

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (the "Agreement") is made and entered into as of March ____, 2003, by and between **TERRENCE TRAWICK** (a/k/a "Steve Shannon"), a Missouri resident ("Performer"), and **EMMIS RADIO CORPORATION**, an Indiana corporation, as the operator of a radio station in St. Louis, Missouri using the call letters WMLL-FM (such corporation and radio station, collectively, the "Station"), relating to the engagement of Performer as on-air talent for Station according to the terms and subject to the conditions set forth in this Agreement.

RECITALS

In consideration of the mutual promises and covenants set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

AGREEMENT

1. **Duties and Services.**

(a) **General.** During the Term (as defined below), Performer shall serve Station as on-air talent and perform such other or different duties as may be reasonably assigned to Performer by Station. Upon the terms and subject to the conditions set forth in this Agreement, Performer shall furnish Performer's exclusive radio broadcast services and related radio promotional services to Station during the Term in the Market. For purposes of this Agreement, the "Market" shall mean the St. Louis Total Survey Area (as defined by Arbitron Ratings Company, or any successor thereto ("Arbitron")), as specified in the most recently issued Arbitron Ratings Quarterly Report (the "Report"). Performer shall perform on-air duties during the hours of 5:00 a.m. through 10:00 a.m. Monday through Friday each week during the Term (the "Program"). Station has the right to produce a "Best Of" program on a recorded basis for use on weekends or during the week when Performers (as hereinafter defined) are not providing a live show due to vacation or other approved time off.

(b) **Other Agreement.** This Agreement is predicated upon the premise that Performer shall serve as part of a radio announcer team. In connection therewith, Station is, as of even date herewith, entering into an Agreement ("Other Agreement") with Isaiah Wilhelm (a/k/a "D.C. Chymes") ("Other Performer" and, when referred to together with the Performer, the "Performers") as the other member of the on-air talent team for the Program.

(c) **Services-Related Matters.** Certain other material terms and conditions relating to Performer's duties and obligations under this Agreement are set forth on Exhibit A, attached hereto and made a part hereof.

(d) No Obligation to Utilize Services. Station shall not be liable to Performer in any way for any failure or refusal by Station to utilize Performer's services in whole or in part. Notwithstanding anything to the contrary contained in this Agreement, Station will have fully performed, satisfied and discharged all of its obligations to Performer under this Agreement by making the payments to Performer provided for in Section 2(a).

(e) Transfer Rights. Performer acknowledges and agrees that Station shall have the right to require Performer to provide to other station(s) within the Market some or all of the services Performer is required herein to provide to Station. If Station so elects, Performer shall negotiate in good faith such changes to this Agreement as are necessary or appropriate in connection with such transfer, yet which are consistent with the spirit and intent of this Agreement. Upon reaching agreement as to such matters, the parties shall execute an amendment to this Agreement setting forth the amended provisions.

2. Compensation.

(a) Base Salary. During the Term, Station shall pay or cause to be paid to Performer an annualized base salary ("Base Salary") as follows:

<u>Dates:</u>	<u>Base Salary:</u>
January 1, 2003 - December 31, 2003	\$170,000
January 1, 2004 - December 31, 2004	\$180,000
January 1, 2005 - December 31, 2005	\$190,000

All Base Salary paid hereunder shall be subject to withholding for applicable taxes and as otherwise required by law. Additionally, Performer acknowledges and agrees that: (i) ten percent (10%) of all Base Salary paid hereunder is being paid in consideration of Employer's exclusive rights set forth in Paragraph 7, including without limitation the right to post-term protection set forth in Paragraph 7(d); and (ii) Station may pay Performer, a portion of Performer's Base Salary hereunder in stock or equity pursuant to a plan adopted for Station employees (not to exceed 10% of Base Salary). Additionally, all cash sums payable to Performer pursuant to Paragraphs 2(a), 2(b) and 2(c) of this Agreement shall be subject to a deduction in the amount of ten percent (10%) for commissions (the "Commissions") payable to Performer's representative, Robert Eatman Enterprises, Inc. ("REE"). Performer hereby authorizes Station to make such deductions and remit such Commissions to REE (P.O. Box 853, Pacific Palisades, California, 90272) each pay period during the Term; provided, however, that the Commissions attributable to the Signing Bonus paid pursuant to Paragraph 2(b) shall be paid in four (4) equal installments of \$2,125 each to be deducted from the first four (4) pay periods immediately following the execution of this Agreement.

(b) Signing Bonus. Performer acknowledges receipt of a signing bonus in the amount of Eighty Five Thousand Dollars (\$85,000) that was paid to Performer by Station on or about October 18, 2002. Performer acknowledges and agrees that Performer shall be required to refund to Station a prorated portion of such signing bonus if Station terminates this Agreement for "cause" pursuant to Section 13(a) of this Agreement.

(c) Performance Bonus. In addition to Performer's Base Salary, Performer shall be eligible to receive one (1) bonus in an amount up to a maximum of Twenty Three Thousand Dollars (\$23,000) for each full Arbitron quarterly booking period during the Term during which Performer provides live, on-air broadcast services pursuant to this Agreement (each, a "Performance Bonus"). The amount of the Performance Bonus for any given quarter during the Term, if any, shall equal the amount set forth opposite the Station's Average Quarter Hour Rank for the daypart during which Performer regularly provided such services as stated in the Report as follows:

Bonus Schedule

Adults 18-34:

<u>Rank:</u>	<u>Bonus (not cumulative):</u>
#1	\$ 8,500
#2	\$ 7,500
#3	\$ 6,500
#4	\$ 5,500

Adults 25-54:

<u>Rank:</u>	<u>Bonus (not cumulative):</u>
#1	\$14,500
#2	\$13,500
#3	\$11,500
#4	\$10,500

It is understood and agreed that Station may, at its sole election, pay any Performance Bonus amounts, if any, in cash or Shares (as defined below). In the event Station elects pursuant to this Section 2(c) to pay a Performance Bonus in Shares, the exact number of Shares to be awarded to Performer shall be determined by dividing the total dollar amount of the applicable Performance Bonus by the average of the reported high and low Share price on the last day of the applicable quarter, as reported by NASDAQ. Performer shall receive any Performance Bonus amounts within sixty (60) days after the conclusion of the applicable quarter during which such Performance Bonus was earned pursuant to the terms and conditions of this Agreement. It is understood and

agreed that, in the event one or more radio stations in the Market tie the Station for a particular ranking, Performer shall receive the average of the amount set forth opposite the ranking for which the tie occurred and the next lowest ranking (e.g., in the event of a tie for the #2 ranking, Performer shall receive \$7,000 (the average of \$7,500 and \$6,500)).

