

LOCAL MARKETING AGREEMENT

This Local Marketing Agreement (the "*Agreement*"), made as of the 5th day of November, 2002, is by and between **Champlin Broadcasting, Inc.**, an Oklahoma corporation ("*Licensee*"), licensee of radio Station KMMZ(FM), 96.9 MHz, Enid, Oklahoma, Facility ID #10857 (the "*Station*"), pursuant to authorizations issued by the Federal Communications Commission (the "*FCC*"), and **Citadel Broadcasting Company**, a Nevada corporation ("*Programmer*").

RECITALS

Licensee has available broadcasting time and is engaged in the business of radio broadcasting on the Station.

Programmer desires to avail itself of the Station's broadcast time for the presentation of a programming service, including the sale of advertising time, in accordance with procedures and policies approved by the FCC.

Licensee and Programmer have entered into that certain Option Agreement dated November 5, 2002 (the "*Option Agreement*"), pursuant to which Licensee has granted Programmer an option to acquire substantially all of the assets used or held for use in the operation of the Station.

For and in consideration of the mutual covenants herein contained, the parties agree as follows:

1. SALE OF TIME

1.1. Broadcast of Programming. During the Term, as defined below, Licensee shall make available exclusively to Programmer all broadcast time on the Station for the presentation of Programmer's programs (the "*Programming*"), except for: (a) downtime occasioned by routine maintenance consistent with prior practice; (b) up to one hour per week on the Station at times mutually-agreeable to Licensee and Programmer during which time Licensee may broadcast additional programming designed to address the concerns, needs and issues of the Station's listeners ("*Licensee's Public Service Programming*"); and (c) times when Programmer's programs are preempted by Licensee in accordance with Section 2.1.2 of this Agreement or because such Programming does not satisfy the standards of Sections 2.1.1 or 2.2.1 of this Agreement (collectively, the "*LMA Hours*").

1.2. Advertising and Programming Revenues. During the Term, Programmer shall have full authority to sell for its own account all commercial time on the Station, including sales in combination with other stations, and to retain all revenues from the sale of such advertising.

1.3. Force Majeure Events. Any failure or impairment of facilities or any delay or interruption in broadcasting the Programming not directly or indirectly the fault of Licensee or its employees or agents, or failure at any time to furnish the facilities, in whole or in part, for broadcasting, due to acts of God, *force majeure* or any other causes beyond the control of Licensee (collectively, "*Force Majeure Events*"), shall not constitute a breach of this Agreement.

1.4. Payments. In consideration for its rights hereunder, Programmer shall pay to Licensee the fees set forth in Schedule 1.4.

1.5. Term. The term of this Agreement (the "*Term*") shall commence on November 8, 2002 (the "*Effective Date*"). The Term shall terminate on the first to occur of: (a) December 31, 2007; (b) upon the exercise by Programmer of its rights under the Option Agreement, the date of the consummation of the acquisition of the Station by the Programmer; or (c) the termination of this Agreement pursuant to Section 8.

1.6. License to Use Call Sign and Trademarks. During the Term, Licensee hereby grants Programmer a non-exclusive license to use the call signs of the Station and those trademarks and names set forth on Schedule 1.6 (the "*Marks*") during the Programming. Programmer agrees that the nature and quality of all services rendered by it in connection with the Marks shall conform to reasonable quality standards set by and under the control of Licensee. Upon notice from Licensee of any fact which in its opinion indicates that Programmer is using the Marks in a manner which does not conform with Licensee's reasonable quality standards, Programmer will immediately conform its use of the Marks to Licensee's standards. Programmer agrees to notify Licensee promptly in writing of any legal action commenced or threatened against it which relates to the Marks.

2. PROGRAMMING AND OPERATING STANDARDS

2.1. Obligations and Rights of Licensee. Licensee shall be ultimately responsible for the control of the day-to-day operations of the Station in conformance with its FCC licenses, permits and authorizations, and for compliance with the FCC's rules and regulations, including (a) the carriage of political advertisements and programming (including, without limitation, the rights of candidates and, as appropriate, others to equal opportunities, lowest unit charge and reasonable access); (b) the broadcast and nature of public service programming; (c) the maintenance of political and public inspection files and the Station's engineering logs; and (d) the preparation of all quarterly issues/programs lists. Licensee has designated a Chief Operator, as that term is defined by the rules and regulations of the FCC, who is responsible for compliance by the Station with the technical operating and reporting requirements established by the FCC. Licensee will maintain the Station's main studio in the manner conducted as of the date of this Agreement.

