

Bryan

LOCAL MARKETING AGREEMENT

This LOCAL MARKETING AGREEMENT (the "Agreement") is made as of this 1st day of December, 2003, by and between Southeastern Media Holdings, Inc. ("Licensee") and Raycom Media, Inc., a Delaware corporation ("Programmer").

WITNESSETH:

WHEREAS, Programmer is in the business of producing news, sports, informational, public service and entertainment programming for transmission on broadcast television stations;

WHEREAS, Licensee is the owner and operator of television station WFXG-TV, Channel 54, in Augusta, Georgia (the "Station") and, in connection therewith, (i) is the owner of those certain assets used or useful for the operation of the Station and set forth on *Exhibit A* hereto (the "Operating Assets") and (ii) is the holder of all licenses, permits, construction permits and other authorizations issued by or pending before the Federal Communications Commission (the "FCC") necessary or useful for the operation of the Station (the "FCC Licenses")

WHEREAS, Licensee and Programmer are parties to that certain Option Agreement, dated as of December 1, 2003 (the "Option Agreement") pursuant to which Licensee has granted Programmer the right to buy certain assets relating to the Station, including the Operating Assets and the FCC Licenses;

WHEREAS, prior to the consummation of the transactions contemplated under the Option Agreement (the "Closing") and for the period provided herein, Licensee and Programmer desire for Programmer to provide programming to be transmitted on the Station and to provide programming and related services with respect to the Station; and

WHEREAS, Licensee desires to transmit programming supplied by Programmer on the Station pursuant to the terms and subject to the conditions of this Agreement while maintaining Licensee's ultimate control over its, personnel matters and programming, including the right to broadcast Licensee's own public interest programming, all as provided herein;

NOW, THEREFORE, in consideration of these premises and the mutual promises, undertakings, covenants and agreements of the parties contained in this Agreement, the parties hereto do hereby agree as follows:

ARTICLE 1 - PROGRAMMING

Section 1.1 Programmer Programming. Programmer hereby agrees to provide, and Licensee agrees to transmit on the Station (including the subcarriers, vertical blanking interval, and any additional authorizations or spectrum allocated to the Station in the future, including the digital television channel(s)), news, sports, informational and entertainment programming and associated advertising, promotional, and public service

programming and announcement matter sufficient to program all or a substantial amount of the Station's broadcast day on a daily basis throughout the term of this Agreement (hereinafter "**Programmer Programming**").

Section 1.2 Licensee Programming. Licensee shall retain ultimate responsibility for ascertainment of the needs of its community of license and service area, including specifically the informational and educational needs of the children therein. During the term of this Agreement, Programmer will consult regularly with Licensee regarding Licensee's ascertainment of community issues, including, without limitation, the educational and informational needs of children within the Station's community of license. Based upon these consultations, Programmer will provide news, public affairs and children's programming relevant to the Station's community of license and of sufficient quality to assist Licensee in satisfying its obligations to respond to the needs of the community. Licensee shall have the right and obligation to broadcast such additional programming, either produced or purchased by Licensee, as it determines appropriate to respond to the ascertained issues of community concern ("**Licensee Programming**") and to delete or preempt in its sole discretion any Programmer Programming for the purpose of transmitting such programming.

Section 1.3 Preemption. In addition to the right of Licensee to delete or preempt Programmer Programming in order to broadcast programming responsive to issues of concern to the community of license and to children pursuant to the term and subject to the conditions of Section 1.2 above, Licensee maintains the independent right to preempt or delete any Programmer Programming which Licensee believes to be unsatisfactory or unsuitable or contrary to the public interest, or to substitute programming which, in Licensee's opinion, is of greater local or national importance.

Section 1.4 Access to and Use of Operating Assets.

(a) Licensee hereby grants to Programmer, and Programmer hereby accepts from Licensee, access to and the right to use at any time and from time to time during the term of this Agreement all of the Operating Assets pursuant to the terms and subject to the conditions of this Agreement, including this Section 1.4.

(b) Programmer shall use the Operating Assets only to produce Programmer Programming or other programming that Programmer is obligated to provide, and otherwise only to the extent necessary for Programmer to perform its obligations under this Agreement.

(c) The Operating Assets will, to the extent used by Programmer throughout the term of this Agreement, be used in all material respects in accordance with all applicable FCC rules, regulations and policies (collectively, "**FCC Rules**"). Programmer may not, without Licensee's prior written consent or except as otherwise provided in this Agreement, make alterations in or modifications to the Operating Assets.