(d) Personal Appearances and Live Spots. Performer shall make up to a maximum of ten (10) non-Station-related personal appearances each year during the Term. Performer shall receive a flat rate of \$250.00 per hour (\$500.00 minimum per appearance) for all non-Station-related personal appearances, such payment made in arrears on a monthly basis. Station shall pay Performer \$35.00 for each live spot, such payment to be made in arrears on a monthly basis. Additionally, the Performer shall appear at no cost to Station up to a maximum of ten (10) Station-related appearances each year during the Term. For the purposes of this Section 2(d), a "Station-related personal appearance" shall mean any personal appearance by Performer that is reasonably designated by the Station for the benefit of Station as opposed to the benefit of one or more of the Station's advertisers. Station shall be responsible for obtaining payment from clients and otherwise coordinating such personal appearances. Performer agrees to comply with all applicable policies of Station at such personal appearances.

(e) Equity Incentive Compensation. In the event that, during the Term, Station's actual broadcast cash flow (as determined and reported by Station) equals or exceeds its budgeted broadcast cash flow goal (as determined by Station) for the immediately preceding Station fiscal year, Performer shall receive an option ("Option") to acquire Five Hundred (500) shares (the "Shares") of Class A Common Stock of Emmis Communications Corporation ("Emmis") on or about such date or dates on which Emmis awards equity incentive compensation to its employees (each, an "Award Date") pursuant to the terms and subject to the conditions of the applicable Emmis Equity Incentive Plan; provided, however, in the event Station's actual broadcast cash flow exceeds its budgeted broadcast cash flow goal by ten percent (10%) or more, Performer shall be granted an additional Option to acquire an additional One Thousand (1,000) Shares pursuant to the terms and conditions set forth above in this sentence. It is understood and agreed that in the event of any change in the outstanding Shares by reason of any reorganization, recapitalization, stock split, reverse stock split, stock dividend, share combination, consolidation or similar event, the number and class of Shares awarded pursuant to this Agreement or covered by an Option granted pursuant to this Paragraph 2(e) (and any applicable Option exercise price) shall be adjusted by the Compensation Committee of Emmis Communications Corporation (the "Committee") in its sole discretion and in accordance with the terms of the applicable Emmis Equity Incentive Plan and the Option agreement evidencing the grant of the Option. The determination of the Committee shall be conclusive and binding.

(f) Fringe Benefits. During the Term, Performer shall be entitled to receive the fringe benefit package (including provisions for insurance and leave time) generally available to other full-time, non-management Station employees with a

comparable length of service. Performer shall be eligible to take up to five (5) weeks of vacation each year during the Term pursuant to Station policy or practices.

(g) Life Insurance. During the Term, Station shall, subject to the insurability of Performer, obtain and maintain a term life insurance policy in the face amount of \$500,000 for which Station shall be the owner and Performer shall be the insured and the beneficiary; provided, that the annual premium costs incurred by Station shall in no event exceed \$1,600. Station agrees to provide Performer with a copy of said policy and any amendments or other material correspondence not later than sixty (60) days following execution of this Agreement.

(h) Conferences. Upon submission of receipts, Station shall reimburse Performer for reasonable expenses actually incurred while attending "The Morning Show Boot-Camp" once each year during the Term. Such expenses shall include registration fees, daily meal allowance (\$40 per person per day maximum), reasonable hotel expenses and coach class airfare. Performer shall utilize Station's travel agent to make the requisite travel arrangements.

3. Term. The term of this Agreement shall be for a period of three (3) years commencing on January 1, 2003, through and including December 31, 2005, unless earlier terminated in accordance with the terms of this Agreement (the "Term"). Notwithstanding anything to the contrary contained in this Agreement, it is understood and agreed that Station may, in its sole discretion, terminate this Agreement without any further obligation on or anytime after July 1, 2004, by providing Performer with five (5) months' prior written notice or five (5) months' pay in lieu of such notice.

4. Program Format. The program format is described on Exhibit B, attached hereto and made a part hereof, along with certain other material terms and conditions of this Agreement relating to Performer's duties and obligations. Station and Performer may, from time-to-time during the Term, jointly develop and determine program format changes and modifications. Station acknowledges that Performer shall maintain creative input regarding the non-commercial or non-promotional content and style of the Program; however, Performer acknowledges and recognizes the necessity for Station to exercise final control and authority over the format consistent with the Station's public interest and licensee obligations and responsibilities. Accordingly, Performer agrees to perform Performer's services in a diligent, competent and artistic manner, and to comply with all Station rules and policies which apply to Station and its employees, and with the rules and regulations of the Federal Communications Commission and any other governmental body having jurisdiction in the premises. Performer also agrees to devote such time to rehearsal and/or preparation as may be reasonably required, to abide by all written instructions of the Station concerning the commercial and promotional content of performances on which Performer appears (including but not limited to instructions limiting the number and content of on-air mentions of commercial ventures in which Performer has an interest), and to perform the services contemplated hereunder in a capable, professional and efficient manner.

5. Expenses. Station shall reimburse Performer for reasonable expenses actually incurred by Performer directly related to the performance of Performer's duties to the extent authorized in writing in advance by the Station or otherwise incurred in accordance with Station's written policies.

6. Conduct. At all times during the Term Performer's conduct shall be with due regard to public and social conventions of good conduct, good morals and decency, and Performer shall refrain from committing any act which brings Performer or Station, or Station's advertisers, sponsors or advertising agencies, or any officer, director, employee or representative of the Station or Emmis or any of its affiliated or related companies (collectively, "Affiliated Group Members") into public disrepute, scandal, contempt or ridicule, or which disparages or reflects adversely upon any Affiliated Group Members. Furthermore, Performer shall refrain from engaging in any activities which, directly or indirectly, interfere with, or adversely impact upon, Performer's services to be provided to Station under the terms of this Agreement without first obtaining Station's written consent to do so. Without limiting the generality of the foregoing, Exhibit A includes specific obligations and remedies pertaining to the subject matter of this Section.