2.1.1. Licensee's Absolute Right to Reject Programming. Licensee retains the absolute right to accept or reject any Programming which Licensee in its sole

discretion deems contrary to the public interest. Licensee may refuse to broadcast any program containing matter that Licensee in good faith believes to be, or that Licensee in good faith believes may be determined by the FCC or any court or other regulatory body with authority over Licensee or the Station to be, in violation of any right of any third party or indecent or obscene. Licensee may take any other actions necessary in its sole discretion for compliance with the laws of the United States, the State of Oklahoma, the rules, regulations and policies of the FCC, and applicable the rules, regulations and policies of other federal government authorities. If, in the judgment of Licensee or the Station's General Manager, any portion of the Programming, including any advertisements contained within the Programming, presented by Programmer does not meet any of the Licensee's standards set forth in this Agreement, Licensee may suspend, cancel or refuse to broadcast any such portion of the Programming.

2.1.2. Licensee's Right to Preempt Programming for Special Events.

Licensee reserves the right, in its sole discretion, to preempt any of the broadcasts of the Programming in order to broadcast a program deemed by Licensee to be of greater national, regional, or local interest, and to use part or all of the hours of operation of the Station for the broadcast of events of special importance. In such cases, Licensee will use commercially reasonable efforts to give Programmer advance notice of its intention to preempt any regularly scheduled programming, and Programmer shall be entitled to a *pro rata* refund of the Monthly Fee for the hours of Programming preempted.

2.1.3. FCC Public Interest Requirements. The parties agree that Licensee may broadcast on the Station its own regular public service programming to address issues of local public importance to listeners within the area served by the Station for up to one hour a week at a time to be agreed upon by Programmer and Licensee for the broadcast of Licensee's Public Service Programming, and such other public service programming at such other times as the parties may agree.

2.1.4. Maintenance of Transmission Facilities. Licensee shall maintain the Station's transmission equipment and facilities, including the antenna, transmitter and transmission line, and shall continue its accounts for the delivery of electrical power to the Station's transmitting facilities, subject to reimbursement of such utility expenses by Programmer as provided in this Agreement. If Programmer needs to obtain a studio transmitter link or similar FCC authorization to facilitate Programmer's delivery of the Programming to the Station's transmitter site from any place other than the main studio, at Programmer's expense, Licensee will cooperate reasonably with Programmer to file any required application for such authority.

2.1.5. Station's Call Signs. If requested by Programmer, Licensee will cooperate with Programmer to change the call sign of the Station in the manner requested by Programmer. Programmer shall reimburse Licensee for any legal costs and FCC filing fees incurred in connection with such change. If the call sign of the Station is changed at the request of Programmer and this Agreement is subsequently terminated, or the Term of this Agreement expires, without the purchase of the Station by Programmer, Licensee will cooperate, if requested

by Programmer, to assign the call sign of the Station to another station in the manner designated by Programmer and Licensee will request, at Programmer's expense, a new call sign for the Station.

2.2. Obligations and Rights of Programmer

2.2.1. Compliance with Laws and Station Policies. Programmer has advised Licensee of the nature of the Programming, which will consist of an entertainment format and will include news and public service programming; Programmer will make no material changes in the Programming after the Effective Date without the prior written consent of Licensee. All Programming will conform in all material respects to all applicable rules, regulations and policies of the FCC, and all other laws or regulations applicable to the broadcast of programming by the Station. All Programming shall be prepared and presented in conformity with the Licensee's standards as prescribed in Schedule 2.2.1 hereto.

2.2.2. Cooperation with Licensee. Programmer, on behalf of Licensee, shall furnish within the Programming all station identification announcements required by the FCC's rules, and shall, upon request by Licensee, provide information with respect to any of the Programming which is responsive to the public needs and interests of the area served by the Station to assist Licensee in the preparation of any required programming reports and will provide other information to enable Licensee to prepare other records, reports and logs required by the FCC or other local, state or federal governmental agencies. Programmer will maintain and deliver to Licensee all records and information required by the FCC to be placed in the public inspection file of the Station pertaining to the broadcast of political programming and advertisements and agrees that if it broadcasts sponsored programming addressing political issues or controversial subjects of public importance, it will comply with the provisions of Section 73.1212 of the FCC's rules.

2.2.3. Pavola and Plugola. Programmer will provide Licensee in advance with all information known to Programmer regarding any money or other consideration which has been paid or accepted, or has been promised to be paid or to be accepted, for the inclusion of any matter as a part of any Programming (including commercial material) to be supplied to Licensee by Programmer for broadcast on the Station, unless the party making or accepting such payment is identified in the Programming as having paid for or furnished such consideration, or is otherwise identified in accordance with FCC requirements. Commercial matter with obvious sponsorship identification will not require disclosure beyond the sponsorship identification contained in the commercial copy. Programmer will at all times comply with the requirements of Sections 317 and 507 of the Communications Act of 1934, as amended, and the related rules and regulations of the FCC.