(d) Programmer shall not use or permit the Operating Assets to be used in any manner or for any purpose for which the Operating Assets are not designated or

reasonably suitable or otherwise in a manner that is inconsistent with good engineering practices. Programmer shall comply with all governmental laws, rules and regulations concerning the operation of the Operating Assets.

(e) Licensee shall retain title to all of the Operating Assets throughout the term of this Agreement and nothing contained herein shall be deemed to effect any transfer of such title.

ARTICLE 2 - OPERATIONS

Section 2.1 Compliance With FCC Regulations.

(a) Licensee shall retain responsibility for and employ such personnel as is necessary to assure compliance with all FCC Rules, including all FCC regulations relating to (i) technical regulations governing the operation of the Station, (ii) programming content requirements, (iii) the maintenance of a main studio and a meaningful managerial and staff presence at that main studio, (iv) ascertainment of, and programming in response to, community needs and concerns and the needs and concerns of children, (v) political programming laws and regulations, (vi) sponsorship identification rules, (vii) lottery and contest regulations, (viii) the maintenance of the Station's public and political files, (ix) the compilation of appropriate quarterly programs/issues lists, children's programming lists and employment records and (x) any other requirements under the FCC Rules.

(b) Licensee expressly acknowledges that its duty to maintain the Stations' public inspection files is non-delegable, and it retains sole responsibility for maintenance of the files. Programmer shall provide to Licensee monthly documentation of the programs it has provided to the Station that it believes address issues of concern to such Station's community of license. Programmer also will forward to Licensee, within twenty-four (24) hours of receipt by Programmer, any letter from a member of the general public in a Station's community of license addressing such Station's programming and any documentation that comes into Programmer's custody that Programmer believes is required to be included in any Station's public inspection file.

(c) Licensee shall be responsible for ensuring proper broadcast of each Station's identification announcements; *provided, however*, that Programmer shall provide appropriate identification announcements for the Station that comply with FCC requirements in a form reasonably acceptable to Licensee.

(d) Programmer agrees that neither it nor its agents, employees, consultants or personnel will accept any consideration, compensation, gift or gratuity of any kind whatsoever, regardless of its value or form, including, without limitation, a commission, discount, bonus, materials, supplies or other merchandise, services or labor (collectively, "**Consideration**"), whether or not pursuant to written contracts or agreements between Programmer and merchants or advertisers, unless the person or entity paying such Consideration is identified in the program for which the Consideration was provided as having paid or furnished such Consideration in accordance with the

Communications Act of 1934, as amended (the "Communications Act"), and applicable FCC Rules.

(e) Licensee shall retain full responsibility for overseeing compliance with the FCC's political programming policies and regulations. At least ninety (90) days prior to the beginning of any primary or general election period, subject to Licensee's approval, Programmer shall propose reasonable rates to be charged to legally qualified political candidates which rates conform with applicable election law and policies. Programmer agrees to provide Licensee with access to its documentation concerning the pricing of advertising sold on the Station as is necessary to permit Licensee to ascertain that the political rate is appropriate. Within twenty-four (24) hours of any request to purchase time on the Station on behalf of a legally qualified candidate, Programmer will report the request and their disposition to Licensee. Licensee shall be responsible for placing appropriate records in the Station's political files.

Section 2.2 Maintenance.

(a) Programmer shall use its best efforts to assist Licensee, at all times under the supervision and ultimate control of Licensee, in the operation the Station.

(b) Licensee shall retain ultimate operational control over the Station and shall retain full responsibility for ensuring compliance with all FCC technical rules. Licensee hereby delegates to Programmer, under the supervision and ultimate control of Licensee's designated chief engineer, the duty to maintain in good working order each Station's transmitting equipment during the term of this Agreement.

Section 2.3 Certain Coordinated Activities Under Licensee Supervision and Control.

