

## SHARED SERVICES AGREEMENT

This Shared Services Agreement ("Agreement") is entered into as of August 30, 2010 by and between Rocky Mountain Broadcasting Company, a Nevada Corporation, ("Rocky") and Beartooth Communications Company, a Nevada Corporation ("Beartooth"). Rocky and Beartooth are referred to collectively as the "Parties."

**WHEREAS**, Rocky is the licensee of television station KMTF(TV), Helena, Montana ("KMTF"); and

**WHEREAS**, Beartooth is the licensee of television station KTVH(DT), Helena, Montana ("KTVH"), and its corporate affiliates own and operate other television stations; and

**WHEREAS**, Rocky has also entered into a separate Joint Sales Agreement dated August 15, 2005, with Beartooth, for the resale of commercial time on KMTF by Beartooth; and

**WHEREAS**, KMTF and KTVH are collectively referred to as the "Stations."

**NOW, THEREFORE**, for and in consideration of the mutual covenants herein contained, the Parties hereto agree as follows:

1. **TERM**. The Initial Term of this Agreement shall be five (5) years, and shall commence on August 30, 2010. Unless otherwise terminated by either Party, the term of this Agreement shall be extended for an additional five (5) year term. Either Party may terminate this Agreement at the end of the initial five (5) year term by six (6) months prior written notice to the other. Additionally, Beartooth shall be entitled to terminate this Agreement upon prior written notice to Rocky effective upon the closing of a sale of the assets of Rocky related to the KMTF to a party not currently affiliated with Rocky.
2. **SHARING ARRANGEMENT**
  - (a) **Generally**. From time to time, KMTF and KTVH may agree to share certain services and procurements and/or the costs thereof which they each individually require in connection with the operation of the Stations. Such sharing arrangements may take the form of the performance of certain functions relating to the operation of one Station by employees of the other Station (subject in all events to the supervision and control of management of the Station to which such functions relate), or may be otherwise structured, and will be governed by terms and conditions upon which KMTF and KTVH may agree from time to time. Such sharing arrangements may involve sharing facilities (including co-located facilities) of one Party on behalf of the other, and non-managerial administrative and/or master control and technical facilities of one Party on behalf of the other. In performing services under any such sharing arrangement (including those described in Section 2(c)), personnel of one Party will be afforded access to, and have the right to utilize, without charge, assets and properties of the other Party to

the extent necessary or desirable in the performance of such services. All arrangements contemplated by this Agreement will be subject to, and are intended to comply in all respects with, the Communications Act of 1934, as amended (the "Act"), the rules, regulations and policies of the Federal Communications Commission (the "FCC"), as in effect from time to time (the "FCC Rules and Regulations"), and all other applicable laws. The arrangements made pursuant to this Agreement will not be deemed to constitute "joint sales," "program services," "time brokerage," "local marketing," or similar arrangements or a partnership, joint venture, or agency relationship between the Parties or the Stations, and no such arrangement will be deemed to give either Party any right or ability to control the policies, operations, management or any other matter relating to the other Station. Each Party shall perform the services required of it hereunder in a manner that complies in all material respects with the Act and all other applicable laws, rules, regulations and generally accepted broadcast industry standards.

(b) **Prohibited Sharing.** Each of the Stations shall at all times retain its own independent management personnel responsible for each such Station's senior management, programming and finances. No such management personnel shall participate in the management of the other Station.

(c) **Specific Sharing Arrangements.** In furtherance of the general agreements set forth in Sections 2(a) and (b) above, KMTF and KTVH agree as follows to the sharing of specific services.

(i) **Production.** Subject to the direction and control by KTVH management personnel, KMTF personnel may provide production services for KTVH.

(ii) **Reception.** Subject to the direction and control by KMTF management personnel, KTVH personnel may provide reception services for KMTF.

(iii) **Traffic.** Subject to the direction and control by KMTF management personnel, KTVH personnel may provide back-office non-managerial traffic services for KMTF, including use of the Wide Orbit, Inc. traffic services which Rocky has secured through Beartooth's agreement with Wide Orbit dated May 19, 2006.

(iv) **Master Control.** Subject to the direction and control by KMTF management personnel, KTVH master control operators and related employees of KTVH may carry out master control functions for KMTF as needed from time-to-time as a back-up to KMTF's master control personnel.

3. **CONSIDERATION.** In consideration for the specific services to be provided by KTVH to KMTF as set forth in Section 2(c)(ii)-(iv), KMTF shall:

(i) Provide the production services to KTVH as specified in Section 2(c)(i), above; and

(ii) Pay KTVH \$250 per month, payable in arrears on January 1, April 1, July 1, and October 1 each year of the Agreement.

