

LOCAL PROGRAMMING AND MARKETING AGREEMENT

THIS LOCAL PROGRAMMING AND MARKETING AGREEMENT (this "Agreement") is made as of October 1, 2007, by and between Sorenson Broadcasting Corpn., a South Dakota corporation ("Licensee"), and Q Media Group, LLC, a Minnesota limited liability company ("Programmer").

Recitals

A. Licensee operates commercial radio broadcast stations KCUE(AM), and KWNG (FM), licensed to Red Wing, Minnesota (collectively, the "Stations"), pursuant to certain authorizations issued by the Federal Communications Commission ("FCC").

B. Programmer has available and is producing radio programs that it desires to have broadcast on the Stations, and therefore desires to purchase airtime from Licensee for the broadcast of such programs.

C. Licensee has agreed to make available to Programmer airtime on the Stations and accept for broadcast the programs of Programmer on the terms and conditions set forth in this Agreement, subject to the rules and policies of the FCC.

Agreement

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, agree as follows:

1. Agreement Term. The term of this Agreement (the "Term") will begin on the date of this Agreement (the "Commencement Date"), and will continue until December 31, 2009, unless earlier terminated pursuant to Section 13 hereof.

2. Programmer's Purchase of Airtime and Provision of Programming. During the Term, Programmer shall purchase from Licensee airtime on the Stations for the price and on the terms specified below, and shall transmit to Licensee programming that it produces or owns (the "Program" or "Programs") for broadcast on the Stations twenty-four (24) hours per day, seven (7) days per week (the "Broadcasting Period"). Programmer will transmit, at its own cost, its Programs to the Stations' transmitting facilities via a mode of transmission (e.g., satellite facilities, microwave facilities and/or telephone lines) that will ensure that the Programs meet technical and quality standards at least equal to those of the Stations' broadcasts prior to the Commencement Date.

3. Broadcasting Obligations. In return for the payments to be made by Programmer hereunder, during the Term, Licensee shall broadcast the Programs delivered by Programmer during the Broadcasting Period specified in Section 2 above, subject to the provisions of Section 6 below.

4. Advertising Sales; Accounts Receivable. 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 revenues of the Stations during the Term. In the event that this Agreement terminates, all contracts for advertising on the Stations (“Advertising Contracts”) entered into by Programmer shall be assigned to Licensee and shall be terminable by Licensee thereafter upon thirty (30) days’ notice and without penalty.

5. Term Payments. For the broadcast of the Programs and the other benefits made available to Programmer pursuant to this Agreement, during the Term, Programmer will pay Licensee as set forth on Schedule A attached hereto.

6. Operation, Ownership and Control of the Station.

6.1 Control; Employees. Notwithstanding anything to the contrary in this Agreement, as long as Licensee remains the licensee of the Stations, it will have full authority, power and control over the operation of the Stations during the Term. Licensee will bear the responsibility for the Stations’ compliance with all applicable provisions of the rules and policies of the FCC and all other applicable laws. Without limiting the generality of the foregoing, Licensee will: (1) employ a management employee for the Stations (the “Licensee Manager”), who will report to Licensee and will have the authority to control all operations related to the transmission of programming at the Stations, and who shall have no employment, consulting, or other relationship with Programmer; (2) employ a second employee, who shall function as a business manager, and who shall report to and be solely accountable to the Licensee Manager; and (3) retain control over the policies, programming and operations of the Stations.

6.2 Certain Operational Matters. Programmer agrees to cooperate with Licensee to ensure that EAS transmissions are properly performed in accordance with Licensee’s instructions. Licensee reserves the right to delete any commercial announcements that do not comply with the requirements of the FCC’s sponsorship identification policy. 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. During the term hereof, Licensee shall take no action that will have the effect of reducing the effective radiated power and coverage of the Stations, except in connection with necessary maintenance on or near the transmission facilities of the Stations.

6.3 Preemption of Programs. Licensee reserves the right to refuse to broadcast and to preempt any Program: (a) that contains matter which violates any right of any third party or which constitutes a “personal attack” as that term has been defined by the FCC, (b) that does not meet the requirements of the rules, regulations, and policies of the FCC, (c) that does not comply with the provisions set forth in Section 10, (d) in the event of a local, state, or national emergency, (e) as necessary to comply with FCC rules and policies regarding programming of local or national importance or that addresses the problems, needs and interests of the local communities (any such preemption of a Program, a “Preemption”). Programmer shall be notified at least one week in advance of any Preemption under clause (e) of the

preceding sentence. In the event of any Preemption, Programmer shall be entitled to a credit against any Program Fees due Licensee under this Agreement in an amount equal to the product of (x) the monthly Program Fee due to Licensee hereunder and (y) the result of dividing the number of hours so affected by the aggregate number of hours available for broadcast of Programs during such month. In the event that Licensee preempts more than thirty (30) hours of Programs over either Station during any consecutive thirty (30) day period, then Programmer shall be entitled at its sole option to terminate this Agreement without further obligation to Licensee except for payments (if any) already due to Licensee, and to pursue all other remedies available to it.

