

LOCAL MARKETING AGREEMENT

THIS LOCAL MARKETING AGREEMENT (this "Agreement") is entered into as of June 10, 2021 between Butler7Media, LLC ("Programmer"), Hightower Radio, Inc. ("Licensee") and, for purposes of Section 15, Ingrid Hightower personally and as the representative of Jason Hightower, deceased ("Hightower").

Recitals

- A. Licensee owns and operates radio station KMOO-FM, Mineola, Texas (FIN# 35150) (the "Station") pursuant to authorizations issued by the Federal Communications Commission ("FCC").
- B. Licensee desires to obtain programming for the Station, and Programmer desires to provide programming for broadcast on the Station, on the terms set forth in this Agreement.
- C. As part of the inducement for Programmer to provide programming to the Station, Licensee has agreed to grant Programmer an option to purchase the Station (the "Option").

Agreement

NOW, THEREFORE, taking the foregoing recitals into account, and in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, hereby agree as follows.

1. **Term**. The term of this Agreement (the "Term") will begin on the date entered above (the "Commencement Date") and will continue for eight (8) years. At any time during the Term, Programmer may exercise its option to purchase the Station under the terms set forth in paragraph 16 of this Agreement.
2. **Programming**. During the Term, Programmer will provide to Licensee programming that it produces, licenses or owns (the "Programs") for broadcast on the Station during its normal operating hours. Programmer will transmit its Programs to the Station's transmitting facilities in a manner that ensures that the Programs meet commercially reasonable technical and quality standards. Programmer, at its discretion, may continue some or all of the current programming the Station, assuming the responsibility for such costs that it elects, in its sole discretion, to assume in connection with the production of that programming (except as otherwise set forth herein) until such time as Programmer elects to transmit other programming.

3. **Broadcasting.** In return for the payments to be made by Programmer hereunder, during the Term, Licensee shall broadcast the Programs, subject to the provisions of Section 5 below.

4. **Finances.**

(a) During the Term, Programmer shall be entitled to all revenues arising in connection with the broadcast of the Programs on the Station (including without limitation all revenues from the Station's website, if any).

(b) For the broadcast of the Programs and the other benefits made available to Programmer pursuant to this Agreement, during the Term, Programmer will pay Licensee as set forth on *Schedule A* attached hereto. Programmer shall not be obligated to pay consideration to Licensee for any periods that the Station is off the air, and any payments provided for on Schedule A shall be prorated to account for any such off-air periods.

(c) On the Commencement Date, Licensee shall transfer all accounts receivable for advertising on the Station to Programmer, and all contracts for new advertising to be aired after the Commencement Date. Programmer shall also receive all benefits from any trade or barter advertising that remain from any contract for such advertising run before the Commencement Date.

5. **Control.**

(a) Notwithstanding anything to the contrary in this Agreement, Licensee shall have full authority, power and control over the operation of the Station and over all persons working at the Station during the Term. Licensee shall bear responsibility for the Station's compliance with all applicable provisions of the Communications Act of 1934, as amended, the rules, regulations and policies of the FCC, and all other applicable laws. Without limiting the generality of the foregoing, Licensee will: (1) employ such employees as are required under FCC rules to oversee the operation of the Station and insure that the Programs are in the public interest, and (2) retain control over the policies, programming and operations of the Station.

(b) Nothing contained herein shall prevent Licensee from (i) rejecting or refusing programs which Licensee believes to be contrary to the public interest or (ii) substituting programs which Licensee believes to be of greater local or national importance or which are designed to address the problems, needs and interests of the local communities. Without limiting the preceding sentence, Licensee reserves the right to (i) refuse to broadcast any Program containing matter which violates any right of any third party, which constitutes a personal attack, or which does not meet the requirements of the rules, regulations and policies of