7. Exclusivity; Rights of First Refusal and Negotiation; and Post-Term Protection.

(a) Exclusive Employment During Term. During the Term, Performer shall not, without the prior written consent of Station (i) perform, broadcast, or appear on, or for the benefit of, any radio station (other than the Station) or on any radio network or syndicated radio program (other than one affiliated with the Station), or (ii) negotiate or enter into any agreement (other than with the Station) regarding Performer's performance, broadcast, or appearance on, or for the benefit of, any radio station or on any radio network or syndicated radio program (other than one affiliated with the Station); provided, however, that Performer may negotiate with any third party during the last ninety (90) days of the Term, subject to Station's rights under Section 7(c) and Section 7(d). Prior to Performer engaging in any television or other entertainment industry services for third parties not otherwise prohibited by this Agreement, Performer shall obtain Station's prior written consent for such engagements, which consent shall not be unreasonably withheld. In the event Performer seeks Station's consent pursuant to this provision, Station agrees to use its reasonable efforts to provide a response in a timely manner.

(b) Right of First Negotiation. During the one hundred eighty (180) days prior to the expiration of the Term, Performer agrees to negotiate in good faith a new employment agreement for Performer's services with Station for a subsequent term. If, ninety (90) days from the end of the Term, Station and Performer have not entered into a new agreement for the engagement of Performer's services, Performer shall furnish to Station in writing the least favorable terms of employment Performer is willing to accept for Performer's services. Station shall have five (5) business days from its receipt of such terms within which to notify Performer of Station's decision regarding

the engagement of Performer to provide Performer's services on such terms. Thereafter, if Station accepts such terms, the parties shall enter into a new agreement substantially similar to this Agreement, as expressly modified by the terms of the Performer's notice. If Station elects not to accept such terms, Performer may negotiate with any third party subject to the limitations set forth in this Section 7.

(c) Right of First Refusal. Performer agrees that if, as of the date ninety (90) days from the end of the Term, Performer and Station have not entered into an extension of this Agreement or otherwise agreed as to the continued employment of services by Performer, Performer shall not, during the last ninety (90) days of the Term and for ninety (90) days immediately following the end of the Term (the "Refusal Period"), directly or indirectly make or enter into any agreement, understanding or option with any person or entity (other than Station) regarding Performer's performance, broadcast, or appearance on or for the benefit of any radio station or any radio network or syndicated radio program on terms less favorable to Performer than those last offered by Performer to Station under the terms of Paragraph 7(b) above without giving Station the first opportunity to enter into an exclusive agreement with Performer for Performer's services on terms and conditions substantially similar to those offered to Performer by any such other person or entity which Performer is willing to accept or to those offered by Performer to such other person or entity which such person or entity is willing to accept (collectively, the "Offer"). Station will have five (5) business days from the date of its receipt of Performer's written notice of any Offer (which notice shall contain a true, complete and un-redacted copy of the Offer to Performer and a written summary of all oral terms or conditions of the Offer) in which to agree to match the Offer on terms that are substantially similar to the Offer when taken as a whole. If Station agrees to match the Offer as provided above, the parties will enter into a new agreement substantially similar to this Agreement, as modified by the terms of the Station's matching offer. If Station fails or refuses to match the Offer within the time specified above, then and only then will Performer be free to furnish or agree to furnish such other person or entity with Performer's services on the terms contained in such Offer (subject to the restriction set forth in Paragraph 7(d) below). If Performer does not accept such Offer, the terms of this subsection will apply to any subsequent offer received or made by Performer during the Refusal Period.

(d) Post-Term Protection. Performer recognizes that the Station has invested, and will continue to invest, substantial amounts of money and professional efforts to secure and retain audiences for the Station and for the Program and other programs on which Performer appears; that Performer's standing as a radio personality will be enhanced by reason of Performer's appearances and broadcasts before such audiences; and that Performer's standing as a radio personality will have a unique and extraordinary character which is and will be of substantial and unique value to the Station in retaining its audiences. Performer further recognizes that irreparable harm will occur if Performer, following the expiration or termination of this Agreement, uses Performer's standing as a radio personality against the interests of the Station and that the Station is entitled to reasonable protection against the loss or impairment of its investment and promotional efforts in connection with Performer's radio broadcasting

services and activities under this Agreement in the Market, which would result from Performer providing, rendering, furnishing or engaging in any radio broadcasting service or activity in competition with the Station. Consequently, for a period of three (3) months immediately following the expiration or earlier termination of the Term for any reason (except Performer's breach of this Agreement), Performer shall not directly or indirectly engage or participate in any performance, broadcast, promotion or appearance on, or for the benefit of, any radio station located within the Market. In the event Station elects not to use Performer's services pursuant to Paragraph 1(d) above, the foregoing restriction shall be reduced by one (1) day for each day during which Station elects not to use Performer's services.

(e) Non-Solicitation. Performer agrees that for a period of one (1) year immediately following the expiration or early termination of the Term for any reason, Performer shall refrain from, either directly or indirectly, soliciting, inducing, recruiting or encouraging any of Station's employees to leave their employment with Station for the benefit of Performer or on behalf of or for the benefit of any other person or entity.

(f) Remedies. Notwithstanding the arbitration requirement in Section 18, because Performer's services are of a special, unique, unusual and extraordinary character, and because the loss of Performer's services will result in damages to Station for which Station cannot reasonably or adequately be compensated, Station will have the unrestricted and unqualified right to seek and obtain (without posting any bond or other security) equitable, injunctive or other relief (whether at law or equity or both) in any court of competent jurisdiction to enforce the provisions of this Section 7 and each of its subsections. Station shall not, as a result of the time involved in obtaining such relief, be deprived of the benefit of the full period of post-term protection or non-solicitation set forth herein. Accordingly, the obligations set forth in Sections 7(d) and 7(e) shall be deemed to have the duration set forth therein, computed from the date such relief is granted but reduced by the time expired between the date the restrictive period began to run and the date of the first violation of the obligations by Performer.

(g) Construction. Despite the express agreement herein between Station and Performer, in the event that any of the provisions set forth in this Section 7 shall be determined by any court or other tribunal of competent jurisdiction to be unenforceable for any reason whatsoever, the parties agree that this Section 7 shall be interpreted to extend only to the maximum extent as to which it may be enforceable, and that this Section 7 shall be severable into its component parts, all as determined by such court or tribunal.

8. Syndication.

(a) General. Performer, Other Performer and Station (collectively, the "Syndication Owners") shall jointly own the rights to syndicate or otherwise act to acquire contractual rights to broadcast the Program (which for purposes of this Section 8 shall mean the Program and any other program for which Performer and Other

Performer provide on-air talent services) on radio broadcast facilities (other than the Station, and after the expiration of this Agreement, not more than one radio broadcasting station for which Performer and Other Performer provide on-air talent services) and over the Internet, wherever located. In connection therewith, Station shall own a fifty percent (50.0%) ownership interest, Performer shall own a twenty-five percent (25.0%) ownership interest, and Other Performer shall own the remaining twenty-five percent (25.0%) ownership interest. Performer acknowledges that in undertaking such activities, Station may appoint such agents or representatives (including affiliates of Station) as Station deems reasonably appropriate and in the best interests of the syndication of the Program. Further, Station agrees to consult with Performer and Other Performer before appointing such agents or representatives. Also, Station shall have the sole and exclusive right to enter into agreements, bill and accept payments, and otherwise act in connection with such syndication efforts; provided, that Station acts reasonably and consults with the Performer from time-to-time regarding such matters or as requested by Performer.

