

PUBLIC RADIO OPERATING AGREEMENT

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This PUBLIC RADIO OPERATING AGREEMENT (the "Agreement") is made as of July 1, 2009 between MT. HOOD COMMUNITY COLLEGE DISTRICT ("MHCC"), an Oregon governmental entity, and OREGON PUBLIC BROADCASTING ("OPB"), an Oregon public benefit corporation.

WHEREAS, MHCC is the licensee of noncommercial educational radio Station KMHD(FM), Gresham, Oregon (the "Station"), serving Gresham and the greater Portland area; and

WHEREAS, OPB is the licensee of several noncommercial educational radio stations throughout Oregon, including Station KOPB-FM, Portland, and desires to offer an additional noncommercial educational program service ("OPB Programming") to the Gresham and Portland areas by providing programming to be broadcast on the Station pursuant to the provisions of this Agreement and applicable regulations and policies of the Federal Communications Commission (the "FCC");

WHEREAS, MHCC desires to broadcast the OPB Programming on the Station while maintaining ultimate control over the Station's finances, personnel, and programming, as well as continuing to maintain the right to broadcast MHCC's own public interest programming on the Station and to program a digital subchannel, all as set forth below;

WHEREAS, the parties wish to enter into a relationship that will benefit both them and the public, whereby OPB will program the Station on a day-to-day

basis in the public interest consistent with the noncommercial licensing of the Station and OPB's educational purposes and tax-exempt status; and

WHEREAS, the parties acknowledge that they have jointly made and will continue to make mutually appropriate arrangements with the Corporation for Public Broadcasting ("CPB") with respect to matters that arise hereunder and that require action or approval by CPB.

NOW, THEREFORE, in consideration of the mutual promises, undertakings, covenants, and agreements of the parties contained in this Agreement and intending to be legally bound, the parties hereby agree as follows:

ARTICLE I

PROGRAMMING

1.1 OPB Programming.

(a) General. Subject to the reservations set forth in the following sentence, beginning on August 10, 2009 (the "Commencement Date") OPB shall provide, and MHCC shall broadcast, the OPB Programming on the Station and, at the option of OPB, the Station's subcarriers, hybrid digital spectrum, and any additional authorizations or spectrum allocated to the Station in the future. OPB will also redesign and maintain the website for the Station (the "Website") located at www.kmhd.org. MHCC, however, reserves the rights (1) to lease subcarrier spectrum to any outside entity to which it is committed on July 1, 2009; (2) to program KMHD-HD2 as a student radio service, on the conditions that (a) hourly station breaks identify the service as a student-run service of MHCC and (b) the

format is wholly distinct from the OPB Programming as provided in Section 1.1(c); (3) to reject or preempt OPB Programming as set forth in Section 1.3 below. The OPB Programming shall be selected to serve the public interest and shall be of the same general high quality as the programming that OPB broadcasts on its own stations. As between MHCC and OPB, all right, title, and interest in and to the OPB Programming, and the right to authorize the use of the Programming in any manner and in any media whatsoever, shall be and remain vested at all times solely in OPB. Effective as of the Commencement Date and subject to the terms of any existing license agreements (of which MHCC agrees to advise OPB prior to the Commencement Date), MHCC grants OPB the right to use all intellectual property owned or licensed by MHCC and used solely in the operation of the Station (including, but not limited to, logos, jingles, promotional materials, call signs, and goodwill). As between MHCC and OPB, OPB shall own all trademarks, service marks, trade names, characters, formats, jingles, promotional materials, logos and positioning statements that OPB develops for the OPB Programming and the Website during the term of this Agreement.

