

## TIME BROKERAGE AGREEMENT

This Time Brokerage Agreement (this "Agreement") is made and entered into as of October 21, 2020, by and between **HRN BROADCASTING, INC.**, a North Carolina corporation ("Licensee"), on the one hand, and **INTERNATIONAL BAPTIST OUTREACH MISSIONS, INC.**, a North Carolina non-profit corporation ("Programmer") (each a "Party" and, collectively, the "Parties").

### RECITALS

**WHEREAS**, Licensee owns all of the assets of commercial radio station WZGM(AM), Black Mountain, North Carolina, on AM frequency 1350 kHz, FCC Facility ID Number 40654, and FM translator radio station construction permit W241DD, Asheville, North Carolina, on FM channel 241 (96.1 MHz), FCC Facility ID Number 200550, including those licenses, permits and authorizations issued by the Federal Communications Commission ("FCC") (the "Stations");

**WHEREAS**, Programmer desires, in conformity with the rules and policies of the FCC and this Agreement, to produce and present programming over the Stations (the "Programming");

**WHEREAS**, Licensee desires to accept the Programming produced by Programmer and to make broadcasting time on the Stations available to Programmer on terms and conditions which conform to FCC rules and policies and to this Agreement; and

**WHEREAS**, Licensee and Programmer believe that the Stations' broadcast of the Programming will serve the needs and interests of the Stations' listeners.

**NOW, THEREFORE**, taking the foregoing into account, and in consideration of the mutual covenants and agreements set forth herein, the sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, hereby agree to the following terms and conditions:

### ARTICLE 1 USE OF AIR TIME

**1.1. Scope.** Beginning on November 1, 2020 (hereinafter "Commencement Date"), Licensee shall make available to Programmer substantially all the Stations' air time, subject to the exceptions set forth in this Agreement, for broadcast of the Programming. The Programming shall consist of programming of Programmer's selection, together with commercial matter, news, public service announcements, and other suitable programming for broadcast on the Stations. Notwithstanding the foregoing, it is understood that Licensee may set aside such time as it may require (up to eight hours per week) during the hours of midnight to 6 a.m. Monday through Saturday and midnight to 9 a.m. Sunday, for the broadcast of its own regularly scheduled news, public affairs, and other programming (such programs to be broadcast by Licensee are referred to herein as the "Licensee Programming").



**1.2. Term.** This Agreement shall commence on the Commencement Date and, unless extended or earlier terminated pursuant to the terms hereof, shall continue for 30 months through and including April 30, 2023 (the "Initial Term"). Programmer shall have the option to extend this Agreement for twelve (12) additional months through and including April 30, 2024 (the "Extended Term" and together with the Initial Term, the "Term"), upon giving written notice to Licensee of Programmer's exercise of such option to extend no later than 60 days prior to April 30, 2023. Notwithstanding the foregoing, if Programmer exercises the Option (as defined in Section 6.1), the Term of Agreement shall continue through the earlier of the termination of this Agreement or the Option Closing (as defined in Section 6.5)

**1.3. Monthly Fee.** Commencing on November 1, 2020, Programmer shall pay to Licensee monthly payments of \$ [REDACTED] (the "TBA Fee"). Commencing on May 1, 2024, unless this Agreement has expired or terminated, the monthly TBA Fee shall increase to \$ [REDACTED]. Each monthly payment of the TBA Fee shall be payable in advance and due on the first (1st) day of the calendar month, and shall be prorated, if necessary, for any partial month. In addition, the Programmer shall reimburse Licensee for the Operating Expenses set forth in Section 2.1(b).

