AGREEMENT FOR STATE BROADCASTERS ASSOCIATION SPONSORED ALTERNATIVE BROADCAST INSPECTION PROGRAM

This Agreement for an Alternative Broadcast Inspection Program ("Agreement") is made this 15th day of August, 2003, by and between the Oregon Association of Broadcasters (the "Association") and the Enforcement Bureau (the "Bureau") of the Federal Communications Commission (the "Commission" or the "FCC") (collectively, the "parties").

WHEREAS, the National Alliance of State Broadcasters Associations, on behalf of this Association and other State Broadcasters Associations throughout the nation, and the Enforcement Bureau, on behalf of itself and each of the Bureau's Regional and District Offices throughout the nation, wish to establish a specific, uniform arrangement for Alternative Broadcast Inspection Programs (ABIPs) throughout the various states, districts, territories, and possessions of the United States of America.

WHEREAS, this Association and the Enforcement Bureau wish to enter into such arrangement on the terms and conditions set forth herein.

WITNESSETH

In consideration of the mutual agreements set forth herein, the parties agree as follows:

1. <u>Authority and Binding Nature</u>. Each party represents and warrants to the other that it has all requisite power and authority to enter into this Agreement and to perform as contemplated hereunder and that the person executing and delivering this Agreement for each party is duly authorized to legally bind such party.

2. <u>Term of Agreement</u>. The term of this Agreement (the "Term") shall begin on the date hereof and continue without interruption for a period of three (3) years and such Term shall be automatically renewed for successive three (3) year periods, unless earlier terminated by either party pursuant to paragraph 5 of this Agreement.

3. <u>Maintenance of the ABIP</u>. During the Term, the Association shall maintain and make available to radio and television broadcast stations, whether full power or low power, within its jurisdiction and/or the jurisdiction of other Associations, as agreed upon by the Associations, an ABIP as described herein. The Association shall have the sole right and discretion to establish the rates to charge for such services. The Association shall provide any station defined as an "ABIP Station" pursuant to paragraph 4(d) below a full and complete copy of this Agreement within ten (10) business days of the Agreement becoming effective pursuant to paragraph 12 below. The Association shall provide any station that enters a contract to receive an ABIP inspection a full and complete copy of this Agreement simultaneously with providing the station a written document specifying the estimated date by which an ABIP inspection will occur pursuant to paragraph 4(d) of this Agreement.

4. Description of the ABIP.

a. The Association, in the exercise of its discretion, shall select one or more persons whom it believes in good faith has the requisite competence, experience, training and integrity to perform properly the duties as an inspector under the ABIP (the "ABIP Inspector"). The Bureau shall promptly notify the Association in writing of any question or concern it may have about the qualifications or performance of any ABIP Inspector applicant, selectee or incumbent in order to allow the Association to monitor the integrity of the ABIP. The Bureau has no objection to an ABIP Inspector being an employee of the Association.

b. During each inspection under the ABIP, the ABIP Inspector shall conduct a standard FCC Enforcement Bureau full station inspection. Such inspection shall not include an inspection of a station's conformance with any regulations relating either (i) to equal employment opportunity or (ii) to political broadcasting, except to determine whether a station maintains annual EEO Public File Reports (if required) and a political file that are available to the public upon request.

c. To assist the Association and the ABIP Inspector(s), the Bureau shall provide (i) a sufficiently detailed description of the scope of a standard Enforcement Bureau full station inspection; and (ii) current copies of the official station inspection forms and checklists which it routinely uses for purposes of conducting its own full station inspections and assessing regulatory compliance. In addition, to the extent consistent with its then current priorities and available resources, the Bureau may provide a reasonable level of training for the ABIP Inspector.

d. For purposes of this Agreement, an "ABIP Station" is a station that holds a valid Certificate of Compliance issued within three (3) years pursuant to any prior ABIP agreement with the FCC or to paragraph 4(f) or 4(g) of this Agreement. In addition to the notification procedures of paragraph 4(f) of this Agreement, an ABIP Station must (i) display its Certificate of Compliance either in plain view (e.g., on the wall in the entrance area of the station's main studio) or in the station's FCC authorizations binder at its main studio and (ii) verbally inform any person who enters the main studio of the station and identifies himself or herself as an FCC inspector seeking to conduct an FCC inspection that the station holds a valid Certificate of Compliance (such actions collectively, "Publicly Disclosed" or "Public Disclosure"). In addition, any station that holds a valid contract to receive an ABIP Inspection shall have the option to receive the benefits described in paragraphs 4(h) and 4(i) below for the "Grace Period" defined below so long as (i) the contract from the Association specifying the estimated date by which an ABIP inspection will occur is Publicly Disclosed and (ii) the Association has notified the FCC that it has entered the contract with the station using the notification procedures of paragraph 4(f) within either thirty (30) days of the effective date of this Agreement where such contract was entered into before the effective date of this Agreement or thirty (30) days of the date of the contract where such contract was entered into on or after the effective date of this Agreement The "Grace Period" shall commence on the date of the