(b) Format. OPB hereby represents that it will continue to program the main channel of the Station with a jazz music format for the first three years of this Agreement, and throughout the term of the Agreement will use commercially reasonable efforts to improve and enhance the Station's programming and related community engagement activities. In the event that OPB concludes that a jazz format is unsustainable after the third anniversary of this Agreement, OPB will give notice to MHCC of OPB's desire to make

proposed changes in format. OPB will make no major change of format for at least 90 days following such notice. The parties contemplate that MHCC would hold at least one public meeting, with public testimony, in the event that a major format change is proposed. Based upon the views expressed at the public meeting and other indications of public support or lack of support for continuing the jazz format, MHCC will, in its discretion, which shall be reasonably exercised, authorize or decline to authorize the change in format OPB proposes. If MHCC declines to authorize the change in format proposed by OPB, then MHCC shall be deemed to have refused to transmit programs and OPB may terminate this Agreement pursuant to Section 4.3 below. OPB shall comply with all FCC regulations and policies and other applicable laws in the provision of OPB Programming and, in consultation with MHCC, assure that the programming serves the ascertained needs and interests of the Station's community of license; provided, however, that such efforts by OPB shall not displace the responsibility of MHCC to ensure that the overall programming of the Station responds to issues of concern to the community of license.

(c) Funding; Membership. OPB shall be responsible for obtaining underwriting, grants and contributions to support the operation of the Station and the acquisition, production, and broadcast of the OPB Programming, as described in Article III. MHCC and OPB will each employ its best efforts to maintain the Station's Community Service Grant ("CSG") currently granted to MHCC from the Corporation for Public Broadcasting ("CPB") so that all CSG grant funds are applied to OPB Programming. MHCC will cooperate with OPB in

obtaining financial support for the Station from listeners by advising them of this Agreement and urging their continued support of the Station. MHCC will share Station membership information with OPB after giving contributors an opportunity to opt out of such disclosure. MHCC will: (1) retain the separate CPB grant for upgrading and modifying Station facilities to enable the Station to broadcast in High Definition (HD) and transmit HD subchannels (the HD Grant") and shall be responsible for providing any matching funds required by the HD Grant and will retain ownership of any equipment purchased with the HD Grant; and (2) shall be responsible for obtaining grants and contributions to support KMHD-HD2. MHCC may raise funds on-air to support the operation of the KMHD-HD2 service if it brands that service (apart from required hourly station identification announcements) in a manner that clearly distinguishes it from the OPB Programming.

(d) Volunteers. OPB will employ its best efforts to foster current KMHD programming and use of MHCC volunteers. Consistent with the goal of improving and enhancing the station's on-air programming, however, OPB shall have the right to make changes to the program schedule or the on-air assignments of current volunteers, or to terminate the responsibilities of any volunteer, at its sole discretion.

1.2 Ascertainment. MHCC will retain responsibility for ascertainment of the needs of the community of license and service area. The parties will assure that the OPB Programming includes programming that responds to these ascertained needs.

1.3 Preemption. MHCC maintains the right to preempt OPB Programming in order to broadcast MHCC programming responsive to issues of concern to the community of license, or to reject OPB Programming that MHCC believes to violate FCC regulations, policies, or other applicable law. MHCC will, to the extent practicable, give OPB advance written notice of the rejection or preemption of any OPB Programming, and the reasons therefore, and provide OPB with a reasonable opportunity to modify the OPB Programming to respond to such issues of concern or avoid any such violations. In no event shall MHCC be required to broadcast programming it, in good faith, believes to violate applicable law or be contrary to the public interest ("Non-Conforming Programming"). In the event of any preemption of OPB Programming, OPB will be entitled to a credit against any other amounts due MHCC under this Agreement. The credit shall be applied to the MHCC underwriting credit described in Section 3.3 and shall be an amount equal to the product of (i) the value assigned to the MHCC underwriting acknowledgements and (ii) the amount of time preempted divided by the total amount of time available for OPB Programming during the relevant month. OPB shall not be entitled to a credit for MHCC's rejection or pre-emption of Non-Conforming Programming. MHCC represents and covenants that preemption pursuant to this section will occur only to the extent MHCC deems necessary to carry out its obligations as an FCC licensee, and expressly agrees that its right of preemption will not be exercised for the commercial advantage of MHCC or others.