## **ARTICLE 2 OPERATION**

### **2.1. Licensee's Responsibilities.**

(a) Operating Expenses. Licensee shall be responsible for, and pay in a timely manner, all operating expenses resulting from broadcasting the Programming provided by Programmer ("Operating Expenses"), which shall include, but are not limited to, (A) lease obligations in connection with property leased to the Licensee, (B) utility bills for utility services at the Stations' studio/office location(s) and their tower/transmitter sites, (C) telephone system maintenance costs and local exchange and long distance telephone service costs for the Licensee's telephone system(s) and usage at the Stations' studio/office location(s) and at the Stations' tower/transmitter sites, (D) costs of engineering and technical personnel necessary to assure compliance with the FCC's rules and published policies and maintenance and repair of the Stations' transmitting and microwave relay facilities, (E) all liabilities and obligations under all contracts to which the Licensee is a party relating to the business and operations of the Stations, except for the Assumed Liabilities as defined in Section 2.3, (F) premiums for insurance maintained by the Licensee on the assets of the Stations, (G) real and personal property taxes, (H) business, license, FCC application fees, and FCC regulatory fees, (I) reasonable maintenance and repair costs for the Stations' studio, transmission and production equipment and facilities, (J) all expenses associated with the repair or replacement of any of the Stations' assets, and (K) the salaries, taxes, insurance, and related costs of all personnel employed by Licensee. The Operating Expenses shall not include the costs and expenses incurred by Programmer to produce, deliver and cause to be broadcast the Programming, including personnel, music licenses and programming rights, and to sell and collect payment for advertising, which Programmer is to pay directly pursuant to Section 2.2.

(b) Operating Expenses Reimbursement. As soon as practicable following the end of each calendar month, Licensee shall present to Programmer reasonable documentation of



all of its Operating Expenses and upon receipt thereof Programmer shall pay to Licensee the amount of such Operating Expenses.

(c) Studios. To facilitate the production of Programming for the Stations, Licensee shall permit Programmer and its employees to utilize such space and such equipment and furnishings at the Stations' studios and offices as it may reasonably request; provided that all such activity shall be conducted by Programmer under the full supervision and authority of Licensee. Programmer shall have access to the main studio 24 hours a day every day of the year. Programmer may elect to originate the Programming from another location at Programmer's sole cost and expense

(d) Licensee Personnel. Licensee's vice president, Lanny Ford, shall be responsible for overseeing the operation and programming of the Stations and shall be accountable solely to Licensee. Programmer and Programmer's personnel will be subject to the supervision and the direction of Mr. Ford.

## **2.2. Programmer's Responsibilities.**

(a) Programming Expenses. Programmer shall be responsible for and pay in a timely manner all costs and expenses in connection with the production, acquisition, licensing, provision, delivery, and promotion of the Programming.

(b) Programmer's Personnel. Programmer shall employ and be responsible for the salaries, taxes, insurance, and related costs and expenses for all personnel used in connection with the production, acquisition, licensing, provision, delivery, and promotion of the Programming.

(c) Licensee's Equipment and Facilities. Programmer shall use due care in the use of all equipment and other property of Licensee. Programmer shall reimburse Licensee for any damage (normal wear and tear excepted) to Licensee's equipment, studios, or other facilities caused by Programmer or any employee, contractor, agent or guest of Programmer. Such reimbursement shall be made within three (3) days of Licensee's written notice to Programmer of the cost of such damage.

(d) Insurance. Programmer shall maintain broadcasters' liability and error and omissions insurance policies covering libel, slander, invasion of privacy, intellectual property infringement, regulatory compliance, and other risks customary in the broadcast industry, in forms and with coverage amounts reasonably satisfactory to Licensee, and Programmer shall name Licensee as an additional insured under such policies. On or before execution of this Agreement, Programmer shall provide Licensee with evidence of such insurance maintained by Programmer. Programmer shall provide not less than thirty (30) days' prior written notice to Licensee prior to any termination or modification of any such insurance policies.

**2.3. Apportionment of Income and Expenses.** Licensee shall be entitled to all income attributable to, and shall be responsible for all expenses arising out of, the operation of the Stations until 12:01 a.m. on the Commencement Date. Programmer shall be entitled to all income



attributable to, and shall be responsible for (or shall reimburse Licensee for) all expenses arising out of, the operation of the Stations after 12:01 a.m. on the Commencement Date. All overlapping items of income or expense shall be prorated or reimbursed, as the case may be, as of 12:01 a.m. on the Commencement Date. Effective as of the Commencement Date, Programmer shall assume all obligations of Licensee under any contract for the broadcast of advertising or programming over the Stations (the “Assumed Liabilities”).