2.2.4. Handling of Mail. Programmer will provide Licensee with the original or a copy of any correspondence from a member of the public relating to the Programming to enable Licensee to comply with applicable FCC rules and policies, including those regarding the maintenance of the public inspection file. Licensee is not required to receive

or handle mail, cables, telegraph or telephone calls in connection with the Programming unless Licensee subsequently agrees in writing to do so. Licensee will forward to Programmer correspondence, payments, communications or other information and/or documents which it receives and which relate to the Programming, including without limitation, invoices, billing inquiries, checks, money orders, wire transfers, or other payments for services or advertising.

2.2.5. Use of Licensee's Facilities. When Programmer originates the Programming from any place other than the Station's main studio, Programmer will be solely responsible for delivering the Programming to the Station's transmitter site for broadcast. If any of the studio facilities and equipment of Licensee are used by Programmer, Programmer will be solely responsible for the care and maintenance of such facilities and equipment.

2.2.6. Insurance. Programmer will secure and maintain in full force and effect throughout the Term insurance with responsible and reputable insurance companies covering such risks (including fire and other risks insured against by extended coverage, public liability insurance, insurance for claims against personal injury or death or property damage and such other insurance as may be required by law) and in such amounts and on such terms to ensure the complete and prompt replacement of any loss or damage that may be sustained to the studio equipment of the Station and to provide for a minimum of \$1,000,000 in broadcaster's general liability coverage with respect to the Programming. Licensee will be named as an additional insured under such insurance policy, which shall not be cancelable for failure of the Programmer to pay any premiums owing on less than 30 days prior notice to, and an opportunity to cure such default by, Licensee.

3. RESPONSIBILITY FOR EMPLOYEES AND EXPENSES

3.1. Licensee's Responsibility for Employees and Expenses. Licensee will employ (a) a full-time General Manager for the Station (who shall also be designated the Chief Operator), who will oversee the day-to-day operations of the Station and (b) one full-time or full-time equivalent staff employee. Licensee will be responsible for all costs for its personnel. Licensee will be responsible for timely payment of other expenses incurred in the operation of the Station, including without limitation, all taxes, insurance costs and other reasonable costs for the Station's tower site which is owned by Champlin Towers, LLC, an affiliate of Licensee, and main studio and; all FCC regulatory fees; and any applicable real estate and personal property taxes, utility costs, and maintenance costs, subject to reimbursement by Programmer as provided on Schedule 1.4.

3.2. Programmer's Responsibility for Employees and Expenses. Programmer is responsible for the personnel and material for the production of the Programming, as well as for all other personnel involved in the operation of the Station other than Licensee's personnel as described in this Agreement. Programmer will employ and be responsible for the salaries, taxes, insurance and related costs for all of its personnel used in the production of the Programming and the sale of advertising within the Programming. Programmer will pay all costs associated with production and listener responses attributable to the Programming, including its

own telephone costs, fees to ASCAP, BMI and SESAC, any other copyright fees, and all other costs or expenses relating to the Programming.

3.3. No Third Party Beneficiary Rights. No provisions of this Agreement is intended to, nor will it be deemed to create, any third party beneficiary rights of any employee or former employee (including any beneficiary or dependent thereof) of Licensee in respect of continued employment (or resumed employment) with Licensee or with Programmer or in respect of any other matter.

4. ASSIGNMENT AND ASSUMPTION OF CERTAIN AGREEMENTS, RIGHTS AND OBLIGATIONS

4.1. **Assignment and Assumption.** As of the Effective Date, and except as set forth in Schedule 4.1 attached hereto, Licensee shall assign to Programmer all of Licensee's right, title and interest in the contracts listed under the heading "Assumed Contracts" on Schedule 4.1 hereto (the "*Assumed Contracts*"). As of the Effective Date, Programmer shall assume and undertake to pay, satisfy or discharge the liabilities, obligations and commitments of Licensee arising or accruing on or after the Effective Date under the Assumed Contracts.

4.2. **Limitation.** Except as set forth in Section 4.1, Programmer 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. For avoidance of doubt, Programmer shall not assume the contracts listed under the heading "Excluded Contracts" on Schedule 4.1 ("*Excluded Contracts*").

4.3. **Third-Party Consents.** Licensee shall use its reasonable efforts to obtain the consent of any third party necessary for the assignment to Programmer of any of the Assumed Contracts. To the extent a required consent has not been obtained, Licensee shall use its reasonable efforts to provide Programmer with the benefits of any such Assumed Contract (including, without limitation, permitting Programmer to enforce any rights of Licensee under such Assumed Contract), and Programmer shall not be deemed to have assumed such contract and Licensee shall not be deemed to have transferred such contract, *provided, however*, that Programmer and Licensee shall work together in good faith to find, if possible, reasonable alternatives to obtaining such consent, to the end that Licensee and Programmer are put in the same economic position they would have been in had such consent been obtained.