ARTICLE II

OPERATIONS

2.1 Compliance with FCC Regulations. MHCC hereby certifies that it will maintain ultimate control over the Station facilities, including control over the Station's finances, personnel, and programming. MHCC will retain responsibility for compliance with all FCC regulations, including the technical regulations governing the operation of the Station and programming content requirements, maintenance of a main studio and provision of a meaningful managerial and staff presence at that main studio as it determines is required by FCC rule and policy; maintenance of the Station's public inspection file; ascertainment of and programming in response to community needs and concerns; political programming laws and regulations; preparation and filing of all EEO reports or other employment information required by the FCC with respect to MHCC employees; and all other FCC requirements and duties of station licensees, including preparation and filing of the Station's renewal applications, ownership reports, and such other FCC filings as may be required. OPB and MHCC will cooperate with each other to assure that any contests or lotteries contained in OPB Programming comply with local, state, and federal law and that quarterly Issues/Programs lists are completed in a timely fashion. OPB will draft the Issues/Programs lists which MHCC shall review and, if necessary revise, before placing the lists in the Station's public inspection file. MHCC will provide OPB with annual EEO Public File Reports as required by the FCC, which OPB will post on the Website. The Station will broadcast identification hourly in

accordance with the FCC's sponsorship identification rules, identifying Gresham as the community of license of the Station and stating that the Station is operating as a service of MHCC and OPB. An appropriate sponsorship identification announcement will be inserted by OPB into the OPB Programming to inform listeners that OPB is providing Station programming; that announcement may be combined with selected station identification announcements. On or before each July 1 during the Term and any extensions thereof, OPB shall submit to MHCC for approval a proposed plan for the forthcoming year to ensure ongoing compliance with all applicable laws and the rules and policies of the FCC.

2.2 Station Staffing. MHCC shall have sole discretion to make and effectuate all of the decisions for the Station relating to staffing to fulfill its duties under Section 2.1 hereof.

2.3 Station Maintenance. MHCC shall retain operational control over the Station and shall retain full responsibility for ensuring compliance with all FCC technical rules.

ARTICLE III

FINANCES

3.1 Programming and Equipment Costs. Except as otherwise described below, OPB will be responsible for the cost of producing all OPB Programming, maintaining the Website, maintaining the financial information and providing the audit needed to secure the CSG from CPB, maintaining Station facilities, costs related to administration and fundraising, and the cost of

maintaining all Station broadcast transmission equipment (including the Loaned Equipment defined below), including normal and customary preventive maintenance and repairs. MHCC will lend to OPB the equipment described in Exhibit A (the "Loaned Equipment") for use in producing the OPB Programming. To the extent that any piece of the Loaned Equipment needs replacement, OPB will return that piece of Loaned Equipment to MHCC and OPB will secure and retain ownership of replacement equipment. If new equipment is required due to new FCC mandates, then the parties will negotiate in good faith the responsibility for acquiring, maintaining and owning such equipment. MHCC will maintain ownership of the Station transmitter and insure it against casualty damage and will pay for replacement in the event of a massive or catastrophic failure of the transmitter. MHCC will be responsible for costs related to its own staff and maintaining the Station's main studio and public inspection file. MHCC shall pay all the costs for operating the Station, including the Reimbursed Operating Costs defined below, and OPB shall reimburse the Reimbursed Operating Costs within 30 days of receipt of a quarterly invoice from MHCC. For account reconciliation purposes, the invoice shall be accompanied by the quarterly revenue report described in 3.2 below. For purposes of this Section 3.1, the "Reimbursed Operating Costs" consist of: (1) the utility costs for generating the Station's signal; and (2) the rent for tower space for the Station's antenna and building space for the Station's transmitter. Notwithstanding the foregoing, MHCC shall bear the responsibility for and cost of maintaining the program origination equipment and any other equipment at its main studio and the studio-to-

transmitter radio link between its main studio and the Station transmitter, none of which shall be used by OPB to provide the OPB Programming.

