

Exhibit B – Local Marketing Agreement

LOCAL MARKETING AGREEMENT

THIS LOCAL MARKETING AGREEMENT (“Agreement”) is entered into as of December 1, 2014 by and between Compass Radio Group LLC (“Broker”) and Fidelity Broadcasting Corporation (“Licensee”).

WITNESSETH:

WHEREAS, Licensee owns and operates radio stations WEZV(FM), North Myrtle Beach, South Carolina (FCC Facility ID No. 49986), WGTN-FM, Andrews, South Carolina (FCC Facility ID No. 23898); and WYEZ(FM), Murrells Inlet, South Carolina (FCC Facility ID No. 34901) (jointly known as the “Station”);

WHEREAS, Licensee and Broker are parties to that certain Asset Purchase Agreement (the “Purchase Agreement”) of even date herewith respect to the Station; and

WHEREAS, Licensee desires to broadcast on the Station programming provided by Broker, and Broker is an experienced broadcaster and desires to provide programming to the Licensee;

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

1) PROGRAMMING.

a) Subject to the rules and policies of the Federal Communications Commission (“FCC”) and the limitations contained herein, Licensee agrees to make available the broadcast transmission facilities of the Station available to Broker, and to broadcast on the Station, or cause to be broadcast, a weekly schedule programming presented to it by Broker, including music and other entertainment programs, nonentertainment programs and commercials as selected by Broker (the “Programming”), for Station's entire broadcast schedule except for those hours reserved by Licensee as set forth below.

b) Licensee may produce or present up to one (1) hour a week of programming to be aired on the Station between 5:00 a.m. and 6 a.m. on Sundays, or at such other times as Licensee reasonably deems necessary to meet the needs of the Station's listeners. Licensee's public affairs program shall respond to the issues, needs and interests of the community of Myrtle Beach, South Carolina which Licensee has ascertained, and shall be presented at times deemed by Licensee to best meet its listeners' needs. Licensee shall maintain

a complete public file and compile all required quarterly Issues/Programs Lists (as required by the FCC). Broker shall give Licensee copies on a weekly basis of all operating and programming information necessary to maintain those records required to be kept by the FCC's rules and polices including, without limitation, EAS announcements, station operating logs and daily program logs.

c) Broker shall broadcast (a) an announcement in form satisfactory to Licensee, and in compliance with FCC rules and policies, at the beginning of each hour to identify the Station's call sign, (b) an announcement at the beginning of each broadcast day or appropriate broadcast period to indicate that program time has been purchased by Broker, and (c) any other announcement that may be required by law, regulation, or Station policy.

d) Broker shall insert in each week's Programming, without charge to Licensee, up to 10 public service announcements ("PSAs"), each of which will not exceed sixty (60) seconds in duration. Such PSAs shall be selected by Licensee in its sole discretion to meet its community service obligations, and the insertion of such PSAs in the Programming shall not entitle Broker to any payment credits.

e) Broker will maintain the ability to deliver the Programming to Licensee's transmitter site by means acceptable to Licensee, and in accordance with FCC technical standards.

2) PAYMENTS. In consideration for the broadcast of the Programming as provided hereunder, Broker hereby agrees to promptly pay Licensee the amounts specified in *Attachment 1*.

3) TERM. The term of this Agreement (the "Term") will begin on the date hereof and will continue until the termination of the Purchase Agreement, unless earlier terminated in accordance with the terms of this Agreement (or extended by mutual written agreement).

4) PROGRAMMING STANDARDS; RECORD-KEEPING.

a) Broker shall furnish or cause to be furnished the artistic personnel and material in broadcast-ready form for the Programming. All Programming shall comply with all applicable statutes and FCC rules, policies and requirements, as announced from time to time by the FCC, and with Licensee's programming policies set forth in *Attachment 2*. Broker further agrees that Licensee may preempt any specific program which Licensee reasonably believes to be unsatisfactory or unsuitable or contrary to the public interest.

