

MEMORANDUM OF UNDERSTANDING –

MODIFICATION AGREEMENT

This MEMORANDUM OF UNDERSTANDING – MODIFICATION AGREEMENT (this "Agreement") is entered into by and among ALEXANDRA COMMUNICATIONS, INC., a Washington corporation ("ACI"); XANA OREGON, LLC, an Oregon limited liability company ("Xana" and collectively with ACI, "AXI"); KWRL, INC., an Oregon Limited Liability Company ("KWRL"); and KVBL, LLC, an Oregon limited liability company ("KVBL") as of the 18th day of April, 2017, and contains the significant terms of the agreements by and among the parties. All transactions contemplated herein will be subject to preparation and execution of mutually acceptable definitive written agreements by and among the parties setting forth the terms set forth below and such other terms and conditions as agreed to by the parties. .

WITNESSETH:

WHEREAS, ACI is the licensee of Radio Station KQFO (FM), Pasco, WA (FID# 78988);

WHEREAS, KWRL is the licensee of Radio Station KWRL (FM), La Grande, OR (FID# 24797;

WHEREAS, KVBL is the licensee of Radio Station KVBL (FM), Union, Oregon (FID# 189562 which it acquired from Xana upon delivering a Secured Promissory Note (the "KVBL Note") as partial payment; the KVBL Note commencing May 1, 2013, amortized over a period of ten (10) years with a balloon payment due upon the sixty-first (61<sup>st</sup>) payment scheduled for June 1, 2018 (the "KVBL Note Maturity Date").

WHEREAS, ACI desires to make certain modifications (the "KQFO Modifications") to the KQFO (FM) station authorizations to improve its operating parameters; and in order to accomplish the KQFO Modifications, certain precedent and contingent modifications must be made to KWRL (FM) (the "KWRL Modifications"), including the change of its frequency from 99.9 MHz to 102.3 MHz.

Now therefore, for good and valuable consideration, the sufficiency of which is acknowledged, the parties in consideration of the agreements contained herein and intending to be legally bound do hereby agree:

1. KQFO (FM) Modifications and Contingent Applications. ACI has identified a critical path by which KQFO (FM) may make certain modifications to its operating parameters which will, among other changes, require FCC approval and which will require ACI to file an application for the KQFO Modifications and KWRL to file an application for the KWRL Modifications (together, the "Contingent Applications").

(a) KWRL agrees that upon the mutual execution of this Agreement, AXI may proceed to file the Contingent Applications on behalf of the parties, pursuant to the terms and conditions contained herein;

(b) The engineering fees FCC filing fees and other expenses associated with the filing of the Contingent Applications shall be the sole obligation of AXI; provided, however, all parties will each pay for their respective legal fees associated with the Contingent Applications;

(c) AXI agrees to purchase a new, replacement Jampro 5-bay antenna to be used by KWRL (FM) as it changes its operating frequency from 99.9 MHz to 102.3 MHz. AXI shall be responsible for the removal of the KWRL (FM) 99.9 MHz antenna and its replacement with the new KWRL (FM) 102.3 MHz transmission antenna.

(d) AXI shall be responsible for the re-tuning of the existing 10 kw transmitter used by KWRL (FM) from 99.9 MHz to 102.3 MHz.

(e) At such time that KWRL (FM) transmission antenna has been replaced and the KWRL (FM) transmitter has been retuned, AXI shall take possession of the removed KWRL (FM) 99.9 MHz transmission antenna for its purposes associated with the KQFO Modifications.

4. Extension of KVBL Note. In furtherance of the parties' agreements contained herein, Xana has agreed to extend the maturity date of the KVBL Note for a period of seventy-two (72) months from the current KVBL Note Maturity Date, provided KVBL delivers a one-time principal reduction payment of Fifty Thousand Dollars (\$50,000.00) on or before the current KVBL Note Maturity Date. At such time that KVBL has delivered the principal reduction payment, the balance of the KVBL Note will reflect such payment with regular monthly payments remaining the same and the Maturity Date of the KVBL Note will be modified by written and signed amendment such that the final payment shall be at the earlier date that the principal balance and all interest, fees or default interest which may have accrued have been paid or the extended maturity date which shall be June 1, 2023.

5. Conditions Precedent to KWRL Modifications. Until such time that the FCC has approved the Contingent Applications,

, no action will be required of KWRL. the grant of the Contingent Applications shall be known as the "Conditions Precedent".

(a) At such time that the Conditions Precedent have been met, KWRL shall take timely steps to implement the KWRL Modifications.

