

LOCAL MARKETING AGREEMENT

This Local Marketing Agreement (the "*Agreement*"), made as of the 27th day of April, 2005, is between HORNE RADIO, LLC, a Tennessee limited liability company ("*Licensee*"), licensee of Stations WMTN (AM) and WMXK (FM), Morristown, Tennessee (the "*Stations*"), pursuant to authorizations issued by the Federal Communications Commission (the "*FCC*"), and EAST TENNESSEE RADIO GROUP, L.P., a Tennessee limited partnership, or its assignee ("*Programmer*").

RECITALS

Licensee has available broadcasting time and is engaged in the business of radio broadcasting on the Stations.

Programmer desires to avail itself of the Stations' broadcast time for the presentation of a programming service, including the sale of advertising time, in accordance with procedures and policies approved by the FCC.

Licensee and Programmer have entered into that certain Asset Purchase Agreement dated as of April 27, 2005 (the "*Purchase Agreement*"), pursuant to which Licensee has agreed to sell to Programmer and Programmer has agreed to acquire substantially all of the assets used or useful in the operation of the Stations on the terms and conditions set forth therein.

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, Licensee shall make available exclusively to Programmer all broadcast time on the Stations, including all of the Stations' analog and digital broadcasting facilities as authorized by the FCC, for the presentation of Programmer's programs (the "*Programming*"), except for: (a) downtime occasioned by routine maintenance consistent with prior practice; (b) up to one hour per week on each of the Stations at times mutually-agreeable to Licensee and Programmer during which time Licensee may broadcast its own programming designed to address the concerns, needs and issues of the Stations' listeners ("*Licensee's Public Service Programming*") (collectively, the "*LMA Hours*").

1.2. Advertising and Programming Revenues. During the Term, Programmer shall have full authority to sell for its own account all commercial time on the Stations, including sales in combination of the Stations and with other stations, and to retain all revenues from the sale of such advertising.

1.3. Force Majeure Events. Any failure or impairment of facilities or any delay or interruption in broadcasting the Programming not directly or indirectly the fault of Licensee or its employees or agents, or failure at any time to furnish the facilities, in whole or in part, for broadcasting, due to acts of God, *force majeure* or any other causes beyond the control of Licensee (collectively, "*Force Majeure Events*"), shall not constitute a breach of this Agreement.

1.4. Access to Facilities. To enable Programmer to fulfill its obligations hereunder, and in consideration of Programmer's payment of the Monthly Fee, through the Term (as defined herein), Licensee shall make its facilities and equipment, including its tower site and transmitter building, available to Programmer for its use for the production of Programming under this Agreement.

1.5. Payments. In consideration for its rights hereunder, Programmer shall pay to Licensee the fees set forth in Schedule 1.5.

1.6. Term.

(a) The term of this Agreement (the "*Term*") shall commence on the later of (i) the date the FCC Application is filed with the FCC pursuant to the terms of the Purchase Agreement, or (ii) the date that the items listed in the attached Schedule 1.6 have been satisfied by Licensee, at Licensee's sole expense (the "*Effective Date*").

(b) The Term shall terminate on the first to occur of: (i) the date of the consummation of the Purchase Agreement; or (ii) the date of termination of this Agreement pursuant to Section 7.

1.7. License to Use Call Sign and Trademarks. During the Term, Licensee hereby grants Programmer a non-exclusive license to use the call signs of the Stations and those trademarks and names set forth on Schedule 1.7 (the "*Marks*") during the Programming. Programmer agrees that the nature and quality of all services rendered by it in connection with the Marks shall conform to reasonable quality standards set by and under the control of Licensee. Programmer agrees to notify Licensee promptly in writing of any legal action commenced or threatened against it which relates to the Marks.

2. PROGRAMMING AND OPERATING STANDARDS

2.1. Obligations and Rights of Licensee. Licensee shall be ultimately responsible for the control of the day-to-day operations of the Stations in conformance with its FCC licenses, permits and authorizations, and for compliance with the FCC's rules and regulations, including (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'

engineering logs; and (d) the preparation of all quarterly issues/programs lists. Licensee has designated a Chief Operator, as that term is defined by the rules and regulations of the FCC, who is responsible for compliance by the Stations with the technical operating and reporting requirements established by the FCC. Licensee will maintain the Stations' main studio in the manner conducted as of the date of this Agreement.

