



Media Services Agency

Affiliate Airtime Contract

Affiliate:

HOUR OF HARVEST, INC.
WLJC BEATTYVILLE, KENTUCKY

14171 Chambers Road
Tustin, California 92780-7091
Phone: (714) 665-2153 • Fax: (714) 832-0645

Affiliate Address

HOUR OF HARVEST, INC.
P.O. BOX Y
BEATTYVILLE, KY 41311

ATTN: JONATHAN DRAKE

As used in this contract the words "the Station" shall refer to the Station or Stations specified hereinabove

Contract No. 34057

Spot Number

Date 12/20/2011

Sponsor

TRINITY BROADCASTING NETWORK

Program

TRINITY BROADCASTING NETWORK

Phone

(606) 464-3600

Fax

(606) 464-3600

Billing Terms

MONTHLY

Cancellation Notice Required

30 DAYS' WRITTEN

LINE NO.	DAY	TIME		EFFECTIVE DATES	LENGTH	FREQ.	MONTHLY NET RATE
		FROM	TO				
1				1/01/12			
2				THRU			
3				12/31/12			

TBN STATIONS DO NOT DISCRIMINATE IN THE SALE OF PROMOTIONAL OR ADVERTISING TIME, AND THEY ACCEPT NO PROMOTIONS OR ADVERTISING WHICH IS PLACED WITH AN INTENT TO DISCRIMINATE ON THE BASIS OF RACE, GENDER, NATIONAL ORIGIN, OR ETHNICITY. PROGRAMMER HEREBY CERTIFIES THAT IT IS NOT BUYING BROADCASTING AIR TIME UNDER THIS CONTRACT FOR A DISCRIMINATORY PURPOSE, INCLUDING BUT NOT LIMITED TO DECISIONS NOT TO PLACE PROMOTIONS OR ADVERTISING ON PARTICULAR STATIONS ON THE BASIS OF RACE, GENDER, NATIONAL ORIGIN, OR ETHNICITY.

BROADCAST, TRANSMISSION, USE AND DISTRIBUTION RIGHTS: Programmer hereby warrants that it holds and has authority to assign and license to TBN, its successors and assigns, the rights to broadcast, distribute, use, perform, transmit, display and copy all material, content and information contained in Program which Programmer will supply to TBN. Programmer hereby authorizes TBN to duplicate, broadcast, rebroadcast, exhibit, transmit, display, perform, distribute, telecast and offer as video on demand (VOD), provide via streaming digitally on the Internet or by any digital platform capable of displaying or disseminating video programming and to transmit to other broadcast television, cable television, pay per view, broadband, fiber optic, subscription television, wireless cable, internet, the World Wide Web, WiFi, WiMax, telephony and/or satellite and DBS systems via recording, broadband, fiber optic or wire cable, microwave, broadcast signal, common carrier or satellite relay, the programming provided by Programmer.

CONSIDERATION, BILLING AND PAYMENT: TBN will invoice Programmer on a monthly basis for the air time utilizing the standard Broadcast Calendar Method (ending on the last Sunday of the fiscal month). Invoices will state the exact date and times of the telecast of the Program utilizing the official logs maintained by TBN as required by FCC regulations. This statement, when sworn by TBN, shall be an Affidavit of Performance to verify TBN's proof of performance.

Payment by Programmer is due within thirty (30) days from the date of the invoice.

If the invoice is not paid in full on the due date, any outstanding balance shall incur a late fee in the amount of 12 percent (12%) per annum.

Programmer's air time rates shall be subject to renegotiation in the event Programmer's programs are broadcast over additional designated market areas that are added to the TBN network during the term of this Agreement.

Programmer acknowledges that TBN is underwriting a portion of the actual costs of the air time by subsidizing the difference between the net rate (set forth on the face of this Agreement) and TBN actual costs. Programmer therefore agrees to accept at least one (1) guest appearance on a TBN network produced program each year before the expiration of this Agreement.

If this Agreement is executed by an Agent for Programmer, Programmer guarantees Agent's performance and shall be jointly and severally liable for all liabilities arising hereunder without notice or recourse.

