

## **TIME BROKERAGE AGREEMENT**

This TIME BROKERAGE AGREEMENT (this "Agreement") is dated as of October 12, 2018 by and between Sison Broadcasting, Inc. (the "Licensee"), and Vox AM/FM, LLC (the "Broker") (Licensee and Broker are sometimes individually referred to herein as a "party" and jointly as the "parties.")

### **RECITALS**

A. Licensee is the owner and operator of radio station WXXX(FM), licensed to South Burlington, Vermont and radio station WVMT(AM), licensed to Burlington, Vermont (each, a "Station" and collectively, the "Stations"), pursuant to licenses, permits and authorizations issued by the Federal Communications Commission (the "FCC").

B. Licensee and Broker have entered into an Asset Purchase Agreement, dated the same date as this Agreement (the "Purchase Agreement"), pursuant to which Licensee has agreed to sell to Broker and Broker has agreed to purchase from Licensee all of the assets used or useful in the operation of the Stations and the licenses and authorizing orders of the FCC of Licensee related thereto, excluding certain Excluded Assets as defined in the Purchase Agreement (the "Assets").

C. Licensee desires to lease air time to Broker on terms and conditions that conform to Station policies and the FCC's rules, regulations and policies for time brokerage arrangements and as set forth herein.

D. Broker desires to provide such programming to and for the Stations in conformity with all rules, regulations and policies of the FCC, and the Policy Statement attached hereto as Schedule 5.1.

E. Capitalized terms used but not defined in this Agreement shall have the meanings given to such terms in the Purchase Agreement.

### **AGREEMENTS**

In consideration of the above recitals and of the mutual agreements and covenants contained herein, Licensee and Broker, intending to be bound legally, agree as follows:

#### **SECTION 1. DEFINITIONS**

The following terms, as used in this Agreement, shall have the meanings set forth in this Section:

"Broker Accounts Receivable" means the unpaid accounts held by Broker for advertising and programming aired on the Stations during the term of this Agreement.

"Communications Act" means the Communications Act of 1934, as amended, together with the rules, regulations and policies promulgated thereunder by the FCC, as in effect from time to time.

"FCC" is defined in the first recital to this Agreement.

"Person" includes natural persons, corporations, business trusts, associations, companies, joint ventures and partnerships.

"Policy Statement" means the Broadcast Station Programming Policy Statement in the form of Schedule 5.1 to this Agreement, as it may be amended from time to time in accordance with this Agreement.

## **SECTION 2. TERM**

2.1 Term. The term of this Agreement will commence on January 1, 2019 (the "Commencement Date") and continue through and until the earlier of the closing of the transactions contemplated by the Purchase Agreement and December 31, 2023, unless terminated as set forth below (the "Term"). This Agreement may be renewed upon such terms and conditions as may be mutually agreeable to Broker and Licensee.

### 2.2 Termination.

(a) Termination by Licensee or Broker. Subject to Section 6.5 hereof, this Agreement may be terminated by Licensee or Broker, by written notice to the other, upon the occurrence of any of the following events.

(i) FCC approval of the assignment of the Station licenses from Licensee to Broker and closing of the transactions provided for in the Purchase Agreement (the "Closing"); or

(ii) this Agreement has been declared invalid or illegal in whole or substantial part by an order or decree or an administrative agency or court of competent jurisdiction which is not subject to appeal or further administrative or judicial review; or

(iii) there has been a change in the Communications Act that causes this Agreement to be in violation thereof and the applicability of such change is not subject to appeal or further administrative review; or

(iv) if the terminating party is not then in material breach of this Agreement or the Purchase Agreement and the other party is in material breach under this Agreement or the Purchase Agreement and has failed to cure such breach within 30 days after receiving notice of breach from the terminating party.

(b) Mutual Agreement. This Agreement may be terminated at any time by mutual agreement of the parties.

(c) Material Adverse Effect on Stations. This Agreement may be terminated immediately by Licensee upon written notice to Broker if Broker breaches its obligations hereunder and such breach would have a material adverse effect on the Stations' FCC licenses and authorizing orders.

2.3 Certain Matters Upon Termination. If this Agreement is terminated for any reason other than the Closing:

(a) Broker shall assign, transfer and convey to Licensee all of Broker's rights and obligations in, to and under any contracts outstanding on the Commencement Date (the "Assumed Contracts") that remain in effect on the date of such termination (collectively, the "Reassigned Contracts"). Broker shall obtain and deliver to Licensee promptly, at Broker's expense, any necessary consents to the assignment of the Reassigned Contracts to Licensee.

