

ASSET DONATION AGREEMENT

This Asset Donation Agreement (the “Agreement”) is made as of the 26th day of March, 2017, by and between The Montana Radio Company, LLC, a Montana limited liability company (“Donor”), and Hi-Line Radio Fellowship, Inc., a Montana not-for-profit corporation (“Donee”).

WITNESSETH:

WHEREAS, Donor and CCR-Helena IV, LLC (“CCM”) have executed that certain Asset Purchase Agreement dated herewith (the “CCM Purchase Agreement”) for Donor to acquire from CCM the following radio stations: (a) KZMT(FM), Helena, Montana, 101.1 MHz; FCC Facility Identification Number 50357 (“KZMT”); (b) KBLL(FM), Helena, Montana, 99.5 MHz; FCC Facility Identification Number 27517 (“KBLL”); (c) KBMI(FM), East Helena, Montana, 104.1 MHz; FCC Facility Identification Number 489724 (“KBMI”); (d) KCAP(AM), Helena, Montana, 950 KHz; FCC Facility Identification Number 8669 (“KCAP”); (e) KHGC(FM), Montana City, Montana, 98.5 MHz; FCC Facility Identification Number 170988 (“KHGC”); and (f) K240EM Helena, Montana, 95.9 MHz; FCC Facility Identification Number 141961 (“K240EM”) (collectively, the “CCM Stations”) pursuant to authorizations issued by the Federal Communications Commission (“FCC”); and

WHEREAS, pursuant to the CCM Purchase Agreement, Donor and CCM will file an application with the FCC requesting its consent to the assignment, from CCM to Donor, of the CCM Stations (the “CCM Assignment Application”); and

WHEREAS, in order for the CCM Assignment Application to comply with FCC Rules outlined in Section 73.3555 regarding radio multiple ownership, Donor must, simultaneously and contingently with the CCM Assignment Application, assign two of the CCM Stations to unrelated entities; and

WHEREAS, upon consummation of the transactions under the CCM Purchase Agreement (“CCM Consummation”), Donor desires to retain KZMT, KBLL, KCAP, and K240EM (the “CCM Retained Stations”); and

WHEREAS, concurrent with the CCM Consummation (but immediately after giving effect to the assignment and transfer to Donee of the Station Assets under the CCM Purchase Agreement, Donor shall assign to Donee radio stations KHGC and KBMI (the “Stations”); and

WHEREAS, Donee has been designated by the Internal Revenue Service (“IRS”) as a Section 501(c)(3) non-profit entity; and

WHEREAS, Pursuant to the terms and subject to the conditions set forth in this Agreement, Donor desires to donate to Donee and Donee desires to acquire from Donor, the Stations and certain tangible and intangible assets and properties used in connection with the operation of the Stations.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants and agreements hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Station Assets. On the terms and subject to the conditions set forth in this Agreement, on the Closing Date (as hereafter defined), Donor shall donate, assign, convey, transfer and deliver to Donee, and Donee shall assume from Donor, all right, title and interest of the Donor in the following assets to the extent acquired from CCR under the CCM Purchase Agreement (collectively, the “Station Assets”), free and clear of any and all liens, claims, charges, security interests, encumbrances or other restrictions or limitations of any nature whatsoever (“Liens”) except liens for taxes not yet due and payable,:

(a) The licenses, permits and authorizations which are issued to Donor by the FCC with respect to the Stations (the “FCC Licenses”) set forth on **Schedule 1(a)** hereto;

(b) The transmitter and other equipment owned by Donor and used in connection with the Stations (the “Equipment”), as set forth on **Schedule 1(b)** hereto; and

(c) All of Donor’s goodwill in, and going concern value of, the Stations, if any (which shall not include any formats or similar rights related to the Stations).

2. Liabilities. The Station Assets shall be conveyed to Donee free and clear of all debts, security interests, mortgages, trusts, claims, pledges, conditional sales agreements and other liens, or other liabilities.

3. Closing. The consummation of the transactions contemplated by this Agreement (the “Closing”) shall take place simultaneously with the CCM Consummation at a time and place determined by Donor (the “Closing Date”).

4. Additional Agreements.

(a) Control of the Stations. Prior to the Closing, Donee shall not, directly or indirectly, control, supervise or direct, or attempt to control, supervise or direct, the operations of the Stations. Such operations, including control and supervision of all of the Stations’ employees and policies, shall be the responsibility of CCM.

