

LOCAL MARKETING AGREEMENT  
with Option to Purchase Assets

This Local Marketing Agreement ("Agreement") is entered into as of the 1<sup>st</sup> day of September, 2012, by and between The Saint Thomas More Catholic Lawyers Society, Inc., a West Virginia non-profit corporation ("Owner"); and St. Paul Radio Co., a West Virginia non-profit corporation ("Programmer").

RECITALS

A. Owner is the licensee of FM radio station WNUX (89.7) (Facility ID No. 171273), licensed to Montgomery, West Virginia (the "Station") and desires to sell to Programmer airtime on the station for the broadcast of programs produced, owned or acquired by Programmer in accordance with the terms set forth in this Agreement.

B. Programmer has available or will secure radio programs that it desires to have broadcast on the Station and desires to purchase airtime from Owner for the broadcast of such programs.

C. Owner and Programmer have the option of entering into an Asset Purchase Agreement ("Agreement of Purchase") under which Purchaser will purchase all of the assets of owner relative to the operation of Station, upon receipt of all necessary regulatory approvals of the Federal Communications Commission ("FCC").

Therefore, in consideration of the foregoing, the mutual covenants contained herein and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties agree as follows:

1. TERM. The term of this Agreement ("Term") shall commence at 12:01 a.m., on September 1, 2012 ("Commencement Date"), and will continue for 12 months from the Commencement Date, at which time Programmer may, if Owner has the right to extend its Tower Lease for an additional 12 months, extend the term for 12 months.

2. PROGRAMMER'S PURCHASE OF AIRTIME. Programmer shall obtain from Owner airtime on the Station subject to the terms specified below and shall transmit to Owner programming that it produces, owns or acquires ("Program" or "Programs") for broadcast on the Station 24 hours a day, Monday through Sunday. Programmer will transmit its programs to Owner's transmitting facilities via its own means and facilities that will ensure programs meet broadcast and technical industry standards.

3. OWNER'S BROADCAST OBLIGATIONS. Owner shall broadcast the Programs delivered by Programmer subject to Section 7 hereof, with Owner maintaining the right to reject any Program or Programs that do not meet technical and broadcast standards described in Section 2 hereof.

4. SPONSORSHIPS AND ACCOUNTS RECEIVABLE. Programmer will be exclusively responsible for the sale of sponsorships on the Station and accounts receivable therefor effective as of the Commencement Date until the termination of the Agreement. Programmer may not sell or broadcast advertisements.

5. PAYMENTS. For the rights granted to Programmer under this Agreement and subject to the Agreement of Purchase, Programmer agrees to pay Owner \$10 a month beginning with the calendar month in which the Commencement Date falls. Payments hereunder shall be made monthly by the 10<sup>th</sup> day of each month of the Term or for an entire year in advance, provided, however, that any fee due or paid for a month containing the Commencement Date or Closing Date shall be pro-rated to reflect the number of days of such month this Agreement was operative.

6. OPERATION, OWNERSHIP AND CONTROL OF STATION. Notwithstanding anything to the contrary in the Agreement, as long as Owner remains licensee of the Station, it will have full authority and control over the operation of the Station (including finances, personnel and programming) and over all agents of Owner working at the Station during the Term. With Programmer's assistance, Owner will bear responsibility for the Station's compliance with all applicable rules, regulations and policies of the FCC as well as other applicable laws. Without limiting the foregoing, Owner reserves (a) the right to control the policies, finances, programming and operations of the Station, including the right, at its sole discretion, to pre-empt any programming or advertising; (b) the right to refuse to broadcast any Program containing matter that Owner reasonably believes violates, or which a third party claims to violate, any right of any third party, or which may constitute a "personal attack" as defined by the FCC; (c) the right to refuse to broadcast any Program that does not meet the rules, regulations and policies of the FCC; (d) the right to prohibit the broadcast of any commercial announcement that does not comply with the requirements of the FCC's policy as set forth in 47 C.F.R. Section 73.1212, and as this policy may be changed from time to time by the FCC; and (e) the right to comply with the FCC's rules with respect to the ascertainment of community needs and problems, and the preparation and placement in the Station's public inspection files quarterly lists of needs and problems served, the maintenance of the Station's public inspection files, the FCC's technical operating requirements and taking all necessary steps to maintain the Station's FCC licenses in full force and effect.