5. PRORATIONS; ACCOUNTS RECEIVABLE

5.1. **Proration of Income and Expenses.** Other than with respect to income and expenses under any contract retained by Licensee, including the Excluded Contracts (a "*Retained Contract*"), all income and expenses arising from the conduct of the business and operation of the Station shall be prorated between Programmer and Licensee as of 12:01 a.m. on the Effective Date in accordance with generally accepted accounting principles consistently applied ("*GAAP*"). Such prorations shall be based upon the principles that Licensee shall be entitled to all income

earned and shall be responsible for all liabilities and obligations accruing in connection with the operation of the Station until the Effective Date, and that, other than with respect to station expenses and Excluded Contracts, Programmer shall be entitled to all income earned and (subject to Section 4.2 above) be responsible for such liabilities and obligations accruing thereafter until the expiration of the Term. Such proration shall include music and other license fees, wages and salaries of any employee hired by Programmer (excluding accruals up to the Effective Date for vacation, bonuses, commissions, and related payroll taxes), deposits, liabilities and obligations under all Assumed Contracts, and similar prepaid and deferred items and all other expenses attributable to the operation of the Station except for income and expenses under the Excluded Contracts. Contracts for the sale of advertising time on the Station in exchange for goods and services ("*Trade Agreements*") shall be prorated to the extent provided in Section 5.2 of this Agreement.

5.2. **Trade Agreements.** Liabilities and obligations under Trade Agreements shall be prorated in favor of Programmer to the extent that the aggregate liability of the Station for air time as of the Effective Date (determined in accordance with GAAP) exceeds by over \$2,500 the aggregate value of property to be received by Programmer on and after the Effective Date (including property that has been received but not yet utilized, e.g., concert tickets) under such Trade Agreements. Programmer shall not be obligated to make any proration in favor of Licensee with respect to Trade Agreements, notwithstanding that the aggregate fair market value of property to be received by Programmer exceeds the aggregate liability for air time.

5.3 **Payment of Proration Items.** To the extent practicable, prior to the Effective Date, Licensee shall deliver to Programmer a preliminary list of any items to be prorated pursuant to Section 5.1 (the "*Preliminary Proration Schedule*"), and, to the extent feasible, such proration shall be settled at the Effective Date. In the event Programmer and Licensee do not reach a final agreement on such proration and adjustments on the Effective Date, Licensee shall deliver to Programmer a schedule of its proposed proration and adjustments (the "*Proration Schedule*") no later than forty-five (45) days after the Effective Date. The Proration Schedule shall be conclusive and binding upon Programmer unless Programmer provides Licensee with written notice of objection (the "*Notice of Disagreement*") within ten (10) days after Programmer's receipt of the Proration Schedule, which notice shall state the proration of expenses proposed by Programmer (the "*Programmer's Proration Amount*"). Licensee shall have ten (10) days from receipt of a Notice of Disagreement to accept or reject Programmer's Proration Amount. If Licensee rejects Programmer's Proration Amount, and the amount in dispute exceeds \$5,000, the dispute shall be submitted within ten (10) days to an accounting firm, mutually agreeable to the parties, that is unaffiliated with either party (the "*Referee*") for resolution, such resolution to be made within twenty (20) days after submission to the Referee and to be final, conclusive and binding on Licensee and Programmer. Programmer and Licensee agree to share equally the cost and expenses of the Referee, but each party shall bear its own legal and other expenses, if any. If the amount in dispute is equal to or less than \$5,000, such amount shall be divided equally between Programmer and Licensee. Payment by Programmer or Licensee, as the case may be, of the proration amounts determined pursuant to this Section 5.3 shall be due five (5) days after the last to occur of (i) Programmer's acceptance of the Proration

Schedule or Programmer's failure to give Licensee a timely Notice of Disagreement; (ii) Licensee's acceptance of Programmer's Proration Amount or failure to reject Programmer's Proration Amount within ten (10) days after receipt of a Notice of Disagreement; (iii) Licensee's rejection of Programmer's Proration Amount in the event the amount in dispute equals or is less than \$5,000; and (iv) notice to Licensee and Programmer of the resolution of the disputed amount by the Referee in the event that the amount in dispute exceeds \$5,000. Any payment required by Licensee to Programmer or by Programmer to Licensee, as the case may be, under this Section 5.3 shall be paid by check or wire transfer of immediately available federal funds to the account of the payee with a financial institution in the United States as designated by Licensee in the Proration Schedule or by Programmer in the Notice of Disagreement (or by separate notice in the event that Programmer does not send a Notice of Disagreement). If either Programmer or Licensee fails to pay when due any amount under this Section 5.3, interest on such amount will accrue from the date payment was due to the date such payment is made at a per annum rate equal to the Prime Rate *plus* two percent (2%), and such interest shall be payable upon demand.