(b) Operation of the Business. Between the date of this Agreement until the Closing or the termination of this Agreement pursuant to Section 9, except as permitted by this Agreement or with the prior written consent of Donee, Donor shall cause CCM to comply in all material respects with FCC rules and regulations and with all other applicable laws, regulations, rules and orders with respect to the Stations’ operations and equipment.

(c) Assignment Application. Within five (5) business days after the date hereof, Donee and Donor shall prepare an application to obtain the consent of the FCC to the assignment of the FCC Licenses to Donee (the “Assignment Application”). Donor and Donee

shall file and prosecute the Assignment Application on the same date that Donor and CCM file the CCM Assignment Application. The filing fee related to such Assignment Application shall be paid equally by Donee and Donor. Each of Donee and Donor shall use commercially reasonable efforts to take or cause to be taken all actions necessary or appropriate to be taken by such party to permit the FCC to issue the FCC Consent in a timely manner, shall cooperate with each other in the preparation, filing and prosecution of the Assignment Application and agree to furnish all information required by the FCC in connection with the Assignment Application.

(d) Risk of Loss. The risk of loss of any of the Station Assets prior to the Closing shall be upon CCM, and Donee shall bear the risk of loss thereafter.

(e) Subsequent Assignment Condition. The Parties acknowledge and recognize that the proposed transaction will confer certain tax benefits to Donor with the IRS, and, therefore, Donee shall take no action adversely affecting the same. In the event Donee or its successor sells KHGC and/or KBMI within 5 years of the date hereof to an entity that, as a result of the sale, would otherwise cancel such tax benefits (such as to a commercial entity), Donee, or its successor, shall forward to Donor the sale price from any subsequent sale(s).

(f) License Modification Applications. Donor agrees that this section constitutes written consent of Donor, pursuant to Section 73.3517(a) of the FCC's rules, for Donee, at its sole cost and expense to file, on FCC Forms 302-FM, applications for modification of license to convert the Stations, effective as of the Closing, from commercial to a non-commercial stations and, at Donee's discretion, to request main studio waivers (the "Modification Applications"). Donor will cooperate with Donee to enable Donee to file the Modification Applications electronically.

5. Representations and Warranties of Donor. As of the date hereof and as of the Closing, Donor represents and warrants to Donee as follows:

(a) Organization; Power and Authority. Donor is duly organized, validly existing and in good standing under the laws of the State of Montana. Donor has all necessary power and authority to make, execute, deliver, and perform this Agreement and the other documents and instruments contemplated hereby.

(b) Execution, Delivery and Validity. The execution, delivery and performance of this Agreement by Donor have been duly authorized by all requisite corporate action. This Agreement and all other agreements contemplated hereby are or, upon the execution and delivery thereof will be, the valid and binding obligations of Donor, enforceable in accordance with their terms.

(c) Litigation and Other Claims. There are no actions, suits, claims, orders, audits, investigations, inquires or proceedings (judicial, administrative or otherwise) pending or, to the knowledge of Donor, threatened against CCM or affecting the Stations or the Station Assets, whether at law or in equity and whether civil or criminal in nature, or before or by any court, arbitration panel, governmental department, commission, board, bureau, agency or instrumentality.

(d) Compliance with Laws. CCM has represented to Donor that it has, at all times prior hereto, maintained the Station Assets in compliance in all material respects with all applicable statutes, laws, ordinances, rules, regulations and orders of governments and governmental bodies applicable to them, and CCM has represented to Donor that it has not received any notice from any party asserting non-compliance.

(e) FCC Matters. **Schedule 1(a)** attached hereto sets forth the FCC Licenses held by CCM and proposed for assignment to Donor under the CCM Purchase Agreement with respect to the Stations. The FCC Licenses constitute all of the licenses, permits and authorizations from the FCC that are necessary or required for the operation of the Stations. The FCC Licenses are in full force and effect. CCM has represented to Donor that it has operated the Stations in all material respects in accordance with the terms of the FCC Licenses, the Communications Act of 1934, as amended, and the rules regulations and policies of the FCC. No application, action or proceeding is pending or, to the knowledge of Donor, threatened against Donor or CCM or the Stations that may result in (i) the revocation, material modification, non-renewal or suspension of the FCC Licenses, (ii) the issuance of a cease-and-desist order, (iii) the imposition of any administrative or judicial sanction with respect to the Stations, or (iv) the denial of an application for renewal for the Stations. Donor has no knowledge of any facts, conditions or events relating to the Stations that would reasonably be expected to cause the FCC to deny the assignment of the FCC Licenses as provided for in this Agreement. CCM has represented to Donor that it has filed with the FCC all reports, forms and statements required by the FCC to be filed by CCM related to the Stations.