(b) Revenues. The net revenues earned from such syndication activities, including but not limited to those earned from programming payments and from the sale of advertising, shall be split pro-rata based on the ownership described above in Section 8(a). For these purposes, "net revenues" shall consist of all syndication-related revenue earned, less expenses incurred directly in connection with such syndication activities including, but not limited to commissions. In connection therewith, Station agrees that it will not, and it will not permit its affiliates, to incur or charge against such revenues overhead or other administrative expenses not directly related to the Station's syndication efforts pursuant to this Section 8 or substantially in excess of commercially reasonable amounts based on then-current industry data. Net revenues for each month shall be distributed to all of the Syndication Owners within thirty (30) days after the end of each month during the Term.

(c) Audit Rights. Station shall keep accurate and complete books and records of all transactions relating to the syndication efforts. Performer or Performer's representatives may, at any time during the Term and for a period of one (1) year thereafter, during business hours and upon reasonable notice, have full access to audit, and make copies of, all such books and records related thereto. The exercise by Performer of any right to audit or the acceptance by Performer of any accounting statement or payment shall be without prejudice to the Performer's rights and remedies and shall not bar Performer from thereafter disputing the accuracy of such accounting statement or payment, and Station shall remain fully liable for all balances due under this Section 8. If an audit reveals that Station has under reported or has misrepresented any item bearing upon the computation of the amount payable to Performer pursuant to this Section 8 and the discrepancy is ten percent (10%) or more, Station agrees, in addition to re-computing and making immediate payment of the amounts due based on the actual and true items, to pay all reasonable, out-of pocket costs and expenses incurred by Performer in connection with the audit and an amount equal to twenty percent (20.0%) of the discrepancy. In any case, all amounts due Performer shall accrue interest from the date the payment should have been made at a

rate equal to 8.0% per annum, and Station shall pay all costs, fees and expenses (other than audit expenses which shall be paid in accordance with the preceding sentence, but including any attorneys' fees and expenses) incurred by Performer in connection with the collection of any past due amounts.

(d) Right of First Refusal. For the period from the date of expiration or termination of the Term (for whatever reason) and for one year thereafter, if the Performer is part of a radio program broadcast during the same or approximately the same (e.g., 6:00 A.M. - 10:00 A.M. (Monday-Friday)) time period as the Program, Station shall have the right to broadcast such program within the Market, at the Station's election, (i) on such economic terms as are "market" and on such other terms as are considered to be industry-standard for syndication agreements, in each case as negotiated in good faith between Performer and Station or (ii) on the same terms offered to any other broadcaster within the Market. If Station elects sub-item (i) in the preceding sentence, Station shall give written notice to Performer, and Performer and Station shall promptly negotiate such terms within thirty (30) days after Performer's receipt of such notice. Prior to entering into a binding agreement with any other broadcaster within the Market, Performer shall provide a full and complete description of all the agreed-upon terms for the syndicated broadcast of such new program within the Market, and Station shall have thirty (30) days upon receipt of the written description of such terms within which to notify Performer of acceptance of such terms.

(e) Buy-Out. If this Agreement is terminated (other than by a breach of this Agreement by Performer) or is not renewed or Performer does not enter into a new agreement whereby the syndication arrangement provided for in this Section 8 is continued, Performer may, at Performer's sole option and in Performer's sole discretion, purchase all of the Station's syndication ownership interests by giving Station written notice of his purchase within ninety (90) days after the expiration or other termination of this Agreement, which notice unconditionally guarantees payment to Station, in twelve (12) equal monthly installments commencing on the first day of the month immediately following termination, of an aggregate amount equal to forty percent (40.0%) of the total net revenues for syndication of the Program pursuant to this Section 8 during the last-completed full calendar year of the Term (the "Syndication Buy-Out Price"). (The total amount payable pursuant to this Section 8(e) is the total amount payable for the buy-out of Station's syndication rights both under this Agreement and under the Other Agreement. In the event that Performer and Other Performer both desire to purchase the Station's syndication ownership interests, each shall be entitled to purchase fifty percent (50%) of Station's syndication ownership interests by paying one-half of the Syndication Buy-Out Price in twelve equal installments in accordance with the payment schedule stated above. However, in the event that Performer and Other Performer both elect to purchase the Station's syndication ownership interests, Station may seek payment pursuant to either this Agreement or under the Other Agreement if there is a default in payment by either Performer or by Other Performer. It is understood and agreed that the percentage of Station's ownership interest ultimately transferred to Performer and Other Performer shall be in proportion to the payment received by Station from each such person.

9. Website. Station re-affirms that, pursuant to the previous employment agreement between the parties, Station has assigned and transferred any and all of its rights to own and operate a website currently known as "SteveandDC.com" (the "Website"), as well as all of its rights and interests in the domain name "SteveandDC.com", to Performer and Other Performer, or their respective business entities. It is understood and agreed that nothing herein shall obligate either the Performer or any entity owned wholly or partially by the Performer to operate the Website for any period of time or to incur any costs in connection with the operation of the Website; it being the agreement of the parties hereto that the operation of the Website shall be at the sole and absolute discretion and option of Performer's entity owning same. In any case, Station shall have the right to pre-approve or consent to the content provided by Performer, including, but not limited to, trademarks, trade names, logos and other intellectual property of Station, on such Website through the end of the Term; provided, that such consent or approval is not unreasonably withheld or delayed. Performer agrees to abide by all Station policies and/or directions of which Performer is advised regarding the content contained or presented on the Website, and at Station's request, shall remove any content deemed by Station, in its discretion, to be inappropriate or in violation of Station policy.