(a) Subject to applicable FCC rules and regulations and the approval, oversight, review, supervision and control of Licensee, Programmer shall perform or cause to be performed all tasks necessary or appropriate in connection with the ongoing operation and management, promotion and maintenance of the Station, including the following:

(i) Manage all development, sales, construction, governmental and community relations, legal matters, marketing, advertising, promotion and publicity relating to the Station;

(ii) Maintain, in accordance with generally accepted accounting principles consistently applied, such books and records relating to the business and operations of the Station as Licensee may reasonably request;

(iii) Negotiate on behalf of the Station in connection with any retransmission rights relating to the carriage of the programming of each of the Station by cable television operators;

(iv) Provide such assistance to Licensee as Licensee may reasonably request in connection with the preparation of applications, requests and presentations to obtain or maintain in effect; and manage and operate the Station in substantial compliance with, permits, licenses, franchise, authorizations, approvals, consents and variances, whether regulatory, governmental, quasi-governmental or otherwise, as may be necessary or appropriate for the maintenance and operation of the Station;

(v) As agent for, and in the name of, Licensee, contract for those maintenance and other services that Programmer shall deem advisable in connection with the operation of the Station and approved by Licensee, which approval shall not be unreasonably withheld or delayed; and

(vi) Coordinate and manage all maintenance, alterations, improvements and replacements of and to the Station, subject to the supervision of Licensee's designated chief engineer.

(b) Notwithstanding anything to the contrary contained in Section 2.3(a) hereof, Programmer shall not, without Licensee's prior written consent, be authorized on behalf of Licensee to:

(i) borrow money for or on behalf of Licensee for any purpose;

(ii) sell, lease, trade, exchange or otherwise dispose of any capital assets of Licensee, including, without limitation, the Licensee Assets; or

(iii) except as provided in Sections 2.3(a)(v) hereof, enter into any contract, agreement or commitment for or on behalf of Licensee, other than any contract or agreement for the sale of advertising during the programming broadcast on the Stations; *provided, however*, that any such agreement for the sale of advertising time is terminable by Licensee upon the expiration or termination of this Agreement.

Section 2.4 New Technology.

(a) The parties agree that the FCC frequency allocations associated with the operation of the Station are included under the provisions of this Agreement.

(b) Programmer shall have the sole right, at no cost to Licensee and under the ultimate supervision and control of Licensee's designated chief engineer, to modify the main transmission system for implementation of any new technologies on the DTV or NTSC channel(s) or build and own a transmission facility for such technologies (the "New Technology Assets"). Should New Technology Assets be built and owned by Programmer under this paragraph, the parties agree to enter into an appropriate agreement for the lease of the New Technology Assets to Licensee to the extent required by applicable FCC Rules and the parties further agree that Programmer shall provide programming and/or other content thereto under the terms of this Agreement. For purposes of this Agreement, "new technologies" shall include, without limitation, transmission of compressed digital multi-channel DTV or NTSC-quality video or audio

signals, ancillary or primary digital voice or data telecommunications services, interactive services and any other future technologies or services.

Section 2.5 Additional Affirmative Covenants.

(a) Licensee covenants and agrees that it will fully comply with all applicable federal, state and local laws, rules and regulations (including, without limitation, all FCC Rules) and pertinent provisions of all contracts, permits and other agreements to which it is a party or is otherwise bound related to the Station or this Agreement.

(b) (i) Programmer covenants and agrees that it will fully comply with all applicable federal, state and local laws, rules and regulations (including, without limitation, all FCC Rules) in the provision of the Programmer Programming and other services to Licensee pursuant to this Agreement and otherwise in connection with the performance of its obligations hereunder.

(ii) Programmer shall ensure that no contract or commitment for services to be provided by Programmer pursuant to this Agreement shall give rise to any liability or obligation of Licensee; *provided, however*, that Programmer shall promptly notify Licensee of each such contract and commitment and of the terms thereof and, in the event that Licensee shall elect to assume any such contract or commitment in the event of a termination of this Agreement for any reason other than the Closing (as defined in the Option Agreement), Programmer shall in such event arrange for the immediate assignment to Licensee of any such contract or commitment, and for the concurrent consent of each other party thereto of such assignment, as Licensee may request.

ARTICLE 3 - FEES AND OTHER PAYMENTS

Section 3.1 LMA Fee. Programmer shall pay to Licensee a monthly fee calculated in accordance with Schedule A attached hereto and made a part hereof (the "LMA Fee"). The LMA Fee for the first month shall be paid by Programmer to Licensee within fifteen days of the end of the calendar month in which the Commencement Date occurs, such LMA Fee pro rated for such partial calendar month (based upon a thirty (30) -day month); thereafter the LMA Fee shall be payable monthly in arrears and shall be paid within fifteen (15) days following the end of each calendar month for which the LMA Fee is payable. In the event that this Agreement is terminated prior to the end of any calendar month, the LMA Fee for such calendar month shall be pro rated based upon a thirty- (30) day month.