(b) Licensee shall assume from Broker all liabilities, obligations and commitments of Broker arising or accruing on or after the date of termination pursuant to the Reassigned Contracts for which Broker has delivered any necessary consents to assignment (Broker remaining liable on any Reassigned Contracts for which consent has not been obtained), and Broker shall be responsible only for those obligations under the Reassigned Contracts arising on or after the Commencement Date and prior to the termination of this Agreement.

(c) Licensee and Broker shall fully cooperate so as to restore each other, as promptly as possible, to the extent practicable, their respective rights, titles, properties and interests enjoyed by each of them prior to entering into this Agreement with respect to assets transferred, monies paid, documents executed, rights assigned and obligations assumed, so that the programming, sales and other functions undertaken by Broker during the Term and described hereinafter will be assumed again by Licensee with minimal disruption and expense to the parties (Sections 2.3(a), (b), (c) are "Unwind" provisions).

(d) No expiration or termination of this Agreement shall terminate the obligations of any party hereto to indemnify the other for claims of third parties under Section 9 of this Agreement or limit or impair any party's rights to receive fees or payments due and owing hereunder on or before the date of such termination.

(e) Broker shall retain and may collect the uncollected Broker Accounts Receivable.

### **SECTION 3. CONSIDERATION**

Except as otherwise expressly provided herein, during the Term of this Agreement Broker shall collect all revenues generated by the Stations, shall directly and promptly pay all payables contracted for by Broker, and shall promptly reimburse Licensee for all Station-related expenses that Licensee is required to pay to fulfill its licensee obligations ("Licensee Expenses").

Additionally, over and above its reimbursement for Licensee Expenses, Broker shall pay Licensee a monthly fee on or before the first day of each month as follows:



#### **SECTION 4. LEASE OF STATION AIR TIME**

4.1 Scope of Lease and Access to Facilities. During the term hereof, Licensee shall make available to Broker all air time on the Stations as may be requested by Broker other than time reserved to or permitted to be used by Licensee in accordance with Section 4.2. Broker shall provide entertainment programming of its selection, complete with commercial matters, news, public service announcements and other suitable programming. Broker shall deliver such programming to the Stations' transmitter facilities or other authorized remote control points as reasonably designated by Licensee.

4.2 Air Time Reserved to Licensee. The parties recognize that Licensee has certain obligations to broadcast programming to meet the needs and interests of the Stations' communities of license, and nothing in this Agreement shall abrogate the unrestricted authority of Licensee to discharge its obligations to the public and to comply with the Communications Act. Accordingly, in addition to and notwithstanding Section 4.1:

(a) Licensee may use such time as it may require for the broadcast of Licensee's own regularly scheduled news, public affairs, entertainment and non-entertainment programming which shall be up to two (2) hours per week per Station.

(b) Upon reasonable notice to Broker, Licensee may elect to set aside additional hours of air time per broadcast week, to be scheduled at a mutually agreeable time, for the broadcast of specific non-entertainment programming on issues of importance to the local community.

(c) Although the parties shall cooperate in the broadcast of emergency information over the Stations, Licensee shall have the right without prior notice to interrupt

Broker's programming in case of an emergency or for programming that, in the reasonable good faith judgment of Licensee, is of overriding public importance.

4.3 Exclusivity. During the Term, Licensee agrees not to enter into any other time brokerage, program provision, local marketing or similar agreement relating to the Stations with any Person.

4.4 Control. Notwithstanding anything to the contrary in this Agreement, Licensee and Broker acknowledge and agree that during the Term, Licensee will maintain ultimate control and authority over the facilities of the Stations, including without limitation control and authority over the Stations' technical operation, main studio, finances, personnel and programming. Broker shall not represent, warrant or hold itself out as the Stations' Licensee and shall sell all of its advertising time and enter into all agreements in its own name.

## **SECTION 5. PROGRAMMING POLICIES**

5.1 Policy Statement. Licensee has adopted and will enforce the Policy Statement attached hereto as Schedule 5.1, which may be amended from time to time by Licensee in its reasonable discretion upon notice to Broker. In providing programming for broadcast on the Stations, including advertising spots and promotional material or announcements, Broker agrees to comply in all material respects with the Policy Statement and the Communications Act. Licensee shall have the right, upon prior written notice to Broker, to reject or refuse any portions of Broker's programming that Licensee reasonably believes to be unsatisfactory, unsuitable or contrary to the public interest, and to suspend or cancel any program supplied by Broker that Licensee reasonably determines does not comply with the Policy Statement. Licensee and Broker will cooperate in an effort to avoid and/or resolve conflicts regarding programming on the Stations and to ensure that the Stations' programming conforms with the Policy Statement and the Communications Act.