### ARTICLE 3 COMPLIANCE WITH REGULATIONS AND POLICIES

**3.1. Certifications and Licensee Authority.** At all times during the Term of this Agreement, Programmer shall comply in all material respects with all applicable federal, state, and local laws, rules, and regulations, including, but not limited to, the FCC rules. Licensee certifies that Licensee maintains ultimate control over the Stations’ facilities, including, specifically, control over the Stations’ finances, personnel, and programming, and Programmer certifies that this Agreement complies with the provisions of Section 73.3555 of the FCC rules. Notwithstanding any provision of this Agreement to the contrary, Licensee shall retain full authority and power with respect to the operation of the Stations during the Term and may take any and all steps necessary to faithfully and continuously do so throughout the Term. The Parties agree and acknowledge that Licensee’s continued control of the Stations is an essential element of the continuing validity and legality of this Agreement. Licensee shall retain full authority and control over the policies, programming, and operations of the Stations, including, without limitation, the decision whether to preempt programming in accordance with Section 3.3 hereof. Licensee shall have full responsibility to effectuate compliance with the FCC rules, regulations, and policies.

**3.2 FCC Compliance.** The Programming shall comply, and Programmer shall cooperate with Licensee in complying, with the FCC rules and all other applicable laws. The Programmer shall immediately notify the Licensee in the event there is a question concerning whether the Programming or its operation of the Stations will fail to comply with any FCC rules. Without limiting the foregoing:

(a) Political Broadcasts. Programmer shall cooperate with Licensee and adhere to all applicable FCC rules with respect to the broadcast of political advertisements and programming (including, without limitation, the rights of candidates, as appropriate, and to the equal opportunity provisions of the FCC rules) and the charges permitted therefor. Programmer shall maintain and promptly provide to Licensee all records and information required by the FCC rules to be placed in the Stations’ public inspection file pertaining to the broadcast of political programming and advertisements and to the broadcast of sponsored programming addressing political issues or controversial subjects of public importance, in accordance with the provisions of Sections 73.1943 and 73.3526 of the FCC rules.

(b) Handling of Communications. Programmer shall cooperate with Licensee in promptly responding to all mail, email, facsimiles, telephone calls, complaints, inquires or other correspondence directed to the Stations in connection with the Programming. Programmer shall provide copies of all such correspondence to Licensee. Upon Licensee’s request,



Programmer shall broadcast material responsive to such matters or inquires. Notwithstanding the foregoing, Licensee shall handle all matters or inquiries relating to FCC complaints and any other matters required to be handled by Licensee under the FCC rules.

(c) Payola and Plugola. Programmer agrees that it will use best efforts, including a system for periodic execution of affidavits, reasonably designed to assure that neither it nor its employees or agents will accept any gift, gratuity, or other consideration, directly or indirectly, from any person or company for the presentation of any programming, or the broadcast of any commercial announcement over the Stations without reporting the same to the management of Licensee and without such broadcast being announced as sponsored. It is further understood and agreed that no commercial message, plugs, or undue reference shall be made in Programming to any business venture, profit-making activity, or other interest (other than non-commercial announcements for bona fide charities, church activities, or other public service activities) without the same having been approved by the management of Licensee and said broadcast being announced as sponsored.

(d) Nondiscrimination Policy. Programmer agrees that it will not discriminate in advertising contracts on the basis of race or ethnicity. Any provision in any order or agreement for advertising on the Stations that purports to discriminate on the basis of race or ethnicity, even if handwritten, typed, or otherwise made a part of a particular contract shall be deemed rejected and void. Programmer shall include on advertising contracts and/or written agreements for the sale of advertising on the Stations a clause stating that it does not discriminate on the basis of race or ethnicity.

(e) Stations' Identification. During the Term, Licensee will retain all rights to the call letters of the Stations or any other call letters which may be assigned by the FCC for use by the Stations. Programmer shall include in the Programming it delivers for broadcast an announcement at the beginning of each hour of such Programming to identify such call letters, as well as any other announcements required by the FCC rules.

