

TIME BROKERAGE AGREEMENT

THIS AGREEMENT, entered into as of the 27th day of February, 2018, by and between **Edward C. Distell dba Distell Radio Group**, ("Licensee") and **Centro Familiar Cristiano**, a Washington non-profit corporation recognized by the Internal Revenue Service as a Section 501(c)(3) organization ("Broker"):

WHEREAS, Licensee holds licenses from the Federal Communications Commission (the "Commission" or "FCC") to operate AM Broadcast Station KWBX, 940 kHz, Woodburn, Oregon, FCC Facility ID #165 (the "Station"); and

WHEREAS, Licensee wishes to sell to Broker and Broker wishes to purchase from Licensee the broadcast time on the Station, subject to the terms, conditions and regulations set forth below; and

WHEREAS, the parties are desirous of adhering to all rules and regulations of the Commission;

NOW, THEREFORE, the parties agree as follows:

1. **Sale and Purchase of Broadcast Time**. Commencing as of the date hereof and continuing on for a term ending on either the date upon which all transactions related to the assignment of the Station's FCC license and sale and purchase of its assets from Licensee to Broker are consummated, or December 31, 2018, whichever is earlier, Licensee hereby sells to Broker and Broker purchases from Licensee all of the broadcast time on the

Station, subject to the rules and regulations set forth in this Agreement. Broker's rights under this Agreement are subject to the following:

a. Licensee shall be entitled to provide programming to be aired on the Station during the period between 5:00 a.m. and 7:00 a.m. Mountain time on Sunday mornings, should it be deemed necessary to meet Licensee's obligations to present public interest programming on the Station.

b. Licensee will ensure that the Station comply with all applicable laws and regulations pertaining to radio broadcasting, including but not limited to the following:

(i) Compliance with the FCC's main studio location rule, 47 C.F.R. 73.1125, and the local public inspection file (Public File) required by 47 C.F.R. §§73.3526;

(ii) Ascertainment of the problems, interests and needs of the Station's service area and quarterly insertion of the so-called "issues and programs" lists in the Station's Public File;

(iii) Presentation of programming responsive to community issues;

(iv) The giving of hourly station identifications;

(v) Compliance with all applicable operating technical requirements stated in the Commission's Rules;

(vi) Compliance with those provisions of the Communications Act of 1934, as amended, and the Commission's Rules pertaining to political broadcasting and personal attacks;

(vii) Compliance with those provisions of the Communications Act of 1934, as amended, and the Commission's Rules pertaining to sponsorship identification, obscene and indecent programming and false and misleading advertising or programming;

(viii) Supervision and direction of the one and a half employees of the Licensee;

(ix) Compliance with the Station's obligations under the FCC's "EAS" and emergency broadcasting rules.

c. The following provisions will apply to the studios and offices of the Station:

i. Broker hereby agrees that all Station studio and RF transmission equipment will remain in Licensee's current office/studio building during the term of this Agreement.

ii. Broker will need to monitor the EAS system and insert appropriate test messages into the programming of the Station when required.

2. **Termination for Cause.** Licensee has the right to terminate this agreement in the event that it has given written notice of an occurrence of one or more violations of the restrictions stated in this paragraph to Broker, hand-delivered to the address stated below, and within ten business days of receipt of said notice Broker has failed to cure said violations, where Broker:

a. Has failed to timely pay the monthly brokerage fee called for in this Agreement.

b. Materially breaches any of the regulations stated in paragraph 1 above

c. Engages in unfair or deceptive trade practices in its brokerage of the broadcast time on the Station;

d. Takes any action which is in violation of the Rules and Regulations of the Commission or the Communications Act of 1934, as amended, or which subjects the Station to a civil forfeiture under said regulations and/or Act;

e. Causes to be broadcast any material which violates any other federal, state or local law, ordinance or interference with law enforcement authorities;

f. Disobeys any reasonable and lawful direction from Licensee; and

g. Violates any of the regulations appended hereto as Schedule B and are incorporated herein by reference.