5.2 Compliance with Copyright Act. Broker shall not broadcast any material on the Stations in violation of the Copyright Act or the rights of any Person. All music supplied by Broker shall be (a) licensed to Broker at Broker's expense by a music licensing agent such as ASCAP, BMI or SESAC; (b) in the public domain; or (c) cleared at the source by Broker. Subject to Licensee oversight, Broker shall retain the exclusive right to use and to authorize the use in any manner of any programming licensed to it. Licensee shall not be required to pay any music licensing fees or other similar expenses in connection with the material broadcast by Broker on the Stations, and Broker shall be responsible for any such fees. Licensee shall be responsible for any music licensing fees, subject to Section 3, required in connection with material broadcast by Licensee in accordance with Section 4.2.

5.3 Political Advertising. Broker shall cooperate with Licensee to assist Licensee in complying with the provisions of the Communications Act and FCC rules regarding political advertising. Broker shall supply such information promptly to Licensee as may be necessary to comply with the public inspection file, lowest unit rate, equal opportunities and reasonable access requirements of the Communications Act. If the Stations fail to meet their political time obligations under the Communications Act based on the advertising sold by Broker in the

programming material provided by Broker, then to the extent reasonably necessary to enable Licensee to cause the Stations to comply with their political time obligations, Broker shall release advertising availabilities to Licensee; provided, however, that all revenues realized by Licensee from the sale of such advertising time shall be immediately paid to Broker.

5.4 Payola. Broker will not accept any consideration whatsoever, regardless of its value or form, including a commission, discount, bonus, material, supplies or other merchandise, services or labor, whether or not pursuant to written contracts or agreements between Broker and merchants or advertisers, unless the payer is identified in the program for which consideration was provided as having paid for or furnished such consideration, in accordance with the Communications Act.

## **SECTION 6. OTHER OBLIGATIONS OF THE PARTIES**

6.1 Operation of the Stations. Licensee will have full authority, power and control over the operations of the Stations during the Term, in accordance with and subject to the following:

(a) Licensee will bear all responsibility for the Stations' compliance with all applicable provisions of the Communications Act and all other applicable laws. Licensee will file in a timely and complete manner all reports and applications required to be filed with the FCC or any other governmental body.

(b) Licensee will maintain a main studio for the Stations in compliance with the Communications Act and FCC rules as modified from time to time (the "Main Studio"), and will employ a full-time management-level employee who will report to and be accountable to Licensee and will oversee day-to-day operation of the Stations.

(c) Licensee will be responsible for the maintenance of each Station's local public inspection file and, in cooperation with Broker, will prepare and place in such inspection file or files its quarterly issues and programs lists on a timely basis in compliance with the Communications Act.

(d) Licensee shall receive and respond to telephone inquiries directed to the Licensee and from the FCC, and be responsible for control and oversight of any remote control point for the Stations.

(e) Licensee shall maintain in effect the existing policies of insurance insuring the Assets and the business of the Stations.

(f) Licensee will be responsible for ensuring that each Station's transmitting facility is maintained at all times in accordance with good engineering practice and with all engineering requirements set forth in the Stations' FCC authorizations, including broadcasting a high-quality signal for each Station at maximum authorized Effective Radiated Power (except for unanticipated power outages and where reduction of power is required for routine or emergency maintenance). Licensee shall use, operate and maintain all of the Assets of the Stations in a reasonable manner, normal wear and tear excepted. If any loss, damage, impairment, confiscation

or condemnation of any of the Assets occurs, Licensee shall repair, replace or restore the Assets to their prior condition as soon thereafter as possible, and Licensee shall use the proceeds of any claim under any insurance policy to repair, replace or restore any of the Assets that are lost, damaged, impaired or destroyed; provided, that any capital expense necessary to replace a damaged or lost Asset that is not covered by Licensee insurance shall be a Licensee Expense per Section 3.

(g) Subject to Section 3 of this Agreement, Licensee shall be solely responsible for and shall pay in a timely manner all operating costs of the Stations (other than the costs to be borne by Broker in accordance with Section 6.2), including costs of maintaining the transmitting facility, the cost of electricity and other utilities, rental payments, and taxes.