(f) EAS Tests. If an Emergency Alert System ("EAS") test or alert is received during the Programming, Programmer shall cause the appropriate EAS test or alert message to be delivered to Licensee to be transmitted over the Stations and shall, in the event of an actual activation of the Emergency Alert System, cause all steps that the Stations are required to take in such an event to be taken with respect to the Stations.

**3.3 Compliance with Program Policies.** All Programming delivered by Programmer and all programming supplied by Licensee during the Term of this Agreement shall comply with the programming policies set forth on Schedule 3.3 (“Program Policies”). Licensee reserves the right to refuse to broadcast any Programming containing matter that Licensee reasonably believes is not in the public interest or that may violate the right of any third party, or that Licensee reasonably determines is, or in the reasonable opinion of Licensee may be deemed to be, indecent (and not broadcast during the safe harbor for indecent programming established by the FCC) or obscene by the FCC or any court or other regulatory body with authority over Licensee or the Station. If Programmer does not adhere to the Program Policies or the FCC rules, Licensee, upon written notice to Programmer, may suspend or cancel any specific program not so in compliance, without any reduction or offset in the payments due Licensee under this Agreement.

**3.4. Access to Information.** Programmer shall furnish to Licensee upon request any information that is reasonably necessary to enable Licensee to confirm Programmer’s compliance with the FCC rules and Program Policies, or to prepare any records or reports required by the FCC or other governmental entities.

#### **ARTICLE 4 INDEMNIFICATION; LIMITATION ON LIABILITY**

**4.1 Indemnification.** Each Party (the “Indemnifying Party”) shall indemnify, defend and hold harmless the other Party, its parents, affiliates and subsidiaries, and its and their officers, directors, shareholders, members, managers, employees and agents, from and against any losses, settlements, claims, actions, suits, proceedings, judgments, awards, forfeitures, fines, liabilities, costs and expenses (including reasonable attorneys’ fees) resulting from or as a result of (a) any negligent or more culpable act or omission of the Indemnifying Party in connection with the performance of its obligations or exercise of its rights under this Agreement; (b) any breach of this Agreement by the Indemnifying Party; (c) the Programming (in the case of Programmer as the Indemnifying Party); or (d) the Licensee Programming (in the case of Licensee as the Indemnifying Party).

**4.2 Limitation on Liability.**

(a) EXCEPT AS OTHERWISE PROVIDED IN SECTION 4.2(c), IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER OR TO ANY THIRD PARTY FOR ANY LOSS OF USE, REVENUE OR PROFIT OR FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL OR PUNITIVE DAMAGES WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGE WAS FORESEEABLE AND WHETHER OR NOT SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

(b) EXCEPT AS OTHERWISE PROVIDED IN SECTION 4.2(c), IN NO EVENT SHALL LICENSEE’S LIABILITY ARISING OUT OF OR RELATED TO THIS

AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE AGGREGATE AMOUNTS PAID TO LICENSEE PURSUANT TO THIS AGREEMENT.

(c) The exclusions and limitations in Section 4.2(a) and Section 4.2(b) shall not apply to:

(i) a Party's indemnification obligations with respect to third party claims or actions of the FCC or other governmental authority under Section 4.1;

(ii) damages or other liabilities arising out of or relating to a Party's gross negligence, willful misconduct or intentional acts; and

(iii) death or bodily injury or damage to real or tangible personal property resulting from a Party's negligent acts or omissions.

## **ARTICLE 5 TERMINATION**

**5.1 Mutual Agreement.** This Agreement may be terminated at any time by mutual agreement of the Parties hereto.

**5.2 Termination by Licensee or Programmer.** This Agreement may be terminated by Licensee or Programmer, by written notice to the other, upon the occurrence of any of the following events; *provided* that any such termination shall be effective as of the date ten (10) days after such notice:

(a) this Agreement has been declared invalid under applicable law or illegal in whole or substantial part by an order or decree of an administrative agency or court of competent jurisdiction which is not subject to appeal or further administrative or judicial review, and the Parties, acting in good faith, are unable to agree upon a modification of the Agreement so as to cause the Agreement to comply with applicable law; or

(b) there has been a change in the FCC rules that causes this Agreement in its entirety to be in violation thereof and the applicability of such change is not subject to appeal or further administrative review; and the Parties, acting in good faith, are unable to agree upon a modification of the Agreement so as to cause the Agreement to comply with the FCC rules as so changed.