5.4. **Accounts Receivable.** Licensee shall retain all right, title and interest to all accounts receivables for cash for services performed or provided by the Station prior to the Effective Date (the "*Accounts Receivable*"). Licensee hereby assigns its interest in the Accounts Receivable to Programmer for purposes of collection only. Programmer will collect the Accounts Receivable as Licensee's agent in the same manner and with the same diligence that Programmer uses to collect its own accounts receivable for a period of 120 days following the Effective Date (the "*Collection Period*"); *provided, however*, that Programmer shall not be obligated to institute litigation, employ any collection agency, legal counsel or other third party, or take any other extraordinary means of collection. Any payment received by Programmer from a customer of the Station who is obligated with respect to any Account Receivable shall be applied by Programmer in order of the date of invoice until Licensee's accounts with such customer are paid in full, except if the customer disputes a particular account with Licensee, in which case the payment shall be applied to the oldest undisputed invoice. Within ten (10) business days after the Effective Date, Licensee shall deliver to Programmer a complete and detailed statement of each Accounts Receivable. Within 15 days after the end of each month during the Collection Period, Programmer shall pay to Licensee all amounts collected by Programmer in the preceding month on the Accounts Receivable during the Collection Period. If during the Collection Period an account debtor disputes an account included among the Accounts Receivable, Licensee may request the return of that account to Licensee for collection. At the conclusion of the Collection Period, any remaining Accounts Receivable shall be reassigned to Licensee and thereafter Programmer shall have no further obligation with respect to the Accounts Receivable.

6. **INDEMNIFICATION**

6.1. **Indemnification.** From and after the Effective Date, Licensee and Programmer shall indemnify, defend, protect and hold harmless the other and their respective principals, officers, directors, owners and affiliates (collectively, the "*Indemnitees*") from and

against any and all losses, costs, damages, liabilities or expenses (including reasonable attorneys' fees and expenses) (collectively, "*Claims*") that are proximately caused by (a) any programming provided by such party for broadcast on the Station; (b) any breach by such party of representation, warranty, covenant or other agreement contained in this Agreement; and (c) the activities or negligence of such party, its employees or agents in fulfilling its obligations under this Agreement.

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

6.2.1. Notice. The party seeking indemnification (the "*Claimant*") shall give notice to the party from whom indemnification is sought (the "*Indemnitor*") of any claim, whether solely between the parties or brought by a third party, specifying (a) the factual basis for the claim, and (b) the amount of the claim. If the claim relates to an action, suit or proceeding filed by a third party against Claimant, notice shall be given by Claimant within 15 days after written notice of the action, suit or proceeding was given to Claimant. In all other circumstances, notice shall be given by Claimant within 30 days after Claimant becomes, or should have become, aware of the facts giving rise to the claim. Notwithstanding the foregoing, Claimant's failure to give Indemnitor timely notice shall not preclude Claimant from seeking indemnification from Indemnitor except to the extent that Claimant's failure has materially prejudiced Indemnitor's ability to defend the claim or litigation.

6.2.2. Claims Between Parties. With respect to claims between the parties, following receipt of notice from the Claimant of a claim, the Indemnitor shall have 30 days to make any investigation of the claim that the Indemnitor deems necessary or desirable. For the purposes of this investigation, the Claimant agrees to make available to the Indemnitor and/or its authorized representatives the information relied upon by the Claimant to substantiate the claim. If the Claimant and the Indemnitor cannot agree as to the validity and amount of the claim within the 30-day period (or any mutually agreed upon extension thereof), the Claimant may seek appropriate legal remedy.

6.2.3. Third Party Claims. With respect to any claim by a third party as to which the Claimant is entitled to indemnification hereunder, the Indemnitor shall have the right at its own expense to participate in or assume control of the defense of the claim, and the Claimant shall cooperate fully with the Indemnitor, subject to reimbursement for actual out-of-pocket expenses incurred by the Claimant as the result of a request by the Indemnitor. If the Indemnitor elects to assume control of the defense of any third-party claim, the Claimant shall have the right to participate in the defense of the claim at its own expense. If the Indemnitor does not elect to assume control or otherwise participate in the defense of any third party claim, Claimant may, but shall have no obligation to, defend or settle such claim or litigation in such manner as it deems appropriate, and in any event Indemnitor shall be bound by the results obtained by the Claimant with respect to the claim (by default or otherwise) and shall promptly reimburse Claimant for the amount of all expenses (including the amount of any judgment rendered), legal or otherwise, incurred in connection with such claim or litigation. The

Indemnitor shall be subrogated to all rights of the Claimant against any third party with respect to any claim for which indemnity was paid.

