

SETTLEMENT AND RELEASE AGREEMENT

THIS SETTLEMENT AND RELEASE AGREEMENT ("Agreement") is entered into this ___ day of _____, 2000, by and between Jerry Papenfuss, Gregory D. Gentling, Jr., and Sorenson Broadcasting Corp., on the one hand (each a "Buyer" and, collectively, the "Buyers") and James D. Ingstad, on the other hand ("Seller").

Recitals

WHEREAS, Buyers and Seller entered into a Merger Agreement dated as of August 17, 1999, amended as of December 17, 1999, pursuant to which each party received an equal ownership share in the Lake City FM Joint Venture (the "Venture").

WHEREAS, the Venture holds an authorization issued by the Federal Communications Commission ("FCC") to construct and operate a new FM station on Channel 235A at Lake City, Minnesota, FCC File No. BPH-971203MF (the "Station").

WHEREAS, Seller desires to sell to each Buyer, and each Buyer desires to acquire from Seller, one-third of all of Seller's right, title and interest in the Venture.

NOW, THEREFORE, in consideration of the mutual promises set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. Sale of Interests. Subject to and in reliance upon the representations, warranties and agreements set forth herein, and subject to the terms and conditions herein contained, Seller hereby grants, conveys, sells, assigns, transfers and delivers to each Buyer an undivided one-third interest in all of Seller's right, title and interest in and to the Venture, including without limitation all equity interests of Seller in the Venture and the Venture's goodwill, business, and interest in the Station and the licenses, permits and authorizations issued by the FCC for the construction and operation of the Station (the "Licenses"). Seller acknowledges that he is conveying in total to the three Buyers all of his interests in the Venture, the Station and the Licenses. Seller's interests shall be sold and conveyed to Buyers free and clear of all mortgages, liens, deeds of trust, security interests, pledges, restrictions, prior assignments, charges, claims, defects in title and encumbrances of any kind or type whatsoever ("Liens"). The sale of assets described herein shall be deemed to have been consummated pursuant to the provisions hereof without further action of any party upon the consent of the FCC for the assignment of Seller's interests in the Licenses and the receipt by Seller of all consideration due hereunder. In no event shall the Closing occur later than five (5) business days after the issuance of an order by the FCC consenting to the assignment of Seller's interests. The parties shall jointly cooperate in the preparation and prosecution of any application for FCC consent to assign Seller's interests in the Licenses to Buyers.

2. Release. Seller hereby releases and forever discharges each Buyer and their respective trustees, officers, employees, agents, counsel, subsidiaries, affiliates, successors and assigns from and against any and all claims, losses, liabilities, obligations, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever (whether known or unknown, foreseen or unforeseen, liquidated or contingent, currently existing or arising in the future), arising from any act, omission, event, conduct or transaction having occurred on or before the date of this Agreement with respect to the Venture.

3. Purchase Price. Each Buyer shall pay Seller in consideration of the sale and release described herein the amount of EIGHT THOUSAND THREE HUNDRED THIRTY-THREE DOLLARS AND THIRTY-FOUR CENTS (\$8,333.34) in cash.

4. Liabilities. No Buyer shall assume or be liable for, and does not undertake to attempt to, assume or discharge: (i) any liability or obligation of Seller or any affiliate of Seller arising out of or relating to any contract, lease agreement, or instrument; (ii) any liability or obligation of Seller or any affiliate of Seller arising out of or relating to employment; (iii) any liability or obligation of Seller or any affiliate of Seller arising out of or relating to any litigation, proceeding or claim; or (iv) any other liabilities, obligations, debts or commitments of Seller or any affiliate of Seller whatsoever, whether accrued now or hereafter, whether fixed or contingent, whether known or unknown.

5. Representations and Warranties.

5.1. Each Buyer represents and warrants to Seller, and Seller represents and warrants to each Buyer, as follows: (a) it is legally qualified and has all requisite power to execute and perform this Agreement; (b) the execution, delivery and performance of this Agreement does not and shall not constitute a breach or violation of any agreement, contract, document, judicial order, or other obligation to which it is subject or by which it is bound; and (c) it has taken any and all actions necessary to authorize the execution and performance of this Agreement.

5.2. Seller represents and warrants to each Buyer as follows:

a. Seller has no liabilities or obligations relating to the Venture, the Station or the Licenses of any kind or nature, whether known or unknown, due or not yet due, liquidated or unliquidated, fixed, contingent or otherwise. Seller has taken no action that has or will impose any duty, liability or obligation on the Venture, the Station or the Licenses.

b. Seller has filed all applicable federal, state, local and foreign tax returns required to be filed, in accordance with provisions of law pertaining thereto, and has paid all taxes, interest, penalties and assessments (including without limitation income, withholding, excise, unemployment, Social Security, occupation, transfer, franchise, property, sales and use taxes, import duties or charges, and all

penalties and interest in respect thereof) required to have been paid with respect to or involving Seller's interest in the Venture or the Station.

c. Seller has taken no action with respect to the Venture or the Station that would result in a violation of any provision of the Communications Act of 1934, as amended, and the published rules, regulations and policies of the FCC. Seller has received no notice or communication, formal or informal, indicating that the FCC is considering revoking, modifying, suspending, canceling, rescinding or terminating any of the Licenses.

d. There are no suits, arbitrations, administrative charges or other legal proceedings, claims or governmental investigations pending against, or to Seller's knowledge threatened against, Seller's interest in the Venture, the Station or the Licenses nor, to Seller's knowledge, is there any basis for any such suit, arbitration, administrative charge or other legal proceeding, claim or governmental investigation.

e. Seller is the sole owner of all right, title and interest in and to the interest in the Venture to be sold to Buyers as provided herein. There is no person other than Seller or Buyers who has any ownership interest in or Lien on the Venture, the Station or the Licenses (other than any person who obtained such interests from or as the result of actions by any of the Buyers). Seller has good and marketable title to such interest and has the absolute right to sell, assign and transfer the same to each Buyer, free and clear of all Liens.

