

240A

American Broadcasting Company

7 WEST 66TH STREET · NEW YORK 23, N. Y.
SUSQUEHANNA 7-5000

February 13, 1959

GRAND JURY
EXHIBIT No. 240A
MAY 6 1960

Mr. Alan Freed
1619 Broadway
New York, New York

Dear Mr. Freed:

The following when signed by you and us will constitute an agreement between you and us.

1. We hereby employ you and you hereby agree to perform artistic and professional services, as required by us as and as we may from time to time direct you on, in and in connection with a series of disc jockey type radio programs to be broadcast over WABC, New York City, and to be known as the "Alan Freed Show" or by such other title as we may designate during the term of your employment hereunder in connection with said series.

DUTIES &
TITLE OF
SHOW - see
clause 9

2. The said programs shall be scheduled for broadcast Monday through Saturday for each week of the term hereof during the period from 7:00 PM to 11:00 PM, CNYT, commencing on Monday, March 2, 1959. We reserve the right to change at any time and from time to time the time, the number of hours and number of days each week the program is scheduled for broadcast, but in no event for more than six days a week, nor for more than four hours of broadcasting per day.

HOURS
OF
employment

3. We will supply a director, engineers, studio, and all technical facilities we deem necessary for broadcasting the programs. You will supply the records.

PROVISION
OF
STAFF

4. The programs will originate live from our studios in New York City or from other locations at our option.

PLACE
OF BROADCAST

5. The term of this agreement shall be for a period commencing with the scheduled broadcast of March 2, 1959, and running through the scheduled broadcast of April 4, 1959, a total of five (5) weeks. In the event that for any reason Bonaire Music, Inc., shall not be one of the sponsors of the program hereunder at any time during the term of this agreement, we shall have the right to terminate this agreement effective as of such time or thereafter.

DURATION
Requirement
OF
BONAIRE
SPONSOR-
SHIP

6. During the term of this agreement, including any and all extensions thereof, you agree that your services and employment shall be exclusive to and by us in and in connection with radio except that you may undertake guest appearances upon our prior written consent and you agree not to make any television appearances without giving us a right of first refusal with respect thereto. You further agree that in no event you will render any services to nor undertake any guest appearances for any person, firm or corporation when any such activities might or would conflict with the

EXCLUSIVE
USE OF
SERVICES

performance of your services hereunder or would be connected directly or indirectly, with the advertising or exploitation of any product competitive to any product advertised on the radio programs referred to herein.

7. In consideration of the services to be performed by you hereunder and all rights, licenses and privileges herein granted to us, we agree to pay you and you agree to accept as compensation therefore the sum of Eight Hundred (\$800) Dollars per week or AFTRA scale, whichever is greater. Such payments will be subject to withholdings and deductions required by law and to pro-ration if you omit any scheduled broadcasts for any reason. In the event that you, for any reason, fail to perform for any broadcast hereunder and said program is nevertheless broadcast, your replacement for such program, if any, shall be selected by us.

8. We shall have the right to sell the programs in commercial sponsorship of any type whatsoever, including but not limited to single, multiple, participating, cooperative, regional, territorial, and/or any combination of any and all types.

9. You agree that you will, at our request, read commercials, news, weather and sports reports, time announcements and leads into and leads out of the foregoing.

10. We may completely fulfill our obligations hereunder by making the applicable payments to you but we shall not be required to use your services.

11. You grant us the right to use and license others to use your name, voice, biographical material, representation and likeness in any and all media and by any and all means now or hereafter known or devised for informative purposes and for the advertising, publicizing and exploitation of the said series of programs and sponsors' products in connection with said series. Such authorization shall not be used in such manner as to constitute a specific endorsement of any of sponsors' products without your prior consent.

12. You warrant and represent that you have the right to make and enter into this agreement and to grant us the rights, licenses and privileges herein contained and conveyed to us and that there are no contracts of agreements expressed or implied between you and any other party which will prevent you from fulfilling any of your obligations hereunder or which will in any way impair the rights granted to us hereunder. You agree to indemnify and defend us, any and all sponsors of the said series of programs and any and all participating sponsors, our and their advertising agencies and hold us and them free and harmless from and against any and all notions, liabilities, claims, expenses (including counsel fees) losses, damages, judgments and the like caused by or arising out of the breach of any warranty herein contained or the broadcast or any material or scripts furnished by you hereunder or any statements made or acts done by you on, or in connection

ALARY TAX WITHHOLDINGS REPLACEMENTS

SALE OF PROGRAM TO SPONSORS

ADDITIONAL DUTIES, NEWS, COMMERCIALS etc.

