

OAK CITY MEDIA



15 July 2014

Dear Colleague:

We live in an era where public trust and confidence in corporations, even non-profit groups like ours, are at low levels. Throughout our now decades long history, we have worked tirelessly to engender this trust and confidence at every level, often to the detriment of our fiscal bottom line. While in transforming our organization into one that in very few ways resembles its origins, in this aspect our intent is not changed, but renewed.

Our success, then as now and in the future, is shaped by our trust and our reputation. It will influence how we are perceived by the public, and how potential partners view their association with 101.9 WKRP. Because our success is so closely related to our reputation, it's up to each and every one of us to protect it.

Acting with integrity is about more than our image and reputation, avoiding legal issues or matters of financial gain or loss. It's about building and maintaining Oak City Media and 101.9 WKRP as entities we all have pride in associating ourselves with. Ultimately, it's about each of us knowing we've done what's right, acting honestly and treating our fellow members, our partners and suppliers with fairness, honesty, and integrity.

This Code of Conduct is our guide to appropriate conduct. In drafting this code, hopefully we have set standards to ensure that we all do what's right, not just what's expedient.

Our practice of conducting annual ethics training will continue under our new corporate name, and we encourage you to keep current with that training. Most importantly though, when you have questions, ask for guidance.

With your help, I'm confident that Oak City Media and 101.9 WKRP will in time develop the same level of trust that everyone had in us under our former name and mission; and for those whom we have maintained relationships through this transition, that our reputation for integrity will endure. Thank you for joining me in this effort.

Sincerely,

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OAK CITY MEDIA, INC. CODE OF CONDUCT

Revised July 15, 2014

INTRODUCTION

Integrity is fundamental to Oak City Media and 101.9 WKRP. Integrity means doing what's right and by acting with integrity, we reflect positively on the values and reputation of our organization.

We all want to do what's right, both for ourselves and for the organization. Our Code of Conduct is intended to help guide us by defining how we should conduct ourselves as its representatives. It addresses our responsibilities, to each other, to the organization, and to all we reach.

Merely complying with law is not our standard. We aim higher. We aim to conduct ourselves with integrity and honesty in all we do, and are accountable for our actions.

WHO MUST FOLLOW THE CODE?

This Code of Conduct applies to all members of Oak City Media, Inc., as well as to any employees of Oak City Media and its subsidiary and affiliated entities. Use of the terms "Oak City Media" and "the organization" throughout this document refers, collectively, to all such entities.

THE CODE OF CONDUCT AND LAW

Our operations and our people are subject to numerous laws at the federal, state and local levels. We are expected to comply with the Code of Conduct and all applicable government laws, rules and regulations. If a provision of this Code of Conduct conflicts with applicable law, the law controls.

As Oak City Media is incorporated in North Carolina, employees of the organization are subject to the laws of the State of North Carolina, and of the United States. But other states and countries may apply their laws outside its borders to our operations and our people. If you are uncertain what laws apply to you or to a particular situation, consult

GLOSSARY

This glossary defines some of the terms utilized in this Code of Conduct. If these definitions or other words or phrases used in the Code are unclear, please ask for clarification.

Anything of Value – Anything that might have value to a government official, including cash, gifts, meals, entertainment, business opportunities, products, offers of employment and more.

Appropriate Officer – A term applied to the Ceannaire, the President, the General Secretary, or the head of the operating division to which the situation applies.

Bribe– Giving, or offering to give, Anything of Value in an effort to achieve a specific end result.

Competitive Intelligence– Information about other groups which are engaged in the same operations as Oak City Media. This term is misleading however, as our mission and objectives should never be considered competitive or comparative to those of any other organization or company.

Competitor– A business or entity other than Oak City Media, Inc. or one of its subsidiaries or affiliates which engages in activities, business or operations similar to ours. As with “Competitive Intelligence,” however, this term is misleading in its application in the Code of Conduct.

Customer – Any business or entity to which Oak City Media and 101.9 WKRP sells advertising time in the form of underwriting announcements, or in which we are engaged in some other form of business transaction.

Discretionary Authority – The authority to influence selection of a supplier or to otherwise significantly influence Oak City Media’s relationship with an existing Customer or Supplier.

Ethics Committee – A committee comprised of senior members of the organization, charged with administration of the Code of Conduct.

Facilitating Payments – Small payments made to expedite or facilitate non-discretionary actions or service.

