which have not been paid shall immediately become due and payable, and Licensee shall be under no further obligation to make available to Broker any broadcast time or broadcast transmission facilities on the Stations.

8.2. **Termination for Change in FCC Rules or Policies.** Either party may terminate this Agreement upon written notice to the other if there has been a material change in FCC rules or policies that would cause this Agreement to be in violation thereof, or in the event that the FCC determines that this Agreement does not comply with its rules, and such change in the rules or FCC determination is in effect and not the subject of an appeal or further administrative review; provided, however, that in such either event the parties shall first have negotiated in good faith and attempted to agree to an amendment to this Agreement that will provide the parties with a valid and enforceable agreement that conforms to the new FCC rules or policies.

8.3. Certain Matters Upon Termination.

8.3.1. If this Agreement is terminated for any reason other than the occurrence of the Closing under the Purchase Agreement:

(a) Broker shall assign, transfer and convey to Licensee all of Broker's rights in, to and under the Assumed Contracts that remain in effect on the date of such termination and all agreements with advertisers existing on the date of such termination (collectively the "*Reassumed Contracts*"). Broker shall use reasonable efforts to promptly obtain and deliver to Licensee, at Broker's expense, any necessary consents to the assignment of the Reassumed Contracts to Licensee.

(b) Licensee shall assume from Broker all liabilities, obligations and commitments of Broker arising or accruing on or after the date of termination pursuant to the Reassumed Contracts, and Broker shall be responsible only for those obligations under the Reassumed Contracts arising on or after the Commencement Date and prior to the termination of this Agreement.

(c) Broker shall return to Licensee any equipment or property of the Stations used by Broker, its employees or agents, in substantially the same condition as such equipment existed on the date hereof, ordinary wear and tear excepted.

8.3.2. No expiration or termination of this Agreement shall terminate the obligation of each party to indemnify the other for claims of third parties under Section 6 of this Agreement or limit or impair any party's rights to receive payments due and owing hereunder on or before the date of such termination.

9. REPRESENTATIONS AND WARRANTIES

9.1. **Representations and Warranties of Licensee.** Licensee hereby represents and warrants that:

9.1.1. **Organization and Standing.** Licensee (a) is a corporation duly formed, validly existing and in good standing under the laws of the State of Nevada, and (b) is qualified to do business and is in good standing in the State of California.

9.1.2. **Authorization and Binding Obligation.** Licensee has all necessary power and authority to enter into and perform this Agreement and the transactions contemplated hereby, and Licensee's execution, delivery and performance of this Agreement have been duly and validly authorized by all necessary action on its part. This Agreement has been duly executed and delivered by Licensee and constitutes its valid and binding obligation enforceable against Licensee in accordance with its terms.

9.1.3. **Absence of Conflicting Agreements or Required Consents.** Except as set forth in the Purchase Agreement, the execution, delivery and performance of this Agreement by Licensee: (a) do not and will not violate any provisions of Licensee's organizational documents; (b) do not and will not require the consent or approval of or any filing with any third party or governmental authority; (c) do not and will not violate any applicable law, judgment, order, injunction, decree, rule, regulation or ruling of any governmental authority; and (d) do not and will not, either alone or with the giving of notice or the passage of time, or both, conflict with, constitute grounds for termination or acceleration of or result in a breach of the terms, conditions or provisions of, or constitute a default under any agreement, lease, instrument, license or permit to which Licensee is now subject.

9.1.4. **Affirmation of Certain Representations and Warranties in the Purchase Agreement.** Licensee affirms that Seller's representations and warranties in Section 3.5 (FCC Licenses) and Section 3.8 (Assumed Contracts) of the Purchase Agreement are true and correct in all material respects.

9.2. **Representations and Warranties of Broker.** Broker hereby represents and warrants that:

9.2.1. **Organization and Standing.** Broker (a) is a limited liability company formed, validly existing and in good standing under the laws of the State of Delaware; and (b) is qualified to do business and is in good standing in the State of California.

