

## LOCAL MARKETING AGREEMENT

This Local Marketing Agreement (the "LMA") dated as of <sup>August</sup> July 7, 2014, is entered into by and between Kona Coast Radio, LLC ("Licensee") and Flood Broadcasting of Omaha, L.L.C., a Nebraska limited liability company ("Broker"). <sup>Inc.</sup>

WHEREAS, Licensee holds the Federal Communications Commission ("FCC") license for FM radio station KIMI, Facility ID 189501, Malvern, Iowa (the "Station")

WHEREAS, Licensee is engaged in the business of radio broadcasting on the Station and has available time, and wishes to contract with Broker to offer programming on the Station;

WHEREAS, Licensee and Broker are entering into, contemporaneously with this agreement, an Option Agreement; and

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

1. Program Time: Licensee agrees to make the broadcasting transmission facilities of the Station available to Broker, for the broadcast of Broker's programs (the "Programs") twenty-four hours a day, seven days a week, except as otherwise provided herein. The Programs shall follow an entertainment format, which may include music, sports, news, public service programming, promotions, contests, and noncommercial matter. Broker shall be solely responsible for the cost and expense of delivering the Programs to the Station transmission facilities. Broker may sell advertising time and retain all revenues therefrom. Except as otherwise provided in this LMA, Broker shall not be responsible for any liabilities of Licensee arising prior to or during the LMA. Any program agreements entered into by Broker during the LMA shall contain a provision that such agreements shall terminate when the LMA terminates.

2. Consideration.

2.1 Reimbursements and In-Kind. Broker agrees to provide Licensee, at no cost to Licensee, main studio space and EAS equipment. Further, Broker will reimburse Licensee the following costs incurred in the operation of the station during the term: tower site rent, electricity, annual FCC regulatory fees, and music license fees (ASCAP, BMI, and SESAC) during the Term.

2.2 Monetary Consideration. In the event that Licensee operates, with FCC authorization, the Station with an effective radiated power of eight kilowatts or higher, Broker will pay Licensee, on a monthly basis, no later than the 1<sup>st</sup> of each month (the "Monthly Payment").

3. Term; Termination. The term of this LMA shall continue for one (1) year from the date of this Agreement (the "Term"), unless earlier terminated pursuant to its terms. The Term may be renewed at the discretion of Broker. If Broker desires to renew the LMA for an

additional 1-year period, it shall notify Licensee of such desire at least sixty (60) days prior to expiration of the Term.

4. Programs. Broker shall furnish or cause to be furnished the artistic personnel and material for the Programs provided pursuant to this LMA, and each Program shall be rendered and delivered suitable and ready for broadcast in a manner satisfactory to Licensee. At the request of Licensee, Broker shall provide complete copies of the program schedule. Broker agrees that each Program shall be broadcast in conformity with the regulations and restrictions imposed by the FCC rules. Licensee reserves the right to refuse to broadcast any Program which does not, in Licensee's sole opinion determined in good faith, serve the public interest. If, in Licensee's sole opinion determined in good faith, the programs to be broadcast by Broker fail to conform to the Communications Act of 1934, as amended, FCC rules and FCC written policies (collectively, "FCC Law") and the public interest, Licensee shall have the right, without prejudice to any other rights it may also have, to furnish and/or substitute programming prepared or obtained by Licensee. In all such cases, however, Licensee will endeavor to notify Broker of any changes or substitutions in advance of the broadcast and of its reasons for concluding that the Program does not conform to the FCC Law and the public interest.

5. Responsibility for Employees and Expenses. Broker shall employ and be responsible for the salaries, taxes, insurance, benefits and related costs for all personnel used in the production and delivery of the Programs and the sale of broadcast time or solicitation of donations related thereto. Broker shall pay all costs of delivering the Programs to the Station transmission facilities and other fees associated with the Programs, provided, however, that Broker may arrange for payment of music licensing fees directly to ASCAP, BMI and SESAC in combination with Broker's owned stations.