6.4 Rights in Programs. All right, title and interest in and to the Programs, and the right to authorize the use of the Programs in any manner and in any media whatsoever, shall be and remain vested at all times solely in Programmer.

7. Maintenance of Signal. Licensee shall maintain the operating power of the Station at the maximum level authorized by the FCC for the Stations throughout the Term and shall repair and maintain the Stations' towers and transmitter sites and equipment in good working order.

8. Grant of Licenses.

8.1 License to Use Station Facilities. Effective as of the Commencement Date, Licensee grants to Programmer a license to access and use all of the Stations' studio and office space and other facilities ("Station Facilities") and all equipment and furnishings contained therein ("Station Equipment") in the production and broadcasting of the Programs and sales and administration relating thereto, in accordance with the terms set forth in this Section 8 (the "Programmer License"). The Programmer License shall have a term beginning on the Commencement Date and ending upon the termination of this Agreement. Licensee shall not license the use of the Station Facilities to any other party during the term of the Programmer License; and Programmer's use of the Station Facilities shall be exclusive except for Licensee's right to use such facilities as it deems appropriate in its sole discretion in connection with the satisfaction of its obligations as the Licensee of the Station, including the use of such facilities and adequate office space for the employees of Licensee described in Section 6.1 hereof.

8.2 License of Intellectual Property. Effective as of the Commencement Date, Licensee licenses to Programmer the exclusive right to use (or, to the extent Licensee does not hold exclusive rights, the non-exclusive right to use) all intellectual property owned by or licensed to Licensee and used in the operation of the Stations (including, but not limited to call signs and goodwill) (the "IP License"). In the event of termination of this Agreement, the IP License shall terminate; provided, however, that Programmer shall own all trademarks, service marks, trade names, characters, formats, jingles, promotional materials, logos, and positioning statements that Programmer develops and uses in the broadcast of the Programs during the Term, and Licensee shall not make use of any such materials without the prior written consent of Programmer.

9. Music Licenses. During the Term, Programmer will obtain and maintain in full force and effect, in its own name, and expense, all music licenses ("Music Licenses") as are

currently operative with respect to the Stations and as will be required by the licensor of those Music Licenses (“Licensor”).

10. Programs.

10.1 Production of the Programs. Licensee acknowledges that it is familiar with the type of programming Programmer currently produces and has determined that the broadcast of such programming on the Stations would serve the public interest. Programmer agrees that the contents of the Programs it transmits to Licensee shall conform to all FCC rules, regulations and policies. Programmer agrees that it will use reasonable efforts 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.

10.2 Political Time. 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 reasonably necessary to comply with such rules, and shall supply such information promptly to Licensee as may be necessary to comply with the political time record keeping and lowest unit charge requirements of federal law. Programmer shall release advertising availabilities to Licensee during the Broadcasting Period as necessary 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.

11. Expenses. During the Term, Programmer will be responsible for and shall pay all of (i) the salaries, taxes, insurance and related costs for all personnel used in the production of the Programs supplied to Licensee, and (ii) the costs of producing and delivering the Programs to Licensee. As set forth Exhibit A attached hereto, Programmer will reimburse Licensee for the expenses of operating the Stations in the ordinary course of business, due upon receipt by Programmer from time to time of reimbursement requests from Licensee. Programmer shall be responsible for any technical improvements, including equipment purchases, which it makes to the Stations' facilities. In the event of termination or expiration of this Agreement (other than pursuant to the acquisition of the Stations by Programmer), Programmer shall relinquish all technical improvements to Licensee for no remuneration of any kind.

12. 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 it delivers for broadcast 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. Programmer is specifically authorized to use such call letters in its Programs and in any promotional material, in any media, used in connection with the Programs.

13. Events of Default; Termination.

13.1 Programmer's Events of Default. The occurrence of any of the following will be deemed an Event of Default by Programmer under this Agreement: (a) Programmer fails to make timely payments as provided for in Section 5 of this Agreement; (b) Programmer fails to observe or perform its other obligations contained in this Agreement in any material respect; or (c) Programmer breaches the representations and warranties made by it under this Agreement in any material respect.