b) During the term of this Agreement, Broker shall maintain and deliver to the Station such records and information required by the FCC to be placed in the public inspection files of the Station pertaining to the broadcast of political programming and advertisements, in accordance with the provisions of Sections 73.1930, 73.1940 - 73.1944, and 73.3526 of the FCC's rules, and pertaining to the broadcast of sponsored programming addressing political issues or controversial subjects of public importance, in accordance with the provisions of Section 73.1212 of the FCC's rules. Broker shall also consult with the Licensee and adhere strictly to statutes and the rules, regulations and policies of the FCC, as announced from time to time, and with the policies set forth in *Attachment 2*, with respect to the carriage of political advertisements and programming (including, without limitation, the rights of candidates and, as appropriate, others to "equal opportunities" and the carriage of contrasting points of view as mandated by any "fairness" rules with respect to such "issue-oriented" advertising or programming as may be broadcast) and the charges permitted therefore. Specifically, at least ten (10) days before the start of any primary or regular election campaign, Broker will clear with Licensee's General Manager the rate Broker will charge for the time to be sold to candidates for public office and/or their supporters to make certain that the rate charged is in conformance with applicable law and Station policy. Within twenty-four (24) hours of any request to purchase time in the Programming for or on behalf of a legally qualified candidate for public office, Broker will report the request to the Station's General Manager so that appropriate records may be kept as to the request for such time and the disposition thereof. In general, Broker will provide to the Station such documentation relating to such programming as Licensee shall reasonably request and shall indemnify the Licensee for any claim, demand, cost or expense (including reasonable attorneys' fees) arising from the inclusion of any such material in the Programming provided to the Station during the term of this Agreement.

c) Licensee shall not be required to receive or handle mail, email, faxes or telephone calls in connection with the Broker's Programming but shall be advised promptly by Broker of any public or FCC complaint or inquiry concerning the Programming, and Licensee shall be given copies of any letters or emails from the public, including complaints, concerning the Programming for inclusion in the Station's public records file as required by the FCC.

5) EXPENSES.

a) Broker shall be responsible for the costs, specified in *Attachment 3*, associated with the production and development of the Programming, and the sale of air time on the Station during hours in which the Programming airs.

b) All equipment necessary for broadcasting by the Station shall be maintained by Licensee in a condition consistent with good engineering practices and in compliance in all material respects with the applicable rules, regulations and technical standards of the FCC, and all capital expenditures reasonably required to maintain the technical quality of the Station's signal shall be made in a timely fashion at the sole expense and in the sole discretion of the Licensee.

c) Licensee will be responsible for payment of i) all Station expenses necessary to fulfill Licensee's FCC obligations and to transmit the Programming received from Broker at Broker's sole cost and expense, and ii) the salaries, taxes, insurance and related costs for the Retained Employees, but shall be reimbursed for all such costs pursuant to the payment schedule in *Attachment 1*.

6) OPERATION OF STATION.

a) Licensee shall retain full authority and power with respect to the operation of the Station during the Term.

b) Licensee and Broker further warrant and agree that Licensee's responsibility to retain control of the Station is an essential and material element of the continuing validity and legality of this Agreement.

c) Licensee shall maintain a meaningful management presence at the Station in full compliance with FCC requirements.

d) Licensee shall retain control over the policies, programming and operations of the Station, including, without limitation, the right to decide whether to accept or reject any of the Programming, the right to preempt any Programming 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 to comply with the laws of the United States, the State of South Carolina and the rules, regulations, and policies of the FCC, including its prohibition against unauthorized transfers of control.

e) Licensee shall be responsible for meeting all of its requirements with respect to its local service obligations including, but not limited to, compliance with station

identification requirements (except that Broker agrees to insert station identification information as necessary into the Programming), and broadcasting its own issue-responsive programming.

f) Broker shall not represent, warrant or hold itself out as Station's Licensee or the agent of Licensee, and Broker shall sell all its advertising time and enter into all agreements in its own name. Licensee reserves the right to refuse to broadcast any program or 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 its or theirs.

7) **SPECIAL EVENTS.** Licensee reserves the right, in its sole discretion and without liability, to preempt any of the Programming, and to use part or all of the time contracted for by Broker to broadcast events of special 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, and, in the event of such preemption, Broker shall receive any income received by Licensee from or with respect to programming aired by Licensee in lieu of such preempted broadcast or broadcasts.

8) **FORCE MAJEURE.** Any failure or impairment (*i.e.*, failure to broadcast at Station's full authorized height and power) of facilities or any delay or interruption in Programming, 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 Agreement and Licensee will not be liable to Broker, except to the extent of allowing, in each such case of a failure or interruption lasting forty-eight (48) hours or more, an appropriate payment credit for time or broadcasts not provided based upon a *pro rata* adjustment to amounts due as specified in **Attachment 1** based upon the length of time during which the failure or impairment exists.

9) **RIGHT TO USE THE PROGRAMMING.** The right to use the Programming and to authorize its use in any manner and in any media whatsoever shall be and remain vested solely in Broker. Broker represents and warrants that it shall obtain and maintain all copyrights necessary to broadcast the Programming legally.

10) **PAYOLA.** Broker agrees to execute and provide Licensee with annual Payola Affidavits, substantially in the form which is attached hereto as **Attachment 4**, and notify Licensee promptly of any violations it learns of relating to the Communications Act of 1934, as amended, including Sections 317 and 508 thereof.