SCHEDULING, DELIVERY & RECEIPT: The Program must be delivered to TBN at least five (5) business days prior to the broadcast date to allow TBN sufficient time for continuity viewing. If the Program is not delivered within five (5) business days prior to the broadcast date, TBN may substitute another Program of Programmer. In such an event, Programmer shall not be entitled to a credit. TBN may, but shall not be required to give, Programmer courtesy notice that Programmer's Program has not been received. In such a case TBN will broadcast the preceding day's Program or a backup Program previously designated by Programmer.

Programmer shall be solely responsible for all costs associated with the delivery (and return if requested) of all Programming to (or from) TBN.

PAGE THREE TO CONDITIONS IS ATTACHED AND INCORPORATED BY REFERENCE.

ACCEPTED FOR STATION

ACCEPTED FOR PROGRAMMER
BY MEDIA SERVICES AGENCY:

- TBN shall exercise normal precautions in the handling of property and mail but assumes no liability for loss or damage of the Program and other property furnished by Programmer. If satellite is the method of delivery, TBN will not be held responsible for any technical or transmission difficulties that may preclude TBN from receiving the Program by these methods.

Programmer's monthly Air Schedules shall be delivered to TBN Media Services and TBN Traffic by the twentieth (20th) of each month for all Programs running on TBN during the following month. The Schedule will reflect the air date and Program identification number designated by Programmer. Any revision to the Air Schedule by Programmer must be made in writing to the both TBN Media Services and TBN Tra. least five (5) business days prior to broadcast.

QUALITY AND CONTENT OF PROGRAM: Programs are to be recorded in a professional format such as DigiBeta, Beta SX, and Betacam, DVC Pro, DVC Pro-HD, HD-CAM. Unacceptable formats include but are not limited to DVDs, DV, S-VHS. Production values pertain to the aesthetic quality of the production in terms of caliber of camera work, directing, editing, sound mixing and a host of other elements that cause a program to be considered to be high quality in terms of mechanical production values. The quality of the audio and video should be broadcast quality standards having good signal to noise ratio, video parameters correctly set, color match between cameras, good resolution and colorimetry. Audio should be recorded at standard levels with no distortion or objectionable equalization. Audio must be recorded on channel one and two in stereo or monaural. All Programs must be closed captioned for the hearing impaired, line 21-SD, line 09-HD.

Programmer understands and acknowledges that TBN is a church and Christian television broadcasting network. As such, the format of each Program must emphasize Christian instruction, ministry or evangelism. Program-length fundraising formats and infomercials are expressly prohibited.

Announcements regarding fundraising and/or premium offers must not exceed three (3) minutes per half-hour program (28.30) or six (6) minutes per hour program (58.30) on TBN's commercial stations. Programs on TBN's non-commercial stations are limited to three (3) minutes regardless of Program length. Announcements placed outside of the Program's open and close are prohibited. Graphic Crawls are not permitted, except by express written consent of TBN. The use of credit cards as a convenient method for making donations, etc. may be mentioned, but credit card names and logos may not be shown or mentioned.

Programmer believes and hereby represents to TBN that the Program(s) submitted to TBN will meet the above criteria for content and quality. TBN shall have the final word, in its sole discretion, to determine whether a Program, as delivered, meets TBN's criteria in promoting fundamental Christian values and principals which are morally sound and family oriented and whether the technical quality of the program meets TBN's minimum standards for broadcast quality.

Should TBN determine that a Program does not meet its criteria for content and/or quality, TBN shall have the right to decline to broadcast the Program. TBN will notify Programmer of its decision and allow Programmer to have the opportunity to either modify the Program to meet TBN's criteria or to substitute another Program depending on timeliness to the air date. Programmer shall not be entitled to any credit for TBN's declining to broadcast a Program for content and/or quality issues.

TELETHON & HOLIDAY PROGRAMMING: Programs may be preempted up to three (3) times per year for TBN telethons. In addition, Programs may be preempted from time to time by TBN for a local fundraising. Programmer will not be charged for Programs that are preempted for telethon.