Section 3.2 Adjustments.

(a) Licensee may preempt up to three hours per week of non-prime-time Programmer Programming for the broadcast of Licensee Programming responsive to issues of concern to its community of license or the children of its community of license, as provided in paragraph 1.2, without any adjustment to the LMA Fee. In all cases of deletion or preemption of Programmer Programming by Licensee, except those involving

breaking news, Licensee shall make reasonable efforts to provide Programmer with not less than fifteen (15) days' notice of Licensee's intention to delete or preempt Programmer Programming. If Licensee deletes or preempts any Programmer programming other than as provided in Section 1.2, the LMA Fee payable to Licensee by Programmer shall be reduced by the then-current market rate of the advertising time scheduled during the deleted or preempted Programmer Programming. For purposes of this paragraph, "prime time" shall mean 6:00 p.m. to 10:00 p.m. daily.

(b) Programmer is hereby granted the right of offset against its reimbursement obligations pursuant to Section 3.3 hereof an amounts owed by Licensee to Programmer that become due but remain unpaid for a period of 30 days. Programmer's right of offset hereunder shall be in addition to, and not by way of limitation of, any other rights that Programmer may have hereunder or under any other agreement or instrument contemplated hereby.

Section 3.3 Certain Reimbursable Expenses and Commercial Fees.

(a) Commencing on the date of this Agreement and during the term of this Agreement, unless earlier terminated, Programmer shall pay to Licensee the amounts described on *Exhibit B* hereto pursuant to the terms and subject to the conditions set forth therein.

(b) Programmer shall be responsible for any and all fees charged by ASCAP, BMI, SESAC or similar performing rights societies on Programmer Programming, whether such fees are assessed against Programmer based on the Programmer Programming or against Licensee based on the ownership of the Station. Programmer shall not disseminate or authorize dissemination by other parties of information concerning the ratings of the Station issued by Nielsen Media Research, the Arbitron Company or any other entity, other than as permitted under Programmer's valid license with such parties. Licensee shall not be required to purchase a license to receive ratings information but will cooperate with Programmer in Programmer's efforts to obtain such a license, provided that any consideration payable under such a license is paid by Programmer.

ARTICLE 4 - REVENUES

Section 4.1 Revenues Retained by Programmer. Programmer shall retain all revenues received by the Station, if any, (collectively, the "Retained Revenue"), which Retained Revenue shall include:

(a) all revenues from and in connection with sales of advertising to be placed in all programming broadcast on the Stations, including Programmer Programming Licensee Programming;

(b) all revenues from and in connection with any programming fees for any programming, including Licensee Programming, broadcast on the Stations; and

(c) all revenues of the Stations from and in connection with any retransmission rights negotiated by Programmer for the Station pursuant to FCC Rules governing such retransmission rights; and

Section 4.2 Advertising Sales. Programmer shall have the sole right to sell advertising to be placed in all programming broadcast on the Station, including Licensee Programming.

Section 4.3 Accounts Receivable. Notwithstanding the provisions of Section 4.1 to the contrary, Programmer acknowledges and agrees that the accounts receivable of Licensee relating to the Stations that shall have accrued prior to the Commencement Date are and shall remain the sole property of Licensee.

ARTICLE 5 - TERM, TERMINATION AND REGULATORY MATTERS

Section 5.1 Term. Subject to the provisions for early termination contained herein, the term of this Agreement shall commence on December 1, 2003 (the "**Commencement Date**") and shall expire on the earlier to occur of (i) the Closing Date or (ii) the Termination Date (as defined in the Option Agreement).

Section 5.2 Termination.

(a) Should either party be in breach of this Agreement for the nonperformance of a material obligation, the non-breaching party may, in addition to pursuing any other remedies available at law or in equity, terminate this Agreement if such breach shall continue for a period of thirty (30) days following the receipt of written notice from the non-breaching party, which notice shall indicate the nature of such breach.

(b) This Agreement may be terminated pursuant to the terms and subject to the conditions of Section 5.3(b) hereof.

Section 5.3 Renegotiation Upon FCC Action.