3.2 Revenues. All revenues derived for and from the operation and programming of the Station, including, but not limited to, contributions from listeners, corporate and foundation underwriting and sponsorships, proceeds from special events, and grants from CPB, whether received by OPB or MHCC, and all revenues derived from any spectrum allocated to the Station, such as digital subchannels, will be dedicated solely to support of OPB's activities hereunder, except that revenue from the lease of the FM subcarrier to Tieng Nuoc Toi Radio in the amount of \$12,000 annually plus cost-of-living increases will be retained by MHCC. To the extent that MHCC receives donations or membership payments restricted to support of the Station, MHCC will promptly transfer those funds to OPB. Each party shall provide the other a quarterly accounting of revenues received for and expenditures made on Station operations, and shall prepare at the preparing party's expense for the other party's review, and, if necessary adoption, any audits or reports required by CPB or other organizations that make grants in support of the Station. For clarity, the parties will cooperate to determine the information required in and the timing of the quarterly reports. Each party shall have the right at its expense upon thirty (30) days' written notice to undertake, or have undertaken by an independent public accounting firm, an examination and audit of all records which in its reasonable judgment is necessary to determine expenses incurred or revenues received by the other party under this Agreement. Such examination, if any,

shall occur at a time agreeable to both parties no more often than once per year and only for a reasonable duration and scope.

3.3 Consideration to MHCC. In addition to the consideration set forth in the preceding Section 3.2, OPB will provide the following consideration to MHCC during the term hereof:

(a) on-air underwriting acknowledgments – valued during the first year at \$50,000 (based on OPB's current rate card) with a 5% annual increase each subsequent year (based on OPB's then-current rate card) – on the Station, OPB's network of news/information radio stations, OPB television stations, and OPB websites (OPB will develop a schedule of credits and acknowledgment content on an annual basis subject to OPB's standard policies for underwriter acknowledgments);

(b) payments of \$18,000 per year or 15% of the annual Gross Revenues (defined below), whichever is greater, in each case as a general contribution to the embedded and ongoing operating costs of the Station, provided, however, that after the initial term of the Agreement, such payments will be negotiated in five-year increments. For purposes of this Section 3.3, "Gross Revenues" shall mean all revenues derived from on-air underwriting announcements on the Station, net of agency commission. For clarity, OPB will pay MHCC \$18,000 on September 30, 2009 for the one-year period beginning on July 1, 2009 and ending on June 30, 2010 and on September 30 of each subsequent year during the initial term, with additional amounts for each year, if any, due with the next year's annual payment (however, the review as of June 30, 2010 will cover the

period from the Commencement Date through June 30, 2010). Each subsequent annual payment will cover July 1 of the previous calendar year through June 30 of the calendar year in which the payment is made;

(c) ongoing media sponsorship of MHCC events as agreed upon.

ARTICLE IV

TERM AND ASSIGNABILITY

4.1 Term. Subject to the provisions for early termination contained herein, the original term of this Agreement shall begin on the Commencement Date and shall expire in ten years. There shall be one automatic five-year renewal, unless one of the parties notifies the other at least 180 days in advance of the expiration date of the original term that it does not wish to renew.

4.2 Termination by MHCC. MHCC may terminate this Agreement upon the failure of OPB, after notice and a 15-day cure period, to comply in a substantial and material manner in the provision of programming to the Station within the rules, regulations, and policies of the FCC. In that case, MHCC shall be relieved of all obligations to OPB under this Agreement.

4.3 Termination by OPB for Refusal to Transmit Programs. In the event that MHCC fails to perform under this Agreement for either 24 consecutive hours or one-half hour in each day in any period of 5 consecutive days, OPB shall have the right, exercisable at any time within 30 days after the end of such period, to terminate this Agreement as of any date not less than 30 days after the date OPB notifies MHCC of its election to terminate this Agreement. In that case, OPB shall be relieved of all obligations to MHCC under this Agreement.