2.1.1. Licensee's Absolute Right to Reject Programming. Licensee retains the absolute right to accept or reject any Programming which Licensee in the exercise of its good faith judgment deems contrary to the public interest. Licensee may decline to broadcast any program containing matter that Licensee in good faith believes to be, or that Licensee in good faith believes may be determined by the FCC or any court or other regulatory body with authority over Licensee or the Stations to be, in violation of any right of any third party or indecent or obscene. Licensee may take any other actions necessary in its good faith judgment in order to comply with the laws of the United States, the State of Tennessee, the rules, regulations and policies of the FCC, and the applicable rules, regulations and policies of other federal government authorities. If, in the good faith judgment of Licensee or the Stations' General Manager, any portion of the Programming, including any advertisements contained within the Programming, presented by Programmer does not meet any of the Licensee's standards set forth in this Agreement, Licensee may suspend, cancel or refuse to broadcast any such portion of the Programming. In such cases, Licensee will use commercially reasonable efforts to give Programmer advance notice of its intention to preempt any regularly scheduled programming and Programmer shall be entitled to a *pro rata* refund of the Monthly Fee for the hours of programming not broadcast.

2.1.2. Licensee's Right to Preempt Programming for Special Events. Licensee reserves the right, exercisable in its good faith judgment and not for private commercial benefit, to preempt any of the broadcasts of the 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 such cases, Licensee will use commercially reasonable efforts to give Programmer advance notice of its intention to preempt any regularly scheduled programming, and Programmer shall be entitled to a *pro rata* refund of the Monthly Fee for the hours of Programming preempted.

2.1.3. FCC Public Interest Requirements. The parties agree that Licensee may broadcast on the Stations its own regular public service programming to address issues of local public importance to listeners within the area served by the Stations for up to one hour a week at a time to be agreed upon by Programmer and Licensee for the broadcast of Licensee's Public Service Programming, and such other public service programming at such other times as the parties may agree.

2.1.4. Maintenance of Transmission Facilities. Licensee shall maintain the Stations' transmission equipment and facilities, including the antenna, transmitter and transmission line, and shall continue its accounts for the delivery of electrical power to the Stations' transmitting facilities, subject to reimbursement of such utility expenses by

Programmer as provided in this Agreement. If Programmer needs to obtain a studio transmitter link or similar FCC authorization to facilitate Programmer's delivery of the Programming to the Stations' transmitter site from any place other than the main studio, at Programmer's expense, Licensee will cooperate reasonably with Programmer to file any required application for such authority.

2.1.5. Stations' Call Signs. If requested by Programmer, Licensee will cooperate with Programmer to change the call signs of the Stations in the manner requested by Programmer. If the call signs of the Stations are changed at the request of Programmer and this Agreement is subsequently terminated, or the Term of this Agreement expires, without the purchase of the Stations by Programmer, Licensee will cooperate, if requested by Programmer to assign the call signs of the Stations to other stations in the manner designated by Programmer and Licensee will request, at its expense, new call signs for the Stations.

2.1.6. Stations' Traffic Software. Licensee shall cooperate with Programmer to replace Licensee's CBSI traffic software program with VT traffic software program as approved by Programmer at no cost to either Licensee or Programmer. Upon the installation of VT software, Programmer shall have the right to sell the Scott Studios software and computers and retain the full amount of the proceeds from such sale.

2.2. Obligations and Rights of Programmer

2.2.1. Compliance with Laws and Station Policies. Programmer has advised Licensee of the nature of the Programming, which will consist of an entertainment format and will include news and public service programming. All Programming will 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 Licensee's standards as prescribed in Schedule 2.2.1 hereto.

2.2.2. Cooperation with Licensee. Programmer, 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 to assist Licensee in the preparation of any required programming reports and will provide other information to enable Licensee to prepare other records, reports and logs required by the FCC or other local, state or federal governmental agencies. Programmer will maintain and deliver to Licensee all information to enable Licensee to prepare all records required by the FCC to be placed in the public inspection files of the Stations pertaining to the broadcast of political programming and advertisements and agrees that if it broadcasts sponsored programming addressing political issues or controversial subjects of public importance, it will comply with the provisions of Section 73.1212 of the FCC's rules.