the FCC, (ii) preempt any Program in the event of a local, state, or national emergency, and (iii) delete any programming that does not comply with the requirements of the FCC's sponsorship identification policy. Licensee shall not exercise its rights under this Section 5 in any manner other than pursuant to a good faith determination that such exercise is reasonably necessary to comply with its obligations as holder of the FCC authorizations for the Station. If Licensee preempts any Program for reasons other than to broadcast emergency programming, the Monthly LMA Fee and all expense reimbursements set out on *Schedule A* shall be reduced by a percentage equal to the amount of time of the Programs preempted divided by the total number of broadcast time available in that month. If the Licensee preempts in the aggregate more than ten (10) hours of the Programming to be supplied by Programmer, Programmer may elect to immediately terminate this agreement without penalty by providing written notice to Licensee.

(c) Programmer shall immediately serve Licensee with notice and a copy of any letters of complaint it receives concerning any Program for Licensee review and inclusion in its public inspection file. Programmer shall cooperate with Licensee to ensure that EAS transmissions are properly performed in accordance with Licensee's instructions.

(d) Licensee shall take all steps necessary to maintain the FCC licenses and other authorizations for the Station, including but not limited to submitting any and all reports, forms, fees or other documents required by the FCC to maintain such licenses in good standing. Programmer shall cooperate with Licensee to provide such information as may be necessary to comply with all FCC obligations.

6. **Music Licenses.** During the Term, Programmer will be responsible for all payments due during the Term for the Station's music licenses. In the event any rights organization requires that Licensee remain a party to any music license, Licensee agrees to cooperate to maintain such license. Upon the Commencement Date, Licensee and Programmer shall cooperate in giving notice to the appropriate licensing entities of the entry into this Agreement.

7. **Programs.**

(a) Programmer shall ensure that the contents of the Programs conform to all FCC rules, regulations and policies in all material respects. Programmer shall consult with Licensee in the selection of the Programs to ensure that the Programs' content contains matters responsive to issues of public concern in the local community, as those issues are made known to Programmer by Licensee. Licensee and Programmer shall agree each quarter on the significant community issues that should be discussed in Station programming. Licensee acknowledges that its right to broadcast the Programs is non-exclusive and that ownership of or license rights in the Programs shall be and remain vested in Programmer.

(b) Licensee shall oversee and take ultimate responsibility with respect to the provision of equal opportunities, lowest unit charge, and reasonable access to political candidates, and compliance with the political broadcast rules of the FCC for the Station. During the Term, Programmer shall cooperate with Licensee as Licensee complies with its political broadcast responsibilities and shall supply such information promptly to Licensee as may be necessary to comply with the political broadcasting provisions of the FCC's rules, the Communications Act of 1934, as amended, and federal election laws. Programmer shall release advertising availabilities to Licensee during the Broadcasting Period as necessary to permit Licensee to comply with the political broadcast rules of the FCC; provided, however, that revenues received by Licensee as a result of any such release of advertising time shall promptly be remitted to Programmer.

8. **Expenses.** During the Term, Programmer will be responsible for (i) the salaries, taxes, insurance and other costs for all of Programmer's personnel used in the production of the Programs supplied to Licensee and (ii) the costs of delivering the Programs to Licensee. Licensee will pay for its employees as required by FCC rules, all costs for operating and maintaining the studio and transmitter facilities, maintenance of all studio and transmitter equipment and all other operating costs required to be paid to maintain the Station's broadcast operations in accordance with FCC rules and policies and applicable law. Licensee will be responsible for all termination fees and any other liabilities for those employees not hired by Programmer during the Term or upon Programmer's acquisition of the Station. Licensee will also be responsible for all liabilities and costs under any contracts or agreements not assumed by Programmer, including all termination fees.

9. **Call Signs.** During the Term, Programmer shall include in the Programs an announcement at the beginning of each hour of such Programs to identify such call letters, as well as any other announcements required by the rules and regulations of the FCC.