6. Licensee: Licensee shall be responsible for personnel adequate to operate the Station's facilities at all times, including personnel with the capacity to broadcast any program Licensee originates and to perform routine or emergency engineering functions ("Station Personnel"). Licensee shall be responsible for the Station's compliance with FCC Law. Licensee will be responsible for the salaries, taxes, insurance, benefits and related costs of any Station Personnel. Whenever on the Station's premises, all personnel, whether employed by Licensee or Broker, shall be subject to the supervision and the direction of Licensee. Subject to reimbursement of certain expenses pursuant to Section 2 hereto, Licensee shall also be responsible for paying or ensuring payment in a timely fashion of the expenses related to operation of the Station.

7. Operation of Station.

7.1 Facilities: Subject to reimbursement of pursuant to Section 2 hereto, Licensee shall be responsible for the maintenance and operation of the Station's transmission system, transmitter building, antenna tower, and the real property upon which the transmitter building and antenna tower are located. Licensee shall make its transmitter and other broadcast equipment, transmitter building and tower reasonably available to Broker, at no additional charge, for placement of any equipment Broker reasonably deems necessary to allow it to broadcast Broker's programming on the Station.

7.2 Licensee Regulatory Responsibility: Licensee shall be responsible for the Station's compliance with all applicable provisions of FCC Law, including all technical regulations governing the operation of the Station. Licensee shall maintain all licenses, permits, and other authorizations as are necessary for the operation of the Station. At the request of Licensee, Broker shall take periodic equipment measures and provide the data to Licensee.

7.3 Licensee Control: Notwithstanding anything to the contrary in this LMA, Licensee certifies that under this LMA it will maintain ultimate control over the Station's facilities, including control over the Station's finances, personnel and programming. Licensee shall have full authority and power over the operation of the Station during the term of this LMA. 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 preempt 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 Iowa, and the rules, regulations, and policies of the Federal Communications Commission, including the prohibition of unauthorized transfer of control.

7.4 Programming: During the term of this LMA, Broker will ascertain issues of community importance and address such issues through its own programming. Broker shall provide Licensee information regarding such issue-responsive programming to facilitate the Licensee's preparation of the quarterly issues/programs lists required by FCC Law. Broker, pursuant to the direction of the Licensee, shall insert proper station identification announcements and Emergency Alert System announcements and tests into Broker's Programs at such times as required by FCC Law. Broker will, subject to the ultimate supervision of Licensee, deliver to the Station, such records and information required by the FCC to be placed in the public inspection files of the Station, including records pertaining to the broadcast of political programming and advertisements, in accordance with the provisions of Sections 73.1940 and 73.3526 of the FCC's rules. Licensee shall have ultimate responsibility for ensuring compliance with FCC Law, including those with respect to the carriage of political advertisements and programming (including, without limitation, the rights of candidates to "equal opportunities," "lowest unit charge" and reasonable access). Broker will provide to Licensee such documentation relating to such programming as Licensee shall reasonably request.

8. Special Events. Licensee reserves the right in its discretion, and without liability, to preempt one or more of the broadcasts of the Program(s) and to use part or all of the time contracted for herein by Broker for broadcasts of special events of importance. In all such cases, Licensee will use its best efforts to give Broker reasonable notice of its intention to preempt such broadcast or broadcasts.

9. Condition of Broadcast Equipment. In conjunction and coordination with Broker, Licensee shall maintain all equipment necessary for broadcasting by the Station at Licensee's expense in a condition consistent with good engineering practices and in compliance in all material respects with the applicable rules and regulations of the FCC. All expenditures

reasonably required to maintain the quality of the Station's signal shall be made by Licensee in a timely fashion.

10. Force Majeure. 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 LMA and Licensee will not be liable to Broker with respect to facilities that failed or were impaired or not furnished.

11. Payola/Sponsorship Identification. Broker agrees that neither Broker nor its employees will accept any compensation or any kind of 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 Broker 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.

12. Compliance with Law. The parties agree that throughout the term of this LMA each party will comply with all laws and regulations applicable in the conduct of Licensee's business, or otherwise use its best efforts to immediately come into compliance with such laws and regulations.

