

The Advertiser ("Advertiser"), Agency ("Agency" and with Advertiser "Client") and Licensee of Station ("Station"), as each is set forth on the first page hereof, hereby agree, except as otherwise provided on the first page hereof, as follows:

1. Payment and Billing. Terms are cash with order unless prior credit approval has been granted by Station, in which case Station will bill Client at monthly intervals, and Client agrees to pay each bill within fifteen (15) days after the date of each bill. Station invoices shall be deemed to be correct unless Client provides a written objection to Station within 30 days of the date of invoice setting forth all of the grounds for the objection; affidavits of performance are not a condition precedent to payment hereunder. Notwithstanding to whom invoices are rendered, Advertiser and Agency shall be jointly and severally liable for payment hereunder. Payment by Advertiser to Agency shall not constitute payment to Station. A monthly finance charge of 1.5% shall be made on any amount which is still outstanding thirty (30) days after it becomes due. Partial payment of any bill will be applied to Client's outstanding charges in the amounts and proportions as solely determined by Station. No acceptance of partial payment(s) by Station shall constitute a waiver of any right to collect the full balance owed under the Agreement. Client shall be required to pay Station all bank charges and fees incurred by Station resulting from a returned check.

2. Termination. This Agreement may be cancelled either by Station or Client upon twenty-eight (28) days prior notice. If this Agreement is terminated by Client prior to the end of the term and includes rates based on a committed dollar amount, or on frequency, duration, or total number of broadcasts or publications, or includes value added elements such as event sponsorship, then Client shall pay a surcharge equal to the difference between the rates in this Agreement and the rates that are applicable to the actual frequency, duration, or total number of broadcasts or publications and the value added elements provided under the Agreement. Upon the occurrence of an Event of Default, Station may terminate this Agreement immediately upon notice, which may be verbal or in writing. Any of the following events shall constitute an "Event of Default" on the part of Client: (i) the breach by Client of any of the terms and conditions of this Agreement or the inaccuracy of any representation or warranty made by Client herein; (ii) the determination, in the sole discretion of Station, that Advertiser has committed an act or is involved in any situation or occurrence tending to bring Station or Client into public scandal, ridicule or which will reflect unfavorably on the reputation of Station, its owner, its subsidiaries, affiliates or affiliated entities including, without limitation, inappropriate fundraising activities by Programmer or the improper use or application of funds received by Programmer; or (iii) the determination, in the sole discretion of Station, that the financial integrity of Advertiser is compromised. UPON CANCELLATION BY STATION DUE TO AN EVENT OF DEFAULT BY CLIENT, ALL CHARGES FOR BROADCASTS AND PUBLICATIONS COMPLETED HEREUNDER AND NOT PAID SHALL BECOME IMMEDIATELY DUE AND PAYABLE, AND CLIENT SHALL ALSO PAY, AS LIQUIDATED DAMAGES AND NOT AS A PENALTY, A SUM EQUAL TO (I) THE AMOUNT THAT CLIENT WOULD HAVE BEEN OBLIGATED TO PAY HEREUNDER IF, ON THE DATE ON WHICH STATION TERMINATES THE AGREEMENT, CLIENT HAD GIVEN A 28 DAY NOTICE OF TERMINATION PURSUANT TO THIS SECTION AND (II) THE ACTUAL, NON-CANCELABLE OUT-OF-POCKET COSTS NECESSARILY INCURRED BY STATION THROUGH THE DATE OF SUCH TERMINATION.

3. Indemnification. Client shall defend, indemnify and hold harmless Station, its owner, and affiliated entities and their officers, directors, stockholders, partners and employees from and against all claims, damages, liability, costs and expenses (including without limitation, interest, penalties, court costs, attorney's fees and expenses) resulting from or arising out of: (i) the development, production, supply, delivery, or content of any programming, advertisement, and images provided by Client or any material provided by Client, including promotional material, trademarks, trade names, service marks, titles and logos of Advertiser (collectively "Client Materials"), (ii) any libel, slander, illegal competition or trade practice, false advertising, product liability, violation of rights of privacy or publicity, infringement of copyrights (other than public performance music license fees payable to ASCAP, BMI and/or SESAC) or other rights of third parties arising out of any Client Materials or products or services advertised therein, (iii) violations of any federal, state local, or foreign law relating to the Client Materials; (iv) any breach by Client of the terms of this Agreement or (v) any wrongful or negligent acts or omissions of Client. The obligations of Client under this Section 3 shall survive the termination of this Agreement.