**5.3 Termination by Programmer.** This Agreement may be terminated by Programmer, by written notice to Licensee, upon the occurrence of any of the following events:

(a) if Programmer is not then in material breach and Licensee is in material breach under this Agreement and Licensee has failed to cure such breach within ten (10) days after receiving written notice of such breach from Programmer; or

(b) if Licensee or any affiliate of Licensee makes a general assignment for the benefit of creditors, files, or has filed against it, a petition for bankruptcy, reorganization or an arrangement for the benefit of creditors, or for the appointment of a receiver, trustee, or similar creditor's representative for the property or assets of Licensee or any affiliate of Licensee under any federal or state insolvency law which, if filed against Licensee or any affiliate of Licensee, has not been dismissed within thirty (30) days thereof.

**5.4 Termination by Licensee.** This Agreement may be terminated by Licensee, by written notice to Programmer, as expressly provided in this Agreement or upon the occurrence of any of the following events:

(a) if Licensee is not then in material breach and Programmer is in material breach under this Agreement and Programmer has failed to cure such breach within ten (10) days after receiving written notice of such breach from Licensee; provided that no such notice or cure period shall pertain for any failure by Programmer to make a payment due hereunder by the date therefor; or

(b) if Programmer or any of its affiliates makes a general assignment for the benefit of creditors, files, or has filed against it a petition for bankruptcy, reorganization or an arrangement for the benefit of creditors, or for the appointment of a receiver, trustee, or similar creditor's representative for the property or assets of Programmer or any of its affiliates under any federal or state insolvency law which, if filed against Programmer or any of its affiliates, has not been dismissed within thirty (30) days thereof.

**5.5 Certain Matters upon Termination.** Section 3.4, Article 4, Section 5.5, and Article 7 shall survive the expiration or termination of this Agreement and the expiration or termination of this Agreement will not limit or impair any Party's rights to receive payments due and owing hereunder on or before the effective date of such termination.

## ARTICLE 6 PURCHASE OPTION

**6.1 Grant of Option.** Subject to this Article 6, Licensee hereby grants to Programmer an option to purchase the Station Assets (as defined below) (the "Option"). If Programmer exercises the Option during the Initial Term, the purchase price shall be \$ [REDACTED], and if Programmer exercises the Option during the Extended Term, the purchase price shall be \$ [REDACTED] (as applicable, the "Purchase Price").

**6.2 Station Assets.** For purposes of the Option, the term "Station Assets" means the following assets, rights, or interests to the extent owned or leased by Licensee and used exclusively in the operation of the Stations: (a) Licensee's equipment used exclusively in the operation of the Stations; (b) Licensee's licenses, permits, permissions and other authorizations issued by the FCC or other governmental agencies and used exclusively in the operation of the Stations; (c) Licensee's goodwill, trademarks, service marks, copyrights, tradenames, commonly



law property rights, and all other intangible personal property used exclusively in the operation of the Station; and (d) Licensee's files, warranties, technical data, reports, and other records relating exclusively to the Stations as Programmer may reasonably request. For the avoidance of doubt, the Station Assets shall not include any real property, the tower on which the Stations operate ("the Tower"), Licensee's cash, bank accounts, or notes receivable and investments, or Licensee's tax and corporate records or any other records that do not relate exclusively to the Stations.

**6.3 Exercise.** Programmer may exercise the Option at any time during the Term. In the event Programmer wishes to exercise the Option, Programmer shall send written notice of such exercise to Licensee.

**6.4 FCC Consent.** After Programmer exercises the Option, Programmer and Licensee shall file an application with the FCC (the "Assignment Application") requesting the FCC's consent (the "FCC Consent") to the assignment from Licensee to Programmer of all authorizations issued by the FCC to Licensee and used exclusively in the operation of the Stations. Programmer and Licensee shall take all reasonable steps to cooperate with each other and with the FCC in order to secure such FCC Consent without delay and to promptly consummate the transaction contemplated in this Agreement. All governmental filing fees and charges applicable to the request for FCC Consent shall be shared equally by Programmer and Licensee.