13.2 Licensee Events of Default. The occurrence of the following will be deemed an Event of Default by Licensee under this Agreement: (a) Licensee fails to observe or perform its obligations contained in this Agreement in any material respect; or (b) Licensee breaches the representations and warranties made by it under this Agreement in any material respect.

13.3 Cure Period. Notwithstanding the foregoing, an Event of Default will not be deemed to have occurred until fifteen (15) 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.

13.4 Termination in the Event of Default. Upon the occurrence of an Event of Default, and in the absence of a timely cure pursuant to Section 13.3, the non-defaulting party may terminate this Agreement, effective immediately upon written notice to the defaulting party.

13.5 Cooperation Upon Termination. If this Agreement is terminated for any reason, 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.

14. Indemnification.

14.1 Indemnification Rights. Programmer and Licensee each shall indemnify and hold harmless the other party and the partners, employees, agents, and affiliates of such other party, from and against any and all liability, including, without limitation, reasonable attorneys' fees arising out of or incident to (i) any breach by such party of a representation, warranty, or covenant made herein, (ii) the programming produced or furnished by such party hereunder, or (iii) the conduct of such party, its employees, contractors, or agents (including negligence) in performing its or their obligations hereunder. Without limiting the generality of the foregoing, Programmer and Licensee will indemnify and hold harmless the other party, and the partners, employees, agents, and affiliates of such other party, from and against any and all liability for libel, slander, infringement of trademarks, trade names, or program titles, violation of rights of privacy, and infringement of copyrights and proprietary rights resulting from the programming produced or furnished by it hereunder. The parties' indemnification obligations hereunder shall survive any termination or expiration of this Agreement for a period of one year.

14.2 Procedures. If any claim (or proceeding relating thereto) by a person or entity not a party to this Agreement that is covered by the foregoing agreements to indemnify and hold harmless shall arise, the party who seeks indemnification (the "Indemnified Party") shall give written notice thereof to the other party (or parties) (the "Indemnitor") pursuant to the notice provisions set forth in Section 20 promptly after the Indemnified Party learns of the existence of such claim or proceeding; *provided, however*, that the Indemnified Party's failure to give the Indemnitor prompt notice shall not bar the Indemnified Party's right to indemnification unless such failure has materially prejudiced the Indemnitor's ability to defend the claim or proceeding. The Indemnitor shall have the right to employ counsel reasonably acceptable to the Indemnified Party to defend against any such claim or proceeding, or to compromise, settle or otherwise dispose of the same, if the Indemnitor deems it advisable to do so, all at the expense of the Indemnitor; provided that the Indemnitor shall not have the right to control the defense of any such claim or proceeding unless it has acknowledged in writing its obligation to indemnify the Indemnified Party fully from all liabilities incurred as a result of such claim or proceeding; *further provided* that (i) the Indemnitor shall not effect any settlement relating to any such claim or proceeding unless such settlement includes an unconditional release of such Indemnified Party from all liability on any claims that are the subject of such claim or proceeding and (ii) the Indemnitor may not contractually bind any Indemnified Party without the written consent of the Indemnified Party. The parties will fully cooperate in any such action, and shall make available to each other any books or records useful for the defense of any such claim or proceeding. If the Indemnitor fails to acknowledge in writing its obligation to defend against or settle such claim or proceeding within twenty (20) days after receiving notice thereof from the Indemnified Party (or such shorter time specified in the notice as the circumstances of the matter may dictate), the Indemnified Party shall be free to dispose of the matter, at the expense of the Indemnitor, in any way in which the Indemnified Party deems to be in its best interest.

15. Authority. 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 in good standing in the jurisdiction of its organization and is qualified to do business in all jurisdictions where the nature of its 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.

16. Modification and Waiver; Remedies Cumulative. No modification of any provision of this Agreement will be effective unless in writing and signed by all parties. No failure or delay on the part of Programmer or Licensee in exercising any right or power under this Agreement will operate as a waiver of such right or power, nor will any single or partial exercise of any such right or power or the exercise of any other right or power. Except as otherwise provided in this Agreement, the rights and remedies provided in this Agreement are cumulative and are not exclusive of any other rights or remedies which a party may otherwise have.

17. Assignability; No Third Party Rights. The rights and obligations of Licensee under this Agreement may not be assigned. Programmer may assign this Agreement with

Licensee's prior written consent, which shall not be unreasonably withheld; provided, however, that Programmer may assign this Agreement to any entity which is under common ownership with Programmer without Licensee's consent. The covenants, conditions and provisions hereof are and shall be for the exclusive benefit of the parties hereto and their permitted 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 assigns any right, remedy or claim, legal or equitable, under or by reason of this Agreement.