(f) Donation Value. Donor and Donee shall work cooperatively with a qualified third party to determine the value of the Station Assets for IRS purposes within 30 days of Closing.

6. Representations and Warranties of Donee. As of the date hereof and as of the Closing, Donee represents and warrants to Donor as follows:

(a) Organization; Power and Authority. Donee is duly organized, validly existing and in good standing under the laws of the State of Montana and is duly qualified to do business and is in good standing under the laws of the State of Montana. Donee has all necessary power and authority to own all of its properties and assets, to conduct its business, and to make, execute, deliver, and perform this Agreement and the other documents and instruments contemplated hereby.

(b) Execution, Delivery and Validity. The execution, delivery and performance of this Agreement by Donee have been duly authorized by all requisite action. This Agreement and all other agreements contemplated hereby are or, upon the execution and delivery thereof will be, the valid and binding obligations of Donee, enforceable in accordance with their terms.

(c) Donee's Qualifications. Donee is legally, financially and otherwise qualified to become the licensee of the Stations, and Donee knows of no reason why the FCC would not approve its acquisition of Stations and the FCC licenses.

7. Conditions to Closing.

a) Conditions Precedent to Donee's Obligations. The obligation of Donee to consummate the transaction contemplated hereby is subject to the fulfillment prior to or at the Closing Date of each of the following conditions (unless waived in writing by Donee):

(i) The FCC shall have granted the Assignment Application and shall be in full force and effect (the "FCC Consent");

(ii) The representations and warranties of Donor contained in this Agreement shall be true and correct in all material respects as of the Closing Date, except for changes permitted or contemplated by this Agreement;

(iii) Donor shall have performed and complied in all material respects with all covenants, agreements and conditions required by this Agreement to be performed or complied with by it prior to and at the Closing Date;

(iv) No proceedings shall be pending or threatened that may result in the revocation, cancellation, suspension or modification of any FCC Licenses; and

(v) The CCM Consummation shall have occurred.

b) Conditions Precedent to Donor's Obligations. The obligation of Donor to consummate the transactions contemplated hereby is subject to the fulfillment prior to and at the Closing Date of each of the following conditions (unless waived in writing by Donor):

(i) The FCC Consent to the Assignment Application and the CCM Assignment Application shall have been obtained;

(ii) The representations and warranties of Donee contained in this Agreement shall be true and correct in all material respects as of the Closing Date, except for changes permitted or contemplated by this Agreement;

(iii) Donee shall have performed and complied in all material respects with all covenants, agreements and conditions required by this Agreement to be performed or complied with by it prior to and at the Closing Date;

(iv) Donee shall deliver a letter acceptable to Donor acknowledging that the donation is a charitable contribution and that Donor has not received any consideration in exchange for its donation; and

- (v) The CCM Consummation shall have occurred.

8. Documents to be Delivered at Closing.

(a) Donor Documents. At Closing, Donor shall deliver to deliver to Donee: (i) a Bill of Asset Donation of all Station Assets; (ii) an Assignment and Assumption of FCC Licenses; and (iii) an Assignment and Assumption or other instruments of conveyance, assignment and transfer as may be necessary to convey, transfer and assign the Station Assets to Donee, free and clear of Liens.

(b) Donee Documents. At Closing, Donee shall deliver to Donor an Assignment and Assumption of FCC Licenses.

9. Survival; Termination; Indemnification.

(a) Survival. The respective representatives and warranties of each of the parties to this agreement shall expire upon the Closing.

(b) Termination. Either party may terminate this Agreement prior to Closing, provided that the party seeking termination shall not be in default or breach of any of its material obligations under this Agreement. Termination of this Agreement shall not relieve any party of any liability it would otherwise have for a breach or default under this Agreement. This Agreement shall terminate upon the termination of the CCM Purchase Agreement.

(c) Indemnification. Neither party shall be entitled to indemnification pursuant to this Agreement.

(d) Upset Date. Either party may terminate this Agreement prior to Closing if the FCC Consent has not been issued within one (1) year from the date of this Agreement unless failure to obtain the FCC Consent has been frustrated or made impossible by any act or failure to act on the part of the Party seeking to terminate.