(a) Should a change in FCC Rules make it necessary to obtain FCC consent for the implementation, continuation or further effectuation of any element of this Agreement, the parties hereto shall use their best efforts diligently to prepare, file and prosecute before the FCC all petitions, waivers, construction applications, amendments, rulemaking comments and other related documents necessary to secure or retain FCC approval of all aspects of this Agreement. Licensee and Programmer shall each bear half the cost of preparation of such documents and prosecution of such actions. Notwithstanding anything in this Agreement to the contrary, it is understood that no filing shall be made with the FCC with respect to this Agreement unless each party hereto has had an opportunity to review such filing and to provide comments thereon. Each party shall use its commercially reasonable efforts to incorporate the comments (whether in whole or in part) of the other parties to any filing to be made with the FCC with respect to this Agreement.

(b) If the FCC determines that this Agreement is inconsistent with Licensee's licensee obligations or is otherwise contrary to FCC Rules or the Communications Act, or if regulatory or legislative action subsequent to the date of this Agreement alters the permissibility of this Agreement under the FCC Rules or the Communications Act (an "**FCC Permissibility Determination**"), the parties shall renegotiate this Agreement in good faith and recast this Agreement in terms that are likely to cure the defects perceived by the FCC while maintaining the benefit of the bargain to the parties hereunder and to return a balance of benefits to both parties comparable to the balance of benefits provided by the Agreement in its current terms. If, after such good faith negotiations, either party determines that recasting this Agreement to cure the defects on which the FCC Permissibility Determination was based is impossible or reasonably impracticable, either party shall have the right to terminate this Agreement without further liability upon written notice to the other party; *provided that* upon such notice of termination the Agreement shall continue in effect for the shorter of (i) a period of one hundred and twenty (120) days from the date of such termination notice or (ii) the period ending upon the expiration of the term of this Agreement. Upon such termination of this Agreement, Licensee will reasonably cooperate with Programmer to the extent permitted in order to enable Programmer to fulfill advertising or other programming contracts then outstanding, and Programmer will reasonably cooperate with Licensee in order to effectuate a reasonable transition period from the Programmer's Programming to other programming on the Station.

ARTICLE 6 - REPRESENTATIONS AND WARRANTIES, COVENANTS

Licensee represents and warrants to Programmer as follows:

Section 6.1 Existence and Due Authority. Licensee is a corporation duly organized, validly existing and in good standing under the laws of the state of its organization and has all powers and all governmental licenses, authorizations, permits, consents and approvals required to carry on its business as now conducted.

Section 6.2 Authority.

(a) The execution and delivery of this Agreement by Licensee the performance by Licensee of its obligations hereunder are within Licensee's powers and have been duly authorized by all requisite action on the part of Licensee.

(b) This Agreement has been duly executed and delivered by Licensee. This Agreement (assuming due authorization, execution and delivery by Buyer) constitutes the legal, valid and binding obligation of Licensee, enforceable against Licensee in accordance with its terms.

Section 6.3 Governmental Authorization. The execution, delivery and performance by Licensee of this Agreement require no action by or in respect of, or filing with or notification to, any Governmental Authority other than the filing of this Agreement with the FCC pursuant to FCC Rules.

Section 6.4 Noncontravention. The execution, delivery and performance of this Agreement by Licensee does not and will not violate or conflict with the articles of incorporation or bylaws of Licensee, or (b) assuming compliance with the matters referred to in Section 2.03, conflict with or violate any law or governmental order applicable to Licensee.

Section 6.5 Survival of Representations and Warranties. All representations and warranties of Licensee in this Agreement shall survive for a period of one year after the date of the expiration or termination of this Agreement.

ARTICLE 7 - MISCELLANEOUS PROVISIONS

Section 7.1 Assignment and Binding Effect.

(a) This Agreement shall inure to the benefit of and be binding upon each party and their respective successors and assigns.

(b) This Agreement may not be assigned by any party hereto without the prior written consent of the other party hereto, such consent not to be unreasonably withheld, except that Programmer shall have the right to assign and delegate or sublease all or any part of its rights and obligations in and to this Agreement to any of the following without obtaining the consent of Licensee thereto: (i) any affiliate of Programmer, or (ii) any third party in connection with the sale, assignment, transfer or other conveyance of all or substantially all of the assets of Programmer, or (iii) to any other third party to whom Programmer shall assign its rights and delegate its duties under the Option Agreement pursuant to the terms and subject to the conditions thereof.