4. Representations and Warranties. By signing this Agreement Client warrants and represents as of this date and the date of each delivery of Client Materials, that (i) Client has the right and power to enter into this Agreement; (ii) this Agreement properly conveys to Station all rights necessary to broadcast and publish the Client Materials as set forth herein; and (iii) Client owns all of the rights it granted to Station herein, including, but not limited to, all such rights with respect to the Client Materials. Client acknowledges that no inducements, representations or warranties, except as specifically set forth on the face hereof, have been made by Station to Client and that no representative, agent or employee of Station is authorized to make any representations or warranties with reference to this Agreement other than as set forth on the face hereof and Client should not rely on any such statement. STATION HEREBY DISCLAIMS ALL WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, TO THE FULLEST EXTENT PERMITTED BY LAW. STATION SHALL NOT BE LIABLE FOR SPECIAL, INDIRECT, CONSEQUENTIAL, EXEMPLARY OR INCIDENTAL DAMAGES ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY, NO MATTER WHAT THE CAUSE, CLAIM OR THEORY FOR SUCH DAMAGES MIGHT BE, EVEN IF STATION HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

5. Notice. Except as otherwise specifically provided herein, each notice, consent, approval or request to be given hereunder shall be given in writing, either by personal delivery, overnight delivery service, U.S. Postal Service certified mail, or by facsimile with the original sent the same day by certified mail to the parties at the respective addresses set forth on the first page hereof or at such other substitute address as either may designate by notice given pursuant to this Section. Notice by U.S. Postal Service certified mail shall be deemed received on the fifth (5th) business day following mailing thereof with all charges prepaid. Notice by any other means shall be deemed delivered upon its actual receipt.

6. Programming & Materials. In the event the Client Materials are not delivered to Station sufficiently in advance of the broadcast or publication time to be properly broadcast or published, or do not meet with all technical, production and content standards of Station, in the sole discretion of Station, Station shall have the right to broadcast or publish a substitute program, announcement, or image, and Client shall remain liable for the full amount due had Station broadcast or published the Client Materials. Without prior written approval by Station, Client shall not broker nor resell any portion of the Client Materials to another entity. Station reserves the right to refuse to broadcast or publish any Client Materials which Station believes, in its sole discretion, to be unsatisfactory, unsuitable for its audience or contrary to the public interest. This agreement and the obligation of Station to broadcast or publish any Client Materials hereunder is subject to all applicable federal, state and local rules and laws, including those of the FCC. If Station preempts or fails to broadcast or publish all or a material part of a scheduled broadcast or advertisement and Station and Client cannot agree upon a substitute time period for the broadcast or publication, the charges relating thereto shall be appropriately reduced. Station shall have no other liability to Client as a result of any interruption or omission of the broadcast or publication of Client Materials. Station shall have the right to use the Client Materials in connection with any promotional activity of Station. Station shall not be required to return Client Materials, and shall not be responsible for loss or damage thereto.

7. Resolutions of Claims and Disputes. Regardless of the place of execution, this Agreement shall be deemed to be an agreement made in the largest city of the home Arbitron radio market served by Station ("Market") and shall be interpreted as an agreement to be performed wholly in the Market. The laws of the Market shall be applied without regard to the principles of conflicts of laws. Client expressly waives any presumption or rule, if any, which requires this Agreement to be construed against Station. In the event a suit or action is filed to enforce any provision of this Agreement, the prevailing party shall be reimbursed by the other for all costs and expenses in connection with the suit or action, including without limitation, attorneys' fees, arbitration fees, collection agency fees, and any other cost or expense, incurred in collecting any amount due.

8. Nondiscrimination. Station does not discriminate in any contract for programming or advertising on the basis of race or ethnicity and all such contracts will be evaluated, accepted, negotiated and completed without regard to race or ethnicity. Any provision in any contract or order for advertising that purports to discriminate on the basis of race or ethnicity, even if handwritten, typed, or otherwise made a part of a particular contract is hereby rejected.

9. Miscellaneous. Neither party shall be liable for any delay or failure in performance of any part of this Agreement from any cause beyond its control and without its fault or negligence, such as acts of God, acts of civil or military authority, government regulations, major environmental disturbances, unusually severe weather conditions, inability to secure products or services of other persons or facilities, theft of copper or other equipment or acts of vandalism at Station's facilities, or act or omissions of common carriers. If any portion of this Agreement shall be held to be illegal, invalid, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein. Additionally, in lieu of each such illegal, invalid or unenforceable provision, there shall be added automatically as part of this Agreement a provision as similar to such former provision as shall be legal, valid, and enforceable. The provisions of this Agreement by and between Station and Client shall apply to, bind and inure to the benefit of Station and Client, their respective successors, legal representatives or assigns. This Agreement is not assignable by Client. Except for the terms of any Station credit application signed by Client, this Agreement contains the entire understanding and agreement between the parties hereto relating to the subject matter contained herein. No additions, changes or modifications shall be binding unless reduced to writing and signed by the parties.