3. Facilities.

a. During the term of this Agreement, Licensee will insure that its broadcasting transmission facilities for the Station remain available for the broadcasting of programs at the maximum power permitted by the Station's license, and without any degradation of sound or signal other than may be caused by normal terrain or atmospheric factors, during daylight hours, seven days per week, subject to normal periods of maintenance.

b. Should Broker and Licensee determine that the facilities of the Station can be improved by certain engineering modifications, Licensee will file such application as is prepared by Broker's consultants and experts as soon thereafter as is practicable to do so. Broker will be solely responsible for all fees, costs and expenses incurred in the preparation of such application or applications.

4. **Compensation.** The brokerage fee to be made by Broker to Licensee under this Agreement shall be that which is stated in Schedule A hereto.

5. **Licensee's Payment of Expenses.** The parties agree and understand that their ability to enter into and carry out this Agreement is based upon the case law decisions of the Commission and its Media Bureau. The parties recognize that, so long as it is the licensee of the Station, Licensee must pay all expenses associated with control of the Station's facilities. Therefore, Licensee shall pay from its own accounts the following:

a. The salaries and/or wages of management and maintenance personnel hired by Licensee to oversee the operation of the Station;

b. Mortgage and/or lease payments on the Station's transmitter sites, studio site(s) and physical equipment, if any;

c. All required maintenance for the Station, except for production facilities operated by Broker;

d. Filing of all Commission forms, including but not limited to FCC Forms 323 and 395, and the preparation of quarterly issues/programs lists, and maintenance of the Station's public files in accordance with 47 CFR §73.3526.

e. All utility bills incurred through the operation of the Station;

f. Any capital improvements made by Licensee for the Station; and

g. All fines imposed by the Commission or by any other governmental authority arising from the operation of the Station.

6. **Broker's Payment of Expenses.** The foregoing provisions of paragraph 5 supra notwithstanding, Broker will bear the following expenses incurred by the Station in connection with programming, sales and promotions provided by it. This includes:

a. All compensation paid to all personnel provided to the Station by Broker, including salaries, insurance provided as an employee benefit and workmen's compensation;

b. All commissions due to persons generating adverting revenue and/or agencies acting on behalf of Broker;

c. All fees paid for programming, news and/or sales support services related to Broker's provision of programming on the Station;

d. All costs of the Station's promotions; and

e. All music licensing fees incurred as a result of Broker's programming airing on the Station.

7. **Bankruptcy; Insolvency.** In the event that Licensee and/or the Station are voluntarily or involuntarily subject to a petition in bankruptcy before a United States Bankruptcy Court, Broker shall have the right to rescind this agreement unilaterally without penalty. Likewise, in the event that Licensee is subject to a state court proceeding relative to any insolvency on its part, Broker shall have the right to rescind this agreement unilaterally without penalty.

In the event that Broker are voluntarily or involuntarily subject to a petition in bankruptcy before a United States Bankruptcy Court, Licensee shall have the right to rescind this agreement unilaterally without penalty. Likewise, in the event that Broker is subject to a state court proceeding relative to any insolvency on its part, Licensee shall have the right to rescind this agreement unilaterally without penalty.

8. **Special Events.** Licensee reserves the right, in its discretion, to provide news, public affairs and other non-entertainment programming to meet its obligation to the Commission to serve the public interest, convenience and necessity. In addition, Licensee reserves the right to require Broker to broadcast special events of importance to the public within the Station's primary service contours. In all such

cases, Licensee will use its best efforts to give Broker reasonable notice of its intention to require such broadcasts.

9. **Payola.** Broker represents that neither it nor its employees, contractors or agents will accept any compensation or any type of gift or gratuity of any kind whatsoever, regardless of its value or form, including but not limited to, a commission, discount, bonus, materials, 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 as having paid for or furnished such consideration in accordance with the Communications Act of 1934, as amended, and/or the Rules and Regulations of the Commission. Broker agrees to provide upon request of Licensee an affidavit or affidavits containing representations that Broker and all of its employees, contractors or agents are aware of the Station's "payola" policy and will abide by it.