7. MAINTENANCE OF SIGNAL. With Owner's assistance, Programmer shall maintain the operating power of the Station at the level authorized by the FCC throughout the Term. Programmer, subject to the supervision, control and approval of Owner, shall repair and maintain the Station's towers, transmitter sites and equipment ("Tower and Transmitting Equipment") in good working order during the Term.

8. MUSIC LICENSES. During the Term, Programmer will obtain and maintain in full force and effect in its own name, all music licenses ("Music Licenses") as are currently operative with respect to the Station and as will be required by the licensor ("Licensor") or those Music Licenses. All Music License fees relating to the Programmer's Programs shall be borne by the Programmer.

9. PERFORMANCE FEES. Any performance fees associated with Programmer's Programs on Station shall be borne by Programmer, now or in the future.

10. PROGRAMS. Owner acknowledges that it is familiar with the type of programming Programmer intends to produce for broadcast on the Station and has determined that the broadcast of such programming will serve the public interest. Programmer agrees that the content of the Programs it transmits to Owner shall conform to all FCC rules, regulations and policies. In regard to any Programs designed to assist Owner in addressing issues of public concern in Montgomery, West Virginia, Programmer agrees that it will consult with Owner concerning the content of such Programs. Owner acknowledges that its right to broadcast the Programs is non-exclusive and that the ownership of the Programs, and all parts thereof, and their right to authorize their use in any manner and in any media, shall be and remain vested in the Programmer.

11. EXPENSES. During the Term Owner and Programmer shall be responsible for all expenses related to performing their respective obligations under this Agreement, including: (a) salaries, taxes and benefits for employees, (b) legal and accounting expenses (c) federal, state and local income, franchise and personal property taxes, (d) other business expenses incurred by either respective party relative to their performance under this agreement. Programmer shall bear responsibility for rental payments for Station tower site and annual spectrum fees and all other fees associated with its obligations pursuant to FCC rules, regulations and policies.

12. CALL LETTERS. Owner will retain all rights to the call letters WNUX (FM) for use by the Station and will, with Programmer's assistance, ensure that the proper station identification announcements are made in accordance with FCC rules. Programmer shall include in its Programs an announcement, in a form satisfactory to Owner, at the beginning of each hour of such Programs to identify the Station as well as any other announcement required by the rules, regulations and policies of the FCC.

13. EVENT OF DEFAULT. The occurrence of any of the following may be deemed an Event of Default ("Default") under this Agreement by Programmer if (i) Programmer fails to make timely payments in full as provided in Sections 5 and 8 of this Agreement; (ii) Programmer fails to observe or perform any other covenant or obligation contained in this Agreement; and (iii) any representation or warranty made by Programmer under this Agreement is determined to be untrue at the time of its making in any material respect. Notwithstanding the foregoing, an Event of Default will not be deemed to have occurred until fifteen (15) days after the non-defaulting party has provided the defaulting party with written notice specifying the Event(s) of Default and such Default(s) remain uncured.

14. TERMINATION. Any of the following conditions is reason for termination of this Agreement.

(a) An Event of Default as described in Section 13 of this Agreement. The non-defaulting party may terminate this Agreement immediately upon written notice to the defaulting party. In the event of such termination by programmer, Owner shall refund to Programmer the pro-rata portion of monthly fees determined by the termination date.

(b) Upon any action by the FCC that determines that the continued performance of this Agreement is in violation of FCC rules. Subsequent to such action each party will use its best efforts to comply with the FCC requirements or will agree on the terms of a rescission of this Agreement on a time schedule sufficient to meet the FCC's requirements.

Should this Agreement be terminated, for whatever reason, the parties agree to cooperate with one another and to take all necessary actions to return the parties to the *status quo ante*.