6. Confidentiality. Subject to compliance with any applicable laws, any and all information, disclosures, knowledge or facts regarding the transactions described in this Agreement shall be confidential and shall not be divulged, disclosed or communicated to any other person, firm, corporation or entity, except for Seller's employees, attorneys, accountants, investment bankers, investors and lenders, and their respective attorneys, on a need-to-know basis for the purpose of consummating the transactions contemplated by this Agreement.

7. Survival; Indemnification.

7.1. Survival. All representations, warranties, covenants and agreements contained in this Agreement, or in any certificate, agreement, or other document or instrument, delivered pursuant hereto, shall survive for a period of two years from the date hereof.

7.2 Indemnification.

(a) Indemnification by Seller. From and after the date hereof, Seller shall defend, indemnify, and hold harmless each Buyer from and against any loss, claim, damage, liability, or expense (including reasonable attorneys' fees) incurred or sustained by any Buyer arising out of any breach of any representation, warranty,

covenant, or agreement of Seller contained in this Agreement. If any third-party claim is asserted against any Buyer for which indemnification may be sought under the provisions of this paragraph, Buyer shall promptly notify Seller of such claim and thereafter shall permit Seller at its expense to participate in the negotiation and settlement of any such claim and to join in the defense of any legal action arising therefrom.

(b) Indemnification by Buyers. From and after the date hereof, each Buyer shall defend, indemnify, and hold harmless Seller from and against any loss, claim, damage, liability, or expense (including reasonable attorneys' fees) incurred or sustained by Seller arising out of any breach of any representation, warranty, covenant, or agreement of such Buyer contained in this Agreement. If any third-party claim is asserted against Seller for which indemnification may be sought under the provisions of this paragraph, Seller shall promptly notify Buyer of such claim and thereafter shall permit Buyer at its expense to participate in the negotiation and settlement of any such claim and to join in the defense of any legal action arising therefrom.

8. Expenses. Each party hereto shall bear all of its own expenses incurred in connection with the transactions contemplated by this Agreement.

9. Further Assurances. From time to time after the date hereof, each party hereto will execute all such instruments and take all such actions as any other party shall reasonably request, without payment of further consideration, in connection with carrying out and effectuating the intent and purpose hereof and all transactions contemplated by this Agreement, including without limitation the execution and delivery of any and all confirmatory and other instruments, and any and all actions which may reasonably be necessary to complete the transactions contemplated hereby. The parties shall cooperate fully with each other and with their respective counsel and accountants in connection with any steps required to be taken as part of their respective obligations under this Agreement.

10. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective representatives, successors and permitted assigns.

11. Amendments; Waivers. The terms, covenants, representations, warranties and conditions of this Agreement may be changed, amended, modified, waived, or terminated only by a written instrument executed by the party waiving compliance. The failure of any party at any time or times to require performance of any provision of this Agreement shall in no manner affect the right of such party at a later date to enforce the same. No waiver by any party of any condition or the breach of any provision, term, covenant, representation or warranty contained in this Agreement, whether by conduct or otherwise, in any one or more instances shall be deemed to be or construed as a further or continuing waiver of any such condition or of the breach of any other provision, term, covenant, representation or warranty of this Agreement.

12. Notices. All notices, requests, demands and other communications required or permitted under this Agreement shall be in writing (which shall include notice by telex or facsimile transmission) and shall be deemed to have been duly made and received when personally served, or when delivered by Federal Express or a similar overnight courier service, expenses prepaid, or, if sent by facsimile communications equipment, delivered by such equipment, addressed as set forth below:

If to Seller: James D. Ingstad
3100 13th Avenue, S.W., Suite 201
Fargo, ND 58103

If to Buyers: Jerry Papenfuss
Result Radio, Inc.
752 Bluffview Circle
Winona, MN 55987

Gregory D. Gentling, Jr.
Radio Station KROC
122 S.W. Fourth Street
Rochester, MN 55901

Sorenson Broadcasting Corp.
Attn: Dean Sorenson
600 North Kiwanis
Sioux Falls, SD 57104

Any party may alter the address to which communications are to be sent by giving notice of such change of address in conformity with the provisions of this paragraph providing for the giving of notice.

13. Captions. The captions of paragraphs of this Agreement are for convenience only and shall not control or affect the meaning or construction of any of the provisions of this Agreement.

14. Governing Law. This Agreement and all questions relating to its validity, interpretation, performance and enforcement shall be governed by and construed in accordance with the laws of the State of Minnesota, without giving effect to principles of conflicts of laws.

15. Entire Agreement. This Agreement constitutes the full and entire understanding and agreement between the parties with regard to the subject matter hereof, and supersedes all prior agreements, understandings, inducements or conditions, express or implied, oral or written, relating to the subject matter hereof. The express terms hereof control and supersede any course of performance and/or usage of trade inconsistent with any of the terms hereof. This Agreement has been prepared by all of the parties hereto,

and no inference of ambiguity against the drafter of a document therefore applies against any party hereto.

16. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument. This Agreement shall become binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of all of the parties reflected hereon as the signatories.

[SIGNATURE PAGE FOLLOWS]

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

SELLER: JAMES D. INGSTAD

BUYERS: JERRY PAPENFUSS

GREGORY D. GENTLING, JR.

SORENSEN BROADCASTING CORP.

Dean Sorenson
President