4. **ADDITIONAL SERVICES.** Either Party may from time to time request that the other Party provide services similar to those set forth in Sections 2(c)(i)-(iv); provided, however, that all such services provided shall at all times conform with the terms and conditions of this Agreement, including without limitation Sections 2(a)-(b). The costs and payment terms of such additional services shall be agreed upon in writing and paid accordingly.
5. **PERSONNEL.** Each Party shall employ and be responsible for the salaries, benefits, employer taxes, and related costs of employment of its own staff. Each Party shall retain sufficient staff to oversee those aspects of its business and financial matters not specifically subject to the sharing of services pursuant hereto.
6. **OPERATION OF STATIONS.** During the term of this Agreement, Rocky shall continue to maintain full control over the operations of KMTF, including programming, editorial policies, and employees of Rocky, and Rocky-controlled facilities. Rocky is responsible for KMTF's compliance with the Act, the FCC Rules and Regulations, and all other applicable laws. Rocky shall be solely responsible for and pay in a timely manner all expenses relating to the operation of KMTF other than the expenses for the sale of advertising time covered by Beartooth pursuant to the Joint Sales Agreement, including but not limited to, maintenance of the studios and transmitting facilities and all taxes and other costs incident thereto; payments due under any leases, contracts and agreements; music performance license fees; market research fees, and all costs relating to the operation of KMTF. During the term of this Agreement, Beartooth shall continue to maintain full control over the operations of KTVH, including programming, editorial policies, and employees of Beartooth, and Beartooth-controlled facilities. Beartooth is responsible for KTVH's compliance with the Act, the FCC Rules and Regulations, and all other applicable laws. Beartooth shall be solely responsible for and pay in a timely manner all expenses relating to the operation of KTVH, including but not limited to, maintenance of the studios and transmitting facilities and all taxes and other costs incident thereto; payments due under any leases, contracts and agreements; music performance license fees; market research fees, and all costs relating to the operation of KTVH. Neither Party shall enter into any contract on behalf of the other Party without such other Party's direct approval.

7. **REPRESENTATIONS AND WARRANTIES.**

(a) Beartooth and Rocky each represent and warrant to the other that it has the power and authority to enter into this Agreement and to engage in the transactions contemplated by this Agreement. Beartooth and Rocky are each a Nevada corporation in good standing and qualified to do business in the State of Montana. The signatures appearing for Beartooth and Rocky, respectfully, at the end of this Agreement have been affixed pursuant to such specific authority as, under applicable law, is required to bind them. Neither the execution, delivery, nor performance by Rocky or Beartooth of this Agreement conflicts with, results in a breach of, or constitutes a default or ground for termination under any agreement or judicial or governmental order or decree to which Rocky or Beartooth, respectively, is a party or by which it is bound.

8. **EVENTS OF DEFAULT.** Each of the following shall, after the expiration of the applicable cure periods, constitute an Event of Default under the Agreement:

(a) **Non-Payment.** Rocky's failure to remit to Beartooth any payment described in Section 3 or 4 above in a timely manner. Beartooth's failure to remit to Rocky any payment described in 4 above in a timely manner.

(b) **Default in Covenants.** The default by either party hereto in the material observance or performance of any material covenant, condition, or agreement contained herein, or if any material misrepresentation or warranty herein made by either party to the other shall prove to have been false or misleading as of the time made.

9. **DEFAULT; CURE PERIOD; AND TERMINATION.** An Event of Default shall not be deemed to have occurred until ten (10) business days after the nondefaulting party has provided the defaulting party with written notice specifying the event or events which if not cured would constitute an Event of Default and specifying the actions necessary to cure within such ten day period, provided no such cure is made by the defaulting Party within the ten (10) day cure period.

10. **INDEMNIFICATION; INSURANCE.** Each Party shall indemnify and hold the other Party and the other Party's officers, members, managers, agents, and employees harmless against any claim, loss, damages or liability (each a "Loss"), including without limitation for 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, resulting from or relating in any manner to this Agreement or the services or other material furnished by the first Party, including without limitation for any fine or forfeiture imposed by the FCC relating to any content or material furnished by the first Party or any conduct of the first Party (including omissions); provided that such

Loss was not the result of direction provided by the Party to be indemnified. The indemnification obligations under this Section shall survive any termination of this Agreement. The obligation of each Party to indemnify is conditioned on the receipt of notice from the Party making the claim for indemnification in time to allow the defending Party to timely defend against the claim and upon the reasonable cooperation of the claiming Party in defending against the claim. The Party responsible for indemnification shall select counsel and control the defense, subject to the indemnifying Party's reasonable approval, provided, however, that no claim may be settled by an indemnifying Party without the consent of the indemnified Party, and provided further, that if an indemnifying Party and a claimant agree on a settlement and the indemnified Party rejects the settlement unreasonably, the indemnifying Party's liability will be limited to the amounts the claimants agreed to accept in settlement. Beartooth and Rocky shall each carry (A) comprehensive general liability insurances with reputable companies covering their activities under this Agreement, in an amount not less than One Million Dollars (\$1,000,000); and (B) worker's compensation and/or disability insurance.