15. AUTHORITY. Programmer and Owner each has the power and authority to enter into this Agreement. The execution, delivery or performance by Owner or Programmer of this Agreement does not conflict with, result in a breach of or constitute a default or grounds for termination under this Agreement to which Owner or Programmer, respectively, is a party or by which either of them is bound.

16. MODIFICATION AND WAIVER, REMEDIES AND SURVIVAL. This Agreement may only be modified in writing and signed by both parties. No failure or delay on the part of Owner or Programmer in exercising any right or power under this Agreement will operate as a waiver of such right or power, nor will any single or partial exercise of any such right or power or the exercise of any other right or power operate as a waiver. Except as otherwise provided in this Agreement, the rights and remedies provided herein are cumulative and are not exclusive of any other rights or remedies which a party may otherwise have. The rights of each party hereunder shall survive the termination of this Agreement as to the covenants and obligations to indemnify or reimburse as provided herein.

17. ASSIGNABILITY; NO THIRD PARTY RIGHTS. Neither party may assign any of its rights or delegate any of its duties hereunder to any person or entity other than an affiliate without the prior written consent of the other party hereto, whose consent shall not be unreasonably withheld. The covenants, conditions and provisions hereof are and shall be for the exclusive benefit of the parties hereto and their permitted assigns, and nothing herein, expressed or implied, is intended or shall be construed to confer upon or give any person or entity other than the parties hereto and their permitted assigns any right, remedy or claim, legal or equitable, under or by reason of this Agreement.

18. CONSTRUCTION. This Agreement will be construed in accordance with the laws of the state of West Virginia without regard to principles of conflicts of laws.

19. COUNTERPART SIGNATURES. This Agreement may be signed in one or more counterparts, each of which will be deemed a duplicate original.

20. NOTICE. Any notice required under this Agreement must be in writing. Any payment, notice or other communications will be deemed given when delivered personally, or mailed by certified mail or overnight courier, postage pre-paid, or sent via facsimile, addressed as follows (or to such other address designated in writing upon due notice to the other party):

If to Owner, then to:

The Saint Thomas More Catholic Lawyers Society, Inc.  
P. O. Box 1746  
Charleston, West Virginia 25326

If to Programmer, then to:

St. Paul Radio Co.  
P. O. Box 3744  
Charleston, West Virginia 25337

21. ENTIRE AGREEMENT. This Agreement embodies the entire agreement and supersedes all prior oral or written understandings between the parties with respect to the subject matter of this Agreement.

22. RELATIONSHIP OF PARTIES. Neither Owner nor Programmer will be deemed to be the agent, partner or representative of the other party to this Agreement and neither party is authorized to bind the other to any contract, agreement or understanding.

23. FORCE MAJEURE. The failure of either party hereto to comply with its obligations under this Agreement due to acts of God, strikes or threats thereof or a force majeure or due to events or causes beyond such party's control will not constitute an Event of Default under this Agreement, and neither party will be liable to the other therefore.

24. SUBJECT TO LAWS; PARTIAL INVALIDITY. 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 the Owner and Programmer shall promptly file a copy of this Agreement with the FCC as required. If any provision of this Agreement is held to be invalid, illegal or unenforceable, such determination will not affect any other provision of this Agreement.

25. HEADINGS. The headings of the various provisions of this Agreement are for convenience only and shall not in any way affect or alter the meaning of any provision.

26. CERTIFICATION - FCC RULES. Pursuant to Section 73.3555 (a) (2) (ii) of FCC rules the parties certify as follows:

(a) Owner certifies that it shall at all times maintain ultimate control of the Station's facilities, including specifically, control over station finances, personnel and programming.

(b) Programmer certifies that this Agreement complies with the provisions of Section 73.355 (a) (1) and (e)(1) of FCC rules.

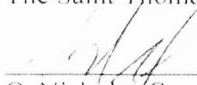
27. CONFIDENTIALITY. Neither party shall disclose the terms of this Agreement to any third party except when such disclosure is required by law.