Government Official – Employees of any government, anywhere on Earth, including employees of political parties and candidates for public office.

Material Nonpublic Information – Nonpublic information that would be reasonably likely to affect a decision.

Nonpublic Information – Any information that Oak City Media has not disclosed or made generally available to the public, which may include information related to inventions, agreements, strategic business and operations plans, management changes, technical

specifications, pricing, proposals, financial data and other business.

Organization Assets – Includes, among other things, money, time, work product, computer systems and/or software, telephones and other communications devices, photocopiers or scanners, tickets to events, vehicles, copyrights, trademarks and other proprietary information.

Relative – A spouse, parent, sibling, grandparent, child, grandchild, mother-in-law or father-in-law, as well as any other family member who lives with you or who is otherwise financially dependent on you, or on whom you are financially dependent.

Supplier – Any vendor of products or services to the organization, including consultants, contractors and agents. The definition also includes any supplier that Oak City Media is actively considering using, even if no business ultimately is awarded.

EXPECTATIONS

Comply with the Code and with Law. Understand the Code. Adhere to it and to law, wherever you are. Use and apply good judgment, and avoid even the appearance of improper behavior.

Consider Your Actions and Ask for Guidance. If you're ever in doubt as to a course of conduct or action, ask yourself:

- Is it consistent with the Code of Conduct?
- Is it ethical?
- Is it legal?
- Will it reflect well on me?
- Will it reflect well on Oak City Media and 101.9 WKRP?
- Would I want to read about it in a newspaper or see it on television?

If the answer to any of the above six questions is “No,” don't do it.

But even if after asking yourself those questions you're uncertain, ask for guidance. This Code of Conduct tries to capture many of the situations that you may encounter, but it cannot address every circumstance. You can seek help from an Appropriate Officer.

EXPECTATIONS OF MANAGEMENT

Managers should at all times model appropriate conduct by:

- Ensuring that the people you supervise understand their responsibilities under the Code of Conduct and other policies of the organization.

- Making opportunities to discuss the Code of Conduct and reinforcing the importance of ethics and compliance with the Code.
- Creating an environment where everyone feels comfortable raising concerns, without fear of retribution or retaliation.
- Considering conduct in relation to the Code of Conduct and other organizational policies when considering advancement.
- Never encouraging or directing subordinates to achieve business results at the expense of ethical conduct or compliance with either this Code of Conduct or with law.
- Always acting to stop violations of the Code of Conduct, or of law, by those you supervise.

Respond to Questions and Concerns. If approached with a question or concern related to the Code of Conduct, listen carefully and give the inquirer your complete attention. Ask for clarification and additional information. Answer any questions if you're able, but don't feel you must give an immediate response. Seek help if you need it. If a concern is raised which requires investigation under the Code of Conduct, contact an Appropriate Officer.

WHEN WRITTEN APPROVAL IS REQUIRED

Certain actions referenced in the Code of Conduct – specifically, use of Organization Assets outside of your association with Oak City Media and certain conflict of interest situations – require prior, written approval. If you are in a situation where such approval is required, you can contact an Appropriate Officer for assistance.

BRIBERY

The nature of our operations occasionally necessitates that we interact with Government Officials (e.g., from the FCC). Bribery is a criminal act, and in the case of most Government Officials with which Oak City Media interacts, offering such person a Bribe is a federal offense punishable by imprisonment.

While it may seem absurd to document something so obvious, we nonetheless state it unequivocally: under no circumstances whatsoever is any person affiliated with Oak City Media authorized or permitted to offer a Bribe to, or solicit a Bribe from, any person, for any reason.

BUSINESS AND FINANCIAL RECORDS

Ensure the accuracy of all organization business and financial records. These include not only financial accounts, but other records such as station logs, time records and expense reports.

Ensuring accurate and complete business and financial records is everyone's responsibility, not just a role for accounting and finance personnel. Accurate recordkeeping and reporting reflects on our reputation and credibility, and ensures that the organization meets its legal and regulatory obligations.

- Always record and classify transactions in the proper accounting period and in the appropriate account and department. Do not delay or accelerate the recording of revenue or expenses to meet budgetary goals.
- Estimates and accruals must be supported by appropriate documentation and be based on your best judgment.
- Ensure that all reports to regulatory authorities are full, fair, accurate, timely, and understandable.
- Never falsify any document.
- Do not distort the true nature of any transaction.
- Never enable another person's efforts to subvert the law. For example, payments generally should be made only to the person or firm that actually provided the organization with goods or services.