11. **NO PARTNERSHIP OR JOINT VENTURE.** The Agreement is not intended to be, and shall not be construed as, an agreement to form a partnership, agency relationship, or a joint venture between the parties. Except as otherwise specifically provided in the Agreement, neither party shall be authorized to act as an agent of or otherwise to represent the other party.
12. **SUCCESSORS AND ASSIGNS.** Neither party may assign its rights and obligations under this Agreement, either in whole or in part, without the prior written consent of the other; however, such consent shall not be unreasonably withheld. The covenants, conditions and provisions hereof are and shall be for the exclusive benefit of the parties hereto and their permitted successors and assigns, and nothing herein, express or implied, is intended or shall be construed to confer upon or to give any person or entity other than the parties hereto and their permitted successors and assigns any right, remedy or claim, legal or equitable, under or by reason of this Agreement. This Agreement shall be binding upon and inure to the benefit of the parties and their respective permitted successors and assigns.
13. **AUTHORITY; CONSTRUCTION; ENTIRE AGREEMENT.** Both Rocky and Beartooth represent that they are legally qualified and able to enter into this Agreement, which shall be construed in accordance with the laws of the State of Nevada without regard to principles of conflict of laws. This Agreement embodies the entire agreement between the parties with respect to the subject matter hereof and thereof, and there are not other agreements, representations, or understandings, oral or written, between them with respect thereto.
14. **MODIFICATION AND WAIVER.** No modification or waiver of any provision of the Agreement shall be effective unless in writing and signed by the party against whom such modification or waiver is asserted, and no failure to exercise

any right, power or privilege hereunder shall operate to restrict the exercise of any other right, power or privilege upon the same or any other occasion. The rights, powers, privileges, and remedies of the parties hereto are cumulative and are not exclusive of any rights, powers, privileges or remedies which they may have at law, in equity, by statute, under this Agreement, or otherwise.

15. **UNENFORCEABILITY**. If any provision of this Agreement or the application thereof to any person or circumstances shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law, except that if such invalidity or unenforceability should change the basic economic positions of the Parties, they shall negotiate in good faith such changes in other terms as shall be practicable in order to restore them to their prior positions. In the event that the FCC alters or modifies its rules or policies in a fashion which would raise substantial and material questions as to the validity of any provision of this Agreement, the Parties shall negotiate in good faith to revise any such provision of this Agreement in an effort to comply with all applicable FCC rules and policies, while attempting to preserve the intent of the Parties as embodied in the provisions of this Agreement. The Parties agree that, upon the request of either of them, they will join in requesting the view of the staff of the FCC, to the extent necessary, with respect to the revision of any provision of this Agreement in accordance with the foregoing. If the Parties are unable to negotiate a mutually acceptable modified Agreement, then either party may terminate this Agreement upon written notice to the other, and each Party shall be relieved of any further obligations, one to the other.

16. **NOTICES**. Any notice required hereunder shall be in writing and any payment notice, or other communication shall be deemed given when delivered personally or, in the case of communications other than payments, delivered by facsimile as follows:

To Rocky: Rocky Mountain Broadcasting Company  
455 Capitol Mall, Suite 210  
Sacramento, California 95814  
Attention: Suzanne E. Rogers

Facsimile: (916) 448-6455

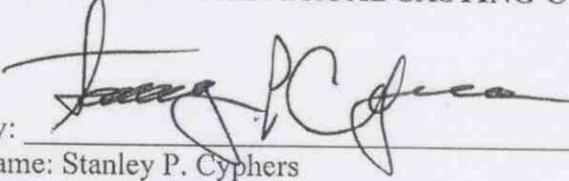
To Beartooth: Beartooth Communications Company  
1500 Foremaster Lane  
Las Vegas, Nevada 89101  
Attention: James E. Rogers

