

LOCAL PROGRAMMING AND MARKETING AGREEMENT

THIS LOCAL PROGRAMMING AND MARKETING AGREEMENT (this “Agreement”) is made as of December 9, 2022 between Potomac Radio Group, Inc., a Virginia corporation (“Licensee”) and iHeartMedia + Entertainment, Inc., a Nevada corporation (“Programmer”).

Recitals

A. Licensee owns and operates the following radio station (the “Station”) pursuant to licenses issued by the Federal Communications Commission (“FCC”):

WCRW(AM), Leesburg, VA (FIN 54876)

B. Licensee desires to obtain programming for the Station, and Programmer desires to provide programming for broadcast on the Station on the terms set forth in this Agreement.

C. If Programmer exercises the option set forth herein, Licensee (as Seller) and Programmer and an affiliate of Programmer (as Buyer) will enter into an Asset Purchase Agreement (the “Purchase Agreement”) with respect to the Station.

Agreement

NOW, THEREFORE, taking the foregoing recitals into account, and in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, hereby agree as follows:

1. Term. The term of this Agreement (the “Term”) will begin on January 4, 2023 (the “Commencement Date”) and will continue until the date three (3) years after the date of this Agreement, unless earlier terminated in accordance with the terms of this Agreement (or extended by mutual written agreement).

2. Programming. During the Term, Licensee shall make available to Programmer all of the airtime on the Station (including the primary and all secondary program streams and ancillary uses) for programming provided by Programmer (the “Programs”) for broadcast twenty-four (24) hours per day, seven (7) days per week, excluding at Licensee’s option a commercial-free period from 6:00 a.m. to 8:00 a.m. local time each Sunday morning. During the Term, Programmer will transmit the Programs to the Station’s transmitting facilities and Licensee shall broadcast the Programs on the Station, subject to the provisions of Section 5 below.

3. Advertising. During the Term, Programmer will be exclusively responsible for the sale of advertising on the Station and for the collection of accounts receivable arising therefrom, and Programmer shall be entitled to all revenue of the Station, including without limitation from the Station’s broadcast operations, website, tower income, and ancillary revenue.

During the Term, Licensee shall not sell any advertising on the Station, except as provided by Section 6(b).

4. Payments. For the broadcast of the Programs and the other benefits made available to Programmer pursuant to this Agreement, during the Term, Programmer will pay Licensee as set forth on *Schedule A* attached hereto. To the extent reasonably necessary to perform this Agreement and requested by Programmer, during the Term, Licensee shall provide Programmer with the benefits of any of the Station's contracts and agreements and Programmer shall perform the obligations of Licensee thereunder, to the extent of the benefits received.

5. Control.

(a) Notwithstanding anything to the contrary in this Agreement, Licensee shall have full authority, power and control over the operation of the Station and over all persons working at the Station during the Term. Licensee shall bear responsibility for the Station's compliance with the rules, regulations and policies of the FCC and all other applicable laws. Without limiting the generality of the foregoing, Licensee will: (1) appoint a manager for the Station, who will report to Licensee and will direct the day-to-day operations of the Station, and who shall have no employment, consulting, or other relationship with Programmer, (2) engage or appoint, as needed, a second employee for the Station, who will report and be solely accountable to the manager, and (3) retain control over the policies, programming and operations of the Station.

(b) Nothing contained herein shall prevent Licensee from (i) rejecting or refusing programs which Licensee believes to be contrary to the public interest, or (ii) substituting programs which Licensee believes to be of greater local or national importance or which are designed to address the problems, needs and interests of the local communities. Licensee reserves the right to (i) refuse to broadcast any Program containing matter which violates any right of any third party, which constitutes a personal attack, or which does not meet the requirements of the rules, regulations, and policies of the FCC, (ii) preempt any Program in the event of a local, state, or national emergency, or (iii) delete any commercial announcements that do not comply with the requirements of the FCC's sponsorship identification policy. Licensee covenants and agrees that any preemption, rejection, or refusal of the Programs hereunder shall only occur to the extent Licensee deems it necessary to carry out its obligations as an FCC licensee, and Licensee expressly agrees that its right to preempt, reject, or refuse the Programs shall not be exercised in an arbitrary manner or for the commercial advantage of Licensee or others.

6. Programs.

(a) Licensee acknowledges that it is familiar with the type of programming Programmer currently produces or licenses and has determined that the broadcast of such programming on the Station would serve the public interest. Programmer shall ensure that the contents of the Programs conform to all FCC rules, regulations and policies in all material respects. Programmer shall consult with Licensee in the selection of the Programs to ensure that the Programs' content contains matters responsive to issues of public concern in the local

communities, as those issues are made known to Programmer by Licensee. Licensee acknowledges that its right to broadcast the Programs is non-exclusive and that ownership of or license rights in the Programs shall be and remain vested in Programmer. Programmer certifies it is not a "foreign governmental entity" under the rules of the FCC, including 47 C.F.R. Section 73.1212(j), and is not aware of anyone involved in the production or distribution of any programming to be provided by Programmer pursuant to this Agreement that is a "foreign governmental entity" under the rules of the FCC, including 47 C.F.R. Section 73.1212(j)."

(b) Licensee shall oversee and take ultimate responsibility with respect to the reasonable access rights of legally qualified federal candidates, the provision of equal opportunities and lowest unit charges to legally qualified candidates, and compliance with the political broadcast rules of the FCC. During the Term, Programmer shall cooperate with Licensee as Licensee complies with its political broadcast responsibilities, and shall supply such information promptly to Licensee as may be necessary to comply with the political broadcasting provisions of the FCC's rules, the Communications Act of 1934, as amended, and federal election laws.

(c) During the Term, Programmer shall cooperate with Licensee to ensure that Emergency Alert System ("EAS") transmissions are properly performed in accordance with Licensee's instructions. During the Term, Licensee and Programmer will maintain music licenses with respect to the Station and the Programs, as appropriate.

7. Expenses. Licensee will pay all expenses necessary to operate and maintain the Station during the Term, including without limitation the cost of its employees and maintenance of all studio and transmitter equipment and all costs required to maintain the Station's broadcast operations in accordance with FCC rules and policies and applicable law, and the cost of all utilities supplied to its facilities. Licensee will provide all personnel necessary for the broadcast transmission of the Programs (once received at its transmitter site) and will be responsible for the salaries, taxes, insurance and related costs for all such personnel.

8. Call Signs. During the Term, Licensee will retain all rights to the call letters of the Station or any other call letters which may be assigned by the FCC for use by the Station, and will ensure that proper station identification announcements are made with such call letters in accordance with FCC rules and regulations. Programmer shall include in the Programs an appropriate station identification and sponsorship identification announcement to identify the Station's call letters and community of license and to identify Programmer's sponsorship of the Programs, in the form and format that Licensee determines is required by the rules and regulations of the FCC. Programmer is authorized during the Term to use such call letters in its Programs and in any promotional material in any media used in connection with the Programs.

9. Maintenance. During the Term, Licensee shall maintain the operating power of the Station at the maximum level authorized by the FCC for the Station and shall repair and maintain the Station's towers and transmitter sites and equipment in good operating condition. Licensee shall provide at least forty-eight (48) hours prior notice to Programmer in advance of any maintenance work affecting the operation of the Station, and will use commercially reasonable efforts to schedule any such maintenance work at hours other than 6:00 A.M. to 12:00 midnight (Monday to Sunday).

10. Facilities. During the Term, Programmer may install equipment at the Station's transmitter site and may use Licensee's existing internet connectivity at such site as reasonably necessary to deliver the Programs to such site. In addition, if before Closing under the Purchase Agreement Licensee's lease for the Station's studio premises expires, then Licensee shall make arrangements for alternative facilities which enable Licensee to perform its obligations as Licensee pursuant to this Agreement and as FCC licensee of the Station in accordance with FCC rules and regulations and, at Licensee's request, Programmer shall provide reasonable technical assistance to Licensee in establishing such facilities. During the Term, if reasonably necessary to perform this Agreement and requested by Programmer, Licensee shall provide Programmer access to and use of the Station's facilities for purposes of performing this Agreement. When on Licensee's premises, Programmer shall not act contrary to the terms of any lease for such premises or interfere with the business and operation of Licensee's use of such premises.

11. Representations. Programmer and Licensee each represent and warrant to the other that (i) it has the power and authority to enter into and perform this Agreement, (ii) it is in good standing in the jurisdiction of its organization and is qualified to do business in the jurisdiction in which the Station is located, (iii) it has duly authorized this Agreement, and this Agreement is binding upon it, and (iv) the execution, delivery, and performance by it of this Agreement does not conflict with, result in a breach of, or constitute a default or ground for termination under any agreement to which it is a party or by which it is bound.

12. Purchase Agreement. If Programmer exercises the Option (defined below) then the Term of this Agreement shall continue until and shall terminate automatically upon Closing under the Purchase Agreement. This Agreement may be terminated by either party by written notice to the other in the event of any expiration or termination of the Purchase Agreement.

13. Events of Default.

(a) The occurrence of any of the following will be deemed an Event of Default by Programmer under this Agreement: (i) Programmer fails to observe or perform any obligation contained in this Agreement in any material respect; or (ii) Programmer breaches any representation or warranty made by it under this Agreement in any material respect.

(b) The occurrence of the following will be deemed an Event of Default by Licensee under this Agreement: (i) Licensee fails to observe or perform any obligation contained in this Agreement in any material respect; or (ii) Licensee breaches any representation or warranty made by it under this Agreement in any material respect.

(c) Notwithstanding the foregoing, an Event of Default will not be deemed to have occurred until twenty (20) calendar days after the non-defaulting party has provided the defaulting party with written notice specifying the Event of Default and such Event of Default remains uncured. Upon the occurrence of an Event of Default, and in the absence of a timely cure pursuant to this Section, the non-defaulting party may terminate this Agreement, effective immediately upon written notice to the defaulting party, and pursue its legal remedies.

14. Indemnification. Programmer shall indemnify and hold Licensee harmless against any and all liability arising from the broadcast of the Programs on the Station, including without limitation all liability for indecency, libel, slander, illegal competition or trade practice, infringement of trademarks, trade names, or program titles, violation of rights of privacy, and infringement of copyrights and proprietary rights or any other violation of third party rights or FCC rules or other applicable law. Licensee shall indemnify and hold Programmer harmless against any and all liability arising from the broadcast of Licensee's programming on the Station, including without limitation all liability for indecency, libel, slander, illegal competition or trade practice, infringement of trademarks, trade names, or program titles, violation of rights of privacy, and infringement of copyrights and proprietary rights or any other violation of third party rights or FCC rules or other applicable law. The obligations under this Section shall survive any termination of this Agreement.

15. Assignment. 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. Nothing in this Agreement expressed or implied is intended or shall be construed to give any rights to any person or entity other than the parties hereto and their successors and permitted assigns.

16. Severability. If any court or governmental authority holds any provision in this Agreement invalid, illegal, or unenforceable under any applicable law, then so long as no party is deprived of the benefits of this Agreement in any material respect, this Agreement shall be construed with the invalid, illegal or unenforceable provision deleted and the validity, legality and enforceability of the remaining provisions contained herein shall not be affected or impaired thereby. The obligations of the parties under this Agreement are subject to the rules, regulations and policies of the FCC and all other applicable laws. The parties agree that Licensee shall place a copy of this Agreement in the Station's public inspection file.

17. Notices. Any notice pursuant to this Agreement shall be in writing, including by email that is confirmed by overnight courier, and shall be deemed delivered on the date of personal delivery, or the date of email confirmed as provided above, or the date of confirmed delivery by a nationally recognized overnight courier service, and shall be addressed as follows (or to such other address as any party may request by written notice):

if to Licensee:

Potomac Radio Group, Inc.
1001 White Sails Way
Corona del Mar, CA 92625
Attention: Brian Lane
Email: brian_lane@wmdt.com

if to Programmer:

iHeartMedia + Entertainment, Inc.
125 W. 55th Street
New York, New York 10019
Attention: Hartley Adkins, President - Markets Group
Email: HartleyAdkins@iheartmedia.com

with copies (which shall not constitute notice) to:

iHeartMedia + Entertainment, Inc.
Legal Department
20880 Stone Oak Parkway
San Antonio, TX 78258
Attention: Christopher Cain
Email: ChristopherCain@iheartmedia.com

Wilkinson Barker Knauer LLP
1800 M Street, NW, Suite 800N
Washington, DC 20036
Attention: Doc Bodensteiner
Email: doc@wbklaw.com

18. Certifications. Licensee certifies that it maintains ultimate control over the Station's facilities including, specifically, control over the Station's finances, personnel and programming. Programmer certifies that this Agreement complies with the limitations set forth in 47 C.F.R. §73.3555(a).

19. Option. Licensee hereby irrevocably grants to Programmer an exclusive option (the "Option") to acquire the Station Assets (as defined in the Purchase Agreement). The Option may be (but is not required to be) exercised by Programmer at any time during the Term by written notice to Licensee. If Programmer exercises the Option during the Term, then within ten (10) business days thereafter Licensee (as Seller) and Programmer (as Buyer) shall enter into a Purchase Agreement in the form attached hereto as Exhibit A with such revisions as may be reasonably necessary to take into account then current circumstances and give effect to the intended transaction without altering the rights or obligations of the parties in any material respect. Licensee represents and covenants that it owns, and during the Term will continue to own, the Station Assets free and clear of liens, claims and encumbrances. Programmer may assign the Option to an affiliate. The parties shall execute such further documents and take such further actions as may be requested by Programmer that are reasonably necessary to give effect to the Option, including without limitation if requested by Programmer entering into a separate customary option agreement.

20. Miscellaneous. This Agreement may be executed in separate counterparts, each of which will be deemed an original and all of which together will constitute one and the same Agreement. Delivery of an executed signature page of this Agreement by electronic transmission shall be effective as delivery of a manually executed original signature page. No amendment or waiver of compliance with any provision hereof or consent pursuant to this Agreement shall be effective unless evidenced by an instrument in writing signed by the party against whom enforcement of such amendment, waiver, or consent is sought. This Agreement is not intended to be, and shall not be construed as, an agreement to form a partnership, agency relationship, or joint venture between the parties. Neither party shall be authorized to act as an agent of or otherwise to represent the other party. The construction and performance of this Agreement shall be governed by the laws of the State of Texas without giving effect to the

choice of law provisions thereof. 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.

[SIGNATURE PAGE FOLLOWS]

SIGNATURE PAGE TO LOCAL PROGRAMMING AND MARKETING AGREEMENT

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first set forth above.

Licensee:

Potomac Radio Group, Inc.

By: 

Name: Brian J. Lane

Title: CFO

Programmer:

iHeartMedia + Entertainment, Inc.

By: 

Name: Hartley Adkins

Title: President Markets Group