2.2.3. Payola and Plugola. Programmer will provide Licensee in advance with all information known to Programmer 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 (including commercial material) to be supplied to Licensee by Programmer for broadcast on the Stations, unless the party making or accepting such payment is identified in the Programming as having paid for or furnished such consideration, or is otherwise identified in accordance with FCC requirements. Commercial matter with obvious sponsorship identification will not require disclosure beyond the sponsorship identification contained in the commercial copy. Programmer will endeavor at all times 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. Programmer will 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 applicable FCC rules and policies, including those regarding the maintenance of the public inspection file. Licensee is not required to receive or handle mail, cables, telegraph or telephone calls in connection with the Programming unless Licensee subsequently agrees in writing to do so. Licensee will forward to Programmer 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. Use of Licensee's Facilities. Programmer shall be permitted to use the main studio facilities of the Stations during the Term without further consideration. If Programmer originates the Programming from any place other than the Stations' main studio, Programmer will be solely responsible for delivering the Programming to the Stations' transmitter site for broadcast. If any of the studio facilities and equipment of Licensee are used by Programmer, Programmer will be solely responsible for the care and maintenance of such facilities and equipment, ordinary wear and tear excepted. None of Licensee's equipment or property will be removed from the main studio or other present location of such property without the prior written permission of Licensee, which shall not be unreasonably withheld. Programmer agrees to restrict its use of any real property owned by Licensee to its current uses, will not make any changes in the use of such real property (such as adding a transmitter building, generator, etc.) without the prior written approval of Licensee, and will not have chemicals or hazardous materials on the site in condition or quantity that subjects such materials to environmental or public safety laws or regulations.

2.2.6. Insurance. Programmer will secure and maintain in full force and effect throughout the Term insurance with responsible and reputable insurance companies covering such risks (including fire and other risks insured against by extended coverage, public liability insurance, insurance for claims against personal injury or death or property damage and such other insurance as may be required by law) and in such amounts and on such terms to ensure the complete and prompt replacement of any loss or damage that may be sustained to the equipment of the Station due to negligence, abuse or misuse by Programmer's employees, and to provide for a

minimum of \$1,000,000 in broadcaster's general liability coverage with respect to the Programming. Licensee will be named as an additional insured under such insurance policy, which shall not be cancelable for failure of the Programmer to pay any premiums owing on less than 30 days prior notice to, and an opportunity to cure such default by, Licensee.

3. RESPONSIBILITY FOR EMPLOYEES AND EXPENSES

3.1. Licensee's Responsibility for Employees and Expenses. Licensee will employ, at a minimum, the following employees: (a) a full-time General Manager for the Stations (who shall also be designated the Chief Operator), who will oversee the day-to-day operations of the Stations and (b) one full-time or full-time equivalent staff employee; Licensee may employ other personnel as it determines in its sole discretion. Licensee will be responsible for direct payment of all costs for its personnel. Licensee will be responsible for the direct timely payment of other expenses incurred in the operation of the Stations, including without limitation, all lease payments for the Stations' transmitter site and all taxes and other costs incident thereto; all FCC regulatory fees; and any applicable real estate and personal property taxes, utility costs, and maintenance costs, subject to reimbursement by Programmer as provided in this Agreement.

3.2. Programmer's Responsibility for Employees and Expenses. Programmer is responsible for the personnel and material for the production of the Programming, as well as for all other personnel involved in the operation of the Stations other than Licensee's personnel as described in this Agreement. Programmer will employ and be responsible for the salaries, taxes, insurance and related costs for all of its personnel used in the production of the Programming and the sale of advertising within the Programming. Programmer will pay all costs associated with production and listener responses attributable to the Programming, including its own telephone costs, fees to ASCAP, BMI and SESAC, any other copyright fees, and all other costs or expenses relating to the Programming, and will reimburse Licensee for certain expenses as set forth on Schedule 1.5.

3.3. No Third Party Beneficiary Rights. No provision of this Agreement is intended to, nor will it be deemed to 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 Programmer or in respect of any other matter.

4. ASSIGNMENT OF ACCOUNTS RECEIVABLE; NO IMPLIED ASSIGNMENT AND ASSUMPTION OF AGREEMENTS

As of the Effective Date, Licensee will assign to Programmer all of Licensee's right, title and interest in all accounts receivable of the Station then in existence, to be listed on a schedule delivered to Programmer not less than three business days prior to the Effective Date. Programmer expressly does not otherwise assume or be deemed to assume, under this Agreement or by reason of the transactions contemplated by this Agreement, any other contractual rights,

liabilities, obligations or commitments of Licensee of any nature whatsoever unless specifically set forth in this Agreement or the Purchase Agreement.

5. INDEMNIFICATION

5.1. Indemnification. From and after the Effective Date, Licensee and Programmer shall indemnify, defend, protect and hold harmless the other and their respective principals, officers, directors, owners and affiliates (collectively, the “*Indemnitees*”) from and against any and all losses, costs, damages, liabilities or expenses (including reasonable attorneys’ fees and expenses) (collectively, “*Claims*”) that are proximately caused by (a) any programming provided by such party for broadcast on the Stations; (b) any breach by such party of representation, warranty, covenant or other agreement contained in this Agreement; and (c) the activities or negligence of such party, its employees or agents in fulfilling its obligations under this Agreement.

5.2. Procedure for Indemnification. The procedure for indemnification shall be as follows:

5.2.1. Notice. The party seeking indemnification (the “*Claimant*”) shall give notice to the party from whom indemnification is sought (the “*Indemnitor*”) of any claim, whether solely between the parties or brought by a third party, specifying (a) the factual basis for the claim, and (b) the amount of the claim. If the claim relates to an action, suit or proceeding filed by a third party against Claimant, notice shall be given by Claimant within 15 days after written notice of the action, suit or proceeding was given to Claimant. In all other circumstances, Claimant shall give notice within 30 days after Claimant becomes, or should have become, aware of the facts giving rise to the claim. Notwithstanding the foregoing, Claimant’s failure to give Indemnitor timely notice shall not preclude Claimant from seeking indemnification from Indemnitor except to the extent that Claimant’s failure has materially prejudiced Indemnitor’s ability to defend the claim or litigation.

5.2.2. Claims Between Parties. With respect to claims between the parties, following receipt of notice from the Claimant of a claim, the Indemnitor shall have 30 days to make any investigation of the claim that the Indemnitor deems necessary or desirable. For the purposes of this investigation, the Claimant agrees to make available to the Indemnitor and/or its authorized representatives the information relied upon by the Claimant to substantiate the claim. If the Claimant and the Indemnitor cannot agree as to the validity and amount of the claim within the 30-day period (or any mutually agreed upon extension thereof), the Claimant may seek appropriate legal remedy.

5.2.3. Third Party Claims. With respect to any claim by a third party as to which the Claimant is entitled to indemnification hereunder, the Indemnitor shall have the right at its own expense to participate in or assume control of the defense of the claim, and the Claimant shall cooperate fully with the Indemnitor, subject to reimbursement for actual out-of-pocket expenses incurred by the Claimant as the result of a request by the Indemnitor. If the Indemnitor elects to assume control of the defense of any third-party claim, the Claimant shall have the right to participate in the defense of the claim at its own expense. If the Indemnitor does not elect to assume control or otherwise participate in the defense of any third party claim, Claimant may, but shall have no obligation to, defend or settle such claim or

litigation in such manner as it deems appropriate, and in any event Indemnitor shall be bound by the results obtained by the Claimant with respect to the claim (by default or otherwise) and shall promptly reimburse Claimant for the amount of all expenses (including the amount of any judgment rendered), legal or otherwise, incurred in connection with such claim or litigation. The Indemnitor shall be subrogated to all rights of the Claimant against any third party with respect to any claim for which indemnity was paid.

5.3. Limitations. Neither Programmer nor Licensee shall have any obligation to the other for any indemnification under this Agreement except upon compliance by the other with the provisions of this Section 5. Neither party will be required to indemnify the other under this Agreement for any breach of any representation or warranty contained in this Agreement unless written notice of a Claim was received by the party within the pertinent survival period specified in Section 5.4 of this Agreement.

5.4. Survival of Representations, Warranties and Covenants. The representations, warranties, covenants, indemnities and agreements contained in this Agreement or in any certificate, document or instrument delivered pursuant to this Agreement are and will be deemed and construed to be continuing representations, warranties, covenants, indemnities and agreements and shall survive any termination or expiration of this Agreement for a period of six months after such termination or expiration. No Claim may be brought under this Agreement unless written notice describing in reasonable detail the nature and basis of such Claim is given prior to such expiration. Any investigation by or on behalf of any party hereto shall not constitute a waiver as to enforcement of any representation, warranty, covenant or agreement contained in this Agreement.

6. EVENTS OF DEFAULT AND CURE PERIODS

6.1. Events of Default. The following shall, after the expiration of the applicable cure periods as set forth in Section 6.2, each constitute an Event of Default under this Agreement:

6.1.1. Non-Payment. Programmer's failure to make any payment when due as set forth in Schedule 1.5 of this Agreement;

6.1.2. 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, (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 60 days thereafter; or

6.1.3. Breach of Representation. Any material representation or warranty made by either party to this Agreement or the Purchase Agreement, or in any certificate

or document furnished by either party to the other pursuant to the provisions of this Agreement or the Purchase Agreement, proves to have been false or misleading in any material respect as of the time made or furnished.

6.2. Cure Periods. Except for a default in any payment by Programmer required under this Agreement, an Event of Default will 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; this period may be extended for a reasonable period of time if the defaulting party is acting in good faith to cure. For a any failure by Programmer to make a payment when due under this Agreement, an Event of Default will be deemed to have occurred if the payment is not received by Licensee within ten business days of the due date.

7. TERMINATION

7.1. Termination Upon Default. Upon the occurrence of an uncured Event of Default under this Agreement or the Purchase Agreement, the non-defaulting party may terminate this Agreement, provided that it is not also in material default of this Agreement or the Purchase Agreement.

7.2. Certain Matters Upon Termination.

7.2.1. If this Agreement is terminated for any reason other than the occurrence of the Closing under the Purchase Agreement, Programmer shall return to Licensee any equipment or property of the Stations used by Programmer, its employees or agents, in substantially the same condition as such equipment existed on the Effective Date, ordinary wear and tear excepted. Upon termination, all sums owing Licensee through the effective date of termination shall be paid and neither party shall have any further liability to the other under this Agreement except as provided in Section 5.

7.2.2. 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 5 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.

8. REPRESENTATIONS AND WARRANTIES

8.1. Representations and Warranties of Licensee. Licensee hereby represents and warrants that:

8.1.1. Organization and Standing. Licensee is a limited liability company duly formed, validly existing and in good standing under the laws of the State of

Tennessee and has all necessary power and authority to own, lease and operate the Stations' Assets and to carry on the business of the Stations.

8.1.2. Authorization and Binding Obligation. Licensee has all necessary power and authority to enter into and perform this Agreement and the transactions contemplated by this Agreement, 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.

8.1.3. Absence of Conflicting Agreements or Required Consents. 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 other than the FCC; (c) do not and will not violate any applicable law, judgment, order, injunction, decree, rule, regulation or ruling of any governmental authority to which Licensee is a party or by which it or the assets of the Stations are bound; 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.

8.2. Representations and Warranties of Programmer. Programmer hereby represents and warrants that:

8.2.1. Organization and Standing. Programmer is a limited partnership duly formed, validly existing and in good standing under the laws of the State of Tennessee, is in good standing and entitled to do business within the State of Tennessee and has all necessary power and authority to perform its obligations under this Agreement as of the date of execution and on and after the Effective Date.

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

8.2.3. Absence of Conflicting Agreements or Required Consents. The execution, delivery and performance of this Agreement by Programmer: (a) do not and will not violate any provisions of Programmer's organizational documents; (b) do not and will not require the consent of any third party or governmental authority other than the FCC; (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 Programmer is now subject.

9. CERTIFICATIONS

9.1. Programmer's Certification. Programmer certifies that this Agreement complies with the provisions of Sections 73.3555(a), (c) and (d) of the FCC's rules and regulations.