TBN requires and Programmer shall provide to TBN special holiday programming directly relevant to the following holidays and time periods: (1) Easter Sunday and Holy Week commencing with Palm Sunday (i.e. death & resurrection of Christ); (2) Thanksgiving Day (i.e. thanks to God); (3) Christmas commencing seven (7) days prior to Christmas Day (i.e. birth of Christ).

Programmer acknowledges and agrees that Program's which do not comply with holiday criteria may be preempted and replaced with holiday relevant programming. If a Program is preempted for noncompliance, Programmer shall be liable and invoiced for Fifty percent (50%) of the air time rate.

TBN encourages Programmer to produce a holiday specific program for Valentine's Day, Mother's Day, Father's Day, July 4th, Memorial Day, Veteran's Day, New Year's Eve and New Year's Day. If not, Programmer shall produce a holiday specific spot in the Program of least sixty (60) seconds in length and in the form of a graphic or spoken word.

REPRESENTATIONS and ACKNOWLEDGEMENTS OF PROGRAMMER: Programmer warrants that neither Programmer nor any party engaged in the production of the Program or the broadcast thereof, has accepted or agreed to pay, any money, service, or other valuable consideration, as defined by Section 508 of the Communications Act of 1934, as amended.

Programmer represents and warrants that it has or will obtain, at its sole cost and expense, all rights necessary to enter into this Agreement and to permit the exercise by TBN of the rights herein granted including any and all music synchronization and mechanical rights and licenses as well as any and all performance rights by the artists and/or other material susceptible to performing rights contained in the Program. Such rights that Programmer does not have or cannot obtain are within the public domain and are free to exercise by TBN.

The Program contains no defamatory statements and in no way infringes upon or violates any copyright, trademark or any proprietary rights of any third parties. Programmer has made no Agreement or commitment and has granted no license or other agreement in conflict with the terms hereof.

Programmer understands and acknowledges that TBN is a California non-profit corporation and that, as a result of the broadcast of the Program, it may receive donations from the general public or, from time to time, receive checks and other negotiable instruments made payable to Programmer and hereby grants to TBN a limited power of attorney to endorse any checks and other negotiable instruments TBN receives made payable to Programmer and to credit eighty percent (80%) of those funds to Programmer's airtime account. Programmer, its employees, agents, attorneys, and their respective successors and assigns, hereby absolutely and forever waives any right or interest to any of those funds except as provided herein.

PROGRAMMER DISCLOSURES: Upon execution of this Agreement, Programmer shall provide a copy of its original letter of determination and any modifications or supplements issued by the Internal Revenue Service ("IRS") recognizing Programmer's organization as a nonprofit, tax-exempt, public charity and a copy of its latest tax return (IRS form 990). If Programmer is a church or church ministry which has not filed for tax-exempt, public charity status with the IRS it must provide a statement from its attorney or certified public accountant that the church or church ministry: (1) is operated as a church as defined by the IRS, (2) would be entitled to tax-exemption as a public charity if it were to file with the IRS, (3) that all fundraising by Programmer was conducted in accordance with state and federal non-profit law and (4) is not operated for private gain or benefit.

Programmer shall immediately notify TBN if there is any change in its IRS letter of determination, church or public charity status. Failure to provide the above information in a timely manner will be cause to terminate this Agreement as a material breach.

HOLD HARMLESS: Programmer hereby undertakes to indemnify, defend and hold harmless TBN and its parents, subsidiaries, divisions, officers, directors, employees, attorneys and agents, and their respective successors and assigns, from any action, suit, claim, liability, payment, expense, cost, judgment, fee or award with respect to any violation or infringement, or alleged violation or infringement, of any existing or future copyright, trademark, property, explanation, synchronization, contract, license or use right, whether based on statutory, common law, contract, license or use claim or right, arising from a breach of the representations set forth above or arising out of the programming materials and content supplied to TBN by Programmer, or derivatives of those materials created under the authority of this Agreement and that it maintains adequate insurance coverage regarding the same.

TBN agrees to hold and save Programmer harmless against all liability resulting from the telecast of (1) program material except program material furnished by Programmer and (2) musical compositions licensed for telecasting by a music licensing organization of which TBN is a licensee.

