

DONATION AGREEMENT

THIS DONATION AGREEMENT, dated as of ^{February} ~~January~~ 12, 2024 (this "Agreement"), is by and between THE COUNTRY KING, INCORPORATED, a Michigan non-profit corporation ("Donor"), and HOPE BAPTIST CHURCH OF HARRISON, a Michigan non-profit corporation ("Donee").

WITNESSETH:

WHEREAS, Donor is the licensee of low power FM radio station WKKM-LP, Harrison, Michigan (FCC Facility Identification No. 193246) (the "Station") pursuant to authorizations issued by the Federal Communications Commission ("FCC");

WHEREAS, simultaneously with the execution of this Agreement, Donor and Donee have entered into an asset purchase agreement for the sale of certain tangible personal property and real property related to the Station (the "APA"); and

WHEREAS, on the terms and conditions described herein, Donor desires to donate and Donee desires to acquire the FCC Authorizations (as defined below) held by Donor, subject to prior FCC approval.

NOW, THEREFORE, in consideration of the foregoing and of the mutual promises herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. **DONATION OF ASSETS.** On the Closing Date (as hereinafter defined), Donor shall assign and transfer, convey and deliver to Donee, and Donee shall assume and acquire from Donor, all rights, title, and interests of Donor in and to the following assets related to the Station (the "Assets"):

(a) All of the licenses, construction permits, applications and other authorizations issued by or filed with the FCC, the Federal Aviation Administration (the "FAA"), and any other federal, state or local governmental authorities in connection with the conduct of the business and the full on-air operations of the Station, including without limitation, those set forth on Schedule 1(a) hereto (collectively, the "FCC Authorizations");

(b) Any logs, books, files, data, software, FCC and other governmental applications, equipment manuals and warranties, and other records relating to the full on-air broadcast operations of the Station, including without limitation all electronic data processing files and systems, FCC filings and all records required by the FCC to be kept by the Station; and

(c) All right, title and interest in and to the call letters of the Station and any variation thereof used in connection with the operation of the Station and all goodwill associated therewith.

2. **CONSIDERATION; PRORATION OF EXPENSES.** Donor makes this donation for and in consideration for the payment of ten dollars (\$10.00), the expenditure of significant time in connection herewith, and the mutual covenants and promises set forth herein.

The parties agree to prorate all expenses related to the Assets, such as FCC regulatory fees, as of the Closing Date. The prorations shall, insofar as feasible, be determined and paid on the Closing Date, with final settlement and payment to be made within forty-five (45) days after the Closing Date.

3. **FCC CONSENT; ASSIGNMENT APPLICATION.** At the earliest mutually agreeable date, but not later than five (5) business days after the execution and delivery of this Agreement, Donor and Donee shall execute, file and vigorously prosecute an application with the FCC (the "Assignment Application") requesting its consent to the assignment from Donor to Donee of the Station's FCC Authorizations ("FCC Consent"). The parties shall take all reasonable steps to cooperate with each other and with the FCC to secure such FCC Consent without delay, and to promptly consummate this Agreement in full. Each party shall be solely responsible for all of its own costs and expenses incurred by it in the preparation, filing and prosecution of its respective portion of the Assignment Application. All filing fees related to the FCC Application shall be shared equally between the parties.

4. **CLOSING.** The closing (the "Closing") of the transactions contemplated by this Agreement shall occur on a mutually agreed upon date (the "Closing Date") which shall be no later than ten days following the date on which the FCC Consent shall have been granted, and shall occur simultaneously with the closing of transactions contemplated by the APA. In the event a Petition to Deny or Objection is filed against the Assignment Application, the parties agree that the Closing Date shall be within ten (10) business days after the FCC Consent becomes a Final Order (as hereinafter defined). For purposes of this Agreement, the term "Final Order" means action by the FCC consenting to an application which is not reversed, stayed, enjoined, set aside, annulled or suspended, and with respect to which action no timely request for stay, petition for rehearing or appeal is pending, and as to which the time for filing any such request, petition or appeal or reconsideration by the FCC on its own motion has expired. The Closing shall be in such other manner as mutually agreed upon by the parties.

