

LOCAL PROGRAMMING AND MARKETING AGREEMENT

THIS LOCAL PROGRAMMING AND MARKETING AGREEMENT (this "**Agreement**") is made as July 18 2018, between Holiday Broadcasting of Elko, Inc. (the "**Licensee**"), and Elko Broadcasting Company (the "**Programmer**").

Recitals

WHEREAS, Licensee owns and operates the following radio stations (the "Stations") pursuant to licenses issued by the Federal Communications Commission ("FCC"):

KRJC (FM), Elko, NV, (facility ID # 27460); and

FM Translator K255CE, Elko, NV, (facility ID # 76168)

WHEREAS, Licensee desires to obtain programming for the Stations, and Programmer desires to provide programming for broadcast on the Stations on the terms set forth in this Agreement; and

WHEREAS, Licensee and Programmer have concurrently entered into an Asset Purchase Agreement (the "**Purchase Agreement**") relating to the Stations whereby the Programmer is purchasing the Stations from the Licensee.

NOW, THEREFORE, taking the foregoing recitals into account, and in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, hereby agree as follows:

1. **Term**. Programmer's programming rights and obligations hereunder shall begin on August 1, 2018 (the "**Effective Date**"). This Agreement shall continue in force (i) until the Closing Date as defined in the Purchase Agreement, or, (ii) if the Purchase Agreement is terminated without a Closing, until the last day of the month following the month in which the Purchase Agreement is terminated, or (iii) until terminated as otherwise provided herein in Section 13 or in other provisions (the "**Term**").
2. **Programming Time Available to Programmer**. During the term of this Agreement, Licensee shall make available to Programmer broadcast time upon the Station as set forth in this Agreement. Programmer shall deliver such programming, at its sole cost and expense, to the Stations' transmitter facilities or other authorized remote-control points as reasonably designated by Licensee. Subject to Licensee's reasonable approval, as set forth in this Agreement, Programmer shall provide news, public affairs, entertainment and other programming of Programmer's selection complete with Programmer's commercial programming to the Licensee

for 168 hours per week; provided however, notwithstanding the foregoing, Licensee may designate such time as it may require for the broadcast of programming necessary for the Stations to broadcast news, public affairs, religious and non-entertainment programming as required by the FCC, or as otherwise determined by the Licensee to be in the public interest, up to 3 hours per week scheduled on Sundays between 4:00am -10:00am. All program time not reserved by or designated for Licensee shall be available for use by Programmer and no other party.

3. Broadcasting. In return for the payments to be made by Programmer hereunder, during the Term, Licensee shall broadcast the Programs, subject to the provisions of Section 6 below. To the extent reasonably necessary to perform this Agreement, during the Term, Licensee shall provide Programmer with the benefits of any Station Contracts and Programmer shall perform the obligations of Licensee thereunder.

4. Advertising. During the Term, Programmer will be exclusively responsible for the sale of advertising on the Stations and for the collection of accounts receivable arising therefrom, and Programmer shall be entitled to all proceeds, collections or other consideration received from the sale of advertising. All contracts for advertising on the Stations which may be entered into by Programmer shall terminate upon the termination of this Agreement.

5. Consideration. For the broadcast of the Programs and the other benefits made available to Programmer pursuant to this Agreement, during the Term, Programmer will cover certain expenses of the Stations as consideration to Licensee as set forth on Schedule A attached hereto.