6.3. Limitations. Neither Programmer nor Licensee shall have any obligation to the other for any indemnification under this Agreement except upon compliance by the other with the provisions of this Section 6. Neither party will be required to indemnify the other under this Agreement for any breach of any representation or warranty contained in this Agreement unless written notice of a Claim was received by the party within the pertinent survival period specified in Section 6.4 of this Agreement.

6.4. Survival of Representations, Warranties and Covenants. The representations, warranties, covenants, indemnities and agreements contained in this Agreement or in any certificate, document or instrument delivered pursuant to this Agreement are and will be deemed and construed to be continuing representations, warranties, covenants, indemnities and agreements and shall survive any termination or expiration of this Agreement for a period of one year after such termination or expiration. No Claim may be brought under this Agreement unless written notice describing in reasonable detail the nature and basis of such Claim is given prior to such expiration. Any investigation by or on behalf of any party hereto shall not constitute a waiver as to enforcement of any representation, warranty, covenant or agreement contained in this Agreement.

7. EVENTS OF DEFAULT AND CURE PERIODS

7.1. Events of Default. The following shall, after the expiration of the applicable cure periods as set forth in Section 7.2, each constitute an Event of Default under this Agreement:

7.1.1. Non-Payment. Programmer's failure to make any payment when due as set forth in Schedule 1.4 of this Agreement;

7.1.2. Default in Covenants or Adverse Legal Action. Either party (a) defaults in the performance of any material covenant, condition or undertaking contained in this Agreement, (b) makes a general assignment for the benefit of creditors, or (c) files or has filed against it a petition for bankruptcy, for reorganization or an arrangement, or for the appointment of a receiver, trustee or similar creditors' representative for the property or assets of such party under any federal or state insolvency law, which, if filed against such party, has not been dismissed or discharged within 60 days thereafter; or

7.1.3. Breach of Representation. Any material representation or warranty made by either party to this Agreement or the Purchase Agreement, or in any certificate or document furnished by either party to the other pursuant to the provisions of this Agreement or the Purchase Agreement, proves to have been false or misleading in any material respect as of the time made or furnished.

7.2. Cure Periods. Except for a default in any payment by Programmer required under this Agreement, an Event of Default will not be deemed to have occurred until 30 days after the non-defaulting party has provided the defaulting party with written notice specifying the event or events that, if not cured, would constitute an Event of Default and specifying the actions necessary to cure the default(s) within such period; this period may be extended for a reasonable period of time if the defaulting party is acting in good faith to cure. For a any failure by Programmer to make a payment when due under this Agreement, an Event of Default will be deemed to have occurred if the payment is not received by Licensee within ten business days of the due date.

8. TERMINATION

8.1 Date of Termination. This Agreement shall terminate upon the expiration of the Term or pursuant to the consummation of the sale of the Station to Programmer pursuant to a purchase agreement entered into by the parties upon exercise under the Option (the "*Purchase Agreement*") or otherwise pursuant to the terms of this Agreement.

8.2 Termination Upon Default. Upon the occurrence of an Event of Default, the non-defaulting party may terminate this Agreement provided that it is not also in material default hereunder. Notwithstanding the foregoing, nor any provision of this Agreement, any termination of this Agreement: (a) shall not constitute an election of remedies with regard to such default or such termination; and (b) shall not affect, or limit, the ability of the non-defaulting party to avail itself of any and all remedies which otherwise would have been available to it, at law or in equity.

8.3 Termination Upon Certain Failures to Effect Closing Under the Purchase Agreement. This Agreement may be terminated thirty (30) days after termination of the Purchase Agreement and any time thereafter: (a) in either Licensee's or Programmer's discretion, as provided in written notice to the other party, in the event that the application for assignment of licenses for the Station is denied by the FCC by a final order that is no longer subject to stay, reconsideration, review or appeal, including such actions by the Commission on its own motion; (b) in Licensee's discretion, as provided in written notice to Programmer by Licensee, in the event that the Purchase Agreement shall have terminated by reason of the default by Programmer (as Buyer thereunder) and Licensee shall not be in default (as the Seller thereunder); or (c) in Programmer's discretion, as provided in written notice to Licensee by Programmer, in the event that the Purchase Agreement shall have terminated by reason of the default by Licensee (as the Seller thereunder) and Programmer shall not be in default (as Buyer thereunder). Notwithstanding the foregoing, however, any exercise by Programmer (as Buyer thereunder) of its right, if any, to seek specific performance to purchase the Station shall not constitute a termination of this Agreement.