13. Insurance. Broker will obtain and maintain throughout the term of this LMA insurance with responsible and reputable insurance companies or associations covering all risks associated with the broadcast of the Programs to the public and use of the Station's facilities, (including fire and other risks insured against by extended coverage, public liability insurance, insurance for claims for personal injury or death or property damage, insurance for claims 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 Programs furnished by Broker, and such other insurance as may be required by law) and in such amounts and on such terms as is conventionally carried by broadcasters operating radio stations with facilities comparable to those of the Station. With respect to such insurance, Broker shall provide Licensee with a certificate of insurance listing Licensee as an additional insured thereon. Any insurance proceeds received by Licensee in respect of damaged property will be used to repair or replace such property so that the operation of the Station conforms with this LMA.

14. Indemnification; Warranty. To the extent not covered by Broker's insurance policies, Broker will indemnify and hold Licensee harmless against 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 Programs furnished by Broker, or failure to furnish records or information required to be supplied by Broker pursuant to this Agreement. Further, Broker warrants that the broadcasting of the Programs will not violate any rights of others and Broker agrees to hold Licensee harmless from any and all claims, damages, liability, costs and expenses, including attorney fees, arising from the production and/or broadcasting of the Programs or for failure of

Broker to discharge any obligations arising under this LMA. 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. To the extent not covered by Licensee's insurance, Licensee will indemnify and hold Broker harmless against any and all claims, damages, liability, costs, and expenses, including attorney fees, arising from Licensee's operation of the Station prior to the commencement of the term of this LMA or arising from Licensee's failure to fulfill any of its obligations under this LMA. The parties' obligation to hold each other harmless against the liabilities specified above shall survive any termination of this LMA.

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

15.1 Non-Payment. Broker's failure to timely pay the consideration provided for in Section 2 hereof.

15.2 Default in Covenants. Broker's or Licensee's default in the observance or performance of any material covenant, condition, or agreement contained herein.

15.3 Breach of Representation. Any breach of a material representation or warranty herein made by either party, or in any certificate or document furnished to the other party pursuant to the provisions hereof, which shall prove to have been false or misleading in any material respect as of the time made or furnished.

15.4 Cure Periods. An Event of Default shall not be deemed to have occurred until ten (10) business 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 within such period. Except for default due to nonpayment of consideration by Broker, this period shall be extended by the non-defaulting party for a reasonable period (not exceeding 30 days) if the defaulting party is acting in good faith to cure and such delay is not materially adverse to the non-defaulting party.

15.5 Termination Upon Default. In the event of the occurrence of an Event of Default: (i) if Broker is the defaulting party, Licensee shall be under no further obligation to make available to Broker any further broadcast time or broadcast transmission facilities; (ii) if Broker is the defaulting party, 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 (iii) if Licensee is the defaulting party, Broker shall be entitled to seek actual damages, but not specific performance.

16. No Joint Venture. The parties hereto expressly agree that the relationship between them hereunder is that of two principals dealing with each other as independent contractors subject to the terms and conditions of this LMA. At no time, past, present or future, shall the relationship of the parties herein be deemed or intended to constitute an agency, partnership, joint-venture, or a collaboration for the purpose of sharing any profits or ownership in common. Neither party shall have the right, power or authority at any time to act on behalf of,

or represent, the other party, but each party hereto shall be separately and entirely liable for its own debts in all respects, except as expressly set forth herein.

17. Representations. Both Licensee and Broker represent that:

(a) they are legally qualified, empowered, and able to enter into this LMA, and that they have had the benefit of advice of counsel with respect thereto;

(b) in accordance with Section 73.3555(j) of the FCC's rules, Licensee certifies that it maintains ultimate control over the Station's facilities, including specifically control over Station finances, personnel and programming; and

(c) the entering into of this LMA does not violate the FCC's multiple ownership rules. Moreover, the LMA complies with the provisions of paragraphs (b), (c), and (d) of Section 73.3555 of the Commission's rules.

18. Modification and Waiver. No alteration, modification, change, or waiver of any provision of this LMA 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.

