

## SEPARATION AGREEMENT

This Separation Agreement (the "Agreement") is made this 12<sup>th</sup> day of March, 2006 (the "Effective Date"), by and between Helena Adventist Educational Media ("HAEM") and Helena Full Gospel Restoration Church ("FGRC") (collectively, the "parties").

WHEREAS, HAEM desires to withdraw as party to low power FM broadcast station KHFG-LP, Helena, Montana (the "Radio Station"), including its "Positional Interest", "Percent of Votes", and "Percent of Total Assets," as detailed in Section II, 3(a) of the parties' FCC Form 318 submission dated June 11, 2001; and

WHEREAS, FGRC desires to operate the Radio Station under the name KHFG-LP, Inc., free and clear of any other positional interests in the Radio Station by HAEM or any other party.

NOW, THEREFORE, in consideration of the terms and conditions contained herein, the receipt and sufficiency of which are hereby acknowledged by the parties, the parties agree as follows:

1. **WITHDRAWAL.** As of the Effective Date, HAEM and all of its individual former and current members hereby irrevocably withdraw any and all positional interests, voting rights, nonvoting rights, equity rights and any other rights or claims in and to FGRC and the Radio Station. FGRC accepts HAEM's withdrawal, effective as of the Effective Date. Within ten (10) days of the Effective Date, FGRC shall cancel or waive all of HAEM's accrued and unpaid costs for operating the Radio Station, including electrical, equipment installation, testing, telephone, and materials purchased by FGRC for construction, installation, and operation of the Radio Station. HAEM shall cancel or waive any and all of FGRC's accrued or unpaid costs to HAEM.

2. **CONTINUATION OF BENEFITS.** In consideration of the foregoing, for a period of six (6) months after the Effective Date, HAEM is granted an opportunity to provide Christian educational programming, during available hours, for a set price of \$2.50 per hour or portion thereof, on the Radio Station.

3. **FCC NOTIFICATION.** The parties mutually agree to work together to carry out the intent of this Agreement, and to file whatever information is deemed necessary with the Federal Communications Commission (the "FCC") in order to carry out the intent of this Agreement. Nothing in this Agreement shall be construed to affect the Settlement Agreement dated December 5, 2003 by and among the parties and Jefferson County Disaster and Emergency Services (the "Settlement Agreement"), or to extend any benefits or rights to any third parties.

4. **OWNERSHIP OF CERTAIN PROPERTY.** This Agreement does not in any

way relinquish HAEM's ownership of its transmitter building and related equipment attached to or contained within such building, or any equipment HAEM has purchased for operation of the Radio Station. HAEM does not claim and will assert no right to ownership of any building or equipment FGRC has purchased for operating the Radio Station, nor does FGRC claim any ownership of any building or equipment HAEM has purchased for operating the Radio Station. HAEM agrees to remove its building and equipment from the Radio Station within ninety (90) days after the Effective Date, unless otherwise mutually agreed to in writing by the parties.

5. WAIVER OF BOARD REPRESENTATION. HAEM hereby irrevocably and permanently waives all rights granted in Section 2 of the Settlement Agreement to: (i) serve as a member of FGRC's board of directors thereof, and (ii) designate a director to serve on FGRC's board of directors.

6. RELEASE AND WAIVER OF CLAIMS. HAEM and FGRC hereby waive and release each other from any and all actual or potential claims, demands, causes of action, damages and liabilities, of whatever kind or nature, known or unknown, suspected or unsuspected, which HAEM now has or holds, or at any time had or held against FGRC, including affiliates, related entities, and their officers, directors, employees or agents and which FGRC now has or holds, or at any time has or held against HAEM, including affiliates, related entities, and their officers, directors, employees or agents, in any manner attributable to the Settle Agreement. This waiver and release expressly waives any and all claims arising out of the Settlement Agreement and the cessation thereof that HAEM may have against FGRC and that FGRC may have against HAEM, regardless of the nature, source, or basis for any such claim, including, but not limited to, any contract, breach of covenant, violation of public policy, defamation, or any similar state statute or principle of common law.