Section 7.2 Force Majeure. Notwithstanding anything contained in this Agreement to the contrary, no party shall be liable to another party for failure to perform any obligation under this Agreement if prevented from doing so by reason of fires, acts of terrorism, strikes, labor unrest, embargoes, civil commotion, rationing or other orders or requirements, acts of civil or military authorities, acts of God or other contingencies, including, without limitation, equipment failures, beyond the reasonable control of the parties, and all requirements as to notice and other performance required hereunder within a specified period shall be automatically extended to accommodate the period of pendency of such contingency which shall interfere with such performance.

Section 7.3 Indemnification by Programmer. Programmer shall indemnify, defend and hold harmless Licensee, its affiliates and all officers, directors, employees, stockholders, partners, members and agents of Licensee and their affiliates (individually, a "Licensee Indemnitee") from and against any and all claims, demands, costs, damages, losses, liabilities, expenses of any nature (including, without limitation, reasonable attorneys', accountants' and experts' fees and disbursements), judgments, fines, settlements and other amounts (collectively, "Damages") arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative (collectively, "Claims") in which a Licensee Indemnitee may be involved, as a party or otherwise, arising out of: (a) the activities, acts or omissions of Programmer, or

Programmer's employees, agents or contractors, under or in connection with this Agreement or with respect to the Station which activities, acts or omissions involve or result in, among other things, (i) libel and slander; (ii) infringement of trade marks, service marks or trade names; (iii) violations of law, rules, regulations, or orders (including the FCC Rules); or (iv) invasion of rights of privacy or infringement of copyrights or other proprietary rights; or (b) any breach by Programmer of its obligations under this Agreement.

Section 7.4 Indemnification by Licensee. Licensee will indemnify, defend and hold harmless Programmer, its affiliates and all officers, directors, employees, stockholders, partners, members and agents of Programmer and their affiliates (individually, a "**Programmer Indemnitee**") from and against any and all Damages arising from any and all Claims in which a Programmer Indemnitee may be involved, as a party or otherwise arising out of: (a) the activities, acts or omissions of Licensee, or Licensee's employees, agents or contractors, under or in connection with this Agreement or with respect to the Stations which activities, acts or omissions involve or result in, among other things, (i) libel and slander; (ii) infringement of trade marks, service marks or trade names; (iii) violations of law, rules, regulations, or orders (including the FCC's rules and policies); or (iv) invasion of rights of privacy or infringement of copyrights or other proprietary rights; or (b) any breach by Licensee of its obligations under this Agreement.

Section 7.5 Survival of Indemnification Obligations. Each party's indemnification obligations herein shall survive for five (5) years past the date on which this Agreement terminates or otherwise expires.

Section 7.6 Confidentiality and Press Releases.

(a) Each party shall hold in strict confidence all documents and information concerning the other and its business and properties and, if this Agreement is terminated, such confidences shall be maintained, and all documents and information (in written form) shall immediately thereafter be returned to the party originally furnishing such documents and information.

(b) No press release or public disclosure, either written or oral, of the existence or terms of this Agreement or the transactions contemplated hereby shall be made by either party to this Agreement without the consent of the other, and each party shall furnish to the other advance copies of any release which it proposes to make public concerning this Agreement or the transactions contemplated hereby and the date upon which such party proposes to make public such press release.

(c) Notwithstanding anything contained herein to the contrary, no party shall be prohibited from (i) making any disclosures to any governmental authority that it is required to make by law, including, without limitation, the filing of this Agreement with the FCC and placing a copy of this Agreement in the Station's public inspection files, (ii) disclosing this Agreement or its terms to its attorneys, accountants, agents or advisors, (iii) filing this Agreement with, or disclosing the terms of this Agreement to,

any institutional lender to such party or (iv) disclosing to its investors and broker/dealers such terms of this transaction as are customarily disclosed to them in connection with similar transactions.

Section 7.7 Trademarks. Licensee hereby grants Programmer an unlimited, royalty-free license to use in connection with providing programming on the Station any and all trademarks, service marks, patents, trade names, jingles, slogans, logotypes and other intangible rights owned and used or held for use by Licensee in conjunction with the Station. Licensee agrees to execute such additional documentation as may be necessary or desirable to effectuate the license granted under this Section 7.7.