Strive for Accuracy. We must strive to be accurate when preparing any information for the organization, but honest mistakes occasionally will happen. Only intentional efforts to misrepresent or improperly record transactions, or otherwise to falsify a business record, are violations of this Code of Conduct.

COMPETITORS

Oak City Media being a non-profit public benefit corporation, and 101.9 WKRP being a non-commercial, low power radio station, we don't view ourselves in competitive environment – not with other non-profit organizations, nor with other radio stations.

Nevertheless, we must approach our interactions with all others in a competitive light, as while it's never our intention to inflict damage on others, it may be the intent of others to inflict it upon our organization.

Be cautious in dealing with Competitors and in gathering information about them. While we encourage collection, sharing and use of information about Competitors (“Competitive Intelligence”), such activity is to be done solely in a legal, ethical manner. Just as we value and protect our own Nonpublic Information, we respect the Nonpublic Information of others.

Acceptable Intelligence Gathering. It is acceptable to collect Competitive Intelligence through publicly available information or ethically made inquiries. For example you may gather and use information from public disclosures (e.g., sales literature, corporate websites), news and trade journals. You also can accept

Competitive Intelligence offered by a third party provided there's no reason to believe the third party is under a legal or contractual obligation not to disclose such information.

Prohibited Activities. The following basic restrictions apply to our ability to gather Competitive Intelligence:

- Do not engage in any illegal or illicit activity to obtain Competitive Intelligence. This includes but by no means is limited to theft, trespassing, eavesdropping, wiretapping or other surveillance, computer hacking, privacy invasion, Bribery or misrepresentation.
- Do not accept, disclose, or use Competitive Intelligence that you know, or have reason to believe, was disclosed to you in breach of a confidentiality agreement between a third party and one of our Competitors.

CONFLICTS OF INTEREST

Always act in the best interests of Oak City Media. A conflict of interest arises when your personal activities and relationships interfere, or appear to interfere, with your ability to act in the best interests of the organization.

In any situation in which you are in a position to benefit, financially or otherwise, from your involvement in our activities and programs, a conflict of interest situation may apply. Contact an Appropriate Officer for guidance specific to the situation so as to avoid potential violations of the Code of Conduct.

CUSTOMERS AND SUPPLIERS

Oak City Media values its relationships with Customers and Suppliers. We expect all associated with the organization to treat these business partners in the same manner we expect to be treated.

Always deal fairly with Customers and Suppliers, treating them with honesty, dignity and respect.

- Do not engage in unfair, deceptive or misleading practices.
- Always present our services and capabilities in an honest, forthright manner.
- Do not offer, promise, or provide anything to a Customer or Supplier which you, personally, are not prepared to deliver.

FRIENDS AND FAMILY

Many of us have friends or family members who are employed by, or who have ownership interests in, Customers or Suppliers of the organization. If you deal with such a Customer or Supplier, take

care to ensure that your relationship with them doesn't affect, or appear to affect, your ability to act in the best interests of the organization. If you're uncertain whether your relationship may create an issue, consult with an Appropriate Officer.

GIFTS, MEALS AND ENTERTAINMENT

Do not accept gifts, meals or entertainment, or any other favor, from Customers or Suppliers if doing so might compromise, or appear to compromise, your ability to make objective business decisions in the best interests of the organization.

Gifts:

- Do not accept gifts in exchange for doing, or promising to do, anything for a Customer or Supplier.
- Do not ask for gifts from a customer or supplier.
- Do not accept gifts of cash or cash equivalents, such as gift cards.
- Gifts of nominal value (e.g., pens, t-shirts) may be accepted.
- Gifts or discounts offered to anyone associated with Oak City Media, as part of an agreement between the organization and a Customer or Supplier or otherwise, may be accepted and used as intended by the Customer or Supplier.

Meals and Entertainment:

- Do not accept meals or entertainment in exchange for doing, or promising to do, anything for a Customer or Supplier.
- Do not ask for meals or entertainment from a Customer or Supplier.
- You may accept occasional meals and entertainment from Customers and Suppliers if the event is attended by the Customer or Supplier, and the costs involved are in line with local custom for business-related meals and entertainment. For example, ordinary business meals and attendance at local sporting events generally are acceptable.