4.4 Termination for Default and Non-Performance. Other than as is provided in Sections 4.2 and 4.3, should either party be in breach of this Agreement for the non-performance of a material obligation, this Agreement may be terminated by the non-defaulting party if such breach shall continue for a period of 15 days following the receipt of written notice from the non-defaulting party, which notice shall indicate the nature of such default. If either party is found to have failed to perform a material obligation under this Agreement, reasonable attorneys' fees and expenses incurred or paid by the non-defaulting party in connection with or as a result of the exercise or enforcement of its rights may be awarded.

4.5 Effect of Termination. Upon the termination of this Agreement for any reason whatsoever (i) OPB will return all MHCC equipment to MHCC; (ii) MHCC will refund to OPB an amount equal to the value of any prepaid OPB Programming that airs on the Station after the effective date of termination; (iii) except as provided in clause iv below, OPB will maintain responsibility for all other costs incurred prior to the termination date and will retain all funds raised and income generated prior to termination; and (iv) OPB will transfer to MHCC the remaining pro rata value of any CPB community service grant or other grant or underwriting contract in support of the Station, offset by the sum of (a) the value of remaining pro rata expenses, if any, directly related to such grant or contract, and (b) the value of assets contributed to the Station by OPB that are returned to MHCC. Notwithstanding anything herein to the contrary, to the extent that any bill received by either party after the termination of this Agreement or

any payment made by OPB prior to the termination of this Agreement relates to expenses incurred in operating the Station for periods both before and after the termination of this Agreement, such expenses shall be prorated between MHCC and OPB so that OPB shall be responsible for expenses prior to the termination of this Agreement and MHCC shall be responsible for expenses allocable on and after the termination of this Agreement.

4.6 Assignability. This Agreement shall inure to the benefit of and be binding upon MHCC, OPB, and their respective successors. It may not be assigned by MHCC and may not be assigned by OPB other than to a commonly controlled company.

ARTICLE V

REGULATORY MATTERS

5.1 Renegotiation Upon FCC Action. If at any time during the term of this Agreement the FCC issues a statement of general applicability that would preclude performance hereunder, or the FCC determines that this Agreement is inconsistent with MHCC's licensee obligations or is otherwise contrary to FCC policies, rules, or statutes, the parties shall renegotiate this Agreement in good faith and recast this Agreement in terms that are likely to cure the defects perceived by the FCC and return a balance of benefits to both parties comparable to the balance of benefits provided by this Agreement on its current terms. If, after such good faith negotiations, either party reasonably determines that recasting this Agreement to meet the defects perceived by the FCC is impossible, either party may terminate this Agreement without further liability

upon 30 days' prior written notice (or such shorter time as the FCC may order) provided that FCC consent for a wind-down period of such length is obtained. If termination shall occur pursuant to this Section, such termination shall extinguish and cancel this Agreement without further liability on the part of either party to the other.

5.2 FCC Approvals. Each party independently has determined in good faith that this Agreement can be entered into and implemented without filing any application, petition, request for declaratory ruling, or other filing with the FCC seeking its consent or approval.

ARTICLE VI

REPRESENTATIONS AND WARRANTIES, COVENANTS

6.1 MHCC's Representations and Warranties. MHCC represents and warrants to OPB as follows:

(a) Organization. MHCC is duly organized, validly existing, and in good standing under the laws of the State of Oregon. MHCC has the full power and authority necessary to carry out the transaction contemplated by this Agreement.

(b) Compliance with Law. MHCC has materially complied with and is now materially complying with all laws, rules, and regulations governing the business, ownership, and operations of the Station that are material in any way to this Agreement. Except as otherwise stated herein, no consent, approval, or authorization by or filing with any governmental authorities on the part of MHCC is required in connection with the transactions contemplated in this

Agreement. All attendant contracts and undertakings, as well as the carrying out of this Agreement, will not result in any violation of or be in conflict with any judgment, decree, order, statute, law, rule, or regulation of any governmental authority applicable to MHCC.

(c) Authority. All requisite MHCC resolutions and other authorizations necessary for the execution, delivery, performance, and satisfaction of this Agreement by MHCC have been duly adopted and complied with, have not been modified, and are in full force and effect.