10. Name and Likeness. During the Term, Performer grants Station the exclusive right to use Performer's name, likeness, sobriquet, biography, picture, voice and recorded performances in connection with the Program and all other programs and broadcasts on which Performer appears in connection with Station and in advertising and publicizing Station and its programs and the products or services of the sponsor or sponsors thereof; provided, however, that such use shall not be in the form of endorsements or testimonials of any product or sponsor (other than Station) without Performer's consent, which consent shall not be unreasonably withheld. Specifically, during the Term, Performer shall not appear in any advertisement, testimonial, endorsement, or promotion or otherwise endorse or publicize any product or service without the express prior written consent of Station, which consent shall not be unreasonably withheld. The parties agree that such written consent may be withheld by Station if it is reasonably likely that Performer's appearance in any such advertisement, testimonial, endorsement, or promotion would have a negative or adverse impact or result on the Station's or any Affiliate Group Member's image, revenues, sponsors or advertisers. Notwithstanding the arbitration provisions set forth in Section 18, Station shall have the unrestricted and unqualified right to seek and obtain (without posting any bond or other security) equitable, injunctive or other relief (whether at law or equity or both) in any court of competent jurisdiction to enforce the provisions of this Section 10. Furthermore, it is understood and agreed that Station's rights pursuant to this provision shall expire immediately upon the expiration of the Term; provided, that Station shall have the non-exclusive right to continue to use Performer's name and likeness while removing billboards, posters, and other advertising materials and uses of such name and likeness. Station agrees to use its' reasonable efforts to effect such removal in a prompt manner.

11. Ownership of Materials. Station shall solely and exclusively own all rights of every kind and nature in perpetuity and throughout the universe in the programs and broadcasts on which Performer appears or renders services on Station, as well as all of the results and proceeds of Performer's services rendered for the Station pursuant to the terms of this Agreement. Any work in connection with the Program or specially ordered by Station for use as part of any radio broadcast programs of Station shall be considered to be "work made for hire" for the Station. Station shall be the author and copyright owner of the programs on which Performer appears and the broadcasts and tapes or recordings thereof for all purposes without limitation of any kind; provided, however, that Performer shall own the rights to all of the characters, materials, trademarks, and service marks developed by Performer that are set forth on Exhibit C, attached hereto and made a part hereof. All characters developed for the programs and broadcasts on which Performer appears for Station during the Term shall be solely and exclusively owned by Station, including all rights, title and interest thereto, unless the parties have otherwise agreed in writing. The exclusive legal title to all of the aforesaid "works made for hire", programs and broadcasts, and all secondary and derivative rights therein shall be in the Station which shall have the right to copyright the same and apply for copyright registrations and copyright renewal registrations and to make whatever use thereof Station deems advisable, including, but not limited to, use of any portions of any program in the production and broadcast of other programs consistent with the terms of this Paragraph 11. Notwithstanding the arbitration provisions set forth in Section 18, Station shall have the unrestricted and unqualified right to seek and obtain (without posting any bond or other security) equitable, injunctive or other relief (whether at law or equity or both) in any court of competent jurisdiction to enforce the provisions of this Section. Notwithstanding the foregoing, it is understood and agreed that after the expiration of the Term, Station may not rebroadcast any of the programs described above without obtaining Performer's prior written consent; provided, however, that Station may use portions of such programs for Station special programming (e.g., seasonal or "retro" shows), reference or archival purposes without obtaining Performer's consent to do so.

12. Representations, Warranties and Covenants. Performer hereby represents, warrants and covenants that:

(a) Original Materials. Any and all scripts, and all literary, artistic, production, creative or musical materials written or furnished by Performer which Performer uses or authorizes others to use on broadcasts or programs of the Station will be original works of Performer (unless Performer has obtained, or confirmed in writing that Station has obtained, valid, written consents or licenses for such use from third parties) or exist in the public domain, and any use of such materials will not violate any common law, statutory, copyright, proprietary right, or other right of any kind of any person or other entity whatsoever.

(b) Right to Enter Into Agreement. Performer: (i) has the full and unqualified right to enter into and fully perform this Agreement; (ii) has not made any contract or commitment in contravention of the terms of this Agreement; (iii) has the

right to grant the rights herein granted to Station; (iv) is free and clear from any obligation whatsoever to perform services for any other person, firm, entity or corporation that would hinder Performer's rendition of services hereunder; and (v) is at full liberty, and is willing and able, to perform all of the services required by this Agreement.

(c) Consideration for Broadcast. Performer has not accepted, nor agreed to accept, and will not solicit, receive, accept or agree to accept, directly or indirectly, from any person or entity, other than Station, any money, service or other valuable consideration for the inclusion of any matter as a part of any program or broadcast on which Performer appears or will appear for Station or on behalf of, and Performer shall not, for consideration other than from Station, mention, use or identify on any program or broadcast on which Performer appears for or on behalf of Station any product, service, material, trademark or brand name other than those of Station or its sponsors. Furthermore, Performer agrees to execute Station's customary "Payola/Plugola" certification each year during the Term when requested to do so.

(d) FCC Requirements. Performer shall refrain from violating any of the provisions of the Communications Act of 1934, as amended, or any of the rules or regulations of the FCC promulgated thereunder. Without limiting the generality of the foregoing, Performer has not, and shall not, accept or pay any consideration, or agree to do so, in contravention of the requirements of such laws and regulations. In the event such consideration has been or is offered, accepted, or paid, voluntarily or involuntarily, full disclosure must be promptly made to Station. Any breach of this provision shall give Station the right to terminate this Agreement, including all payments to be made hereunder. Station shall not assert a breach of this Section 12(d) as a result of Performer conducting "phone shams" unless Station has previously given Performer written notice that it has determined that a "phone sham" constitutes a violation of this Section 12(d).

13. Termination.

(a) Termination by Station for Cause. Station may terminate this Agreement at any time during the Term for cause. For purposes of this Agreement, "cause" shall consist of: (i) actual or threatened violence against another employee; (ii) sexual or other prohibited harassment of others; (iii) use or possession of illegal drugs during working hours or drug or alcohol abuse off duty if such use adversely affects the performance of Performer's duties or the Station's interests; (iv) any material and repeated failure by Performer to comply with written program and format instructions, or failure or refusal to comply with the Station's rules, policies or directives, when Performer has been given notice of such failure and a reasonable opportunity to cure such failure; (v) any breach of the material terms of this Agreement by Performer when Performer has been given notice of such breach and a reasonable opportunity to cure such breach; (vi) any conviction of Performer for a felony or other crime of moral turpitude; provided, that Station may suspend Performer with or without pay during any investigation of such matter; and (vii) any act or omission constituting cause or gross

misconduct under applicable laws.