Section 7.8 Notices. All notices, requests, demands and other communications that are required or may be given pursuant to the terms of this Agreement shall be in written or electronic form, and shall, when addressed to a party at the applicable address set forth on the signature page hereto (or at such other address as a party may designate in accordance with this Section 7 ten (10) days' prior written notice to the other party) and when expressly and conspicuously referencing this Agreement, be deemed delivered (a) on the date of delivery when delivered in person or by reputable courier maintaining records of receipt, including Federal Express, DHL and United Parcel Service, and (b) on the date of transmission when sent by facsimile or other electronic transmission during normal business hours; *provided, however*, that (i) any such communication delivered by facsimile or other electronic transmission shall only be effective if such communication is also delivered by hand or deposited with a reputable courier maintaining records of receipt within two (2) business days after its delivery by facsimile or other electronic transmission, and (ii) the parties hereto acknowledge and agree that the burden of proving receipt of a facsimile or other electronic transmission shall be on the sender thereof. Notwithstanding anything herein to the contrary, a delivery of a notice, request, demand or other communication pursuant to the terms of this Agreement to an address, or by means of delivery, other than as specified above shall, if actually received by a party hereto, be deemed valid and effective as of the date of such receipt.

Section 7.9 Severability. Except as provided under Section 5.3 with respect to an FCC Permissibility Determination, if any covenant or provision hereof is determined by a court of competent jurisdiction to be void or unenforceable in whole or in part, it shall not, subject to the discretion of such court, be deemed to affect or impair the validity of any other covenant or provision, each of which is hereby declared to be separate and distinct. If any provision of this Agreement is so broad as to be unenforceable, such provision shall be interpreted to be only so broad as is enforceable. If any provision of this Agreement is declared invalid or unenforceable for any reason other than overbreadth, the offending provision will be modified so as to maintain the essential benefits of the bargain between the parties hereto to the maximum extent possible, consistent with law and public policy.

Section 7.10 Payment of Expenses. Except as otherwise provided, Licensee and Programmer shall pay their own expenses incident to the preparation and carrying out of this Agreement, including all fees and expenses of their respective counsel.

Section 7.11 Relationship and Dealings with Third Parties. Each of the parties hereto is an independent contractor and neither party is nor shall be considered to be the agent of the other party for any purpose whatsoever. Neither party has any authorization to enter into any contracts nor assume any obligations for the other party nor make any warranties or representations on behalf of the other party, other than as expressly authorized herein. Nothing in this Agreement shall be construed as establishing an agency, partnership, fiduciary relationship, or joint venture relationship between the parties hereto. Neither party is nor shall hold itself out to be vested with any power or right to bind contractually or act on behalf of the other as its contracting broker, agent or otherwise for committing, selling, conveying or transferring any of the other party's assets or property, contracting for or in the name of the other party, or making any representations contractually binding such party.

Section 7.12 Governing Law. This Agreement shall be construed under and in accordance with the laws of the State of Georgia without giving effect to the principles of conflict of laws, but applying the Communications Act in the event of a conflict between the laws of the State of Georgia and the Communications Act.

Section 7.13 Time of Essence. With regard to all dates and time periods set forth or referred to in this Agreement, time is of the essence.

Section 7.14 Waivers.

(a) No waiver of any provision of, or consent or approval required by, this Agreement, nor any consent to or approval of any departure herefrom, shall be effective unless it is in writing and signed by the party against whom enforcement of any such waiver, consent or approval is sought. Such waiver, consent or approval shall be effective only in the specific instance and for the purpose for which given. Neither the failure of either party to enforce, nor the delay of either party in enforcing, any condition, provision or part of this Agreement at any time shall be construed as a waiver of that condition, provision or part or forfeit any rights to future enforcement thereof. No action taken pursuant to this Agreement, including any investigation by or on behalf of either party hereto, shall be deemed to constitute a waiver by the party taking action of compliance by the other party with any representation, warranty, covenant or agreement contained herein.

(b) Each of the parties acknowledges that in entering into this Agreement, it has not relied on any oral or written representation, warranty or other assurance (except as expressly provided for or referred to in this Agreement) and waives all rights and remedies which might otherwise be available in respect thereof, except that nothing in this Agreement shall limit or exclude any liability of a party for fraud.