(d) Authorizations in Good Standing MHCC is the holder of the authorizations related to the Station and holds each authorization in good standing. At the Commencement Date, MHCC's authorizations for the Station shall be in full force and effect and unimpaired by any acts or omissions of MHCC or its employees or agents, and there shall be no complaint, condition, event, defect, or occurrence existing or, to the knowledge of MHCC, threatened against those authorizations that would materially threaten their retention or renewability.

(e) Maintaining Operations and Condition of Assets. MHCC shall continue to operate the Station in the regular course and use its best efforts to preserve the Station's goodwill and relations with the community. MHCC shall comply in all material respects with all laws affecting the Station's operation and otherwise maintain the Station's Assets in good operating condition.

6.2 OPB's Representations and Warranties. OPB represents and warrants to MHCC as follows:

(a) Organization. OPB is a nonprofit corporation duly organized, validly existing and in good standing under the laws of the State of Oregon and has full power and authority to own its property and to carry out all of the transactions contemplated by this Agreement.

(b) Compliance with Law. Except as otherwise stated herein, no consent, approval, or authorization by, or filing with, any governmental authorities on the part of OPB is required in connection with the transactions contemplated herein. The carrying out of this Agreement will not result in any violation of or be in conflict with OPB's Articles of Incorporation or By-laws or any existing judgment, decree, order, statute, law, rule, or regulation of any governmental authority applicable to OPB.

(c) Corporate Authority. All requisite corporate resolutions and other authorizations necessary for the execution, delivery, performance, and satisfaction of this Agreement by OPB have been duly adopted and complied with.

6.3 MHCC's Affirmative Covenants. MHCC covenants as follows:

(a) Compliance with Law. It will comply in all material respects with all applicable federal, state and local laws, rules and regulations (including, without limitation, all FCC rules, policies, and regulations) and pertinent provisions of all contracts to which it is a party or is otherwise bound that relate to this Agreement.

(b) OPB Rights upon Station Sale. MHCC grants OPB a right of first negotiation and a right of first refusal so that (1) in the event that MHCC

chooses to sell the Station or the assets associated with the Station, OPB will be given the first and exclusive opportunity for 90 days to negotiate such a purchase and (2) if MHCC receives an offer to purchase the Station or the assets associated with the Station to a third party, it will present in writing the *bona fide* offer from that party to OPB and OPB will have 60 days in which to exercise a right to buy the station at the proposed price. To the extent that an offer presented to OPB under the right of first refusal includes in-kind components of a type that OPB could not provide, that portion of the offer would be disregarded for purposes of OPB's exercise of its right.

6.4 OPB's Affirmative Covenants. OPB covenants as follows:

(a) Compliance with laws. It will comply with all applicable federal, state, and local laws, rules, and regulations (including, without limitation, all FCC rules, policies, and regulations) and pertinent provisions of all contracts to which it is a party or is otherwise bound that relate to this Agreement.

(b) MHCC Representation on OPB Board. During the term of this Agreement, the President of Mt. Hood Community College ("MHCC President") will serve as a voting member of the OPB Board of Directors ("Board"), subject to review and approval by the Governance Committee of the Board and election by the Board. If the MHCC President's tenure on the Board exceeds the term limit set forth in the OPB Bylaws, or if the MHCC President is otherwise unable to serve, the MHCC President may nominate another MHCC representative to serve. If the Governance Committee does not approve the MHCC President's

nominee, or if the nominee is not elected to the Board, the MHCC President shall have the right to put forward other nominees until the Board seat is filled.

(c) Compliance with Copyright Act and Program Licensing Agreements. OPB represents and warrants that all OPB Programming provided to MHCC for broadcast on the Station will comply with the U.S. Copyright Act and the rights of any person under the U.S. Copyright Act. OPB shall assume and pay all copyright royalties and liabilities that may arise as a result of the broadcast of OPB Programming on the Station. OPB further represents and warrants that it has or will enter binding agreements with all program sources that authorize the broadcast of the OPB Programming on the Station. OPB shall assume liability to program suppliers for broadcast of the OPB Programming on the Station.