8.4 Termination Upon Order of Governmental Authority. If this Agreement is challenged at the FCC, whether or not in connection with the Station's license renewal application, counsel for Licensee and counsel for Programmer shall jointly defend the Agreement

and the parties' performance thereunder throughout all FCC proceedings. If portions of this Agreement do not receive the approval of the FCC staff, then the parties shall reform the Agreement as necessary to satisfy the FCC staff's concerns. If the parties are unable to reform the Agreement as necessary to satisfy such concerns, this Agreement shall terminate. In the event that the FCC or another government authority designates a hearing with respect to the continuation, renewal or revocation of any authorization held by Licensee for the operation of the Station or initiates any revocation or other proceeding with respect to the authorizations issued to the Licensee for the operation of the Station, and Licensee elects to contest the action, then Licensee shall be responsible for its expenses incurred as a consequence of the FCC proceeding; *provided, however*, that Programmer shall at its own expense cooperate and comply with any reasonable request of Licensee to assemble and provide to the FCC information relating to Programmer's performance under this Agreement; *provided further* that this provision shall not in any respect limit either party's liability to the other pursuant to this Agreement, to the extent that any such revocation or other proceeding results from actions or inactions by that party contrary to law or to this Agreement.

8.5 Termination Upon Written Notice. This Agreement may be terminated by Programmer upon twelve (12) months advance written notice to Licensee, *provided, however*, that in no event shall Programmer be relieved of its obligation to pay Licensee an annual fee pursuant to Schedule 1.4 hereof through June 30, 2004.

8.6 Cooperation upon Termination. If this Agreement is terminated for any reason other than the occurrence of the Closing under the Purchase Agreement, Programmer shall return to Licensee any equipment or property of the Station used by Programmer, its employees or agents, in substantially the same condition as such equipment existed on the Effective Date, ordinary wear and tear excepted. Upon termination, all sums owing Licensee through the effective date of termination shall be paid and neither party shall have any further liability to the other under this Agreement except as provided in Section 6.

8.7. Indemnification upon Termination. No expiration or termination of this Agreement shall terminate the obligation of each party to indemnify the other for claims of third parties under Section 6 of this Agreement or limit or impair any party's rights to receive payments due and owing hereunder on or before the date of such termination.

9. REPRESENTATIONS AND WARRANTIES

9.1. Representations and Warranties of Licensee. Licensee hereby represents and warrants that:

9.1.1. Organization and Standing. Licensee is a corporation duly formed, validly existing and in good standing under the laws of the State of Oklahoma, and has all necessary power and authority to own, lease and operate the Station Assets and to carry on the business of the Station.

9.1.2. Authorization and Binding Obligation. Licensee has all necessary power and authority to enter into and perform this Agreement and the transactions contemplated by this Agreement, and Licensee's execution, delivery and performance of this Agreement have been duly and validly authorized by all necessary action on its part. This Agreement has been duly executed and delivered by Licensee and constitutes its valid and binding obligation enforceable against Licensee in accordance with its terms.

9.1.3. Absence of Conflicting Agreements or Required Consents. The execution, delivery and performance of this Agreement by Licensee: (a) do not and will not violate any provisions of Licensee's organizational documents; (b) do not and will not require the consent or approval of or any filing with any third party or governmental authority other than the FCC; (c) do not and will not violate any applicable law, judgment, order, injunction, decree, rule, regulation or ruling of any governmental authority to which Licensee is a party or by which it or the assets of the Station are bound; and (d) do not and will not, either alone or with the giving of notice or the passage of time, or both, conflict with, constitute grounds for termination or acceleration of or result in a breach of the terms, conditions or provisions of, or constitute a default under any agreement, lease, instrument, license or permit to which Licensee is now subject.

9.2. Representations and Warranties of Programmer. Programmer hereby represents and warrants that:

9.2.1. Organization and Standing. Programmer is a corporation duly formed, validly existing and in good standing under the laws of the State of Nevada, is in good standing and entitled to do business within the State of Oklahoma and has all necessary power and authority to perform its obligations under this Agreement as of the date of execution and on and after the Effective Date.

9.2.2. Authorization and Binding Obligation. Programmer has all necessary power and authority to enter into and perform this Agreement and the transactions contemplated by this Agreement, and Programmer's execution, delivery and performance of this Agreement has been duly and validly authorized by all necessary action on its part. This Agreement has been duly executed and delivered by Programmer and constitutes its valid and binding obligation enforceable against Programmer in accordance with its terms.

9.2.3. Absence of Conflicting Agreements or Required Consents. The execution, delivery and performance of this Agreement by Programmer: (a) do not and will not violate any provisions of Programmer's organizational documents; (b) do not and will not require the consent of any third party or governmental authority other than the FCC; (c) do not and will not violate any law, judgment, order, injunction, decree, rule, regulation or ruling of any governmental authority; and (d) do not and will not, either alone or with the giving of notice or the passage of time, or both, conflict with, constitute grounds for termination or acceleration of or result in a breach of the terms, conditions or provisions of, or constitute a default under any agreement, lease, instrument, license or permit to which Programmer is now subject.

10. LICENSEE CERTIFICATION. Licensee certifies that it shall maintain the ultimate control over the Station's facilities, including but not limited to control over the finances, personnel and programming relating to its operation of the Station.