6. Control by Licensee. Notwithstanding anything to the contrary in this Agreement, Licensee shall have full authority, power and control over the operation of the Stations and over all persons working at the Stations during the Term. Without limiting the generality of the foregoing, Licensee will: (1) employ a full-time manager for the Stations, who will report to Licensee and will direct the day-to-day operations of the Stations, (2) employ a second full-time employee for the Stations, who will report and be solely accountable to the manager, and (3) retain control over the policies, programming and operations of the Stations. Nothing contained herein shall prevent Licensee from (a) rejecting or refusing programs which Licensee reasonably and prudently believes to be contrary to the public interest, and must be broadcast to address the problems, needs and interests of the local communities. Without limiting the preceding sentence, Licensee reserves the right to (i) refuse to broadcast any Program containing matter which constitutes libel or slander on a third party, or which does not meet the requirements of the rules, regulations, and policies of the FCC, (ii) preempt any Program in the event of a local, state, or national emergency, or (iii) delete any commercial announcements that do not comply with the requirements of the FCC's sponsorship identification policy. In the event Licensee desires to reject, refuse to broadcast or preempt any of the Programming, the Licensee shall provide Programmer with reasonable notice and permit Programmer to substitute Programming which would be acceptable. Programmer will immediately serve Licensee with notice and a copy of any letters of complaint it receives

concerning any Program for Licensee review and inclusion in its public inspection file. Programmer shall cooperate with Licensee to ensure that EAS transmissions are properly performed in accordance with Licensee's instructions and applicable FCC rules.

7. Music Licenses and Performance Fees. During the Term, Programmer shall be responsible for any expense incurred in the origination and/or delivery of Programming, including, without limitation, ASCAP, SESAC, BMI and Sound Exchange fees, if applicable, for all Programming and payments of performance rights as to Programming provided by Programmer over the air, streaming on the Internet, or otherwise.

8. Programs.

(a) Programmer shall ensure that the contents of the Programs conform to all FCC rules, regulations and policies. Programmer shall consult with Licensee in the selection of the Programs to ensure that the Programs' content contains matters responsive to issues of public concern in the local communities, as those issues are made known to Programmer by Licensee. On or before January 7, April 7, July 7 and October 7 of every year during the Term, Programmer shall provide to Licensee a list of significant community issues addressed in the Programs during the preceding quarter and the specific Programs that addressed such issues.

(b) Licensee shall oversee and take ultimate responsibility with respect to the provision of equal opportunities, lowest unit charge, and reasonable access to political candidates, and compliance with the political broadcast rules of the FCC. During the Term, Programmer shall cooperate with Licensee as Licensee complies with its political broadcast responsibilities and shall supply such information promptly to Licensee as may be necessary to comply with the political broadcasting provisions of the FCC's rules, the Communications Act of 1934, as amended, and federal election laws. Programmer shall release advertising availabilities to Licensee during the Broadcasting Period as necessary under FCC rules to permit Licensee to comply with the political broadcast rules of the FCC; provided, however, that revenues received by Licensee as a result of any such release of advertising time shall promptly be remitted to Programmer.

9. Expenses. During the Term, Programmer will be responsible for (i) the salaries, taxes, insurance and other costs for all personnel used in the production of the Programs and sales of advertising supplied to Licensee, and (ii) the costs of delivering the Programs to Licensee. Subject to Section 5 payments from Programmer to Licensee as set forth in Schedule A, Licensee will pay salaries for its employees (if ANY), maintenance of studio and transmitter equipment and other operating costs required to maintain the Stations' broadcast operations in accordance with FCC rules and policies and applicable law. Any equipment owned by Programmer or purchased by Programmer for use in production or broadcast of its programming shall remain the property of the Programmer.

10. Call Signs. During the Term, Licensee will retain all rights to the call letters of the Stations or any other call letters which may be assigned by the FCC for use by the Stations, and will ensure that proper station identification announcements are made with such call letters in accordance with FCC rules and regulations. Programmer shall include in the Programs an announcement at the beginning of each hour of such Programs to identify such call letters, as well as any other announcements required by the rules and regulations of the FCC.

11. Facilities. During the Term, Licensee shall provide Programmer access to and the use of designated space at Licensee's studios and offices for the Stations without cost. When on Licensee's premises, Programmer's personnel shall be subject to the direction and control of Licensee's management personnel, and shall not (i) permit to exist any lien, claim or encumbrance on the premises, or (ii) interfere with the Licensee's use of such premises.