**6.5 Option Closing.** The closing of the sale and purchase of the Station Assets pursuant to the Option exercise (the "Option Closing") shall occur within fifteen (15) days after grant of the FCC Consent (the "Closing Date"). The Option Closing shall be held by exchange of documents via facsimile or email, or as Licensee and Programmer may otherwise agree. At the Option Closing, the Parties shall exchange, duly executed by the Parties or such other signatory as may be required by the nature of the document, (a) a bill of sale and assignment sufficient to sell, convey, transfer, and assign the Station Assets to Programmer free and clear of liens, encumbrances, and other security interests except as specifically provided herein or as that do not individually or in the aggregate materially interfere with the right or ability to use the applicable Station Assets; (b) a mutually acceptable tower lease with a minimum term of 15 years for Programmer's continued use of the Tower for the operation of the Stations and Programmer's station WKJW(AM), Black Mountain, North Carolina FCC Facility ID Number 5972; and (c) such additional documents, instruments, and agreements as either Party may reasonably request. In the event the Option Closing does not occur within nine (9) months after the exercise of the Option, either Party may terminate this Agreement with written notice to the other Party, provided however the right to terminate this Agreement under this clause shall not be available to any Party whose breach of this Agreement has been the cause of, or resulted in, the failure of the Option Closing to occur on or before such date.

**6.6 Payment of Purchase Price.** At the Option Closing, if Programmer exercised the Option during the Initial Term, Programmer shall pay to Licensee \$ [REDACTED], and if Programmer exercised the Option during the Extended Term, Programmer shall pay to Licensee \$ [REDACTED], in either case as applicable, in cash by wire transfer of immediately available; and Programmer will execute and deliver to Licensee a promissory note in the principal amount equal to the balance of

Purchase Price, to be paid in equal monthly installments over 60 months, bearing simple interest equal to the Wall Street Journal Prime Rate on the date of the note plus a margin of an additional 1%. The promissory note shall be secured by a security interest on the Station Assets, a pledge of the equity interests in Programmer (or a subsidiary owned by Programmer that holds the Station Assets), and a personal guarantee. The promissory note and security documents shall be in a form as reasonably requested by Licensee. Programmer and Licensee shall negotiate in good faith an allocation of the Purchase Price in a manner which complies with Section 1060 of the Internal Revenue Code of 1986, as amended, prior to the Option Closing.

**6.7. Representations and Warranties.** Except as expressly provided for in this Agreement and to the maximum extent permitted by applicable law, LICENSEE MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND, WHETHER IMPLIED, STATUTORY, OR OTHERWISE AND DISCLAIMS, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR USE, AND NONINFRINGEMENT. The Station Assets will be transferred to Programmer at the Option Closing AS-IS-WHERE-IS.

## ARTICLE 7 MISCELLANEOUS

**7.1 Successors and Assigns.** Neither Party may assign this Agreement without the prior written consent of the other Party hereto. The terms of this Agreement shall bind and inure to the benefit of the Parties' respective successors and any permitted assigns, and no assignment shall relieve any Party of any obligation or liability under this Agreement.

**7.2 Force Majeure.** No Party shall be liable to the other for any default or delay in the performance of its non-monetary obligations under this Agreement to the extent that the default or delay is caused by an event outside of its reasonable control, including without limitation fire, flood, earthquake, war, act of terrorism, labor dispute, government or court action (except with respect to bankruptcy or insolvency proceedings), failure of facilities or act of God.

**7.3 Unenforceability.** If one or more provisions of this Agreement or the application thereof to any Party or circumstances, shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provisions to other Parties or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by applicable law, except that, if such invalidity or unenforceability should change the basic economic positions of the Parties hereto, they shall negotiate in good faith such changes in other terms as shall be practicable in order to restore them to their prior positions. In the event that the FCC alters or modifies its rules or policies in a fashion which would raise substantial and material questions as to the validity of any provision of this Agreement, the Parties shall negotiate in good faith to revise any such provision of this Agreement, as applicable, in an effort to comply with all applicable FCC rules while attempting to preserve the intent of the Parties as embodied in the provisions of this Agreement. The Parties hereto agree that, upon the request of either of them,



they will join in requesting the view of the staff of the FCC, to the extent necessary, with respect to the revision of any provision of this Agreement in accordance with the foregoing.