USE OF FREED'S NAME, PICTURES etc.

WARRANTY OF NO PRIOR CONFLICTING AGREEMENTS

with the programs. We shall have the right to participate in the defense of and settlement of any and all actions instituted as a result of the breach of any warranty hereunder, including appeals from judgments relating thereto, by counsel of our own choosing and at our own expense and you agree that your counsel in such matters will cooperate fully with us. Nothing herein contained shall be deemed to constitute a waiver of any of your obligations hereunder.

13. In the event the broadcast of any program is prevented or omitted for any reason or cause beyond our control, including but not limited to government regulation or order, strike, failure of broadcast facilities because of war or other calamity such as fire, earthquake or similar Acts of God, or otherwise, or because of the recapture of the program for the broadcast of an event of public importance (including sports events), or a special program, then and in any such event, the same shall not constitute a breach of this agreement and we shall not be required to make any payment to you with respect to such program.

14. You grant to us the right to record your performance of the programs to be broadcast hereunder and to use the same for reference, file and audition purposes.

15. You are or will become a member of AFTRA and this agreement shall be subject to the AFTRA Code of Fair Practice.

16. During the term of this agreement you agree that you will not be connected, directly or indirectly, with any activity of any kind or nature whatsoever, or authorize the use of your name, likeness, voice or endorsement, in advertising, promoting or publicizing in any manner any product or service competitive to any product or service of any sponsor then currently sponsoring the programs hereunder.

17. You will act at all times with due regard to public morals and conventions. If you at any time shall have done or shall do any act or thing which shall be an offense involving moral turpitude under federal, state or local laws, or which might tend to bring you into public disrepute, contempt, scandal or ridicule, or which might tend to insult or offend the community or any organized group thereof or which might tend to reflect unfavorably upon us, the sponsors, if any, or their advertising agency, if any, or injure the success of the programs, we shall have the right to terminate this agreement forthwith upon notice to you.

18. Any controversy or claim arising out of or relating to this contract or the breach thereof shall be settled by arbitration in accordance with the rules then obtaining of the American Arbitration Association and judgment upon the award rendered may be entered in the highest court of the forum, state or federal having jurisdiction.

19. If you shall violate any of the material terms of this agreement,

USE OF
Recorded
Program

UNION
CLAUSE

LIMITATION
OF ACTIVITY

MORALS
CLAUSE

REMEDY
FOR
OK

we shall have the right, at our election, to terminate this contract forth-
with without further obligation and without prejudice to such rights as we
may have to recover damages for the breach of this agreement.

20. All notices to be given hereunder shall be addressed to you at
your address as designated herein on page 1 of this agreement or at any
other address as you may advise us in writing and to us at 7 West 66th
Street, New York 23, New York. Any notice given by mail shall be deemed
to be given on the day it is mailed.

RIGHT
TO
ASSIGN
K

21. Neither you nor we may assign this agreement without the prior
written consent of the other, except that we may assign this agreement and
all rights herein to any party acquiring a substantial portion of our
television or sound radio business, or to any corporation controlling us,
controlled by us, or under common control with us.

22. This agreement is made subject to all federal, state and mani-
cipal laws or regulations now or hereafter in force; shall be construed
according to the laws of the State of New York; and shall not be changed,
modified or discharged in whole or in part except by an instrument duly
signed by you and us. Waiver of any provisions hereof under any circum-
stances will not constitute a general waiver of any rights hereunder.

23. This agreement constitutes the entire agreement between you and
us with respect to the subject matter hereof and shall substitute and re-
place any and all prior negotiations and agreements which may have existed
between you and us.

If the foregoing is in accordance with your understanding, will you
kindly indicate your consent by signing in the space provided below.

Very truly yours,

AMERICAN BROADCASTING COMPANY,
A Division of American Broad-
casting-Paramount Theatres, Inc.

By: S/ Seymour Horowitz

Accepted:
Elan Freed

Elan Freed