5. **REPRESENTATIONS AND WARRANTIES OF DONOR.** Donor hereby makes the following representations and warranties to Donee which shall be true as of the date hereof and on the Closing Date:

(a) **Organization; Authority.** Donor is a non-profit corporation duly organized, validly existing and in good standing under the laws of the State of Michigan. Donor has all necessary power and authority to execute and deliver this Agreement and to consummate the transactions contemplated thereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by Donor, and no other proceedings on the part of Donor are necessary to authorize this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Donor and constitutes the legal, valid and binding obligations of Donor enforceable in accordance with their terms, except as may be limited by bankruptcy, insolvency or other laws affecting generally the enforcement of creditors' rights or the application of principles of equity.

(b) **No Conflicts.** The execution, delivery and performance of this Agreement by Donor will not (i) conflict with or result in any breach of the articles of

incorporation or bylaws of Donor, (ii) result in a default under or conflict with any of the terms, conditions or provisions of any agreement or other instrument or obligation binding upon Donor, except as to which requisite waivers or consents have been obtained and delivered to Donee, (iii) violate any law, statute, rule, regulation, order, writ, injunction or decree of any federal, state or local governmental authority or agency and which is applicable to Donor, or (iv) require the consent or approval of any governmental authority, lending institution or other third party other than the FCC Consent.

(c) No Litigation. Donor is not subject to any order, writ, injunction, judgment, arbitration decision or decree having binding effect and affecting the business of the Station or the Assets. There is no litigation, proceeding or governmental investigation pending or to the knowledge of Donor, threatened, in any court, arbitration board, administrative agency, or tribunal against or relating to the Donor or the Station or that could affect any of the Assets or prevent or materially impede the consummation by Donor of the transactions contemplated by this Agreement.

6. **Representations and Warranties of Donee**. Donee hereby makes the following representations and warranties to Donor which shall be true as of the date hereof and on the Closing Date:

(a) Organization; Authority. Donee is a non-profit corporation duly organized, validly existing and in good standing under the laws of the State of Michigan, and has the requisite power and authority to own, lease and operate its properties and to carry on its business as now being conducted. Donee has the power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by Donee and no other proceedings on the part of Donee are necessary to authorize this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Donee and constitutes the legal, valid and binding agreement of Donee enforceable in accordance with its terms, except as may be limited by bankruptcy, insolvency or other laws affecting generally the enforcement of creditors' rights or the application of principles of equity.

(b) No Conflicts. The execution, delivery and performance of this Agreement by Donee will not (i) conflict with or result in any breach of the articles of incorporation or by-laws of Donee, (ii) result in a default under or conflict with any of the terms, conditions or provisions of any agreement or other instrument or obligation binding upon Donee, except as to which requisite waivers or consents have been obtained and delivered to Donor, (iii) violate any law, statute, rule, regulation, order, writ, injunction or decree of any federal, state or local governmental authority or agency and which is applicable to Donee, or (iv) require the consent or approval of any governmental authority, lending institution or other third party other than the FCC Consent.

(c) FCC Qualification. Donee is legally, financially and otherwise qualified under the Communications Act of 1934, as amended (the "Act") and the rules, regulations and policies of the FCC (the "FCC Rules") to hold the FCC Licenses. Acquisition of the FCC

Authorizations by Donee complies with the Act and the FCC Rules with respect to multiple ownership as they exist on the date of this Agreement.

(d) No Litigation. There is no litigation, proceeding or governmental investigation pending or to the knowledge of Donee, threatened, in any court, arbitration board, administrative agency, or tribunal against or relating to Donee that would prevent or materially impede the consummation by Donee of the transactions contemplated by this Agreement.

7. **Conditions Precedent to Obligation to Close.**

(a) The performance of the obligations of Donor hereunder is subject to the satisfaction of each of the following express conditions precedent:

(i) The representations and warranties of Donee set forth in this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same effect as if made on and as of the Closing Date;

(ii) The FCC Consent contemplated by this Agreement shall have been granted; and

(iii) Neither Donor nor Donee shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated herein.

(iv) Donee shall stand ready to consummate the transactions contemplated by the APA simultaneously with the transactions contemplated herein.

(b) The performance of the obligations of Donee hereunder is subject to the satisfaction of each of the following express conditions precedent:

(i) The representations and warranties of Donor set forth in this Agreement with respect to the Station and Assets shall be true and correct in all material respects on and as of the Closing Date with the same effect as if made on and as of the Closing Date;

(ii) The FCC Consent contemplated by this Agreement shall have been granted; and

(iii) Neither Donor nor Donee shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated herein.

(iv) Donor shall stand ready to consummate the transactions contemplated by the APA simultaneously with the transactions contemplated herein.