ABIP contract to be inspected. It shall expire at the end of the 150 day period and the station shall thereafter no longer be eligible to receive the benefits of paragraphs 4(h) and 4(i) unless it has become an ABIP Station holding a valid, unexpired Certificate of Compliance. Unless the station shall exercise its option hereunder, nothing in this Agreement shall require the Association, the ABIP Inspector or a station to provide the Commission with notice that a particular station is under contract to be inspected under the ABIP. Unless the Association notifies the FCC pursuant to either (i) paragraph 4(f) or 4(g) that a station holds a valid and unexpired Certificate of Compliance or (ii) pursuant to this paragraph that the station has entered into a contract for an ABIP inspection, the station shall not receive the benefits of paragraphs 4 (h) and 4(i).

e. Upon the completion of an inspection by the ABIP Inspector, the ABIP Inspector shall promptly inform the station in writing of his or her findings and conclusions. The failure of the ABIP Inspector to make and promptly forward his or her findings and conclusions to the station after the ABIP Inspection shall be reported to the Association and shall, in all circumstances, prevent the Association from issuing a Certificate of Compliance based on such inspection.

f. If, as a result of an ABIP Inspection, the ABIP Inspector discovers no existing or potential non-conformance with the Commission's regulations, the ABIP Inspector shall promptly notify the station and the Association in writing, in which case the Association shall promptly send to the station the original executed copy of the station's Certificate of Compliance. Whenever a Certificate of Compliance is issued by the Association to an ABIP Station, the Association shall also simultaneously send a copy of the Certificate of Compliance to the FCC District or Resident Agent Office identified on Attachment I to this Agreement which is responsible for that area by certified U.S. mail, by overnight delivery by private courier, or by standard U.S. mail if such mailing is preceded either by an electronic mail message indicating that the Certificate has been issued or by transmission of a facsimile of the Certificate.

g. If, as a result of an ABIP Inspection, the ABIP Inspector discovers any existing or potential nonconformance with the Commission's regulations, the ABIP Inspector shall promptly notify the station in writing, in which case the station shall remedy the matter and immediately thereafter report such remedial action to the ABIP Inspector. The ABIP Inspector shall have the full discretion to determine whether, in such circumstance, a re-inspection of the station is required. If the ABIP Inspector is satisfied that adequate remedial action has been taken and has also determined, in the exercise of his or her discretion, that a re-inspection is not required, the ABIP Inspector shall promptly notify the station and the Association in which case the Association shall promptly send to the station the original executed copy of the station's Certificate of Compliance. If the ABIP Inspector, in the exercise of his or her discretion, determines that a re-inspection is required, such re-inspection shall be conducted by the same ABIP Inspector, if he or she is reasonably available. If he or she is not reasonably available, the inspection shall be conducted by a different ABIP Inspector. The ABIP Inspector and the Association shall follow the certificate issuance/notification procedure contemplated for an initial ABIP Inspection. Where a re-inspection is required, a fully satisfactory reinspection of a station shall be a condition precedent to the issuance of a Certificate of Compliance to such station. The Bureau shall not require the Association, the ABIP Inspector or the station to provide the Bureau with information about the findings or results of any particular inspection or re-inspection.

h. Except as expressly provided below, upon receipt by the Bureau of a true and correct copy of a valid Certificate of Compliance from the Association for a particular ABIP Station and Public Disclosure of the station's valid Certificate of Inspection, the Bureau shall not conduct any type of inspection, investigation, or audit of the ABIP Station for a period of three (3) years from the date of the Certificate of Compliance. However, notwithstanding the foregoing, the Bureau may conduct an inspection of an ABIP Station if such inspection (i) relates to tower safety issues ("Targeted Tower Safety Inspection"), (ii) was initiated by a complaint against the station ("Complaint Driven Inspection") or (iii) is an inspection relating to political broadcasting or EEO materials required to be in a station's public inspection file. The scope of a Targeted Tower Safety Inspection shall be limited to the antenna site(s) of the station and its compliance with the FCC's regulations relating to tower lighting, tower painting, posting of the antenna structure registration for a radio or television broadcast station, RF radiation from antennas on the tower, and fencing/enclosure of an AM tower. A Targeted Tower Safety Inspection shall not, for example, include an inspection of any other facilities of the station, including but not limited to the station's studio and interior of the transmitter building.