10. Additional Terms Applicable to Radio Broadcast Agreements only. Client grants all rights required for the broadcast of the Client Materials on the dates and times set forth on the first page hereof to all geographic areas serviced by the Station, including worldwide "broadcast" by means of streaming on the Internet and via mobile telephony and any other manner in which Station distributes its radio broadcast. For programs, Client shall provide Station at least one undated backup tape or CD to be used by Station, in its sole discretion, as a substitute for scheduled programming. Client shall not use any portion of the Client Materials to promote via broadcast, directly or indirectly, another entity if a benefit (financial or otherwise) has been received or conferred for such promotion. Client hereby agrees to cooperate with the Station's reasonable actions to ensure proper attribution of listeners to the Client Materials, and the Station reserves the right to take any such actions. Under all circumstances, and without being in breach of the Agreement, Station shall have the right to substitute a program it deems in its sole discretion to be of greater public importance for the Client Materials. Station shall have no liability for broadcasting all or a portion of a scheduled broadcast at reduced power.

11. Additional Terms Applicable to Sirius/XM Agreements only. Station may terminate this Agreement immediately and without penalty upon termination of the Salem Communications Corporation License Agreement with Sirius XM Radio, Inc. ("Sirius XM"). In the event Station's right to transmit programming on the Sirius SDARS (but not the XM SDARS) terminates for any reason, then from the date of such termination this Agreement shall pertain only to Station's XM SDARS channel, at a rate to be mutually agreed to by Client and Station. Client's obligations of indemnification, defense, and hold harmless under Paragraph 3 hereof shall also extend to Sirius XM, its owner, affiliated entities and their officers, directors, stockholders, partners and employees. Client represents and warrants that it owns all intellectual property rights required for transmission of the Client Materials by Station on Sirius XM SDARS, and that it grants those rights to Station pursuant to this Agreement. For audio programs, Client shall provide Station at least one undated backup tape or CD to be used by Station, in its sole discretion, as a substitute for scheduled programming. Programmer agrees that, during the term of this Agreement and for six months thereafter, it will not supply any of the programs which are the subject of this Agreement to any SDARS provider or SDARS radio station, other than Station, in the United States, Canada, or Mexico. Client grants all rights required for the broadcast of the Client Materials on the dates and times set forth on the reverse hereof to all geographic areas serviced by the Sirius XM SDARS, including worldwide "broadcast" by means of streaming on the Internet and via cable and satellite television and mobile telephony and any other manner in which Sirius XM distributes its audio service. Station shall have the right to use the Client Materials in connection with any promotional activity of Station or Sirius XM, and Client grants Station and Sirius XM a limited, nonexclusive royalty-free license to use the names, voices, biographies, and likenesses of all talent appearing in the Programming in connection with such promotional activity. Station shall have no liability for broadcasting all or a portion of a scheduled broadcast to a reduced SDARS coverage area. Client hereby agrees to cooperate with the Station's reasonable actions to ensure proper attribution of listeners to the Client Materials, and the Station reserves the right to take any such actions. Client shall cause all Programming to comply with Sirius XM's program and operating standards made known to the Programmer at any time. Within five (5) business days after the end of each month, Client shall deliver to Station a report, in both written and electronic form and certified by a responsible officer of Client, containing information specified by Station for all musical compositions and sound recordings included or performed in the Programming, other than incidental performances within the meaning of the Copyright Act, during the previous month. The Market for this Agreement for the purposes of Paragraph 7 shall be Washington, D.C.

12. Additional Terms Applicable to Internet/Video/E-Mail Agreements only. Client grants all rights required for the publication of the Client Materials on the dates and times set forth on the reverse hereof to all geographic areas serviced by the Station, including worldwide publication by means of Internet and via mobile telephony, e-mail, and any other manner in which Station distributes its digital, e-mail, and video services. Client hereby agrees to cooperate with the Station's reasonable actions to ensure proper attribution of viewers and recipients to the Client Materials, and the Station reserves the right to take any such actions. All images, video, and other content to be published by Station must be delivered to Station in file formats and sizes as specified by Station. If the terms of this Agreement include any hyperlink to Client's website as part of the publication of the Client Materials, Client grants to Station the right to include such hyperlinks to Client's website, and if Client does not timely provide sufficient information to include a hyperlink to a specific web page as part of the publication of the Client Materials, Station can elect to include a hyperlink to Client's main webpage. In the event of technical difficulties affecting the publication of all or a portion of the Client Materials, Station shall have the option to provide "make good" publication of the Client Materials within ten days that provides at least the equivalent distribution of the Client Materials, in which case such "make good" publication shall satisfy Station's obligations under this Agreement with respect to the publication of the Client Materials affected by the technical difficulties.