18. Construction. This Agreement will be construed in accordance with the laws of the State of Minnesota without regard to principles of conflicts of laws.

19. Counterpart Signatures. This Agreement may be signed in one or more counterparts, each of which will be deemed a duplicate original.

20. Notice. All notices, demands, requests, or other communications which may be or are required to be given or made by any party to any party pursuant to this Agreement shall be in writing and shall be hand delivered, mailed by first-class registered or certified mail, return receipt requested, postage prepaid or delivered by overnight air courier, and shall be deemed to have been duly delivered and received on the date of personal delivery, on the third day after deposit in the U.S. mail if mailed by registered or certified mail, postage prepaid and return receipt requested, or on the day after delivery to a nationally recognized overnight courier service if sent by an overnight delivery service for next morning delivery, addressed as follows:

If to Licensee: Sorenson Broadcasting Corpn.
2804 South Ridgeview Way
Sioux Falls, SD 57105
Attention: Dean Sorenson, President

With a copy to: Duane D. Butt, President
Eaglecarver Financial Network, LLC
711 Wells Avenue
P.O. Box 364
Pierre, SD 57501

If to Programmer: Q Media Group, LLC
1104 Cloquet Avenue
Cloquet, MN 55720
Attention: Alan R. Quarnstrom, Managing Member

With a copy to: Lee J. Peltzman, Esquire
Shainis & Peltzman, Chartered
1850 M Street, N.W., Suite 240
Washington, D.C. 20036

21. Entire Agreement. This Agreement embodies the entire agreement, and supersedes all prior oral or written understandings, between the parties with respect to the subject matter of this Agreement.

22. Relationship of Parties. Neither Programmer nor Licensee will be deemed to be the agent, partner, or representative of the other party to this Agreement and neither party is authorized to bind the other to any contract, agreement, or understanding.

23. Force Majeure and Facilities Upgrades. The failure of either party hereto to comply with its obligations under this Agreement to the extent necessary due to acts of God, strikes or threats thereof or a force majeure or due to causes beyond such party's control, will not constitute an Event of Default under Section 13 of this Agreement and neither party will be liable to the other party therefor, except that: (a) any resulting failure of Licensee to broadcast the Programs shall entitle Programmer to a pro rata reduction in the monthly Program Fee required under Section 5 of this Agreement, and (b) any resulting failure of Licensee to broadcast the Programs for a continuous period of eighteen (18) hours or more at any time during the Term shall entitle Programmer to terminate this Agreement, without liability, by providing Licensee written notice. Programmer and Licensee each agrees to exercise its best efforts to remedy any conditions described in the first sentence of this Section affecting such party's compliance with this Agreement as soon as practicable.

24. Subject to Laws; Partial Invalidity. 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 shall file a copy of this Agreement with the FCC. If any provision in this Agreement is held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability will not affect any other provision of this Agreement, and this Agreement will be construed as if it did not contain such invalid, illegal, or unenforceable provision.

25. Headings. The headings of the various provisions of this Agreement are included for convenience only, and no such heading shall in any way affect or alter the meaning of any provision.

26. Successors and Assigns. Subject to the provisions of Section 17 above, this Agreement shall be binding and inure to the benefit of Licensee's successors and assigns. This Agreement shall also be binding upon and inure to the benefit of Programmer and its successors and assigns.

27. Noninterference. During the Term, neither Licensee nor any of its employees shall take any actions that might impair the operations of Programmer conducted hereunder, except to the extent expressly contemplated by this Agreement or as otherwise required by law.

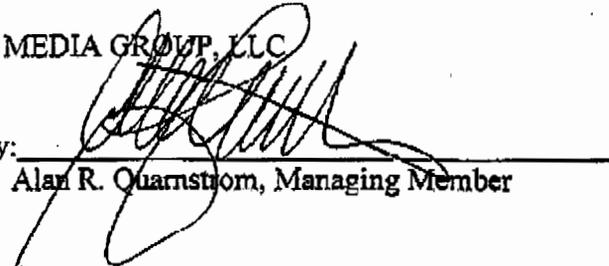
28. Publicity. Neither Programmer nor Licensee nor any of their respective affiliates shall issue any press release or make any public statement (oral or written) regarding the transactions contemplated by this Agreement except as required by law or regulation or as agreed to in writing in advance by Licensee and Programmer.

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

PROGRAMMER:

Q MEDIA GROUP, LLC

By:


Alan R. Quarnstrom, Managing Member

LICENSEE:

SORENSEN BROADCASTING CORPN.

By:


Dean Sorenson, President