10. General Provisions.

(a) Expenses. Except as otherwise specifically provided in this Agreement, each party to this Agreement shall bear its own expenses, including the fees of any attorneys, accountants or others engaged by such party in connection with this Agreement and the transactions contemplated hereby, and each part shall bear one-half the cost of the FCC filing fee for the assignment application.

(b) Governing Law. Except to the extent preempted by federal law, this Agreement and all documents delivered or to be delivered in accordance with this Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Montana, without regard to principles of conflicts of law.

(c) Assignment; Binding Effect. No party to this Agreement may assign this Agreement or such party's rights, duties and obligations hereunder without the prior written consent of the other parties hereto. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their legal representatives, successors and assigns.

(d) Entire Agreement; Amendment. This Agreement, including the Schedules, sets forth the entire understanding of the parties. No modification, amendment, waiver or release of any provision of this Agreement or of any right, obligations, claim or cause of action arising under this Agreement shall be valid or binding for any purpose unless in writing and duly executed by the party against whom the same is sought to be asserted.

(e) No Waiver. The failure of any party to enforce at any time or for any period of time any of the provisions of this Agreement shall not be construed as a waiver of such provision or of the right of the party to enforce such provision. The waiver of any default or the failure to exercise any right shall not be deemed a waiver of any subsequent default or waiver of the right to exercise any other right.

(f) Notices. All notices and other communications must be in writing and shall be deemed given if delivered personally or by overnight courier, or transmitted by facsimile or email or mailed by registered or certified mail, postage pre-paid, return receipt requested, to the persons at the addresses set forth below (or such other address for a party as shall be specified by like notice). Notice given personally or by overnight courier service, or transmitted by facsimile or email (receipt confirmed by telephone), shall be deemed delivered when received by the addressee. Notice given by mail shall be deemed delivered on the third (3rd) business day following the date on which it is so mailed. For purposes of notice, the addresses of the parties shall be:

If to Donor:

Kevin Terry
The Montana Radio Company, LLC
100 W. Lyndale Avenue
Suite B
Helena, MT 59601
(tel): 406-438-6353
(e-mail): kevin@montanaradio.com

With a copy to (which shall not constitute notice):

David G. O'Neil, Esq.
Rini O'Neil, PC
1200 New Hampshire Avenue, NW
Suite 600
Washington, DC 20036

Telephone: 202-955-3931
(e-mail): doneil@rinioneil.com

If to the Donee:

Hi-Line Radio Fellowship, Inc.
PO Box 7393
Helena, MT 59604
ATTN: Network General Manager

(g) Counterparts; Facsimiles. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument, and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other parties. The signature page to this agreement and all other documents required to be executed at Closing may be delivered by facsimile or other electronic transmission and the signatures thereon shall be deemed effective upon receipt by the intended receiving party.

(h) Severability. If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction or as a result of legislative or administrative action, such holding or action shall be strictly construed and shall not affect the validity or affect any other provision of this Agreement.

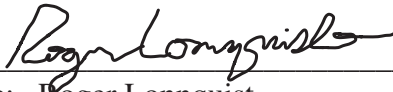
(i) Further Assurances. At any time after the Closing Date, if any further action is necessary, proper or advisable to carry out the purposes of this Agreement, then, as soon as is reasonably practicable, each party to this Agreement shall take, or cause to be taken, such action.

(j) No Liability to CCM. Donee acknowledges and agrees that CCM shall not have any liability or obligation to Donee with respect to this Agreement, the Station Assets or the transactions under this Agreement, nor does CCM or any of its affiliates or any representatives thereof make any representation, warranty or covenant in respect of the Stations, the Station Assets or any other statement or covenant under this Agreement, and that CCM and its affiliates shall be express third party beneficiaries of this provision, entitled to enforce the same in accordance with its terms.

[Signature page to follow]

IN WITNESS WHEREOF, the parties hereto have caused this Asset Donation Agreement to be executed by their duly authorized officers, effective as of the day and year first above written.

HI-LINE RADIO FELLOWSHIP, INC.

By: 
Name: Roger Lonnquist
Title: Network General Manager

THE MONTANA RADIO COMPANY, LLC

By: _____
Kevin D. Terry
Manager

IN WITNESS WHEREOF, the parties hereto have caused this Asset Donation Agreement to be executed by their duly authorized officers, effective as of the day and year first above written.

HI-LINE RADIO FELLOWSHIP, INC.

By: _____
Name: Roger Lonnquist
Title: Network General Manager

THE MONTANA RADIO COMPANY, LLC

By:  _____
Kevin D. Terry
Manager