11) **COMPLIANCE WITH LAW.** Broker agrees that, throughout the Term, it will comply with all laws and regulations applicable to the conduct of its business.

12) **INDEMNIFICATION; WARRANTY.**

a) Each party warrants that it will indemnify and hold harmless the other party, and its directors, officers, employees, agents and affiliates, from and against any and all liability, including without limitation all consequential damages and attorneys fees, arising out of or incident to the programming furnished by the party or the conduct of the party, its employees, contractors or agents. Without limiting the generality of the foregoing, each party will indemnify and hold and save the other, and its directors, officers, employees, agents and affiliates, harmless against liability for libel, slander, infringement of trade marks, trade names, or program titles, violation of rights of privacy, and infringement of copyrights and proprietary rights resulting from the programming furnished by it. Broker will maintain customary amounts of libel and slander insurance and name Licensee as an additional insured party.

b) Neither party shall be responsible to the other party for any damages occurring as a result of any FCC or other finding that implementation of this Agreement has resulted or will result in a violation of any statute, regulation or FCC rule or policy.

c) Each party warrants that it will indemnify and hold harmless the other party and its directors, officers, employees, agents and affiliates from and against any cost or liability (including reasonable attorneys' fees and court costs) arising out of the indemnifying party's misrepresentation under or violation of this Agreement or any portion hereof, or any related agreement between the parties, including costs of defending third party claims and costs of enforcement of this Agreement or such other, related agreement.

d) Broker will indemnify and hold harmless the Licensee in connection with any fines levied against the Licensee as a result of Broker's actions or inactions during the term of this Agreement.

13) **EVENTS OF DEFAULT.**

a) The following shall, after the expiration of the applicable cure period, constitute "Events of Default" under the Agreement:

(a) *Non-Payment.* Broker's failure to timely pay the consideration provided for in Paragraph 2 and **Attachment 1** hereof within fifteen (15) days of the due date;

(b) *Default in Covenants.* Broker's or Licensee's failure to observe or perform any material term, covenant, warranty, condition or agreement contained herein; or

(c) *Breach of Representation.* Broker's or Licensee's material breach of any representation or warranty herein, or in any certificate or document furnished 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.

(d) *Denial of Access.* Licensee's refusal to provide Broker with access to the broadcast facilities of Station in violation of Licensee's obligations under this Agreement, where such denial of access is not based on Licensee's good faith reasonable determination that the public interest, convenience and necessity requires such denial.

b) An Event of Default other than non-payment shall not be deemed to have occurred until ten (10) days after the non-defaulting party has provided the other party with written notice specifying the event or events that is not cured would constitute an Event of Default and specifying the actions necessary to cure within such period. This period may be extended (only in writing, and only by the non-defaulting party) for a reasonable period of time if the defaulting party is acting in good faith to cure and such delay is not materially adverse to the other party.

c) Either party shall have the right to terminate this Agreement immediately in the event of an uncured Event of Default by the other party, *provided*, that the terminating party is not also in material breach of this Agreement.

14) INTENTIONALLY LEFT BLANK.

15) REPRESENTATIONS AND WARRANTIES. Each party hereby represents and warrants to the other that it is legally qualified, empowered, and able to enter into this Agreement, and that this Agreement has been reviewed by its counsel.

16) MODIFICATION AND WAIVER. No modification or waiver of any provision of this Agreement shall in any event be effective unless the same shall be in writing signed by the party against whom the waiver is sought to be enforced, and then such waiver and consent shall be effective only in the specific instance and for the purpose for which given.

17) 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 they may otherwise have.

18) REQUIRED CERTIFICATIONS.

a) *By Licensee.* Licensee hereby certifies that it has, and shall maintain ultimate control over the Station's facilities, including specifically control over Station finances, personnel and programming. Licensee represents and warrants that this certification may be relied upon by the FCC as well as by Broker.

b) *By Broker.* Broker hereby certifies that the arrangement with Licensee as set forth herein and as contemplated in all aspects of operation is and shall remain in compliance with Subparagraphs (a)(1) and (e)(1) of 47 CFR Section 73.3555 and 47 CFR Section 73.3556, concerning time brokerage agreements and duplicated programming. Broker shall not discriminate in advertising arrangements on the Station on the basis of race or ethnicity. Broker further covenants that all of the advertising sales agreements with respect to the Station will contain an appropriate non-discrimination clause in compliance with FCC policies concerning nondiscrimination in advertising. Broker represents and warrants that this certification may be relied upon by the FCC, as well as by Licensee.