9.2.2. **Authorization and Binding Obligation.** Broker has all necessary power and authority to enter into and perform this Agreement and the transactions contemplated hereby, and Broker's execution, delivery and performance of this Agreement have been duly and validly authorized by all necessary action on its part. This Agreement has been duly executed and delivered by Broker and constitutes its valid and binding obligation enforceable against Broker in accordance with its terms.

9.2.3. **Absence of Conflicting Agreements or Required Consents.** Except as set forth in the Purchase Agreement, the execution, delivery and performance of this Agreement by Broker: (a) do not and will not violate any provision of Broker's organizational documents; (b) do not and will not require the consent of any third party or governmental authority; (c) do not and will not violate any law, judgment, order, injunction, decree, rule, regulation or ruling of any governmental authority; and (d) do not and will not, either alone or with the giving of notice or the passage of time, or both, conflict with, constitute grounds for termination or acceleration of or result in a breach of the terms, conditions or provisions of, or constitute a default under any agreement, lease, instrument, license or permit to which Broker is now subject.

10. CERTIFICATIONS

10.1. **Broker's Certification.** Broker hereby certifies that this Agreement complies with the provisions of Section 73.3555 (a) of the FCC's rules and regulations.

10.2. **Licensee's Certification.** Licensee hereby certifies that it shall maintain the ultimate control over the Stations' facilities, including but not limited to control over the finances with respect to the operation of the Stations, over the personnel operating the Stations, and over the programming to be broadcast by the Stations.

11. MISCELLANEOUS

11.1. **Amendment, Modification or Waiver.** No amendment, modification or waiver of any provision of this Agreement shall be effective unless made in writing and signed by the party adversely affected, and any such waiver and consent shall be effective only in the specific instance and for the purpose for which such consent was given.

11.2. **No Waiver; Remedies Cumulative.** No failure or delay on the part of Licensee or Broker in exercising any right or power under this Agreement 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 the parties to this Agreement are cumulative and are not exclusive of any right or remedies which either may otherwise have.

11.3. **Governing Law; Waiver of Jury Trial.** The construction and performance of this Agreement shall be governed by the law of the State of California without regard to its principles of conflict of law. LICENSEE AND BROKER HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR

PROCEEDING RELATING IN ANY WAY TO THIS AGREEMENT, INCLUDING ANY COUNTERCLAIM MADE IN SUCH ACTION OR PROCEEDING, AND AGREE THAT ANY SUCH ACTION OR PROCEEDING SHALL BE DECIDED SOLELY BY A JUDGE. The parties agree that exclusive venue for the resolution of any dispute under this Agreement shall lie with a state or federal court of competent jurisdiction in Merced County, California. Licensee and Broker hereby acknowledge that they have each been represented by counsel in the negotiation, execution and delivery of this Agreement and that their lawyers have fully explained the meaning of the Agreement, including in particular the jury-trial waiver. Any question of doubtful interpretation shall not be resolved by any rule providing for interpretation against the party who causes the uncertainty to exist or against the drafter of this Agreement.

11.4. **Attorneys' Fees.** In the event of any dispute between the parties to this Agreement, Licensee or Broker, as the case may be, shall reimburse the prevailing party for its reasonable attorneys' fees and other costs incurred in enforcing its rights or exercising its remedies under this Agreement. Such right of reimbursement shall be in addition to any other right or remedy that the prevailing party may have under this Agreement.

11.5. **No Partnership or Joint Venture.** This Agreement is not intended to be and shall not be construed as a partnership or joint venture agreement between the parties. Except as otherwise specifically provided in this Agreement, no party to this Agreement shall be authorized to act as agent of or otherwise represent any other party to this Agreement.

11.6. **Entire Agreement.** This Agreement and the Purchase Agreement, and the exhibits and schedules hereto and thereto, embody the entire agreement and understanding of the parties hereto and supersede any and all prior agreements, arrangements and understandings relating to the matters provided for herein. Any matter that is disclosed in a schedule to this Agreement or the Purchase Agreement in such a way as to make its relevance to the information called for by another schedule readily apparent shall be deemed to have been included in such other schedule, notwithstanding the omission of an appropriate cross-reference.