6. Notice and Delivery. Notice or written delivery pursuant to this Agreement shall be deemed delivered on the date of personal delivery or electronic mail transmission or confirmed delivery by a nationally recognized overnight courier service, or on the third (3<sup>rd</sup>) business day

after prepaid mailing by certified U.S. mail, return receipt requested, and shall be addressed as follows (or to such other address as any party may request by written notice):

- (a) If to ACI or Xana:

Thomas D. Hodgins  
~~1500 Gray-Lynn Dr.~~ 45 S. Campbell Rd.  
Walla Walla, WA 99362  
509.527.1000  
tomh@kujam.com

- (b) If to KWRL:

Randolph McKone  
10301 Leonard Lane  
Island City, OR 97850  
541.786.5223  
randy@elkhornmediagroup.com

7. Specific Performance. Due to the unique business opportunity presented by the transactions contemplated by this Agreement, either party shall have the right to bring action to enforce the terms herein by specific performance. This right shall not be exclusive of rights at law for consequential damages, to include, without limitation, expenses associated with the prosecution of the transaction contemplated herein.

8. Miscellaneous.

(a) The parties agree to use their best efforts to keep confidential any and all information furnished to either of them by a party in the course of this Agreement, excepting such information as may be available to the public or to the other party from another source not under an obligation of confidentiality.

(b) The parties shall execute and deliver on a timely basis all such further and additional documents as shall be convenient, necessary, or desirable to the implementation and consummation of this Agreement.

(c) No waiver by a party of any provision of this Agreement shall be considered a waiver of any other provision of any subsequent breach of the same or any other provision, including the time for performance of any such provision. The exercise by a party of any remedy provided in this Agreement or at law shall not prevent the exercise by that party of any other remedy provided in this Agreement or at law.

(e) Any exhibits attached to this Agreement shall be deemed a part of this Agreement and incorporated herein, where applicable, as if fully set forth herein.

(f) This Agreement shall be governed by, and construed and enforced in accordance with the laws of the State of Oregon with venue in any court of competent jurisdiction located in Union County, Oregon. The obligations of the parties hereto are subject to all federal, state, and local laws and regulations now or hereafter in force and to the rules, regulations, and policies of the FCC and all other governmental entities or authorities presently or hereafter to be constituted.

(g) This Agreement is binding upon and shall inure to the benefit of the parties hereto, their respective agents, representatives, members, officers, directors, shareholders, affiliates, assigns, heirs, and successors in interest.

(h) Each of the persons signing this Agreement on behalf of an entity warrants and represents that he or she has the right power, legal capacity and authority to execute this Agreement on behalf of such entity, without the concurrence or approval of any other person, any entity or any Court, and to thereby bind such entity to this Agreement.

(i) This Agreement may be signed in any number of counterparts with the same effect as if the signature on each such counterpart were on the same instrument. Each fully executed set of counterparts shall be deemed to be an original, and all of the signed counterparts together shall be deemed to be one and the same instrument.

(j) This Agreement may be amended by mutual consent of the parties, but only by a written instrument duly signed by the parties to the Agreement.


(k) This Agreement has been negotiated in good faith and prepared jointly by the parties hereto. Each party has had the opportunity to obtain the advice of counsel with respect to the drafting and implementation of this Agreement or has chosen not to do so. No provision herein shall be construed against either party on the grounds that it was drafted by that party.

(l) The obligations of AXI specified herein of are the joint and several obligations of ACI and Xana.


[The Next Page is the Signature Page]

IN WITNESS WHEREOF, the parties have executed this Memorandum of Understanding - Modification Agreement as of the date first set forth above.

**ACI**  
**ALEXANDRA COMMUNICATIONS, INC.**

By:   
Thomas D. Hodgins, President

**XANA**  
**XANA OREGON, LLC**

By:   
Thomas D. Hodgins, Member

**KWRL**  
**KWRL, LLC**

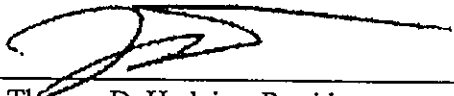
By: \_\_\_\_\_  
Randolph McKone, Managing Member

**KVBL**  
**KVBL, LLC**

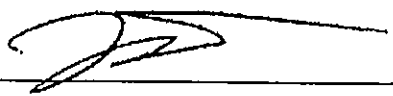
By: \_\_\_\_\_  
Randolph McKone, Manager

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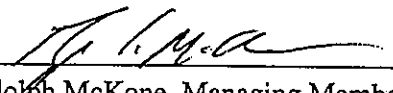
ACI  
ALEXANDRA COMMUNICATIONS, INC.

By:   
Thomas D. Hodgins, President

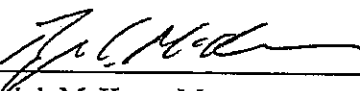
XANA  
XANA OREGON, LLC

By:   
Thomas D. Hodgins, Member

KWRL  
KWRL, LLC

By:   
Randolph McKone, Managing Member

KVBL  
KVBL, LLC

By:   
Randolph McKone, Manager