12. Representations. Programmer and Licensee each represent and warrant to the other that (i) it has the power and authority to enter into this Agreement and to consummate the transactions contemplated hereby, (ii) it is qualified to do business in all jurisdictions where the nature of his business requires such qualification, (iii) it has duly authorized this Agreement, and this Agreement is binding upon it, and (iv) the execution, delivery, and performance by it of this Agreement does not conflict with, result in a breach of, or constitute a default or ground for termination under any agreement to which it is a party or by which it is bound.

13. Events of Default.

(a) The occurrence of any of the following will be deemed an Event of Default by Programmer under this Agreement: (i) Programmer fails to timely make any payment required under this Agreement which are not cured after written notice from Licensee; (ii) Programmer fails to observe or perform any other obligation contained in this Agreement in any material respect; or (iii) Programmer breaches any representation or warranty made by it under this Agreement in any material respect.

(b) The occurrence of the following will be deemed an Event of Default by Licensee under this Agreement: (i) Licensee fails to observe or perform any obligation contained in this Agreement in any material respect, including without limitation that the Stations are off the air or operating at reduced power for more than five (5) days, or are repeatedly off the air or operating with reduced power; or (ii) Licensee breaches any representation or warranty made by it under this Agreement in any material respect.

(c) Notwithstanding the foregoing, any non-monetary Event of Default will not be deemed to have occurred until thirty (30) days after the non-defaulting party has provided the defaulting party with written notice specifying the Event of Default and such Event of Default remains uncured. Upon the occurrence of an Event of Default, and in the absence of a timely cure pursuant to this Section, the non-defaulting party may terminate this Agreement, effective immediately upon written notice to the defaulting party. If this Agreement is terminated, the parties agree to cooperate with one another and to take all actions necessary to rescind this Agreement and return the parties to the status *quo ante*. Failure of Licensee to broadcast the Programs or Programmer to provide

Programming due to a *force majeure* as provided in Section 22 below shall not constitute an Event of Default by either party. Provided however, Programmer shall have seven (7) days after notice to cure any monetary default.

15. Indemnification. Programmer shall indemnify and hold Licensee harmless against any and all liability arising from Programmer's activities and those of its employees and agents, the broadcast of the Programs on the Stations, including without limitation all liability for indecency, libel, slander, illegal competition or trade practice, infringement of trademarks, trade names, or program titles, violation of rights of privacy, and infringement of copyrights and proprietary rights including without limitation ASCAP, SESAC, BMI and Sound Exchange fees for all programming and payments of performance rights as to programming provided by Programmer over the air, streaming on the Internet, or otherwise; and any liability arising from violation of FCC rules or other applicable law. Further, the Programmer shall maintain adequate general liability, property, and other insurance in connection with its activities consistent with insurance maintained for Programmer's other stations in the Elko market. The obligations under this Section shall survive any termination of this Agreement.

16. Assignment. Neither party may assign this Agreement without the prior written consent of the other party hereto. The terms of this Agreement shall bind and inure to the benefit of the parties' respective successors and any permitted assigns, and no assignment shall relieve any party of any obligation or liability under this Agreement. Nothing in this Agreement expressed or implied is intended or shall be construed to give any rights to any person or entity other than the parties hereto and their successors and permitted assigns.

17. Severability. If any court or governmental authority holds any provision in this Agreement invalid, illegal, or unenforceable under any applicable law, then so long as no party is deprived of the benefits of this Agreement in any material respect, this Agreement shall be construed with the invalid, illegal or unenforceable provision deleted and the validity, legality and enforceability of the remaining provisions contained herein shall not be affected or impaired thereby. The obligations of the parties under this Agreement are subject to the rules, regulations and policies of the FCC and all other applicable laws. The parties agree that Licensee must file a copy of this Agreement with the FCC, and that Licensee shall place a copy of this Agreement in the Stations' public inspection files.