11. MISCELLANEOUS

11.1. Modification and Waiver. No modification or waiver of any provision of this Agreement shall be effective unless made in writing and signed by the party adversely affected, and any such waiver and consent shall be effective only in the specific instance and for the purpose for which such consent was given.

11.2. No Waiver; Remedies Cumulative. No failure or delay on the part of Licensee or Programmer in exercising any right or power under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the parties to this Agreement are cumulative and are not exclusive of any right or remedies which either may otherwise have.

11.3. Governing Law. The construction and performance of this Agreement shall be governed by the laws of the State of Oklahoma without regard to its principles of conflict of law.

11.4. No Partnership or Joint Venture. This Agreement is not intended to be and shall not be construed as a partnership or joint venture agreement between the parties. Except as otherwise specifically provided in this Agreement, no party to this Agreement shall be authorized to act as agent of or otherwise represent any other party to this Agreement.

11.5. Benefit and Assignment. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. Upon any assignment by Programmer of its rights hereunder, references to "Programmer" shall include such assignee, provided, however, that no such assignment shall relieve Programmer of any obligation hereunder.

11.7. Headings. The headings set forth in this Agreement are for convenience only and will not control or affect the meaning or construction of the provisions of this Agreement.

11.8. Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed an original and all of which together will constitute one and the same instrument.

11.9. Notices. Any notice, demand or request required or permitted to be given under the provisions of this Agreement shall be in writing, addressed to the following addresses, or to such other address as any party may request in writing.

If to Citadel:

Citadel Broadcasting Company
c/o Forstmann Little & Co.
767 Fifth Avenue, 44th Floor
New York, NY 10153
Attn: Mr. Farid Suleman
Telephone: (212) 355-5656
Facsimile: (212) 759-9059

and

Citadel Broadcasting Company
7201 W. Lake Mead Blvd.
Suite 400
Las Vegas, NV 89128
Attn: Ms. Donna Heffner, CFO
Telephone: (702) 804-8202
Facsimile: (702) 804-8292

With a copy to:

Leventhal, Senter & Lerman, P.L.L.C.
2000 K Street, N.W.
Suite 600
Washington, D.C. 20006-1809
Attention: Steven A. Lerman, Esq.
Telephone: (202) 429-8970
Facsimile: (202) 293-7783

If to Licensee:

Champlin Broadcasting, Inc.
316 East Willow
P.O. Box 952
Enid, OK 73701
Attn: Mr. Hiram H. Champlin
Telephone: (580) 237-1390
Facsimile: (580) 242-1390

With a copy to:

Dickstein Shapiro Morin & Oshinsky LLP
2101 L Street, N.W.
Washington, D.C. 20037-1526
Attn: Andrew S. Kersting, Esq.
Telephone: (202) 955-6631
Facsimile: (202) 887-0689

Any such notice, demand or request shall be deemed to have been duly delivered and received (i) on the date of personal delivery, or (ii) on the date of transmission, if sent by facsimile (but only if a hard copy is also sent by overnight courier), or (iii) on the date of receipt, if mailed by registered or certified mail, postage prepaid and return receipt requested, or (iv) on the date of a signed receipt, if sent by an overnight delivery service, but only if sent in the same manner to all persons entitled to receive notice or a copy.

11.10. Severability. In the event that any of the provisions of this Agreement shall be held unenforceable, then the remaining provisions shall be construed as if such unenforceable provisions were not contained herein. If any provision of this Agreement is deemed to be unenforceable in any jurisdiction, as to such jurisdiction, such provision will be construed to be ineffective to the extent of such unenforceability without invalidating the remaining provisions of this Agreement, and unenforceability in any jurisdiction will not invalidate or render unenforceable such provisions in any other jurisdiction. To the extent permitted by applicable law, the parties to this Agreement waive any provision of law now or hereafter in effect which renders any provision of this Agreement unenforceable in any respect.

11.11. Capitalized Terms. Unless otherwise defined herein, capitalized terms used herein and in any Schedules or Exhibits hereto shall have the meanings ascribed to them in the Option Agreement.

[SIGNATURE PAGE FOLLOWS IMMEDIATELY]

IN WITNESS WHEREOF, the parties have executed this Local Marketing Agreement as of the date first above written.

CITADEL BROADCASTING COMPANY

By: Donna L. Heffner
Name: Donna L. Heffner
Title: Chief Financial Officer

CHAMPLIN BROADCASTING, INC.

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the parties have executed this Local Marketing Agreement as of the date first above written.

CITADEL BROADCASTING COMPANY

By: _____

Name: _____

Title: _____

CHAMPLIN BROADCASTING, INC.

By:  _____

Name: HIRAM H. CHAMPLIN

Title: PRESIDENT