7. RELEASE OF UNKNOWN CLAIMS. The parties acknowledge that this Agreement is a full and final release of all claims covered by Sections 5 of this Agreement, and each party intends and expressly agrees that this Agreement shall be effective as a bar to each and every such claim, demand or cause of action that may exist as of the Effective Date.

8. INDEMNIFICATION. Both parties agree to indemnify and hold harmless the other party from all claims, demands, causes of action, damages, and/or liabilities that may arise from the settlement agreement, the operation of the radio station, and this agreement, including costs, time, and attorney fees incurred by either party in defense of such claims.

9. NO FAULT. Nothing contained in this Agreement, nor any payment of any consideration shall be taken or construed to be an admission or concession of any kind of wrongdoing by either party. Each party expressly denies that either party has any liability or obligation whatsoever except as set forth in this Agreement.

10. REPRESENTATIONS AND WARRANTIES. HAEM hereby represents and

warrants to FGRC that this Agreement constitutes the legal, valid and binding obligation of HAEM, enforceable in accordance with its terms. FGRC hereby represents and warrants to HAEM that this Agreement constitutes the legal, valid and binding obligation of FGRC, enforceable in accordance with its terms.

11. NONDISCLOSURE. Each party agrees not to disclose the nature or terms of this Agreement or the negotiations that led to this Agreement to any person or entity, other than the Pastor and board of directors of Helena Seventh Day Adventist Church, the General Bishop of FGRC and FGRC's officers and directors, without prior written consent from the other party, unless required to do so by law or by the rules or direction of the FCC or its staff.

12. NONDISPARAGEMENT. The parties, and their officers, directors, employees, members, and agents, agree to refrain from making any disparaging, negative, or uncomplimentary statements, whether public or private, regarding the other party, any related or affiliated ministries, and/or any officers or directors of the other party or related or affiliated ministries. To the extent that they are able to do so, the parties shall request their respective members, affiliates, and related ministries to similarly refrain from making any disparaging statements.

13. CONFIDENTIALITY OF INFORMATION. Each party agrees to not make use of or disclose in any way (except as otherwise required by law), any confidential, proprietary or other non-public information belonging to the other party or its affiliated or related ministries without first receiving written consent of the other party's Senior Pastor or General Bishop.

14. ADVICE OF COUNSEL. HAEM acknowledges it requested this Agreement on January 13, 2006. Each party acknowledges it had an opportunity to discuss this Agreement with their respective directors, officers and other advisors, and to receive legal counsel from an attorney at law prior to executing this Agreement. Each party understands the terms and conditions of this Agreement and has signed it voluntarily. Any expenses arising from seeking advice or legal counsel is solely that party's responsibility.

15. ENTIRE AGREEMENT. Except as set forth in this Agreement, this Agreement represents the entire Agreement between HAEM and FGRC and replaces any prior negotiations or agreements made between the parties, whether oral or written, including the Settlement Agreement.

16. SEVERABILITY/EXECUTION. Should any court of law find any term or clause of this Agreement invalid or unenforceable under applicable law, then such term or clause shall be omitted from enforcement, with all other terms and conditions remaining valid and enforceable. This Agreement may be executed in counterparts, each of which will be deemed an original and which together will be a single instrument.

17. SUCCESSORS AND ASSIGNS. This Agreement shall inure to the benefit

of and be binding on the permitted successors and assigns of the parties hereto, provided that neither party may assign its respective rights and obligations hereunder to another party without the prior written consent of the other party hereto.

18. CONSTRUCTION AND ENFORCEMENT. This Agreement shall be construed and enforced in accordance with the internal laws of the State of Montana, without regard to its conflict of laws rules. Any disputes arising out of this Agreement shall be resolved in state or federal court in Montana.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO SEPARATION AGREEMENT]

IN WITNESS WHEREOF, the parties have executed this Separation Agreement as of the Effective Date.

X Gail White  
**Helena Adventist Educational Media**  
Print Name: Gail White  
Title: President

X Morris Brewster  
**Witness**  
Print Name: Morris Brewster  
Title: NA

X Jerome L. Little  
**Helena Full Gospel Restoration Church**  
Print Name: JEROME L. LITTLE  
Title: Bishop

X Malinda Gilda  
**Witness**  
Print Name: Malinda Gilda  
Title: NA