Section 7.15 Matters Relating to Interpretation and Organization. A reference in the singular shall be deemed to include the plural and the plural shall be deemed to include the singular. A reference to one gender shall include any other gender. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." All references to "party" and "parties" shall be deemed

references to parties to this Agreement unless the context shall otherwise require. The parties agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in the construction or interpretation of this Agreement. Except as specifically otherwise provided in this Agreement, a reference to a Section, the Schedules or any Exhibit is a reference to a Section of this Agreement or the Schedules or Exhibits hereto, and the terms "hereof," "herein," and other like terms refer to this Agreement as a whole, including the schedules and exhibits to this Agreement. The terms "or" is used in its inclusive sense ("and/or"). All references to "Dollars" and "\$" refer to the currency of the United States. The division of this Agreement into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

Section 7.16 Further Assurances. Each party to this Agreement shall, at the request of the other party, execute, acknowledge, deliver, file and record, and cause to be executed, acknowledged, delivered, filed and recorded, such further certificates, amendments, instruments, and documents and to do, and cause to be done, all such other acts and things, as may be required by Law, or as may, in the reasonable opinion of the other party hereto, be necessary or advisable to carry out the purposes of this Agreement.

Section 7.17 Amendments. This Agreement may not be amended, modified, altered or supplemented other than by means of a written instrument duly executed and delivered by the parties hereto in accordance with the terms of this Agreement.

Section 7.18 Counterparts. This Agreement (and each amendment, modification and waiver in respect of it) may be executed in any number of counterparts, and each such counterpart hereof shall be deemed to be an original instrument, but all such counterparts together shall constitute but one instrument. Delivery of an executed counterpart of a signature page of this Agreement (and each amendment, modification and waiver in respect of it) by facsimile or other electronic transmission shall be effective as delivery of a manually executed original counterpart of each such instrument.

Section 7.19 Entire Agreement. This Agreement, together with the Schedules and Exhibits expressly contemplated hereby and attached hereto and the other agreements, certificates and documents delivered in connection herewith or otherwise in connection with the transactions contemplated hereby and thereby, including the Option Agreement, contains the entire agreement between the parties hereto with respect to the transactions contemplated by this Agreement and supersedes all prior agreements or understandings, whether written or oral, between the parties with respect to the subject matter hereof.

[Remainder of Page is intentionally blank; signature page follows]

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

SOUTHEASTERN MEDIA HOLDINGS,
INC.

By: 

Michael E. Reed, President and CEO
3500 Colonnade Parkway
Suite 600
Birmingham, Alabama 35243
Telephone: (205) 298-7115
Facsimile: (205) 298-7104

RAYCOM MEDIA, INC.

By: 

Paul McTear, President and CEO
RSA Tower, 20th Floor
201 Monroe Street
Montgomery, AL 36104
Telephone: (334) 206-1400
Facsimile: (304) 203-5535

Schedule "A"

LOCAL MARKETING AGREEMENT FEE

Programmer will pay a Local Marketing Agreement ("LMA") Fee to Licensee in accordance with the following:

1. Calculation of LMA Fee. The LMA Fee will be \$^{*} per month, adjusted annually on each anniversary of the Local Marketing Agreement by a percentage equal to the change during the preceding twelve (12) months in the consumer price index for Atlanta, Georgia.
2. Payment Schedule. LMA Fees shall be paid in arrears beginning on the 10th day of the month after the month when the Local Marketing Agreement is entered into, and will continue on the 10th day of each month thereafter during the term of the Local Marketing Agreement. For any partial portion of a month in which the Local Marketing Agreement is in effect, a pro rata payment shall be made.

*Redacted

Exhibit "A"

OPERATING ASSETS

For purposes of the Local Marketing Agreement ("LMA") Operating Assets shall have the same definition as the Purchased Assets set forth in Section 2.01 of the Asset Purchase Agreement dated as of January 29, 2003 between Fisher Broadcasting-Georgia, L.L.C. and Southeastern Media Holdings, Inc. with the exception of the FCC Licenses.

Exhibit "B"

EXPENSES ELIGIBLE FOR REIMBURSEMENT

1. Salary payments and related payroll expenses for the full-time employment of a General Manager and Chief Operator, up to a maximum of \$16,500.00 per month.
2. Any and all electric utility payments required for the operation of the transmitting equipment for the Station.
3. Any and all regulatory fees and/or spectrum use fees that may be required to be paid for the Station by Licensee under the regulations of the FCC.