18. Notices. Any notice pursuant to this Agreement shall be in writing and shall be deemed delivered on the date of personal delivery or confirmed facsimile transmission or confirmed delivery by a nationally recognized overnight courier service, or on the third 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):

If to Licensee:

Ralph Carlson
Holiday Broadcasting of Elko, Inc.
3606 S 500 W
Salt Lake City, UT 84115

If to Programmer:

Paul G. Gardner
Elko Broadcasting Company
1800 Idaho Street
Elko, NV 89801

19. Miscellaneous. This Agreement may be executed in separate counterparts, each of which will be deemed an original and all of which together will constitute one and the same agreement. No amendment or waiver of compliance with any provision hereof or consent pursuant to this Agreement shall be effective unless evidenced by an instrument in writing signed by the party against whom enforcement of such amendment, waiver, or consent is sought. This Agreement is not intended to be, and shall not be construed as, an agreement to form a partnership, agency relationship, or joint venture between the parties. Neither party shall be authorized to act as an agent of or otherwise to represent the other party. The construction and performance of this Agreement shall be governed by the laws of the State of Nevada without giving effect to the choice of law provisions thereof and the parties agree to venue in the state and federal courts in Nevada with appropriate jurisdiction. This Agreement (including the Schedule hereto) constitutes the entire agreement and understanding among the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings with respect to the subject matter hereof.

20. Certifications. Licensee certifies that it maintains ultimate control over the Stations' facilities including, specifically, control over the Stations' finances, personnel and programming. Programmer certifies that this Agreement complies with the provisions of 47 C.F.R. Sections 73.3555(a) and (c).

21. Nondiscrimination. In accordance with Paragraphs 49 and 50 of United States Federal Communications Commission Report and Order No. FCC 07-217, Programmer shall not discriminate in any contract for advertising on the Stations on the basis of race or ethnicity, and all such contracts shall be evaluated, negotiated and completed without regard to race or ethnicity. Programmer shall include a clause to such effect in all contracts for advertising on the Stations, and if requested shall provide written confirmation of compliance with such requirement.

22. Force Majeure. Any failure or impairment of the Station's facilities or of Programmers equipment and property, any delay or interruption in the broadcast of programs, or failure at any time to furnish facilities, in whole or in part, for broadcast, due to Acts of God, strikes, lockouts, material, or labor restrictions by any governmental authority, civil riot, floods and any other cause not reasonably within the control of Licensee and Programmer, or for power

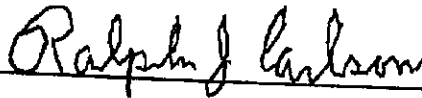
reductions necessitated for maintenance of the Station, shall not constitute a breach of this Agreement and neither party shall be liable to the other.

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

LICENSEE:

HOLIDAY BROADCASTING OF ELKO, INC.

By: _____

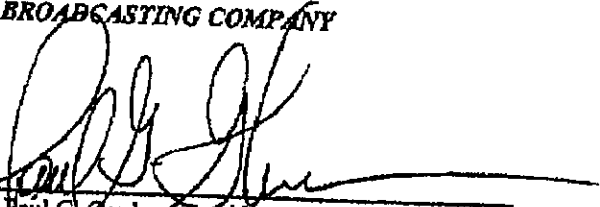


Ralph Carlson, President

PROGRAMMER:

ELKO BROADCASTING COMPANY

By: _____



Paul G. Gardner, President

SCHEDULE A

During the Term, Programmer shall: reimburse Licensee for, or upon Licensee's instructions pay, certain costs associated with operating the Stations, which costs shall include:

- a. The lease payments in connection with the real property leased by Licensee which is used as the transmitter and tower site for Station K255CE;
- b. Utility bills for utility services at both the main studio location and the transmitter site of the Stations;
- c. Telephone system maintenance costs and local exchange telephone service costs at the Station's main studios and at the Stations' transmitter sites;
- d. Required maintenance of the transmitting facilities of the Stations and of equipment required by the FCC for the operation of the Stations in compliance with the Stations' licenses and the rules and policies of the FCC; and;
- e. Music Licensing fees

Licensee shall submit its invoices to Programmer within ten (10) days of receipt, and Programmer will reimburse or pay the invoices within ten (10) days of receipt, or an earlier if payment is needed to avoid late payment.