(b) Termination by Station Due to Death or Disability. This Agreement shall automatically terminate upon (i) the death of Performer; or (ii) Performer becoming wholly or partially disabled for any cumulative period in excess of twelve (12) weeks within any twelve (12) month period. For purposes of this Agreement, a “disability” shall include the (1) inability to substantially perform the services required hereunder, or (2) any material impairment of Performer’s voice. In the event this Agreement is terminated pursuant to this Section 13(b), neither party shall have any further obligation to the other except (i) Station’s obligation to pay any unpaid Base Salary prior to Performer’s date of disability or death, whichever the case may be, and (ii) Performer’s obligations set forth in Section 7 which are specifically intended to survive the termination of this Agreement.

(c) Termination of Other Agreement. Station may, in its discretion, terminate this Agreement immediately upon written notice to Performer due to the death or disability of the Other Performer or due to the breach of the Other Agreement by Other Performer. Upon termination due to the death or disability of the Other Performer, Station shall pay Performer the remaining amount of Base Salary to be paid during the Term pursuant to Section 2(a) and all bonuses previously earned but unpaid as of the termination date. Upon termination of this Agreement due to termination of the Other Agreement as a result of a breach of the Other Agreement by Other Performer, Station shall pay to Performer, in a lump sum payment: fifty percent (50%) of the Base Salary payable to Performer pursuant to Section 2(a) for the remainder of the Term, as well as all bonuses previously earned but unpaid as of the termination date. Furthermore, upon termination of this Agreement pursuant to this Section 13(c), all of the restrictive covenants set forth in Section 7 shall automatically expire as of the date of such termination and Performer may immediately enter into agreements with third parties to provide any or all of the same or similar services provided for Station prior to the termination date including, but not limited to, broadcasting and appearing on radio stations located within the Market.

(d) Events Upon Termination. Upon any early termination of this Agreement pursuant to this Section 13 or upon the expiration of the Term of this Agreement, Performer shall promptly return to Station any and all Station property in Performer’s custody or control. After termination of this Agreement, Station shall have no further obligations or liabilities hereunder except to pay any unpaid Base Salary and bonuses earned through the date of termination in accordance with Section 2(a) or 2(c).

14. Force Majeure. If Station is prevented from broadcasting by reason of fire, casualty, accident, war, act of terrorism, act of God, strike, defect in its Station broadcasting equipment or apparatus, or any other cause beyond Station’s control, whether of the same or of any kind or character, neither party hereto shall be in breach of its obligations under this Agreement, but Station shall not be relieved of the obligation to make any payments of Base Salary required pursuant to this Agreement during the continuance of such interruption of broadcasting; provided, however, that if

the interruption of broadcasting continues for a period of more than thirty (30) days, Station may terminate this Agreement effective as of the thirtieth (30th) day of such interruption of broadcasting, by giving written notice on or about the thirtieth (30th) day to Performer of its desire to do so, provided that Station shall pay Performer such vacation and other Base Salary as of such thirtieth (30th) day.

15. Indemnification; Notice of Claim.

a) By Performer. Performer hereby agrees to fully indemnify, defend and hold harmless Station and each of the Affiliate Group Members, and each of their respective officers, directors, employees, agents, attorneys, insurers and representatives, from and against any and all damages, losses, costs, expenses (including without limitation, reasonable attorneys' fees and expenses), actions, liabilities, and claims in connection with, arising out of, or in any way related to: (i) any breach by Performer of any of the material representations, warranties or covenants made by Performer in this Agreement; or (ii) any material furnished by Performer for broadcast that (a) is determined to be defamatory (whether libel or slander) by a court of competent jurisdiction, (b) infringes upon any trade names or trademarks of any third party, (c) results in liability for product disparagement, (d) violates the rights of privacy of any third party, (e) infringes upon any copyrights, or other intellectual or proprietary rights of any third party, (f) violates any common law or statutory provision, (g) constitutes unfair competition, or (h) violates any prior written instructions or notices given to Performer by Station, which prior written instructions or notices specifically relate to the conduct giving rise to the third party claim or action. It is understood and agreed that the immediately foregoing indemnification obligation shall not apply so long as Performer's action or conduct giving rise to any such damage, loss, cost, expense, action, liability or claim was reasonable and in the good faith performance of Performer's duties pursuant to this Agreement. In all instances whereby Performer indemnifies, defends or holds harmless Station pursuant to this Section 15(a), Station shall be entitled to select legal counsel in Station's sole discretion.

b) By Station. Station hereby agrees to fully indemnify, defend and hold harmless Performer from and against any and all damages, losses, costs, expenses (including without limitation, reasonable attorneys' fees and expenses), actions, liabilities, and claims relating to: (i) any broadcast on which Performer appears containing material solely provided by Station and specifically authorized by Station to be broadcast; or (ii) any action or conduct by Performer that is reasonable and in the good faith performance of Performer's duties pursuant to this Agreement. Performer agrees to fully cooperate with Station in each instance in which the Station indemnifies, defends or holds harmless Performer pursuant to this Section 13(b), and hereby permits Station to select legal counsel in Station's sole discretion; provided, that Station shall consult with Performer regarding its selection of counsel.

c) Notice of Claim. Any party seeking indemnification pursuant to this Paragraph 15 shall promptly notify the other party in writing of any claim, notice or demand to which any indemnification obligation hereunder may apply.

16. Retractions. In the event that Performer, in the course of Performer's employment by Station, utters, disseminates, publishes, broadcasts or otherwise communicates any matters, materials or speech which contain, or may contain, or otherwise give rise to, claims of libel, slander, product disparagement, infringement of trade names or of trademarks, violation of rights of privacy, infringement of copyrights or any proprietary rights, or of unfair competition, or which contradict or violate any written instructions or notices given to Performer by Station, Station may request in writing that Performer issue, broadcast, or publish a retraction or correction of the foregoing. Upon receipt of such request, Performer shall promptly, in consultation with Station, and in good faith, issue, broadcast and/or publish a retraction or correction. Performer shall have the right to review the text, terminology and phraseology of any such retractions or corrections in advance. In the event of any dispute regarding the text of any retraction, Station's determination with regard to such text shall be final and binding. Notwithstanding the arbitration provisions set forth in Section 18, Station may enforce the provisions of this Section by an order of specific performance, injunctive or other relief issued by a court of competent jurisdiction.

17. Failure to Perform. If Performer fails or refuses to render services or to perform any of Performer's duties and obligations under the terms of this Agreement, Station shall, in addition to any other rights or remedies available to Station, (i) not be required to pay Performer any compensation under this Agreement relating to the period of such non-performance, and (ii) have the right, but not the obligation, to extend the Term for a period equal to that of the non-performance, unless the non-performance is the result of pre-approved absences, verified sick days, or as otherwise provided in this Agreement.