6.2 Rights and Responsibilities of Broker. Broker may utilize the Stations' Main Studio for its programming and sales operations and shall be responsible for all sales of commercial time occurring within the programming provided to the Stations in accordance with the following provisions:

(a) Broker shall retain all revenues from the programming provided to the Stations by Broker. Broker may sell advertising on the Stations in combination with any other broadcast stations of its choosing, subject to the Communications Act and other applicable law and regulation. Broker shall be responsible for payment of all commissions due as a result of the sale of advertising to be carried during its programming, and Licensee shall have no such responsibility.

(b) Broker shall be solely responsible for any expenses incurred in the origination and delivery of programming from any remote location, any publicity or promotional expenses incurred by Broker and all music licensing fees with respect to the broadcast of Broker's programming on the Stations. Broker shall promptly reimburse Licensee for all expenses paid by Licensee as described in Section 6.1(g), as Licensee Expenses.

(c) Broker shall employ and be solely responsible for the salaries, taxes and related costs for all personnel used in the production or broadcast of, and any other costs related to, its programming provided to the Stations and the sale of advertising time within that programming (including salespeople, traffic personnel, board operators and programming staff), subject to Licensee's oversight and control.

(d) Broker will cooperate with Licensee to ensure satisfaction of Licensee's obligations under Section 6.1(f) of this Agreement.

(e) With Licensee's prior approval, Broker shall, at its sole expense, move the Stations' operations out of their current studio building to a new Main Studio within six (6) months of the Commencement Date.

6.3 Access to Information. Solely for the purpose of ensuring compliance with the Communications Act and Station policies, including the preparation by Licensee of the Stations' quarterly issues and programs lists and the satisfaction of Licensee's community service

obligations, Licensee shall be entitled to review at its reasonable discretion from time to time any programming material of Broker that Licensee may reasonably request. Broker shall promptly provide Licensee with copies of all correspondence and complaints received from the public (including any telephone logs of complaints called in) and copies of all program logs and promotional materials. Broker shall also maintain and deliver to each Station such records and information required by the FCC to be placed in the public inspection file of each Station pertaining to the broadcast of political programming and advertisements, in accordance with the provisions of Sections 73.1940 and 73.3526 of the FCC's rules, and to the broadcast of sponsored programming addressing political issues or controversial issues of public importance, in accordance with the provisions of Section 73.1212(d) of the FCC's rules. Broker shall furnish to Licensee upon request any other information that is reasonably necessary to enable Licensee to prepare any records or reports required by the FCC or other governmental entities. Nothing in this section shall entitle Licensee to review the internal corporate or financial records of Broker. Each party hereto will keep confidential any information obtained from the other party in connection with this Agreement, except as and to the extent required by law. If this Agreement is terminated, each party will return to the other party all information obtained by one party from the other in connection with this Agreement.

6.4 Format. Broker will not change the format of the Stations without Licensee's consent.

6.5 Regulatory Changes. In the event of any order or decree of an administrative agency or court of competent jurisdiction, including without limitation any material change or clarification in FCC rules, policies or precedent, which would cause this Agreement to be in violation of any applicable law, the parties will use their respective best efforts and negotiate in good faith to modify this Agreement to the extent necessary to comply fully with such order or decree.

6.6 Collection of Accounts Receivable. Licensee will be solely responsible for the collection of all pre-Commencement Date advertising accounts receivable for the Stations.

6.7 Assumption of Obligations.

(a) On the Commencement Date, Licensee shall assign to Broker, and Broker shall assume and undertake to discharge and perform all obligations of Licensee under the Assumed Contract arising during the Term, which include, without implied limitation, contracts with advertisers for the sale of advertising time on the Stations, trade and barter agreements relating to the Stations, and the Assigned Contracts, as defined in Section 1.4 of the Asset Purchase Agreement.

(b) Broker shall not assume accounts payable existing on the Commencement Date, but Broker does assume those accounts payable arising after the Commencement Date.

(c) Except as set forth in this Section 6.7, Broker expressly does not, and shall not, assume or be deemed to assume, under this Agreement or otherwise by reason of the



transactions contemplated hereby, any liabilities, obligations or commitments of Licensee of any nature whatsoever arising prior to the Commencement Date.