**7.4 Notices.** All notices, demands, and requests required or permitted to be given under the provisions of this Agreement shall be (a) in writing, (b) delivered by personal delivery, or sent by commercial delivery service or registered or certified mail, return receipt requested, (c) deemed to have been given on the date of personal delivery or the date set forth in the records of the delivery service or on the return receipt, and (d) addressed as set forth below:

If to Licensee:

HRN BROADCASTING, INC.  
PO Box 795  
Lincolnton, NC 28093  
Attn: Lanny Ford

If to Programmer:

INTERNATIONAL BAPTIST  
OUTREACH MISSIONS, INC.  
70 Adam's Hill Road  
Asheville, NC 28806  
Attention: Dr. Luther Spivey

**7.5 Governing Law.** The construction and interpretation of this Agreement shall at all times and in all respects be governed by the laws of the State of North Carolina (exclusive of those relating to conflicts of laws). Any action at law, suit in equity or judicial proceeding arising directly, indirectly, or otherwise in connection with, out of, related to or from this Agreement, or any provision hereof, shall be litigated only in the courts of the State of North Carolina. The Parties hereby consent to the personal and subject matter jurisdiction of such courts and waive any right to transfer or change the venue of any litigation between them.

**7.6 No Partnership or Joint Venture.** This Agreement is not intended to be, and shall not be construed as, an agreement to form a partnership or a joint venture, or fiduciary relationship, between the Parties. Except as specifically provided in this Agreement, or as otherwise agreed to in writing by the Parties, no Party shall be authorized to act as an agent of or otherwise to represent any other Party hereto.

**7.7 Entire Agreement; Amendment; No Waiver.** This Agreement, including the schedule hereto, constitutes the entire agreement and understanding among the Parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings with respect to the subject matter hereof. No Party makes any representation or warranty with respect to the transactions contemplated by this Agreement except as expressly set forth in this Agreement. This Agreement may only be amended in a writing signed by the Parties. No oral agreement shall have any effect. No failure or delay in exercising any right hereunder shall be

deemed or construed to be a waiver of such right, either prospectively or in the particular instance. This Agreement has been prepared by all of the Parties hereto, and no inference of ambiguity against the drafter of a document therefore applies against any Party hereto.

**7.8 Costs and Expenses.** Programmer on the one hand, and Licensee on the other, will each pay its own costs and expenses (including attorneys' fees, fees of advisors, accountants' fees, and other professional fees and expenses) in connection with the negotiation, preparation, execution, delivery, and performance of this Agreement.

**7.9 No Third-Party Beneficiaries.** This Agreement shall not confer any rights or remedies upon any person or entity other than the Parties hereto and their respective successors and permitted assigns, other than any person or entity entitled to indemnity under Article 4.

**7.10 Attorneys' Fees.** If a Party initiates any litigation against the other involving this Agreement, the prevailing Party in such action shall be entitled to receive reimbursement from the other Party for all reasonable attorneys' fees and other costs and expenses incurred by the prevailing Party in respect of that litigation, including any appeal, and such reimbursement may be included in the judgment or final order issued in that proceeding.

**7.11 Counterparts.** This Agreement may be executed in one (1) or more counterparts each of which shall be deemed to be an original, but all of which together shall constitute one (1) and the same instrument. Any such counterpart signature page may be delivered by electronic means, including by facsimile or email in PDF or other image form, and shall become binding on the delivering Party upon receipt by the other Party.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

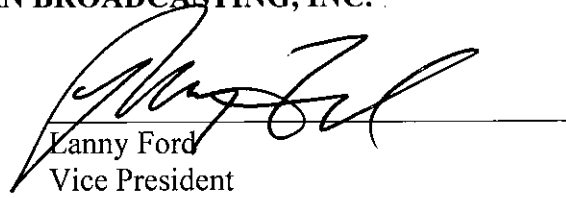


IN WITNESS WHEREOF, the Parties hereto have executed this Time Brokerage Agreement on the day and year first written above.