19) CONSTRUCTION; COMPLIANCE WITH FCC REQUIREMENTS. This Agreement shall be construed in accordance with the laws of the State of South Carolina other than the choice of law provisions of such state, and the obligations of the parties hereto are subject to all federal, state or municipal laws or regulations now or hereafter in force, and to the regulations and policies of the FCC. The parties believe that the terms of this Agreement meet all of the requirements of current FCC policy for brokerage agreements and agree that they shall negotiate in good faith to meet any FCC concern with respect to it if they are incorrectly interpreting current FCC policy or that policy is modified. If the parties cannot agree to a modification or modifications deemed necessary by either party to meet FCC requirements, the termination provisions of Paragraph 20 below shall apply.

20) TERMINATION. This Agreement shall automatically terminate upon the earlier to occur of (i) the consummation of the sale of the Station Assets pursuant to the Purchase Agreement, or (ii) the termination of the Purchase Agreement. This Agreement may be terminated:

a) If the FCC advises either or both parties in writing to do so to comply with the FCC's rules or policies; or

b) If, subsequent to ten (10) days written notice and failure of the defaulting party to timely cure an Event of Default by the other party (except as provided in Section 13.1(a)), and the party giving notice of termination is not itself in material default thereunder.

21) ALLOCATION OF REVENUES.

a) All income received by Broker during the Term for the sale of air time on the Station which is in payment for advertising aired prior to the commencement of the Term of this Agreement shall be paid by Broker to Licensee in accordance with the terms of the Purchase Agreement.

b) Upon the expiration of this Agreement or early termination as provided in Section 20 above, all income received by Licensee subsequent to such termination or expiration which is in payment for advertising sold by Broker during the Term shall be paid to Broker by Licensee every thirty (30) days together with an accounting thereon for a period of one hundred twenty (120) days.

22) HEADINGS. The headings contained in this Agreement are included for convenience only and no such heading shall in any way alter the meaning of any provision.

23) SUCCESSORS AND ASSIGNS. This Agreement may not be assigned by either party without the prior written consent of the other party.

24) COUNTERPART SIGNATURES. This Agreement 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 same original or the same counterpart.

25) EFFECTIVE DATE. Station broadcasts of Programming produced by Broker shall begin at 12:01 a.m. on the date hereof.

26) NOTICES.

a) Any notices to be given under this Agreement by either party to the other may be effected by certified mail, postage prepaid with return receipt requested, or by USPS Express air service, overnight air courier service or same day delivery service. Notices shall be addressed to the parties at the addresses given below, but each party may change its address by written notice in accordance with this paragraph.

If to Seller:

Fidelity Broadcasting Corporation
107 Forrest Avenue
Narberth, PA 19072
Attn: Jerome Bresson, President

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

Wilkinson Barker Knauer, LLP
2300 N Street, NW, Suite 700
Washington, DC 20037
Attn: David A. O'Connor, Esq.

If to Buyer:

Compass Radio Group LLC.
c/o 200 South Church Street
Woodstock, VA 22664
Attention: John C. Trent, Esq.

b) Notice shall be deemed to have been given three (3) business days after mailing if sent by registered or certified mail, or on the next business day if sent by USPS express mail, overnight air courier, or same day delivery service. Notification by telephone facsimile shall not constitute Notice for purposes of this Section.

27) ENTIRE AGREEMENT. This Agreement, including all attachments hereto, embodies the entire agreement between the parties with respect to the subject matter hereof, and there are no other agreements, representations, warranties, or understandings, oral or written, between them with respect to the subject matter hereof. No alteration, modification or change of this Agreement shall be valid unless made in writing and signed by the parties.

28) SEVERABILITY. If any provision or provisions contained in this Agreement is held to be invalid, illegal or unenforceable, this shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision or provisions had not been contained therein.

29) NO JOINT VENTURE. The parties agree that nothing herein shall constitute a joint venture between them. The parties acknowledge that call letters, trademarks and other intellectual property shall at all times remain the property of the respective parties and that

neither party shall obtain any ownership interest in the other party's intellectual property by virtue of this Agreement.

[THE NEXT PAGE IS THE SIGNATURE PAGE ONLY]

[SIGNATURE PAGE TO LOCAL MARKETING AGREEMENT]

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals as of the Year and Date first above written.

Broker:

Compass Radio Group, LLC



Name: Robert A. Woodward

Title: Managing Partner

Licensee:

Fidelity Broadcasting Corporation

Name: _____

Title: _____

[SIGNATURE PAGE TO LOCAL MARKETING AGREEMENT]

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals as of the Year and Date first above written.

Broker: *Compass Radio Group, LLC*

Name:

Title:

Licensee: *Fidelity Broadcasting Corporation*

Jerome Breuson

Name:

President

Title: