

## PROGRAMMING AFFILIATION AGREEMENT

This Programming Affiliation Agreement (this "Agreement") is executed this the 6th day of February, 1998, by, and between WQDY Inc., A Maine Corporation ("Syndicator"), and Machias Valley Broadcasting (General Ownership- Roger Holst, Michael Goodine, William McVicar and WALZ ("Affiliate"), and the parties agree as follows:

### 1. Recitals.

- (a) Syndicator owns and operates FM broadcast station WQDY FM in Calais, Maine pursuant to licenses issued by the Federal Communications Commission (the "FCC");
- (b) Affiliate owns and operates FM broadcast station WALZ FM (the "FM Station") in Machias, Maine pursuant to licenses issued by the FCC;
- (c) Affiliate desires to obtain programming from Syndicator, and Syndicator desires to provide such Programming pursuant to the terms of this Agreement; and,
- (d) Each of the promises and agreements of each of Syndicator and Affiliate in this Agreement are given in consideration of the promises and agreements of the other herein, and each acknowledges the receipt and adequacy of such consideration.

2. Term. Subject to the renewal provisions of Section 16, this Agreement shall be for a term (the "Term") beginning at 12:01 a.m. (the "Effective Time") on the first day Syndicator makes the Network Programming (as defined below) available to Affiliate in accordance with this Agreement, starting 6th day of February, 1998. Termination of this Agreement by either Syndicator or Affiliate to the extent permitted and effectuated under Section 15 of this Agreement.

3. Network Programming Provided by Syndicator. During the Term, Syndicator shall provide programming (the "Network Programming") to Affiliate in accordance with the following requirements:

- (a) The Network Programming shall be delivered 24 hours a day, 7 days a week provided that Syndicator shall have no obligation to deliver Network Programming at any time during which Affiliate has scheduled Affiliate's Public- Interest Programming as defined below);
- (b) The Network Programming shall consist of such material as is determined by Syndicator to be appropriate and/or in the public interest, including, without limitation, such public affairs programming, public service announcements, music, news, weather reports, sports, promotional material, commercials and advertising as are determined and selected by Syndicator;
- (c) The performing rights to all music contained in the Network Programming shall be licensed by BMI, ASCAP, or SESAC in the public domain or controlled by Syndicator;

- (d) The Network Programming shall not violate any copyrights;
- (e) The Network Programming shall be exclusive to Affiliate in Machias, Maine (subject to the right of Syndicator to broadcast the Network Programming on WQDY FM, pursuant to Section 5 of this Agreement and the right of Syndicator to offer all, or any part of, the Network Programming to other radio stations.
- (f) The Network Programming shall be delivered by Syndicator to Affiliate at Syndicator's studio in Calais, Maine, in such manner as Syndicator determines to be appropriate.

4. **Broadcasting Obligations of Affiliate.** Commencing at the Effective Time, and continuing through the Term, except as otherwise expressly provided in this Agreement, Affiliate shall broadcast the Network Programming on the Facilities of the FM Station live and in its entirety, including commercials at the times specified, and without interruption, deletion, or addition of any kind. Notwithstanding the foregoing, however:

- (a) Affiliate shall have the right to delete and not to broadcast any material contained in any part of the Network Programming which it regards as being unsuitable for broadcast or the broadcast of which it believes would be contrary to the public interest;
- (b) Affiliate shall have the right to substitute "public affairs" or "informational" programming (collectively, "Affiliate's Public-Interest Programming") of, at least, one hour per week to be broadcast on such days and at such times as mutually agreed upon between syndicator and Affiliate in place of the Network Programming provided by Syndicator pursuant to this Agreement.

5. **Syndicator's Simulcast of Network Programming on WQDY FM Station.** During the Term, contemporaneously with the delivery of the Network Programming to Affiliate for broadcast in accordance with this Agreement, Syndicator may broadcast the Network Programming on the facilities of WQDY FM provided, however, that Syndicator shall not be required to broadcast the Network Programming on WQDY FM at any time, including, without limitation those times during which Syndicator is broadcasting public affairs or informational programming on WQDY FM determined by it not to be a part of the Network Programming ("Syndicator's Public-Interest Programming").

6. **Marketing Arrangement.** Syndicator shall have the right to market and sell commercial time and advertising to be included in the Network Programming. Syndicator shall offer and make available to the general public advertising opportunities with respect to the Network Programming on the basis of each of:

- (a) broadcasting on the WALZ FM only;
- (b) broadcasting on the WQDY FM only; or,
- (c) broadcasting on both WQDY FM and WALZ FM

and shall quote separate rates with respect to each of (a), (b), and (c) above. Syndicator shall be authorized to collect, hold and apply all revenues derived from the sale of advertising and commercial time with respect to the Network Programming, and all such revenues collected, whether based on (a), (b), or (c) above, shall be hereinafter referred to as the "Network Programming Revenues." All Network Programming Revenues shall be the property of Syndicator. Syndicator shall have the authority to determine all advertising rates and, upon request of Affiliate, from time to time, shall provide to Affiliate a copy of the most current applicable advertising rate schedule. Notwithstanding the foregoing, Syndicator shall have the right to sell advertising and commercial time with respect to any Network Programming broadcast exclusively by it (such as Affiliate's Public Interest Programming and Syndicator's Public-Interest Programming).

7. WODY FM AND WALZ FM TO BE OPERATED SEPARATELY.

Affiliate shall retain exclusive control of the operations of the WALZ FM Station, and Syndicator shall retain exclusive control of the operations of the WQDY FM Station, including, without limitation, all labor relations and personnel matters, specification, acquisition, installation, operation, maintenance, and repair of all facilities and equipment, and the technical broadcast of the station's signal. Further, in particular, and not by way of limitation, each of the WALZ and the WQDY FM shall bear and pay, on a current basis, all expenses incurred in the operations of such stations and shall have such authority to hire, promote, and terminate its employees. Affiliate and Syndicator do not intend to be partners or joint ventures and shall not be deemed to be partners or joint ventures under any circumstance for any purpose.

regional Basketball games on WQDY and for these packages/promotions affiliate would receive a 15% commission and syndicator would be responsible for billing clients.

8. Warranties and Representations of Affiliate. Affiliate warrants and represents to Syndicator that each of the following is true and correct:

- (a) affiliate has all licenses and permits (including, without limitation, all FCC licenses) necessary to operate WALZ FM and to broadcast the Network Programming as required by this Agreement;
- (b) Affiliate is in compliance with all requirements set forth in each of the FCC licenses pertaining to WALZ FM and in compliance with all legal requirements associated with the ownership and operation of WALZ FM.
- (c) The execution, delivery, and performance of this Agreement has been duly authorized by all necessary corporate action of Affiliate, and this Agreement shall not constitute a breach or default under Affiliate's charter or bylaws or any agreement to which it is a party;
- (d) The broadcast facilities of WALZ FM are in good working order and are adequate and sufficient to permit the broadcasting of the Network Programming with a listenable signal throughout the Machias area.

09. Warranties and Representations of Syndicator. Syndicator warrants and represents to Affiliate that each of the following is true and correct:

- (a) Syndicator has all licenses and permits (including, without limitation, all FCC licenses) necessary to operate WQDY FM and to provide and broadcast the Network Programming as required by this Agreement;
- (b) Syndicator is in compliance with all requirements set forth in each of the FCC licenses pertaining to WQDY FM and is in compliance with all legal requirements associated with the operation of WQDY FM and,
- (c) The execution, delivery, and performance by Syndicator of this Agreement has been duly authorized by all necessary corporate action of Syndicator, and this Agreement shall not constitute a breach or default under Syndicator's charter or bylaws or any agreement to which it is a party.

10. Additional Covenants and Agreements of Affiliate. In addition to its other obligations under this Agreement, Affiliate covenants and agrees that, throughout the Term:

- (a) Affiliate shall operate WALZ FM in accordance with all requirements of its FCC licenses and in compliance with all applicable laws, federal, state, or local;
- (b) Affiliate shall keep and maintain all of the broadcast equipment associated with WALZ FM in good working order and shall maintain a listenable signal during broadcast throughout the Town of Machias, Maine.
- (c) Affiliate shall not tape, copy, or reproduce (and shall not permit or authorize the taping, copying, or reproduction of) the Network Programming, or any part thereof;
- (d) Affiliate shall not use, authorize, or permit the use of, the Network Programming, or any part thereof, for any purpose other than the broadcast of same by WALZ FM in accordance with this Agreement;
- (e) Affiliate acknowledges that all copyrights, trademarks, trade names, and other intellectual property rights originated, generated, arising out of, or in connection with, the Network Programming or licensed to Syndicator for use in the Network Programming, shall be the exclusive property of Syndicator, subject only to a license to broadcast the same during the Term, pursuant to this Agreement;
- (f) Affiliate shall give written notice to Syndicator (together with copies of relevant documents) within ten (10) days of any of the following events or circumstances:
  - (i) any filing by Affiliate with the FCC; pertaining to the operation of WALZ
  - (ii) receipt by Affiliate of any notices from the FCC with respect

to possible violations by Affiliate of Affiliate's licenses with respect to the FM Station or FCC rules, regulations, or policies;

11. Additional Covenants and Agreements of Syndicator. In addition to its other obligations under this Agreement, Syndicator covenants and agrees that, throughout the Term:

- (a) Syndicator shall operate the WQDY FM in accordance with all requirements of its FCC licenses and in compliance with all applicable laws, federal, state, or local; and,
- (b) Syndicator shall disclose to Affiliate any information of which Syndicator has knowledge as to any money, service, or other valuable consideration which any person has paid or accepted, or has agreed to pay or accept, for the inclusion of any matter as a part of the Network Programming other than any matter having obvious sponsorship identification.

12. Termination.

- (a) This Agreement may be terminated by either party by written 90 days notice to the other upon the occurrence of any of the following:
  - (i) the failure of any warranty or representation of the other party contained in this Agreement to be true and correct, in any material respect, as of the date of this Agreement;
  - (ii) the failure or refusal by the other party to perform fully and timely any obligation of such party under this Agreement and the continuation of such failure or refusal for ten (10) days after the giving of notice by the terminating party to the other party with respect to such failure or refusal;
  - (iii) the final determination by the FCC or any other administrative agency, or any court, that this Agreement, or the performance by either party of its obligations with respect to this Agreement, violates the law or rules, regulation, or policies of the FCC; or
- (c) This Agreement maybe terminated by Syndicator by written notice to Affiliate within thirty (30) days of the close of any calendar month during the Term, if, during such month, Affiliate has deleted or failed to broadcast, pursuant to Section 4 (a) of this Agreement, twenty (20) hours or more of the Network Programming.

Any termination of this Agreement pursuant to this Section 15 shall become effective at 12:00 midnight on the one hundred twentieth (120th) day following the notice of termination given pursuant hereto; provided, however, that any termination pursuant to subsections (a) (ii), (a) (iii), or (c) above shall become effective upon the giving of the notice of termination.

14. Force Majeure. Neither Syndicator or Affiliate shall have or incur liability to the other because of a failure to deliver or broadcast the Network Programming resulting from any of: (a) failure to facilities (other than a failure which constitutes a breach of the covenant set

forth in Section 11 (b) of this Agreement), (b) labor disputes, or (c) other causes beyond the control of the party failing to deliver or broadcast the Network Programming.

15. Notices. All notices required or permitted under this Agreement shall be given in writing and shall be deemed given when delivered by facsimile transmission to the party charged with such notice at the number set forth below, with a copy of such notice deposited on such day in the United States Mail, certified mail, return receipt requested, postage be prepaid, and addressed to such party at the address set forth below:

Affiliate: Machias Valley Broadcasting  
Marshfield Road  
Machias, Maine 04654  
Fax Number (207) 255-3485

Syndicator: WQDY, Inc.  
P. O. Box 403  
Calais, Maine 04619  
Fax Number (207) 454-3062

(e) This Agreement constitutes the entire agreement of the parties.

EXECUTED as of the date above-written.

AFFILIATE: Machias Valley Broadcasting  
WALZ FM

By: Roger Holst, Michael Goodine, William McVicar

Title: Owner

SYNDICATOR: WQDY, INC.

Agents for

BY: William McVicar

Name: William McVicar

Title: V.P.

BY: Michael Goodine

Name: Michael Goodine

Title: Pres.

4-19-99

LMA AMENDAMENT

EFFECTIVE APRIL 19, 1999, WQDY INC. WILL PROVIDE PROGRAMMING FOR  
WALL, AND MACHIAS VALLEY BROADCASTING UNDER THE PREVIOUS  
ARRANGEMENT AND AGREEMENT DURING THE FOLLOWING HOURS. MONDAY  
THRU FRIDAY 11AM TO 5AM. SATURDAY AND SUNDAY 12AM TO 12PM.

SIGNED FOR WQDY INC.: MICHAEL GOODINE PRES.

*Michael Goodine*

MACHIAS VALLEY BROADCASTING: ROGER HOLST, GENERAL PARTNER

*Roger Holst*



As stated under provisions of the attached contract, WALZ FM ( William G. McVicar and Roger Holst, General Partnership) do wish to continue terms of the "Programming Affiliation Agreement with WQDY Inc., for a term of eight years ending on February 6th, 2006.

AFFILIATE: William G. McVicar and Roger Holst, General Partnership - WALZ FM

Title: Owner

SYNDICATOR: WQDY Inc.

Agents for

By: William McVicar For WQDY Inc.

Name: *William McVicar*

Title: *William McVicar* *President*

By: Roger Holst for WALZ FM

Name: *Roger Holst*

Title: *PARTNER*

Date: *2/5/98*

As stated under provisions of the attached contract, WALZ FM ( William G. McVicar and Roger Holst, General Partnership) do wish to continue terms of the "Programming Affiliation Agreement with WQDY Inc., for a term of eight years ending on February 6th, 2014.

AFFILIATE: William G. McVicar and Roger Holst, General Partnership - WALZ FM

Title: Owner

SYNDICATOR: WQDY Inc.

Agents for

By: William McVicar For WQDY Inc.

Name: William McVicar

Title: President

By: Roger Holst for WALZ FM

Name: Roger Holst

Title: PARTNER

Date: 2/3/06

As stated under provisions of the attached contract, WALZ FM (William G. McVicar and Roger Holst, General Partnership) do wish to continue terms of the "Programming Affiliation Agreement with WQDY Inc., for a term of eight years ending on February 6th, 2022.

AFFILIATE: William G. McVicar and Roger Holst, General Partnership - WALZ FM

Title - Owner

SYNDICATOR: WQDY Inc.

Agents for

By: William McVicar for WQDY Inc.

Name: William McVicar

Title: President

By: Roger Holst for WALZ FM

Name: Roger Holst

Title: Partner

Date: 2/6/14