9.2. Licensee's Certification. Licensee certifies that it shall maintain the ultimate control over the Stations' facilities, including but not limited to control over the finances, personnel and programming relating to its operation of the Stations.

10. MISCELLANEOUS

10.1. Modification and Waiver. No 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 modification or waiver shall be effective only in the specific instance and for the specific purpose for which such agreement was given.

10.2. No Waiver; Remedies Cumulative. No failure or delay on the part of Licensee or Programmer 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.

10.3. Governing Law. The construction and performance of this Agreement shall be governed by the laws of the State of Tennessee without regard to its principles of conflicts of law.

10.4. 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.

10.5. 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. Upon any assignment by Programmer of its rights hereunder, references to "Programmer" shall include such assignee, provided, however, that no such assignment shall relieve Programmer of any obligation hereunder.

10.7. 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.

10.8. 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.

10.9. 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:

Horne Radio LLC
11863 Kingston Pike
Knoxville, TN 37922
Attn: Nick W. Drewry
Telephone: (865) 675-6397
Facsimile: (865) 675-0675

With a copy (which shall not constitute notice) to:

Young, Williams, Kirk & Stone, PC
2021 First Tennessee Plaza
Knoxville, Tennessee 37901-0550
Attn: Robert S. Stone, Esq.
Telephone: (865) 637-1440
Facsimile: (865) 546-9808

If to Programmer:

East Tennessee Radio Group, L.P.
P.O. Box 9170
5312 Ringgold Road, Suite 201
Chattanooga, TN 37412
Attn: Paul G. Fink
Telephone: (423) 485-8994
Facsimile: (423) 485-8946

With a copy (which shall not constitute notice) to:

Leventhal Senter & Lerman PLLC
2000 K Street, NW

Suite 600
Washington, DC 20006
Attn: Brian M. Madden, Esq.
Telephone: (202) 429-8970
Facsimile: (202) 293-7783

Any notice, demand or request will 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 a signed receipt, if sent by a nationally-recognized overnight delivery service, but only if sent in the same manner to all persons entitled to receive notice or a copy.

10.10. 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. If any provision of this Agreement is deemed to be unenforceable in any jurisdiction, as to such jurisdiction, such provision will be construed to be ineffective to the extent of such unenforceability without invalidating the remaining provisions of this Agreement, and unenforceability in any jurisdiction will not invalidate or render unenforceable such provisions in any other jurisdiction. To the extent permitted by applicable law, the parties to this Agreement waive any provision of law now or hereafter in effect which renders any provision of this Agreement unenforceable in any respect.

10.11. Capitalized Terms. Unless otherwise defined herein, capitalized terms used herein and in any Schedules or Exhibits hereto shall have the meanings ascribed to them in the Purchase Agreement. Facsimile signature shall be deemed to have the same force and effect as original signatures.

[SIGNATURE PAGE FOLLOWS IMMEDIATELY]

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

HORNE RADIO LLC

By: 
Name: Nick W. Drewry
Title: Chief Manager

EAST TENNESSEE RADIO GROUP, L.P.

By Whitfield Communications, Inc.
Its General Partner

By: _____
Paul G. Fink
President


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

HORNE RADIO LLC

By: _____
Name: Nick W. Drewry
Title: Chief Manager

EAST TENNESSEE RADIO GROUP, L.P.

By Whitfield Communications, Inc.
Its General Partner

By:  _____
Paul G. Fink
President

SCHEDULE 1.5

(a) During the Term, Programmer will pay Licensee a fee of \$XXXXXXXX per month, payable in advance on or before the first day of each calendar month and prorated for any partial month (the “*Monthly Fee*”) in consideration for Programmer’s rights under this Agreement.

(b) Within 10 days of the presentation by Licensee of paid invoices, Programmer will reimburse Licensee for payments made by it for utilities (electricity, gas, water and telephone expenses) incurred in the course of the operation of the Stations during the Term.

(c) Any *pro rata* credit due Programmer under the provisions of this Agreement may be offset by Programmer against the next Monthly Fee due Licensee hereunder.

(d) In addition to the programming rights described in this Agreement, effective as of the Effective Date, Licensee will assign to Programmer all of Licensee’s right, title and interest in all accounts receivable of the Stations in existence on the Effective Date.