If you're offered a gift, meal or form of entertainment that obviously exceeds the guidelines set above, politely decline and explain that it could violate our Code of Conduct. If returning a gift could offend the giver, or the circumstances under which it was given preclude its return, you may accept the gift but should notify an Appropriate Officer of its acceptance.

Gifts, meals and entertainment for Customers and Suppliers must support legitimate interests of the organization, and must be approved in advance by an Appropriate Officer. Also, always be sensitive to our Customers' and Suppliers' own rules on receiving gifts, meals and entertainment.

Memberships in Oak City Media are never to be awarded as a gift on behalf of the organization, under any circumstances.

LOANS

Loans from the organization to individuals are expressly prohibited, without exception.

ORGANIZATION ASSETS

Protect the Organization Assets, and use them in the manner intended. Do not use Organization Assets for your personal benefit, or for the benefit of anyone other than the organization.

Use common sense. For example, making a personal phone call from the Oak City Studios or sending a personal e-mail via an Oak City Media account is acceptable. Making a 15-minute personal phone call to your cousin in Uzbekistan is a misuse of Organization Assets.

Latitude. Organizational policy may allow additional personal use of certain Organization Assets, such as a vehicle or laptop computer. Always check relevant organizational policies to ensure that you're using Organization Assets as intended.

Theft of Organization Assets – whether physical theft such as unauthorized removal of equipment or information, or theft through embezzlement or intentional misreporting of time or expenses – may result in termination of your association with Oak City Media, as well as criminal and/or civil prosecution.

Use of Time, Equipment and Other Assets. Do not engage in personal activities that interfere with or prevent you from fulfilling any responsibilities or commitments you've made to the organization. Don't use our computers and equipment for actions outside the scope of your association with Oak City Media and 101.9 WKRP, or for illegal or unethical activities, or to access potentially offensive subject matter.

We treat theft of assets belonging to others associated with the organization in the same manner we treat theft of Organization Assets.

The use of Organization Assets outside of your responsibilities – such as using work product in an outside venture, or using organization-owned materials or equipment to support your personal interests – requires prior, written approval from an Appropriate Officer.

POLITICAL ACTIVITY

While we greatly encourage everyone affiliated with Oak City Media to take an active role in our political process, with respect

to our operations, particularly those of 101.9 WKRP, great care must be exercised at all times in this area.

As a tax-exempt non-profit public benefit corporation, Oak City Media is specifically prohibited from “directly or indirectly participating in, or intervening in, any political campaign on behalf of (or in opposition to) any candidate for elective public office.” Engaging in such behavior jeopardizes our tax-exempt status, and as that status came at great effort and expense it is in our best interests to protect it without exception.

With our operation of 101.9 WKRP however, we have a seemingly conflicted interest in that providing some form of politically-oriented programming is a vital part of serving our audience. In this regard, applying the guidelines below will aid those who wish to discuss political issues on-air in avoiding potential violations of this prohibition, and thus our Code of Conduct:

- Preface each program aired, and include in the conclusion of each program aired, the following statement: “The views and opinions expressed in this program are those of the people expressing them, and do not reflect any views or opinions held by 101.9 WKRP, Oak City Media, or any of its members, sponsors or affiliates.”
- While sitting officials (e.g., the President, Congressional Representatives, the Governor, State Assembly members) are fair game for scrutiny, advocacy for, or opposition to, any candidate for office – including an incumbent still in office but seeking re-election – is a violation from the moment they announce their candidacy.
- Make clear distinctions between statements of fact and opinion – and then, support your opinions with facts. State opinions in the first person to distinguish personal opinions with those of the organization and 101.9 WKRP: “*I believe,*” “*I think,*” “*I’m of the opinion that...*” and so forth.
- Avoid hyperbole, even at the expense of entertainment value. Saying “The Smith Administration has been the most criminal in American history” might be an opinion that gets approval from a conservative-leaning audience, but it will also be the fastest way to end your association with us.

While we won’t avoid politically-oriented programming on 101.9 WKRP, as a general rule our sensitivity to the prospect of having the organization’s tax-exempt status revoked is such that we’ll monitor politically-oriented programming very closely to ensure compliance.