10. **Representations of Licensee.** Licensee makes the following representations which it agrees are material in inducing Broker to enter into this Agreement:

a. That Licensee is an experienced individual in the broadcasting industry possessing the requisite legal capacity to freely enter into this agreement and to be bound according to its terms, and that it is entering into this agreement voluntarily and without duress of any kind; and

b. That this Agreement constitutes the legal, valid and binding obligation of Licensee enforceable in accordance with its terms;

c. That the license for the Station has been validly issued by the Commission, is valid and outstanding, and that each of the Station subject to this agreement has a term ending on February 1, 2022;

d. That there are no agreements in existence pertaining to any of the Station which would prevent or hinder Licensee from performing under this Agreement; and

e. That there are no administrative, civil or criminal legal actions, pending or threatened, affecting the Station.

11. **Representations of Broker.** Broker makes the following representations which it agrees are material in inducing Licensee to enter into this Agreement:

a. That Broker is a State of Washington non-profit corporation with substantial experience in the broadcasting industry possessing the requisite financial ability and legal and corporate capacity to freely enter into this agreement and to be bound according to its terms. The Broker is entering into this agreement voluntarily and without duress of any kind; and

b. That this Agreement constitutes the legal, valid and binding obligation of Broker enforceable in accordance with its terms.

12. **Labor Agreements.** It is expressly agreed and understood that Licensee is not a party to any labor or union agreement. Licensee has neither hired any labor nor promised any employment or independent contractor positions at the Station to anyone.

13. **Taxes.** Licensee shall be solely responsible for any and all real estate and ad valorem property taxes applicable to the Station.

14. **Expenses.** Other than as expressly agreed upon herein, each party shall bear its own expenses in connection with the signing and consummation of this Agreement.

15. **Assignability; Termination.** Broker may assign this agreement to a corporation, limited liability company or partnership wholly or majority - controlled by it or its principals or its successors.

16. **Notices.** All notices required or permitted to be given hereunder shall be in writing and copies shall be effective when sent by Email with read receipt, registered or certified mail, postage and fees prepaid, addressed as follows:

If to Licensee:

Edward C. Distell
5110 SE Stark Street
Portland, OR 97215
Tel: (801)746-9991
Email: ecdistel@gmail.com

with copies (which shall not constitute notice) to:

Dennis J. Kelly, Esquire
Law Office of Dennis J. Kelly
Post Office Box 41177
Washington, DC 20018
Tel: (202) 293-2300
Email: dkellyfcclaw1@comcast.net

If to Buyer:

Rosario Alberto, Vice President
Centro Familiar Cristiano
10612 - 15th Avenue, SW
Seattle, WA 98146
Tel: (206) 763-1680
Email: cfcinseattlewa@gmail.com

with a copy (which shall not constitute notice) to:

Jessica T. Nyman, Esquire
Pillsbury Winthrop Shaw Pittman, LLP
1200 - 17th Street, NW
Washington, DC 20036-3006
Tel: (202) 663-8810
Email: Jessica.nyman@pillsburylaw.com

17. **Headings.** The headings of the paragraphs of this Agreement are for the convenience of the parties only, and do not in any way modify, interpret or construe the meaning of the provisions hereof.

18. **Entire Agreement.** This Agreement constitutes the entire and whole agreement of the parties respecting the local marketing agreement for the Station, and may not be modified, amended or changed in any way unless in writing signed by all of

the parties hereto. The failure of any party hereto to enforce at any time any provision of this Agreement shall not be construed to be a waiver of such provision, nor in any way to affect the validity of this Agreement or any part hereof, or the right of any party thereafter to enforce each and every such provision. No waiver of any breach of this Agreement shall be held to constitute a waiver of any other or subsequent breach.

19. **Successors and Assigns.** This agreement shall be binding upon and shall inure to the benefit of the parties hereto, their heirs, personal representatives, successors and assigns. An assignment shall not relieve the parties of their obligations to guarantee the prompt performance of any and all of the obligations hereunder.

20. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the state of Oregon.