6.5 Joint Affirmative Covenant. OPB and MHCC will use their mutual best efforts to identify ways to enhance their strategic partnership including: (a) linkages to MHCC academic programs such as internships at OPB for students in radio broadcasting, integrated media, business, and marketing and (b) training of OPB employees through MHCC programs and facilities.

ARTICLE VII

MISCELLANEOUS

7.1 Force Majeure. Notwithstanding anything contained in this Agreement to the contrary, neither party shall be liable to the other for failure to perform any obligation under this Agreement (nor shall any charges or payments be made in respect thereof) if prevented from doing so by reason of natural

disasters or calamities, labor unrest, embargoes, civil commotion, rationing or other orders or requirements, or acts of civil or military authorities, and all requirements as to notice and other performance required hereunder within a specified period shall be automatically extended to accommodate the period of such contingency which shall interfere with such performance.

7.2 Notice. All necessary notices, demands, and requests required or permitted to be given under the provisions of this Agreement shall be deemed duly given if and when delivered personally or by prepaid overnight courier or by certified or registered mail, return receipt requested, postage prepaid addressed as follows:

If to MHCC:

Dr. John J. Sygielski
 President
 Mt. Hood Community College
 26000 SE Stark Street
 Gresham, OR 97030
 E-mail: john.sygielski@mhcc.edu

With a copy (not constituting notice) to:

John Crigler, Esq.
 Garvey Schubert Barer
 Flour Mill Building, 5th Floor
 1000 Potomac Street N.W.
 Washington, D.C. 20007-3501
 E-mail: jcrigler@gsblaw.com

If to OPB:

Mr. Steven M. Bass
 President and CEO
 Oregon Public Broadcasting
 7140 SW Macadam Avenue
 Portland, Oregon 97219-3099
 E-mail: sbass@opb.org

With copies (not constituting notice) to:

Rebecca Morris, Esq.
VP, Legal Affairs
Oregon Public Broadcasting
7140 SW Macadam Avenue
Portland, Oregon 97219-3099
E-mail: rmorris@opb.org

and Lawrence M. Miller, Esq.
Schwartz, Woods & Miller
1233 20th Street, N.W., Suite 610
Washington, D.C. 20036-7322
E-mail: miller@swmlaw.com

or such other addresses as the parties may from time to time designate by giving notice pursuant hereto. Notice is deemed given and received the day of actual delivery. The parties are encouraged to send advance copies of notices by e-mail, but such copies do not constitute effective notice.

7.3 Severability. If any provision of this Agreement is held to be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remainder of this Agreement shall not be affected thereby, and the parties agree to use their best efforts to negotiate a replacement provision that is valid, legal, and enforceable and that will preserve the relative positions of the parties.

7.4 Amendment of Agreement. This Agreement supersedes all prior agreements and understandings of the parties, oral and written, with respect to its subject matter. This Agreement may be modified only by an agreement in writing executed by both of the parties hereto.

7.5 Payment of Expenses. MHCC and OPB shall each pay their own expenses incident to the preparation and carrying out of this Agreement, including but not limited to legal fees.

7.6 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, and both of which together shall constitute one and the same instrument.

7.7 Headings. The headings in this Agreement are for the sole purpose of convenience of reference and shall not in any way limit or otherwise affect the meaning or interpretation of any of the terms or provisions of this Agreement.

7.8 Dealings with Third Parties. Neither party is nor shall hold itself out to be vested with any power or right to bind contractually or act on behalf of the other as its contracting broker, agent, or otherwise for committing, selling, conveying, or transferring any of the other party's assets or property, contracting for or in the name of the other party, or making any representations contractually binding such party.