POWER REDUCTIONS/ FAILURE TO TELECAST/SUBSTITUTION OF PROGRAMS OF PUBLIC SIGNIFICANCE: If, due to technical problems, mechanical, equipment or electronic malfunctions or breakdowns, public emergency or necessity, force majeure, labor disputes or for any other cause beyond TBN's control, TBN is forced to reduce its operating power, such an occurrence shall not be construed as a breach hereof. Compliance with the rules and regulations of the Federal Communications Commission concerning such reduced power operation shall act to continue this Agreement in full force and effect regardless of the station's operating power.

If, due to technical problems, mechanical, equipment or electronic malfunctions or breakdowns, public emergency or necessity, force majeure, labor disputes or for any other cause beyond TBN's control, there is an interruption or omission of both the audio and video signals of any Program subject to this Agreement, Programmer shall be provided a credit on its invoice pro-rated against the value of the full program being aired.

TBN shall have the right to pre-empt any Program or portion thereof covered by this Agreement and telecast in its place and stead another program which TBN, in its sole discretion, determines to be of public significance. TBN will notify Programmer in advance if reasonably possible, where such notice cannot reasonably be given, TBN will notify Programmer within a reasonable time thereafter and offer to Programmer a substituted time slot for airing the Program. If TBN and Programmer cannot agree upon a satisfactory substitute day and time, the pre-empted Program shall be deemed cancelled without affecting the rates, discounts, or rights provided under this Agreement except that Programmer shall not have to pay TBN any charges for the cancelled program.

TERMINATION: TBN and Programmer shall have the right to terminate this Agreement, without cause, in their respective sole discretion, upon thirty (30) days written notice to the other party. The rights and duties of the parties shall remain in effect until the last airing of the Program at which time any further rights and duties to each other shall cease, except earned rates will apply up to the date of last airing of the Program.

TBN shall have the right to immediately suspend this Agreement upon default by Programmer of any payment due under this Agreement or other material breach of the terms hereof. Upon such suspension, TBN shall give Programmer notice and a reasonable opportunity to cure the default. Should Programmer fail or refuse to do so, then TBN shall have the right to terminate this Agreement without further liability to Programmer and all fees and charges due to TBN shall become immediately due and payable without offset or credits to Programmer.

TBN shall have the right to immediately suspend this Agreement if Programmer, or any person associated with Programmer, commits an act or becomes involved in any incident or occurrence that, in the TBN's sole discretion, would bring the reputation and/or good faith of TBN into question or disrepute, and may terminate this Agreement without further liability to Programmer, other than credits as set forth herein.

MISCELLANEOUS: This Agreement contains the entire agreement of the parties hereto and supersedes any prior written or oral agreements between them concerning the subject matter contained herein. This Agreement may not be assigned or transferred without the written consent of TBN nor shall TBN be required to telecast any other Programmer other than the one named in this Agreement. Failure of TBN to enforce any of the provisions herein shall not be construed as a waiver. This Agreement shall be binding upon and inure to the benefit of the parties, their predecessors, assigns, successors in interest, personal representatives, attorneys, principals, employees, independent contractors, officers, directors, shareholders, parents, issue, subsidiaries, agents, servants, estates, heirs, administrators, executors, conservators, trustees, legatees, and other affiliated entities.

TBN's obligation hereunder is subject to the terms and conditions of licenses held by it and to applicable federal, state and local laws and regulations. This Agreement shall be governed by the laws of the State of California, who shall also have jurisdiction with venue in the County of Orange. The parties expressly waive any claim to jurisdiction in any federal or other state forum or venue in any other county or place. The prevailing party shall be entitled to recover from the losing party all of his or her actual attorney's fees and costs in bringing, prosecuting, or defending any action arising hereunder.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall be deemed to be one and the same instrument. All counterparts so executed shall constitute one agreement binding upon all parties, notwithstanding that all parties are signatory to the original or the same counterpart. Signatures to this Agreement may be transmitted between the Parties by electronic means, and such signatures shall be treated as original signatures for all purposes. The terms of this Agreement are contractual and are not mere recital.

The parties hereto, and each of them, further represent and declare that they have carefully read this Agreement and understand the contents thereof. The parties further represent that they each have authority to and sign this Agreement freely, voluntarily and without duress.