21. **47 C.F.R. §73.3555(a)(3)(ii) Certification.** Licensee hereby verifies that, any provision of this Agreement notwithstanding, it maintains ultimate control over the Station's facilities, including specifically control over the finances, personnel and programming of the Station. Broker hereby verifies that its relationship with the Station complies with the provisions of Section 73.3555(a) of the Commission's

Rules, which governs the maximum number of commercial broadcast Station in the Portland, Oregon radio metro market in which one party may have an attributable interest.

22. Accounts Receivable Provision. All accounts receivable of the Station derived from advertising airing on the Station at or after 12:01 a.m. local time on the day immediately following the date hereof shall be for the account of Broker.

23. Counterparts. This Agreement may be signed in one or more counterparts, each of which shall be considered an original counterpart, and shall become a binding Agreement when the parties shall have each executed one counterpart.

[SIGNATURE PAGE NEXT]

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE EXECUTED
THIS AGREEMENT AS OF THE DAY AND YEAR FIRST WRITTEN ABOVE.

LICENSEE

Edward C. Distell

By _____
Edward C. Distell

BROKER

CENTRO FAMILIAR CRISTIANO

By _____
Rosario Alberto
Vice President

SCHEDULE A

1. Licensee and Broker agree that:

a. During the term of this Agreement, Broker will pay Licensee the sum of [REDACTED] per month, in advance on the first business day of each month.

b. Broker will reimburse Licensee for all operational costs and expenses of the Station detailed in paragraph 5 of the Time Brokerage Agreement incurred by Licensee.

c. Broker will be solely responsible for any and all expenses incurred by it in the production of programming and its delivery to the Station's transmitter site.

d. Broker shall be entitled to the proceeds of one hundred percent (100%) of the accounts receivable of the Station for the entire term of this Agreement

SCHEDULE B

Broker hereby agrees to refrain from the provision of any broadcast programming which contains any statements or descriptions which are violative of the following regulations:

(i) Programs shall not be used as a medium for attack on any faith, denomination, or sect or upon any individual or organization;

(ii) No invitation by a minister or other individual appearing on a program to have listeners come and visit him or her for consultation or the like shall be made if such invitation implies that the listeners will receive consideration, monetary gain, or cures for illness;

(iii) Any exhortation to listeners to bring money to a church affair or service is prohibited if the exhortation, affair, or service contains any suggestion that miracles, cures or prosperity will result;

(iv) The offering for sale of religious artifacts or other items for which listeners would send money is prohibited unless such items are readily available in ordinary commerce or are clearly being sold for legitimate fund-raising purposes;

(v) Any invitations to the audience to meet at places other than the church and/or to attend other than regular services of the church are prohibited if the invitations, meeting, or service contain any claim that miracles, cures or prosperity will result;

(vi) Any claims of miracles or cures not documented in biblical scripture and quoted in context are prohibited; e.g., this prohibits the minister and/or other individual appearing on the program from personally claiming any cures or miracles and also prohibits the presentation of any testimonials regarding such claims either in person or in writing;

(vii) The mention of any business activity or "plug" for any commercial, professional, or other related endeavor, except where contained in an actual commercial message of a sponsor, is prohibited;

(viii) References to "dream books", the "straight line", or other direct or indirect descriptions or solicitations relative to the "numbers game", or the "policy game", or any form of gambling other than a state lottery or licensed horse or greyhound race track supplied and paid for by the state lottery agency or racing commission licensee are prohibited;

(ix) References to chapter and verse numbers, paragraph numbers, or song numbers which involved three digits should be avoided and, when used, must relate to the overall theme of the program; and/or

(x) The following programs or announcements shall not be broadcast whatsoever: (A) false or unwarranted claims for any product or service; (B) infringements of another advertiser's rights through plagiarism or unfair imitation of either program idea or copy, or any other unfair competition; (C) any programs or announcements that are slanderous, obscene,

indecent, profane, vulgar, repulsive or offensive, either in theme or in treatment; (D) any testimonials which cannot be authenticated; and (E) any advertising matter or announcement which may in the opinion of Licensee be injurious or prejudicial to the interests of the public, or honest advertising and reputable business in general.