Facsimile: (702) 642-3093

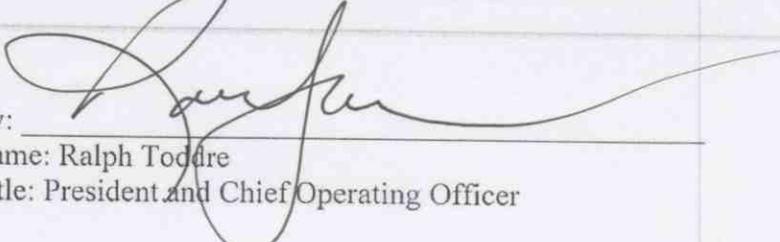
17. **COUNTERPARTS.** This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.
18. **HEADINGS.** The headings are for convenience only and will not control or affect the meaning or construction of the provisions of this Agreement.
19. **DISPUTE RESOLUTION; WAIVER OF JURY TRIAL.** Any action to enforce or interpret this Agreement, or to resolve disputes with respect to this Agreement as between the parties, shall be settled in accordance with this Section 19. Any dispute, controversy, or claim between the parties under tort or contract law whether it arises out of or relates to this Agreement or breach thereof, shall be submitted to arbitration in accordance with the then existing Uniform Arbitration Act as adopted by the State of Nevada in NRS 38.206 to NRS 38.248. If the parties can agree on an arbitrator or a method of selection, that arbitrator will be used. If the parties cannot agree, the arbitrator will be appointed pursuant to NRS 38.226. A single arbitrator shall decide all issues. The situs of the arbitration shall be in Las Vegas, Nevada. The costs of arbitration, including reasonable attorney's fees, administrative fees, arbitrator fees, arbitrator's travel and related expenses, and court reporter fees (if required by the parties), shall be awarded to the prevailing party. Any request to arbitrate shall be made in writing and promptly delivered to the other party and shall be in accordance with applicable Nevada Revised Statute.

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

**ROCKY MOUNTAIN BROADCASTING COMPANY**

  
By: \_\_\_\_\_  
Name: Stanley P. Cyphers  
Title: Executive Vice President

**BEARTOOTH COMMUNICATIONS COMPANY**

  
By: \_\_\_\_\_  
Name: Ralph Todde  
Title: President and Chief Operating Officer

## **SEPTEMBER 7, 2010 ADDENDUM TO SHARED SERVICES AGREEMENT**

This Addendum to Shared Services Agreement ("Addendum") is entered into as of September 7, 2010 by and between Rocky Mountain Broadcasting Company, a Nevada Corporation, ("Rocky") and Beartooth Communications Company, a Nevada Corporation ("Beartooth"). Rocky and Beartooth are each referred to herein as a "Party" and collectively referred to herein as the "Parties."

**WHEREAS**, Rocky is the licensee of television station KMTF(TV), Helena, Montana ("KMTF"); and

**WHEREAS**, Beartooth is the licensee of television station KTVH(DT), Helena, Montana ("KTVH"); and

**WHEREAS**, KMTF and KTVH are collectively referred to as the "Stations;" and

**WHEREAS**, Rocky and Beartooth entered into a Shared Services Agreement effective August 30, 2010 ("Sharing Agreement"), for the sharing of certain services in connection with the operation of the Stations; and

**WHEREAS**, Rocky and Beartooth wish to specify an additional sharing arrangement pursuant to the Sharing Agreement.

**NOW, THEREFORE**, for and in consideration of the mutual covenants herein contained, the Parties hereto agree as follows:

1. Pursuant to Paragraph 4 of the Sharing Agreement permitting the Parties to set forth in writing additional services to be performed by one Party on behalf of and under the direction and control of the other, the Parties agree that, subject to the direction and control by KTVH management, KMTF personnel may provide sales services for KTVH. In consideration for such services, KTVH shall pay KMTF \$250 per month for each month of use, payable in arrears on January 1, April 1, July 1, and October 1 each year of the Agreement.

2. Effect of this Addendum. Except as set forth pursuant hereto, no other changes or modifications to the Sharing Agreement are intended or implied and in all other respects the Sharing Agreement is hereby specifically ratified, restated and confirmed by Rocky and Beartooth. The Sharing Agreement and this Addendum shall be read and construed as one agreement.

**ADDENDUM CONTINUED ON THE FOLLOWING PAGE**

IN WITNESS WHEREOF, the parties have executed this Addendum to Shared Services Agreement as of the date first above written.

**ROCKY MOUNTAIN BROADCASTING COMPANY**



By: \_\_\_\_\_

Name: Stanley P. Cyphers

Title: Executive Vice President

**BEARTOOTH COMMUNICATIONS COMPANY**

By: \_\_\_\_\_

Name: Kathy Ernst

Title: General Manager

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By: \_\_\_\_\_  
Name: Stanley P. Cyphers  
Title: Executive Vice President

**BEARTOOTH COMMUNICATIONS COMPANY**

By:  \_\_\_\_\_  
Name: Kathy Ernst  
Title: General Manager