PRIVACY

Oak City Media respects the privacy of its members, business partners, employees and Customers. We must handle all personal

data collected responsibly, and in compliance with all applicable privacy laws. All those who handle the personal data of others must:

- Act in accordance with applicable law;
- Act in accordance with any relevant contractual obligations;
- Collect, use, and process such information only for legitimate business purposes;
- Limit access to the information to those who have a legitimate business purpose for seeing the information; and
- Take care to prevent unauthorized disclosures of information.

USE OF INFORMATION

Safeguard the organization's Nonpublic Information, which includes everything from contracts and pricing information to marketing plans, technical specifications, and employment information.

Nonpublic Information. Do not disclose Nonpublic Information to anyone outside the organization, including to family and friends, except when disclosure is required for business purposes. Even then, take appropriate steps, such as execution of a Confidentiality Agreement, to prevent misuse of the information.

Do not disclose Nonpublic Information to others inside the organization unless they have a Need to Know, and communications have been Classified according to Oak City Media's Document Classification Protocol.

Everyone associated with the organization is obligated to protect Nonpublic Information at all times, including after any association with Oak City Media ends.

Retain or discard organizational records in accordance with Oak City Media's Document Retention policies. Our legal counsel may occasionally issue notices regarding retention of records in the case of actual or threatened litigation or government investigation. We must abide by the directions contained in these notices, as failure to do so could subject us to serious legal risk.

ADMINISTRATION OF THE CODE

This Code of Conduct is designed to ensure consistency in how we conduct ourselves, within the organization and in our dealings with others. The procedures for handling potential violations of the Code of Conduct have been developed to ensure consistency in the process throughout Oak City Media.

No set of rules can address all circumstances. These guidelines may be varied as necessary to conform to the situation.

Responsibility. The responsibility for administration of this Code of Conduct rests with our Governance Committee, with oversight by the Ceannaire, the President, and the General Secretary of Oak City Media. The Governance Committee is comprised of senior leaders within the organization.

Investigation of Potential Code Violations. Oak City Media takes all reports of potential violations of this Code of Conduct seriously, and we're committed to confidentiality and a full investigation of all allegations. Organization personnel may conduct or manage such investigations as a matter of information gathering, as a disciplinary matter, or both. Those being investigated for potential violations of the Code of Conduct will have opportunity to be heard, particularly if a situation is addressed as a disciplinary matter, before any actions are taken by the organization.

Decisions. The Governance Committee makes all decisions regarding violations of the Code of Conduct, forwarding cases to the organization's Disciplinary Committee together with its recommendations in cases where it feels a specific disciplinary action should be taken.

Disciplinary Actions. We strive to impose discipline that fits the nature, severity and circumstances of each violation of the Code of Conduct. Minor violations of the Code usually can be addressed on an informal basis by the Governance Committee through verbal reprimand and remedial training. More serious cases however are addressed as a disciplinary matter, and could involve conduct of hearings by our Disciplinary Committee, suspension from our activities, membership suspensions or even termination, depending on severity and nature of the violation.

RAISING CONCERNS

Everyone in the organization has an obligation to uphold the ethical standards of Oak City Media. If you observe behavior that concerns you, or which may represent a violation of this Code of Conduct, raise the issue promptly. Doing so will allow us the opportunity to address the issue and correct it, ideally before it becomes a violation of law or a risk to health, security, or to our reputation.

We take all reports of potential misconduct seriously, and will investigate each matter to determine if the Code of Conduct or law has been violated. If a violation is deemed to have occurred, the organization will then take appropriate action. If you are involved in such an investigation, cooperate fully and answer all questions completely and honestly.

Oak City Media values the help of those who identify potential problems that the organization needs to address. Any retribution or retaliation against someone who raises a concern honestly, or who participates in an investigation, is itself a violation of the Code of Conduct. Raising an honest concern, or participating in an investigation, cannot be the basis for any adverse action of the organization including suspension or loss of membership benefits or privileges, demotion, threats, harassment, discrimination, or suspension or termination of membership itself.

If you interact with someone who has raised a concern or provided information in an investigation, you should continue to treat the person with courtesy and respect. If you believe someone has retaliated against you, report the matter to an Appropriate Officer immediately.

FALSE ACCUSATIONS

Oak City Media will protect anyone who raises a concern honestly, but it is a violation of our Code of Conduct to knowingly make a false accusation, to lie to investigators, or to interfere or refuse to cooperate with an investigation related to the Code of Conduct. Honest reporting does not mean you have to be right when you raise a concern; you just have to believe that the information you're providing is accurate.

- END -