10. **Maintenance.** During the Term, Licensee shall use commercially reasonable efforts to maintain the operating power of the Station at levels authorized by the FCC for the Station and shall repair and maintain the Station's equipment consistent with good engineering practices. During the Term, Programmer shall promptly report any maintenance issues that come to its attention to Licensee. Licensee shall use commercially reasonable efforts to provide at least forty-eight (48) hours prior notice to Programmer in advance of any maintenance work affecting the operation of the Station and to schedule any such maintenance work at hours other than 6:00 A.M. to 6:00 P.M. (Monday to Friday). If the Station suffers any loss or damage of any nature to its transmission facilities which results in the interruption of service or the inability of the Station to operate, Licensee shall immediately notify Programmer and shall undertake such repairs as are necessary to restore full-time operation of the Station within fourteen (14) days from the occurrence of any such loss or damage.

11. **Facilities.** During the Term, Licensee shall provide Programmer access to and the use of the studios, transmission facilities and offices for the Station, if necessary, for purposes of performing the Agreement including the production of the Programs and the sale and production of advertising to run in such Programs.

12. **Representations.**

(a) Licensee represents and warrants to Programmer that (i) it has the power and authority to enter into this Agreement and to consummate the transactions contemplated hereby, (ii) it is in good standing in the State of Texas, (iii) it has duly authorized this Agreement, and this Agreement is binding upon it, and (iv) the execution, delivery, and performance by it of this Agreement does not conflict with, result in a breach of, or constitute a default or ground for termination under any agreement to which it is a party or by which it is bound.

(b) Programmer represents and warrants to Licensee that (i) it has the power and authority to enter into this Agreement and to consummate the transactions contemplated hereby, (ii) it is in good standing in the State of Texas, (iii) it has duly authorized this Agreement, and this Agreement is binding upon it, and (iv) the execution, delivery, and performance by it of this Agreement does not conflict with, result in a breach of, or constitute a default or ground for termination under any agreement to which it is a party or by which it is bound

13. **Termination.** This Agreement may be terminated by either party by written notice to the other in the event of an uncured Event of Default, as set forth below. Notwithstanding anything else contained in this Agreement or the Purchase Agreement, Programmer may terminate this Agreement upon ninety (90) days' written notice to Licensee.

14. **Events of Default.**

(a) The occurrence of any of the following will be deemed an Event of Default by Programmer under this Agreement: (i) Programmer fails to timely make any payment required under this Agreement; (ii) Programmer fails to observe or perform any other obligation contained in this Agreement in any material respect; or (iii) Programmer breaches any representation or warranty made by it under this Agreement in any material respect.

(b) The occurrence of the following will be deemed an Event of Default by Licensee under this Agreement: (i) Licensee fails to observe or perform any obligation contained in this Agreement in any material respect; or (ii) Licensee breaches any representation or warranty made by it under this Agreement in any material respect.

(c) Notwithstanding the foregoing, any Event of Default will not be deemed to have occurred until fifteen (15) calendar days after the non-defaulting party has provided the defaulting party with written notice specifying the Event of Default and such Event of Default remains uncured. Upon the occurrence of an Event of Default, and in the absence of a timely cure pursuant to this Section, the non-defaulting party may terminate this Agreement, effective immediately upon written notice to the defaulting party.

15. **Option to Purchase.**

(a) In consideration of the promises made herein, Licensee hereby grants to Programmer, and its successors and assigns, the sole and exclusive right and option to purchase, on the terms and conditions set forth in the attached Asset Purchase Agreement ("Purchase Agreement"), all right, title and interest of Licensee in and to all of the assets associated with the operation of the Station, including but not limited to the FCC licenses (the "Option"). In addition, in consideration of the payments to be made hereunder which will relieve the shareholders of Licensee of financial obligations incurred in connection with the operation of the Station, Hightower agrees that, as part of the transaction contemplated by the Purchase Agreement, she will convey to Programmer the real property described in the Purchase Agreement used as the transmitter site of the Station as well as any fixtures on that property.

(b) The Option shall be exercisable by Programmer at any point during the Term (the "Option Period"). If the LMA is terminated for any reason other than an uncured Event of Default as defined by section 14 of this Agreement, the Option shall survive termination for the full eight- year Term measured from the Commencement Date.