18. Arbitration. Except as otherwise provided herein, any controversy or claim of either party hereto arising out of, or in any way relating to this Agreement, or any breach thereof, shall be settled by final and binding arbitration before a single arbitrator in St. Louis, Missouri in accordance with the applicable rules of the American Arbitration Association, and judgment upon the award rendered may be entered by the prevailing party in any court having jurisdiction thereof. It is understood and agreed that the costs of such arbitration shall be borne equally by the parties; provided, however, that each party shall be responsible for its own attorneys' fees and expenses in connection therewith.

19. Station Warranty. Station hereby represents and warrants that it is authorized to enter into this Agreement and that nothing in its Articles of Incorporation, By-Laws or other organizational documents or contractual commitments prohibits this Agreement from being enforceable in accordance with its terms.

20. Notices. Any notices hereunder shall be deemed to have been duly given if in writing and delivered personally or by pre-paid guaranteed overnight delivery service, or sent postage prepaid by United States certified mail, return receipt requested, to the Performer at the Performer's then-current address provided by the Performer to the Station and listed in Station's records, with a copy to Robert Eatman

Enterprises, Attn: Robert Eatman, 860 Via de la Paz, Pacific Palisades, CA 90272, or to the Station at the then-current address of the Station, with a copy to Emmis Communications Corporation, One Emmis Plaza, Suite 700, 40 Monument Circle, Indianapolis, Indiana 46204, Attention: David O. Barrett, Esq. Any such notice shall be effective on the date of delivery if delivered personally, on the next business day following delivery to the guaranteed overnight delivery service if the notice was so delivered and the charges were prepaid, or on the date the recipient signed for the notice if sent by certified mail.

21. Miscellaneous. In the event any provision of this Agreement shall be held to be invalid or unenforceable, in whole or in part, neither the validity nor the enforceability of the remainder of this Agreement shall be affected in any way. This Agreement may be changed only by an instrument in writing signed by the parties hereto. This Agreement may be executed in counterparts, including facsimile or photocopy counterparts, each of which shall be deemed an original but all of which taken together shall constitute a single document. This Agreement shall be construed by and interpreted in accordance with the laws and judicial decisions of the State of Missouri. No waiver by either party of a breach of any provision of this Agreement shall be deemed to be a waiver of any preceding or succeeding breach of the same or similar nature or of any other provision of this Agreement. The headings of the paragraphs and subparagraphs of this Agreement are solely for the purpose of convenience, and they are not a part of this Agreement and shall not be used in the construction or interpretation of any provision thereof. The exhibits referred to herein are attached hereto and are hereby incorporated by reference and made a part hereof as if fully set forth herein. This Agreement, and Performer's rights and obligations hereunder, may not be assigned by Performer without the prior written consent of Station, which consent may be granted or withheld in station's sole and absolute discretion. Station may assign all or any portion of its rights and obligations hereunder to any subsidiary, affiliate or related entity, or any third party by way of merger, corporate reorganization, acquisition of substantially all of the assets or stock of Station, or otherwise. This Agreement shall be binding upon and inure to the benefit of the parties hereto and any successor to Station, but neither this Agreement nor any rights of payment hereunder shall be assignable by Performer. Performer agrees that no representation of any kind has been made to Performer by the Station or by any of its agents and that no understanding has been had or agreement entered into other than as set forth herein and that all prior agreements, oral or written, are merged herein.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first above written.

TERRENCE TRAWICK
("Performer")

EMMIS RADIO CORPORATION d/b/a
WMLL-FM
("Station")

By: _____
Terrence Trawick

By: _____
John Beck, Senior Vice President and
Market Manager

Exhibit A

Services-Related Matters

1. Spots.

a) During the Program, Performer shall perform such live (i.e., read by Performer on the air or taped) commercial spots as reasonably requested by Station. (To have for use in Performer's absence, Performer shall make a tape for one of the first times a spot is read by Performer on the air.) In performing spots, Performer shall read all copy points included in the script for each such spot. All spots, live or prerecorded, shall be done in a professional manner.

b) Performer acknowledges that Station sells a certain number of thirty-second and sixty-second commercial spots to be broadcast during each hour of the Program. Performer agrees to run all such spots (no less than 16) within the hour of the Program as scheduled in increments of no less than three (3) commercial breaks per hour. Also, Performer agrees, that for each spot scheduled to be broadcast during a particular hour of the Program which is broadcast between one minute and 20 minutes after that hour, Station shall be entitled to setoff \$35.00 against amounts otherwise payable pursuant to Section 2. Similarly, Station shall be entitled to setoff \$50.00 for each such spot broadcast more than 20 minutes after the end of that hour. The aforementioned penalties shall not be applicable if the running of a scheduled spot after the end of the hour is due to a Station emergency, defects or damage to equipment or broadcasting apparatus, or any other cause beyond Performer's reasonable control.

c) If during a fiscal quarter of Station Performer broadcasts ninety-five percent (95.0%) or more of the aggregate number of commercial spots scheduled to be broadcast during the particular hours of the Program during a quarter subject to a Report, the Performance Bonus payable for the Daypart pursuant to the terms and conditions of Section 2(c) (as to adults 25-54), if any, shall be increased by \$1,525.00.

2. Equipment.

a) Purchase of Equipment. During the Term, Performer may submit reasonable equipment requests, and Station will use reasonable efforts to obtain budgeting approval for such equipment acquisitions. All such purchased equipment shall be the property of Station, and such equipment may be used by other personnel of Station from time to time during the Term.

b) Maintenance of Equipment. Performer agrees to transport to Station any "home studio" equipment that may require maintenance or repair so long as equipment is portable.

3. Promotional Budget. Station agrees to spend up to \$1,000 each month during the Term for promotional items (T-shirts, mugs, etc.) in support of the Program as reasonably requested by Performers. Any requested expenditures in excess of that amount shall be borne solely by Performers. Station agrees to provide Performers with a monthly accounting of the year-to-date total upon written request to do so.

4. Number of Weeks of Programming. Each year during the Term, Performer shall provide forty-seven (47) weeks (Monday through Friday) of live episodes of the Program. The dates on which such programming are to be provided shall be mutually determined by Performers and Station (with regard to Performers requested vacation time); provided, however, that Station may require live programming during any ratings period. Performer shall not be required to perform live services on the following holidays: Christmas, New Year's Day, Memorial Day, Fourth of July, Labor Day, and Thanksgiving Day, or in the event of verified sick days consistent with Station policy or as otherwise agreed upon with Station.

5. Subscriptions. Station agrees to provide Performers with the following subscriptions each year during the Term at Station's sole expense: Bit Board, Radio Star, The Complete Sheet, The Shipper Report, and Radio & Records.