**LICENSEE:**

**HRN BROADCASTING, INC.**

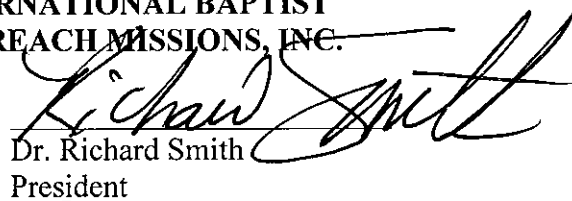
By:

  
Lanny Ford  
Vice President

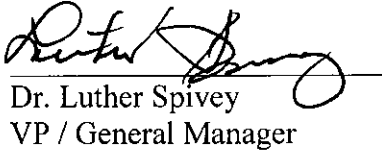
**PROGRAMMER:**

**INTERNATIONAL BAPTIST  
OUTREACH MISSIONS, INC.**

By:

  
Dr. Richard Smith  
President

By:

  
Dr. Luther Spivey  
VP / General Manager

## SCHEDULE 3.3

### PROGRAM POLICIES

Programmer will comply with the following policies in connection with the Programming:

1. *Respectful of Faiths.* The subject of religion and references to particular faiths and tenets shall be treated with respect at all times.
2. *Controversial Issues.* Any discussion of controversial issues of public importance shall be reasonably balanced with the presentation of contrasting viewpoints in the course of overall programming; no attacks on the honesty, integrity, or like personal qualities of any person or group of persons shall be made; and programs (other than public forum or talk features) are not to be used as a forum for editorializing about individual candidates. If such events occur, Licensee may require that responsive programming be aired. In the event that a statute, regulation, or policy is adopted that requires the airing of responsive programming, Programmer agrees to comply with such statute, regulation, or policy and will prepare such responsive programming.
3. *No Lotteries.* Announcements giving any information about lotteries or games prohibited by federal or state law or regulations are prohibited.
4. *No Gambling.* References to *dream books*, the *straight line*, or other direct or indirect descriptions or solicitations relative to the *numbers game* or the *polity game* or any other form of gambling are prohibited.
5. *No Illegal Announcements.* No announcement or promotion prohibited by federal or state law or regulation of any lottery or game shall be made over the Station.
6. *Licensee's Discretion Paramount.* In accordance with Licensee's responsibility under the FCC rules, Licensee reserves the right to reject or terminate any advertising or programming being presented over the Station that in Licensee's sole but reasonable judgment would not serve the public interest.
7. *Programming Prohibitions.* Programmer shall not knowingly broadcast any of the following programs or announcements.
  - a. *False Claims.* False or unwarranted claims for any product or service.
  - b. *Unfair Imitation.* Infringements of another party's rights through plagiarism or unfair imitation of either program idea or copy, or any other unfair competition.
  - c. *Commercial Disparagement.* Any unfair disparagement of competitors or competitive goods.



- d. *Profanity, Obscenity, Indecency.* Any programs or announcements that are slanderous, obscene, indecent (except during the safe harbor for indecent programming established by the FCC), profane, vulgar, repulsive, or offensive, either in theme or treatment.
- e. *Unauthenticated Testimonials.* Any testimonials which cannot be authenticated.
- f. *Descriptions of Bodily Functions.* Any presentation which describes in a repellent manner bodily functions.
- g. *Advertising.* Any advertising matter or announcement that may, in the opinion of Licensee, be injurious or prejudicial to the interests of the public or the Station, or to honest advertising and reputable business in general.
- h. *Contests.* Any contests or promotions which are in any way misleading or constitute a public nuisance or are likely to lead to injury to persons or property or violate the FCC rules.
- i. *Telephone Conversations.* Any programming in violation of any statute, regulation, or policy, including, without limitation, Section 73.1206 of the FCC rules, or any successor regulation, dealing with the taping and/or broadcast of telephone conversations.

In any case where obvious questions or policy or interpretation arise, Programmer will attempt in good faith to submit the same to Licensee for decision before making any commitments in connection therewith.

The terms of this Schedule 3.3 are hereby incorporated by reference into the Agreement.