(c) Programmer may exercise the Option at any time during the Option Period which exercise shall be effective upon delivery of written notice thereof to Licensee. Upon the exercise of the Option, Licensee and Programmer shall enter into an asset purchase agreement in the form of the Purchase Agreement attached hereto as Exhibit 1, and agree to expeditiously provide any schedules or other information necessary to update the Purchase Agreement so that it is accurate at the time of execution without changing the material business and financial terms set out therein, and shall act in good faith using all commercially reasonable efforts to consummate the transactions contemplated by the Purchase Agreement.

(d) Licensee acknowledges that the Station is a unique asset not readily obtainable on the open market and Hightower acknowledges that the real property used as the transmitter site and studio are also unique. Thus, in the event that Seller or Hightower fail to perform the obligation to consummate the transaction contemplated hereby, money damages alone will not be adequate to compensate Programmer for its injury. Therefore, Programmer and Hightower agree and acknowledge that in the event of their failure to perform any obligation to consummate the transaction contemplated by this Section 15, Programmer shall be entitled, (in lieu of any other rights and remedies on account of such failure if such relief is granted), to

specific performance of the terms of this Section and of the obligations of Licensee and Hightower to consummate the transactions contemplated hereby. If any action is brought by Programmer to enforce the obligations of this Section 15, Licensee and Hightower shall waive the defense that there is an adequate remedy at law, and Programmer shall be entitled to receive from Licensee and Hightower all court costs, attorney's fees and other out-of-pocket expenses incurred by Programmer in enforcing its rights under this provision.

16. **Indemnification.** Programmer shall indemnify and hold Licensee harmless against any and all liability arising from the broadcast of the Programs on the Station, including without limitation all liability for indecency, libel, slander, illegal competition or trade practice, infringement of trademarks, trade names, or program titles, violation of rights of privacy, and infringement of copyrights and proprietary rights or any other violation of third party rights or FCC rules or other applicable law. Licensee shall indemnify and hold Programmer harmless against any and all liability arising from the broadcast of Licensee's programming on the Station, including without limitation all liability for indecency, libel, slander, illegal competition or trade practice, infringement of trademarks, trade names, or program titles, violation of rights of privacy, and infringement of copyrights and proprietary rights or any other violation of third party rights or FCC rules or other applicable law. The obligations under this Section shall survive any termination of this Agreement.

17. **Assignment.** Neither party may assign this Agreement without the prior written consent of the other party hereto, except Programmer may assign its rights under the Option to any other party qualified under FCC rules and policies to acquire a broadcast license. Programmer may also assign its rights under this Agreement, without consent of the Licensee, to any party who purchases any other broadcast station held by Programmer. The terms of this Agreement shall bind and inure to the benefit of the parties' respective successors and any permitted assigns, and no assignment shall relieve any party of any obligation or liability under this Agreement. Nothing in this Agreement expressed or implied is intended or shall be construed to give any rights to any person or entity other than the parties hereto and their successors and permitted assigns.

18. **Severability.** If any court or governmental authority holds any provision in this Agreement invalid, illegal, or unenforceable under any applicable law, then so long as no party is deprived of the benefits of this Agreement in any material respect, this Agreement shall be construed with the invalid, illegal or unenforceable provision deleted and the validity, legality and enforceability of the remaining provisions contained herein shall not be affected or impaired thereby. 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 Licensee shall file a copy of this Agreement with the FCC and place a copy of this Agreement in the Station's public inspection files.