i. In the case of a Targeted Tower Safety Inspection or inspection of the public file relating to political broadcasting or EEO materials, the Bureau may, within its discretion, take or recommend enforcement action for any noncompliance discovered as a result of such inspection which relates to tower lighting, tower painting, posting of the antenna structure registration for a radio or television broadcast station, RF radiation from the antenna, and/or fencing/enclosure of an AM tower, and/or violations relating to political broadcasting or EEO materials. All other instances of existing or potential regulatory noncompliance shall be referred to the station without adverse action for resolution and re-inspection. The station shall promptly (i) remedy such nonconformance, (ii) notify the ABIP Inspector who performed the immediately preceding ABIP Inspector. The procedures set forth in paragraph 4(g) applicable to inspections and re-inspections under the ABIP shall be followed in such circumstances.

j. In the case of a Complaint Driven Inspection of an ABIP Station, the Bureau may, within its sole discretion, take enforcement action for any noncompliance discovered as a result of the Complaint Driven Inspection even if not related to the subject of the complaint.

k. In the event that the Bureau determines, consistent with the procedures set forth in this Agreement, that it must issue a forfeiture or take any other adverse action against a station which is an ABIP Station, the Bureau may, if circumstances warrant and in its discretion, give consideration to the station's participation in the ABIP in mitigation of any violation, forfeiture amount, or other sanction or remedy.

5. <u>Termination of this Agreement</u>. Either party may terminate this Agreement upon ninety (90) days prior written notice to the other. Notwithstanding termination, the rights and benefits created hereunder in favor of stations which, before the effective date of such termination, hold a valid and current Certificate of Compliance shall continue in full force and effect for the full three (3) years after issuance of such Certificate of Compliance; provided, however, that the foregoing grandfather right shall not apply if the principal reason the Bureau terminated this Agreement is that it holds a genuine concern about the integrity of the ABIP as administered by the Association and the Bureau has given the Association written notice of the specific basis for its concern in its written notice to terminate.

6. <u>Entire Agreement</u>. Except as provided in paragraph 7, this Agreement embodies the entire agreement and understanding of the parties and supersedes any and all prior agreements, arrangements and understandings relating to the matters provided for herein, including but not limited to any prior ABIP agreement(s) with the FCC. This Agreement may only be amended by a written instrument executed by the parties hereto.

7. Existing Certificates of Compliance. The term of any outstanding and valid Certificate of Compliance existing prior to the effective date of this Agreement, whose stated term is less than three (3) years, is hereby extended with the effect that its original stated term shall now be deemed to be three (3) years. Further, any valid Certificate existing prior to the effective date of this Agreement shall be valid for the remainder of its stated term for purposes of this agreement provided that the station has complied with the written notification and Public Display requirements of this Agreement.

8. <u>Benefit</u>. This Agreement is intended to benefit any and all broadcast stations that participate in the ABIP. Accordingly, any such station may rely upon the terms and conditions of this Agreement. The benefits of this Agreement shall be made available to both members and non-members of the Association.

9. <u>Liability and Indemnification</u>. The parties acknowledge and agree that this is a cooperative program, that both parties are motivated to help the broadcast industry increase the level of regulatory compliance generally, and that neither the Bureau nor the Association is in a position to assume, and does not assume, any liability hereunder to the other, to any station, or to any ABIP Inspector, as a result of this Agreement, the ABIP, or the conduct of any station or ABIP Inspector.

10. <u>Cooperation</u>. Throughout the Term, the parties shall cooperate with each other with the objectives of ensuring that the ABIP operates smoothly and that benefits of this Agreement are realized to the maximum extent possible by the Enforcement Bureau, the Association, and the stations participating in the ABIP.

11. Counterparts. This Agreement may be signed in counterparts.

12. <u>Effective Date</u>. This Agreement shall become effective forty-five (45) days after the date and year first above written and only if the signatures of both the Bureau and the Association are evidenced below.

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

The Association

(Original signature on file at OAB office) President/CEO Oregon Association of Broadcasters 7150 S.W. Hampton Street, Suite 240, Portland, OR 97223-8366 <u>theoab@theoab.org</u> (T) 503-443-2299 (F) 503-443-2488

Enforcement Bureau, Federal Communications Commission

(Original signature on file at OAB office) Chief, Enforcement Bureau Federal Communications Commission (202) 418-7450

The Relevant District/Resident Agent Office(s), including contact information, are set forth in Attachment I to this Agreement.

ATTACHMENT I TO ABIP AGREEMENT

Identification of Relevant District/Resident Agent Office(s) With Contact Information

State	County	FCC Office	Contact Person	Contact Person	Address Line	E-mail Address	E-mail Address	Fax Number
OREGON	ALL	PORTLAND	Binh T Nguyen		P.O. BOX 61469 VANCOUVER, WA 98666-1469	Binh.Nguyen@fcc.gov		(360) 418-4256

#1341583v1 Oregon ABIP