6. Sporting Events. Performers shall have reasonable access to Station tickets for local sporting events upon request and based on availability as determined by Station in its sole discretion.

7. Support Staff. During the Term, Station agrees to provide one (1) producer, one (1) production technician, and one (1) newsperson to perform services in connection with the Program at Station's sole expense, such employees to be selected in Station's discretion after reasonable input from Performers.

8. Material Terms and Conditions of Employment. Each of the following provisions represents a material term and condition of Performers' employment with Station (each, a "Material Employment Term"; collectively, the "Material Employment Terms"). Performers jointly understand and agree that Station shall have the right, at all times during the Term, to insist on strict compliance with such Material Employment Terms, and that Performers' failure to comply with any Material Employment Term following written notice by Station of Performers' non-compliance, as determined by Station in its sole discretion, and a reasonable opportunity to cure such non-compliance, shall result in disciplinary action by Station, including without limitation suspension without payment of Base Salary for up two (2) weeks for each violation, and termination of Performers' employment.

a) Performers agree to meet and confer regularly with Station's program director regarding the content of the Program (no less than on a weekly basis for at least one hour each week), and use good faith efforts to make changes to the Program Format as suggested by the Station's program director.

b) Performers agree to only play music during the Program that has been pre-approved by Station's program director.

c) Performers agree to implement recommendations for the Program requested by Station as a result of a Coleman Research study analysis of the Program.

d) Performers agree to minimize any religious content and/or references from the Program consistent with the terms of Exhibit B. Notwithstanding anything to the contrary contained in this Agreement, including without limitation the terms set forth in Exhibit B, in the event that Station management determines that all religious content and/or references should be eliminated from the Program, Performers shall comply with such request.

e) Performers agree to discuss and coordinate all promotions with the station's promotion director and program director.

f) At all times during the Term, Performers agree to promote the station in a positive and meaningful way, and to endorse the Station and the Station's music and format. Similarly, Performers also agree to cross promote the Station and Station features and programs during the Program on a regular basis.

g) Performers agree to run all advertising spots within the hour as scheduled pursuant to the terms and conditions set forth in paragraph 1(b) of this Exhibit A.

h) At all times during the Term, Performers agree to use good faith efforts to assist the Station in its sales efforts. Accordingly, Performers agree to set aside reasonable amounts of time to meet with Station sales personnel after the conclusion of the Program if requested to do so. Furthermore, Performers agree to make sales calls with Station sales personnel as reasonably requested to do so and agree that, if an on air interview is scheduled with a customer or client of the Station, Performers shall use their best efforts to put the customer or client on the air within 15 minutes of their scheduled broadcast time.

i) Performers agree to refrain from conducting prize giveaways until Performers are aware that the requisite prizes are on Station premises.

j) At all times during the Term, Performers agree to use good faith efforts to comply with all provisions of this Agreement and to cooperate with Station management in the performance of their duties and obligations pursuant to this Agreement.

Exhibit B

Program Format and Related Matters

The Program is a mainstream topical entertainment show which is broadcast Mondays through Fridays from 5:00 a.m. through 9:00 a.m. on both the Steve & DC syndication network and the Station. The show may be broadcast locally for an additional hour from 9 a.m. through 10 a.m. so long as a minimum of four (4) songs from the Station's play list are played and it includes local content.

The Program is locally broadcast on WMLL, 104.1 FM, and on a number of affiliate stations via satellite.

The Program consists of talk, comedy, guests, and music from the 80's and 90's. The Program also includes news, sports, traffic time checks and weather reports each hour. The weather is provided by KTVI-TV Chief meteorologist Dave Murray. The Program is designed to appeal to the 25-54 year old men and women demographic in the Market. The talk subjects covered on the Program are driven by what is on the minds of the 25-54 year old male & female demographic of the Station. These subjects are often exhibited by subjects covered on television & radio news, local & national mainstream newspapers and magazines for the day and week or month.

When, for any reason, Steve & DC cannot be present to perform the Steve & DC show, the show's production director, after notifying the Program Director and the Sales Manager, will run a "Best of Steve & DC Show". The "Best of the Steve & DC Show" is a recorded compilation of the best shows that Steve & DC have done. In addition the show's production director will run "live like" recorded spots to replace the ones that would have been performed live by Steve & DC had they been there. Live spots during a best of Steve & DC show are subject to provisions described in Exhibit A.

A show called "The Worst of The Steve & DC Show" will run each Saturday between 6:00am and 9:00 am. This is a recorded show very similar to the "Best of Show" described above.

The Program is a mainstream topical entertainment show on an 80's/90's radio station. Station acknowledges that Performers have strong religious beliefs. We also acknowledge that a nominal amount of the morning show content will include, from time to time, sporadic mentions of certain religious beliefs. However, there shall be no proselytizing or praying on the show or any emphasis of religious material or content.

While we understand and accept reasonable and limited mention of religious beliefs on the air, we are concerned that present audiences that do not share these beliefs may no longer listen to the show if the religious content becomes too extensive. It is the Station's belief that while religious content in limited amounts may be acceptable to listeners, anything more than limited amounts of this content may have the opposite effect because it may unnecessarily offend present and potential audiences that do not share Performers' religious beliefs. Station has invested substantial sums of money to market the Program as a mainstream comedy and conversational entertainment show, and as such, the Program has acquired large audiences. If the Program should take the form of religious entertainment show we are not confident that the ratings will be maintained and grow and therefore our investment in the Program will be materially diminished.

Therefore, Performers agree to keep the religious content of the Program to a bare minimum and to use their best efforts maintain the Program's identity as a mainstream comedy and entertainment show. Station reserves the right to demand a reduction of the religious content of the Program at any time during the Term. In the event that Station management determines that all religious content and/or references should be eliminated from the Program, Performers shall comply with such request.

Exhibit C

Performer's Materials

All right, title and interest in and to the following characters (together with any materials, trademarks, or copyrights associated with the characters) is solely and exclusively owned by Isaiah Wilhelm and/or Terrence Trawick:

1. The Orear Sisters
2. Hiram D. Walker
3. Virginia Jefferson
4. Barry Levitz
5. Bobby Litchfield
6. The Mad Hoosier
7. Phelona Marcus
8. Addison Clark
9. Madam Coochie
10. Biggun

Additionally, Station acknowledges and agrees that all right, title and interest in and to the domain name "SteveandDC.Com", and the name "SteveandDC", and any derivations or variations of said names as used in connection with the performance of Performer's services pursuant to this Agreement belong exclusively to Isaiah Wilhelm and/or Terrence Trawick.