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

20. Station Call Letters. Unless required by law or final action of a court, agency or other governmental authority to cease using the Station's current call letters KIMI, Licensee agrees to maintain such call letters during the Term. Licensee shall have absolute control and discretion over whether to change the Station call letters, should Broker request a change. Broker agrees to be responsible for all costs and expenses of Licensee in applying for and obtaining new call letters requested by Broker.

21. Construction. This LMA shall be construed in accordance with the laws of the State of Nebraska, without giving effect to the conflict of law provisions thereof, and the obligations of Licensee hereunder are subject to the terms of the Station License held by Licensee and to all federal, state, county, or municipal laws or regulations now or hereafter in force and to the regulations of all Commissions, including the Federal Communications Commission, or other governmental bodies or authorities presently or hereafter to be constituted.

23. Headings. The headings of the provisions for this LMA are included for convenience only, and no such heading shall in any way alter the meaning of any provision.

24. Counterpart Signature. This LMA 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 LMA shall be effective as of the date on which the executed counterparts are exchanged by the parties.

25. Notice. 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) or by Federal Express or other overnight courier, and addressed as follows:

If to Licensee: Kona Coast Radio, LLC  
87 Jasper Lake Road  
Loveland, CO 80537  
Attn: Victor Michael

If to Broker: Flood Broadcasting of Omaha, L.L.C.  
214 North 7<sup>th</sup> Street  
Suite 1  
Norfolk, NE 68702  
Attn: Michael J. Flood

26. Alternate Addresses. Notice, as provided by this Section, may be given to any other person or party, as any party hereto may in the future designate in writing, upon due notice to the other party.

27. Date of Notice, Action. The date of such notification or communication shall be deemed to be (a) if personally delivered, the date of delivery, (b), if sent via certified mail, three business days after the date of mailing and (c) if sent via Federal Express or other overnight courier service, on the date of delivery. For purposes of this LMA, the term "business day" means each day other than a Saturday, Sunday, a federal legal holiday or legal holiday by law in Iowa. If any notification, communication or action is required or permitted to be given or taken within a certain period of time and the last date for doing so falls on other than a business day, the last day for such notification, communication or action shall be extended to the first date thereafter which is a business day.

28. Entire Agreement. This LMA embodies the entire understanding between the parties and there are no other representations, warranties, or understandings, oral or written, between them with respect to the subject matter hereof.

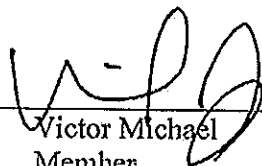
29. Severability. The event that any of the provisions contained in this LMA become or are held to be invalid, illegal or unenforceable shall not affect any other provision hereof, and this LMA shall be construed as if such invalid, illegal or unenforceable provisions had not been contained herein.

30. Successors and Assigns. This LMA shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. This LMA may not be assigned by Broker without the prior written consent of Licensee, which consent shall not be unreasonably withheld, provided that the assignment does not relieve Broker of any of its duties.

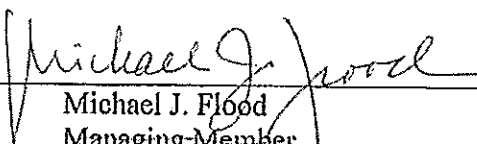
31. Nondiscrimination. Broker hereby certifies consistent with Paragraphs 49 and 50 of FCC Report and Order in MB Docket No. 07-294 et al, FCC No. FCC 07-217 and with the related FCC Third Erratum, FCC No. 10-49, that Broker shall not discriminate in any contract for advertising on the Station on the basis of race or ethnicity, and all such contracts shall be evaluated, negotiated and completed without regard to race or ethnicity. Broker shall include a clause to such effect in all contracts for advertising on the Station and shall provide Licensee with written confirmation of compliance with such requirement.

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

Kona Coast Radio, LLC

  
\_\_\_\_\_  
Victor Michael  
Member

<sup>Inc.</sup>  
Flood Broadcasting of Omaha, LLC.

  
\_\_\_\_\_  
Michael J. Flood  
Managing Member  
President