(d) Licensee shall use its commercially reasonable efforts to obtain the consent of any third party necessary for the assignment to Broker of any of the Assumed Contracts. To the extent a required consent has not been obtained, Licensee shall use its reasonable efforts to provide Broker with the benefits of any such Assumed Contract (including, without limitation, permitting Broker to enforce any rights of Licensee under such Assumed Contract).

## **SECTION 7. REPRESENTATIONS AND WARRANTIES OF LICENSEE**

Article 4 of the Purchase Agreement, "Seller's Representations and Warranties," is incorporated herein in its entirety and Licensee, to the best of Licensee's knowledge, hereby restates and reasserts the truth and accuracy of all such Seller representations and warranties as of the date first above written.

## **SECTION 8. REPRESENTATIONS AND WARRANTIES OF BROKER**

Article 5 of the Purchase Agreement, "Buyer's Representations and Warranties," is incorporated herein in its entirety and Broker, to the best of Broker's knowledge, hereby restates and reasserts the truth and accuracy of all such Buyer representations and warranties as of the date first above written.

## **SECTION 9. INDEMNIFICATION AND REMEDIES**

9.1 Representations and Warranties. Any investigations by or on behalf of any party hereto shall not constitute a waiver as to enforcement of any representation, warranty or covenant contained herein. No notice or information delivered by Licensee shall affect Broker's right to rely on any representation or warranty made by Licensee or relieve Licensee of any obligations hereunder as the result of a breach of any of its representations and warranties. No notice or information delivered by Broker shall affect Licensee's right to rely on any representation or warranty made by Broker or relieve Broker of any obligations hereunder as the result of a breach of any of its representations and warranties. The foregoing notwithstanding, and except for Section 9.5, the indemnification provisions in this Section 9 shall be solely applicable to this Agreement; the indemnification provisions in Sections 6 and 7 of the Purchase Agreement shall apply to losses, liabilities and damages pertaining to the Purchase Agreement.

9.2 Indemnification by Licensee. From and after the Commencement Date, Licensee hereby agrees to indemnify and hold Broker harmless against and with respect to, and shall reimburse Broker for:

(a) Any and all losses, liabilities, or damages resulting from any representation that is untrue in a material respect, material breach of warranty or material nonfulfillment of any covenant by Licensee contained herein.

(b) Any obligation or liability arising under any contract, lease or other agreement entered into by Licensee.

(c) Any losses, liabilities, damages or FCC forfeitures arising out of (i) any programming broadcast by Licensee on the Stations, including those resulting from any claim for defamation or (ii) the conduct of Licensee pursuant to this Agreement.

(d) Subject to the provisions of Section 9.4 of this Agreement, any assessments, judgments, costs and expenses, including reasonable legal fees and expenses, incident to any of the foregoing or incurred in investigating or attempting to avoid the same or to oppose the imposition thereof, or in enforcing this indemnity.

9.3 Indemnification by Broker. From and after the Commencement Date, Broker hereby agrees to indemnify and hold Licensee harmless against and with respect to, and shall reimburse Licensee for:

(a) Any and all losses, liabilities or damages resulting from any representation that is untrue in a material respect, material breach of warranty or material nonfulfillment of any covenant by Broker contained herein.

(b) Any obligation or liability arising under any contract, lease or other agreement entered into or assumed by Broker.

(c) Any losses, liabilities, damages or FCC forfeitures arising out of (i) any programming broadcast by Broker on the Stations, including those resulting from any claim for defamation or (ii) the conduct of Broker pursuant to this Agreement.

(d) Any material damage to the facilities of the Stations attributable to the actions or omissions of Broker or its employees, agents or representatives.

(e) Subject to the provisions of Section 9.4 of this Agreement, any assessments, judgments, costs and expenses, including reasonable legal fees and expenses, incident to any of the foregoing or incurred in investigation or attempting to avoid the same or to oppose the imposition thereof, or in enforcing this indemnity.

9.4 Procedure for Indemnification. The procedure for indemnification shall be as follows:

(a) The party claiming indemnification (the "Indemnified Party") shall promptly give notice to the party from which indemnification is claimed (the "Indemnifying Party") of any claim, whether between the parties or brought by a third party, specifying in reasonable detail the factual basis for the claim. If the claim relates to an action, suit or proceeding filed by a third party against the Indemnified Party, such notice shall be given by the Indemnified Party within five (5) business days after written notice of such action, suit or proceeding was given to Indemnified Party. No Indemnified Party hereunder shall have any liability for failure to give