11.7. **Benefit and Assignment.** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. Neither party may assign its rights under this Agreement without the prior written consent of the other party, except to any entity under common control, provided that the assignor guarantees the assignee's performance of its obligations under this Agreement. Upon any such assignment of its rights hereunder, references to "Broker" and/or "Licensee" shall include such assignee, provided, however, that no such assignment shall relieve Broker and/or Licensee of any obligation hereunder.

11.8. **Headings.** The headings set forth in this Agreement are for convenience only and will not control or affect the meaning or construction of the provisions of this Agreement.

11.9. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which will be deemed an original and all of which together will constitute one and the same instrument.

11.10. **Notices.** Any notice, demand or request required or permitted to be given under the provisions of this Agreement shall be in writing, addressed to the following addresses, or to such other address as any party may request.

If to Licensee:

Clarke Broadcasting Corporation
1175 Fairview Drive, Suite N
Carson City, NV 89701
Attention: Mr. H. Randolph Holder, Jr.
Telephone: 775-887-0588
Facsimile: 775-887-1752

With a copy to:

Leventhal, Senter & Lerman P.L.L.C.
2000 K Street, N.W.
Suite 600
Washington, D.C. 20006-1809
Attention: Meredith S. Senter, Jr., Esq.
Telephone: 202-429-8970
Facsimile: 202-293-7783

If to Broker:

Mapleton Communications, LLC
10900 Wilshire Boulevard
Suite 1500
Los Angeles, CA 90024
Attention: Mr. Michael Menerey
Telephone: 310-209-7326
Facsimile: 310-208-3185

With a copy to:

Mapleton Communications, LLC
10900 Wilshire Boulevard
Suite 1500
Los Angeles, CA 90024
Attention: Mark Goldman, Esq.
Telephone: 310-209-7210
Facsimile: 310-209-7309

and

Fleischman and Walsh, L.L.P.

1400 16th Street, N.W.
Suite 600
Washington, D.C. 20036
Attention: Chris Wood, Esq.
Telephone: 202-939-7903
Facsimile: 202-745-0916

Any such notice, demand or request shall be deemed to have been duly delivered and received (a) on the date of personal delivery, or (b) on the date of transmission, if sent by facsimile (but only if a hard copy is also sent by overnight courier), or (c) on the date of receipt, if mailed by certified mail, postage prepaid and return receipt requested, or (d) on the date of a signed receipt, if sent by an overnight delivery service, but only if sent in the same manner to all persons entitled to receive notice or a copy.

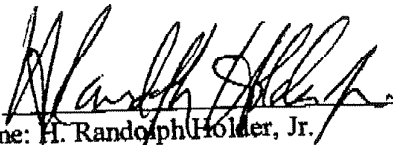
11.11. **Severability.** In the event that any of the provisions of this Agreement shall be held unenforceable, then the remaining provisions shall be construed as if such unenforceable provisions were not contained herein. Any provision of this Agreement which is unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such unenforceability without invalidating the remaining provisions hereof, and any such unenforceability in any jurisdiction shall not invalidate or render unenforceable such provisions in any other jurisdiction. To the extent permitted by applicable law, the parties hereto hereby waive any provision of law now or hereafter in effect which renders any provision hereof unenforceable in any respect.

11.12. **Capitalized Terms.** Unless otherwise defined herein, capitalized terms used herein and in any Schedules hereto shall have the meanings ascribed to them in the Purchase Agreement.

[Signatures on Following Page]

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

**CLARKE BROADCASTING
CORPORATION**

By: 
Name: H. Randolph Holder, Jr.
Title: President

MAPLETON COMMUNICATIONS, L.L.C.

By: _____
Name: _____
Title: _____

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

CLARKE BROADCASTING CORPORATION

By: _____
Name: _____
Title: _____

MAPLETON COMMUNICATIONS, L.L.C.

By: Michael R. Plaveroff
Name: Michael R. Plaveroff
Title: PRESIDENT