8. **Closing Deliveries**. At the Closing, the parties shall execute and deliver to each other the following documents: (a) a General Assignment and Assumption for the conveyance of the FCC Authorizations, as well as the files and records and call letters related to the Station; (b)

a Receipt to acknowledge Donee's receipt of the donated Assets; and (c) any other documents and instruments of conveyance or assumption that may be reasonably necessary to assign or transfer, on the one hand, or acquire, on the other hand, the Assets.

9. **Further Obligations of Donee.** Donee hereby agrees to the following:

(a) **IRS Form 8283.** Donee shall complete Part IV of all IRS Form 8283s delivered to Donee by Donor in a timely manner and return such forms to Donor; and

(b) **IRS Form 8282.** Donee agrees not to sell any of the donated Assets to any third party within a two (2) year period following the Closing Date unless such third party is a charitable organization qualified under Section 170(c) of the Internal Revenue Code. In any such case, Donee shall file an IRS Form 8282 and provide a copy to Donor.

10. **Indemnification, Release and Covenant Not to Sue.**

(a) **Indemnification by Donee.** Donee, for itself and its successors, assigns and transferees hereby agrees to (a) indemnify, defend and hold harmless Donor and (b) defend each of them from any and all liability for claims or demands of any kind against any of them (by attorneys of their choice) to the extent that the claims or demands arise under, or out of, or are related to Donee's ownership of the Assets following Closing.

(b) **Indemnification by Donor.** Donor, for itself and its successors, assigns and transferees hereby agrees to (a) indemnify, defend and hold harmless Donee and (b) defend each of them from any and all liability for claims or demands of any kind against any of them (by attorneys of their choice) to the extent that the claims or demands arise under, or out of, or are related to Donor's ownership of the Assets prior to Closing.

(c) **Release and Covenant Not to Sue.** Both parties for themselves and their successors, assigns and transferees hereby fully and irrevocably release and covenant not to sue the other party for any action, claim, or liability that either party may now have or hereafter acquire for any costs, loss, liability, damage, expense, demand, action or cause of action arising under, or out of or related to: (i) the Assets or (ii) any past or future use or operation of the Assets or the disposition of the Assets.

11. **Notices.** All notices, elections and other communications permitted or required under this Agreement shall be in writing and shall be deemed effectively given or delivered upon personal delivery (or refusal thereof), or twenty-four (24) hours after delivery to a courier service which guarantees overnight delivery, or five (5) days after deposit with the U.S. Post Office, by registered or certified mail, postage prepaid, and, in the case of courier or mail delivery, addressed as follows (or at such other address for a party as shall be specified by like notice):

If to Donor, to:

The Country King, Incorporated
127 W. 4th Street
Suite 1

Clare, MI 48617
Attn: Jeffrey J. Klaus

If to Donee, to:

Hope Baptist Church of Harrison
3315 E. Townline Lk Rd.
Harrison, MI 48625
Attn: Pastor Biggs

12. **Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the State of Michigan, without giving effect to the choice of law principles thereof.

13. **Expenses.** Except as otherwise set forth in this Section, each party hereto shall be solely responsible for all costs and expenses incurred by it in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement. The FCC filing fees relating to the Assignment Application shall be shared equally between Donee and Donor.

14. **Assignment.** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. No party may assign its interest or delegate its duties under this Agreement without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed.

15. **Entire Agreement.** This Agreement, and the schedules attached hereto, supersede all prior agreements and understandings between the parties with respect to the subject matter hereof and may not be changed or terminated orally, and no amendment or waiver of any of the provisions hereof shall be binding unless in writing and signed by both parties.

16. **Counterparts.** This Agreement may be executed in several counterparts, each of which will be deemed to be an original but all of which together will constitute one and the same instrument.

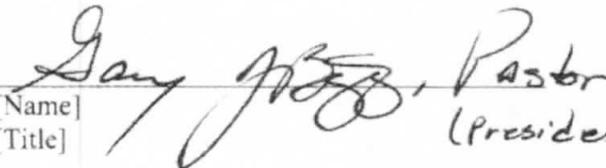
[SIGNATURE PAGE TO FOLLOW]

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

THE COUNTRY KING, INCORPORATED


By: Jeffrey J. Klaus
Its: President

HOPE BAPTIST CHURCH OF HARRISON


[Name] Gary Webb, Pastor
[Title] (President)