19. **Notices.** Any notice pursuant to this Agreement shall be in writing and shall be deemed delivered on the date of personal delivery or confirmed delivery by a nationally recognized overnight courier service, or on the third day after prepaid mailing by certified U.S. mail, return receipt requested, and shall be addressed as follows (or to such other address as any party may request by written notice):

if to Licensee: Hightower Radio, Inc.
 P.O. Box 628
 Mineola, TX 35150
 Attn: Ingrid Hightower

if to Programmer: Butler7Media, LLC
 P.O. Box 670903
 Dallas, TX 75367
 Attn: John Butler

with a copy to: Wilkinson Barker Knauer, LLP
 1800 M Street, NW
 Suite 800N
 Washington, DC 20036
 Attn: David Oxenford

20. **Miscellaneous.** This Agreement may be executed in separate counterparts, each of which will be deemed an original and all of which together will constitute one and the same agreement. No amendment or waiver of compliance with any provision hereof or consent pursuant to this Agreement shall be effective unless evidenced by an instrument in writing signed by the party against whom enforcement of such amendment, waiver, or consent is sought. This Agreement is not intended to be, and shall not be construed as, an agreement to form a partnership, agency relationship, or joint venture between the parties. Neither party shall be authorized to act as an agent of or otherwise to represent the other party. The construction and performance of this Agreement shall be governed by the laws of the State of Texas without giving effect to the choice of law provisions thereof and is subject to the applicable provisions of the Communications Act of 1934, as amended, 47 U.S.C. Section 151, *et seq.* and the rules, regulations and policies of the FCC adopted pursuant to those provisions of the Act. This Agreement (including the Schedules hereto) constitutes the entire agreement and understanding among the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings with respect to the subject matter hereof.

21. **Certifications.** Licensee certifies that it maintains ultimate control over the Station's facilities including, specifically, control over the Station's finances, personnel and

programming. Programmer certifies that this Agreement complies with the provisions of 47 C.F.R. Sections 73.3555(a) and (c) on the Commencement Date.

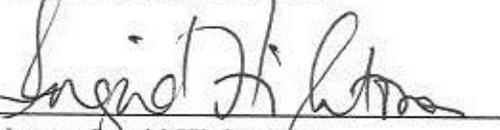
[SIGNATURE PAGE FOLLOWS]

SIGNATURE PAGE TO LOCAL MARKETING AGREEMENT

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first set forth above.

LICENSEE:

HIGHTOWER RADIO, INC.

By: 
Name: Ingrid Hightower
Title: President

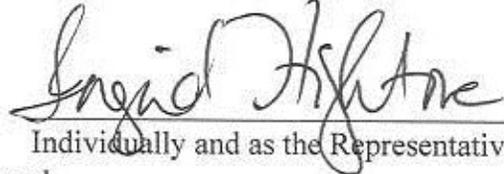
PROGRAMMER:

BUTLER7MEDIA, LLC

By: 
Name: John Butler
Title: Sole Member

INGRID HIGHTOWER:

INGRID HIGHTOWER


Individually and as the Representative of Jason Hightower,
deceased

SCHEDULE A TO LMA

During the Term, Programmer shall reimburse Licensee on a monthly basis in arrears for the reasonable operating expenses of the Stations incurred by Licensee in the ordinary course of business during the prior month for which Licensee has submitted to Programmer a written reimbursement request supported by appropriate documentation of expenses. Reimbursable expenses shall include personnel costs for all employees of the Station, including a contract engineer, and all of the other operational expenses incurred by the Licensee as described Sections 5, 6, 8 and 10 or otherwise reasonably incurred in its performance of its obligations hereunder. The reimbursable expenses shall not include any termination expenses for employees or contracts required by Section 8. Licensee has provided Programmer with access to its books and records, and the parties agree that such reimbursement shall not exceed \$_____ per month unless agreed by Programmer. Programmer shall reimburse Licensee for all undisputed within five (5) business days of Licensee's submission of an invoice to Programmer.

In addition, Programmer shall reimburse Licensee in an amount equal to the amount owed monthly by Seller to the Internal Revenue Service under Seller's current monthly payment plan as such plan exists as of the Commencement Date. Licensee shall provide Programmer with supporting documentation sufficient to demonstrate the amount owed monthly by Seller to the Internal Revenue Service, on or before the 10th day of each month. Programmer will reimburse this amount to Seller within 20 days of its receipt of the documentation.