7.9 Indemnification.

(a) In the event of claims, demands, causes of action, loss, investigations, proceedings, damages, penalties, fines, expenses, or judgments, including reasonable attorneys' fees and costs, arising directly or indirectly out of the negligence or willful misconduct of a party, or its agents or employees, in connection with the performance of this Agreement, or arising out of or resulting from any inaccuracy, misrepresentation, or breach of any representation, warranty, or covenant contained herein, such party shall forever, to the fullest extent permitted by law, protect, save, defend, and keep the other party harmless and indemnify said other party. The indemnified party agrees not to settle any

such claims without the consent of the indemnifying party, which consent shall not be unreasonably withheld.

(b) OPB shall indemnify MHCC and hold MHCC and its officials, directors, and employees harmless against any FCC-issued fines or forfeitures arising from or relating to any OPB Programming broadcast on the Station. MHCC agrees to contest any such fines or forfeitures, at OPB's expense, in proceedings at the FCC or in any court to the extent desired by OPB provided that MHCC in its good faith judgment determines that there are contestable issues. OPB further agrees to indemnify MHCC against any petitions to deny, petitions for revocation, petitions for orders to show cause, or other challenges brought by parties unrelated to and unaffiliated with MHCC to the extent that such challenges are based on OPB Programming. OPB further agrees to vigorously support MHCC, including the filing of FCC pleadings in support of MHCC, in the event that any petitions to deny, petitions for revocation, petitions for orders to show cause, or other challenges are brought by parties unrelated to and unaffiliated with OPB to the extent that such challenges concern the existence or operation of this Agreement.

(c) OPB shall forever, to the fullest extent permitted by law, protect, save, defend, and keep MHCC and its officials, employees, and agents and each of them harmless and indemnify them from and against all loss, damage, liability, or expense, including reasonable attorneys' fees, resulting from any claim of libel, slander, defamation, copyright infringement, idea misappropriation, invasion of right of privacy or publicity, or any other claim

against MHCC arising out of OPB's performance of its obligations under this Agreement, provided that MHCC gives OPB prompt notice of any claim and cooperates in good faith with OPB in defending against any such claim, including attempts to resolve and settle any such claim. MHCC agrees not to settle any such claims without the consent of OPB, which consent shall not be unreasonably withheld.

(d) MHCC shall indemnify OPB and hold OPB and its officers, directors, employees, and agents harmless against any FCC-issued fines or forfeitures arising from or relating to the technical operation of the Station or any MHCC Programming broadcast on the Station or any personal injury claims, in each case only if arising out of MHCC's performance of its obligations under this Agreement, provided that OPB gives MHCC prompt notice of any claim and cooperates in good faith with MHCC in defending against any such claims, including attempts to resolve and settle any such claims. OPB agrees not to settle any such claims without the consent of MHCC, which consent shall not be unreasonably withheld.

(e) MHCC shall indemnify OPB and hold OPB and its officers, directors, employees, and agents harmless against any claims, liabilities, or costs relating to or arising from (1) MHCC's lease of a Station subcarrier to Tieng Nuoc Toi Radio and (2) that certain "Joint Ownership Agreement Between KMHD-FM and KBPS-FM and KBVM-FM For Installation, Maintenance And Operation Of Combined Transmission Equipment" dated November 18, 2004 and made among MHCC, KBPS Public Radio Foundation, and KBVM Family Radio/ Catholic Archdiocese of Portland.

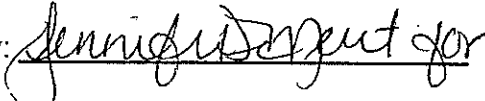
7.10 Governing Law and Venue. This Agreement shall be construed under and in accordance with the laws of the State of Oregon and any legal actions taken by the parties with respect hereto shall be brought in the Courts of Oregon.

7.11 Cooperation. The parties shall promptly sign all documents, perform all acts, and take such other actions as are necessary to effectuate this Agreement.

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

MT. HOOD COMMUNITY
COLLEGE DISTRICT

OREGON PUBLIC BROADCASTING

By: 

By: _____

Printed: JoAnn Zahn

Printed: _____

Title: VP of Administrative
Services

Title: _____