28. OPTION TO ACQUIRE. Owner hereby grants to Programmer an exclusive right or option to acquire all of the assets of the Station if Owner shall elect to dispose or transfer them. Owner shall give Programmer notice of its election to dispose or transfer the assets of the Station and Programmer shall have 180 days thereafter to state its election to acquire the assets of the Station. If Programmer elects to acquire the assets of the Station, Owner shall cooperate with Programmer to that end.

IN WITNESS HEREOF, the parties have caused this Agreement to be executed by their respective duly authorized representatives, each as of the date first above written.

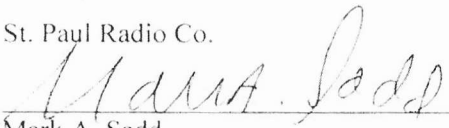
OWNER:

The Saint Thomas More Catholic Lawyers Society, Inc.

By:   
\_\_\_\_\_  
G. Nicholas Casey, Jr.  
Its: President

PROGRAMMER:

St. Paul Radio Co.

By:   
\_\_\_\_\_  
Mark A. Sadd  
Its: President

**THE SAINT THOMAS MORE CATHOLIC LAWYERS SOCIETY, INC.  
UNANIMOUS WRITTEN CONSENT OF THE BOARD OF DIRECTORS**

*Effective as of May 1, 2007*

The undersigned, being all of the members of the Board of Directors of The Saint Thomas More Catholic Lawyers Society, Inc. (the *Company*), does hereby take the following action by written consent in accordance with Article X of the Company's Bylaws:

**WHEREAS**, the Company exists to promote the spiritual well-being and the religious formation of Catholic lawyers and others in accordance with the Magisterium of the Church; and

**WHEREAS**, the Company has been presented with the opportunity to apply for a Non-Commercial Educational license to construct and operate through a management agreement with Saint Paul Radio Company, a West Virginia non-profit corporation, an FM radio station in the Kanawha Valley; and

**WHEREAS**, the Board of Directors believes that pursuing the opportunity jointly with Saint Paul Radio Company helps to fulfill the goals and purposes of the Company, including, without limitation, educating all persons, including lawyers both Catholic and non-Catholic, about the Catholic Church and its teachings;

**NOW, THEREFORE, BE IT RESOLVED**, that the Company and any of its directors and duly appointed officers be and hereby are authorized to execute, deliver and perform an application to the Federal Communications Commission to construct and operate an NCE FM station in or near the Kanawha Valley; to enter into any collaborative or management agreement with Saint Paul Radio Company to seek or obtain any such license or licenses and to construct and operate any radio station thereunder; and to raise and expend moneys of the Company, but only upon a vote or consent of the Board of Directors in accordance with the Bylaws, for the necessary or appropriate for the purpose of carrying out the intent of the foregoing resolutions

**RESOLVED**, that the Company amend its Articles on Incorporation, to the extent necessary or appropriate for the purpose of carrying out the intent of the foregoing resolutions

**RESOLVED FURTHER**, that any director or duly appointed officer of the Company (each, a *Proper Signatory*) is hereby individually authorized and empowered to execute, deliver, file and record any and all agreements, certificates and other documents and instruments, and to take any and all such other actions, as they may deem necessary or appropriate for the purpose of carrying out the intent of the foregoing resolutions (the authority of any Proper Signatory; to execute and deliver any such agreements, certificates and other documents and instruments and to take any and all such other actions to be conclusively evidenced by their execution and delivery thereof or their taking thereof); and that all acts of the Company and any Proper Signatory taken in connection with the actions authorized by the foregoing resolutions prior to the date hereof, are hereby approved, ratified and confirmed in all respects.

**RESOLVED FURTHER**, that all prior lawful actions taken by any Proper Signatory in connection with the matters contemplated by the aforementioned resolutions in the name and on

behalf of the Company are hereby ratified and confirmed in all respects; and be it

The undersigned Directors signed this Unanimous Written Consent of Board of Directors as of the date first written above.

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