PROGRAMMING AGREEMENT

This PROGRAMMING AGREEMENT ("Agreement") is dated as of December 1, 2003, by and between SORENSON BROADCASTING CORPN, a South Dakota corporation ("Licensee"), and WAITT RADIO, INC., a South Dakota corporation ("Programmer").

WHEREAS, Licensee is the licensee of the radio stations set forth on Schedule 1 hereto (collectively, the "Stations" or individually, a "Station" as the context may require);

WHEREAS, Licensee, while maintaining ultimate control over the Stations' finances, personnel matters and programming content, desires to accept and broadcast programming supplied by Programmer on the Stations subject to the terms and conditions set forth herein; and

WHEREAS, Licensee and Programmer have entered into that certain Interim Programming Agreement dated as of January 1, 2000 (the "Interim Agreement") concerning provisions of programming prior to the date hereof and shall enter into an Option Agreement dated as of the date hereof (the "Option Agreement") for the sale of certain Assets (as defined in that certain Asset Purchase Agreement to be executed in connection with the exercise of the Option Agreement and attached thereto (the "Purchase Agreement")).

WHEREAS, Licensee and Programmer recognize and acknowledge that the arrangements contemplated herein are subject to the rules and policies of the Federal Communications Commission ("FCC") which are in the process of evolution, and desire and intend to conform their conduct throughout the term of this Agreement to such standards as may be clarified or changed from time to time;

NOW, THEREFORE, for and in consideration of the mutual covenants herein contained, the parties hereto have agreed and do agree as follows:

1.   **Air Time and Transmission Services**. Licensee and Programmer hereby agree to commence operations pursuant to this Agreement as of the date hereof (the "Effective Date"). Licensee agrees, beginning on the Effective Date, to broadcast, or cause to be broadcast, on the Stations, according to the terms hereof, programming designated and provided by Programmer (the "Programming"), subject to Licensee's supervision and control.

2.   **Payments**.

(a) Programmer shall pay to Licensee the sum of SEVENTY THOUSAND TWO HUNDRED THIRTY-EIGHT AND 04/100 DOLLARS ($70,238.04) on the Effective Date and on the first day of each month thereafter throughout the term of the Programming Agreement. In addition, Programmer shall reimburse Licensee on a monthly basis for all reasonable amounts expended by Licensee and incurred in the operation of the Station, including operational, engineering, maintenance, administrative and other general expenses incurred by Licensee which are reasonable and customary in

nature (the "Expense Reimbursement"). Licensee shall submit to Programmer a schedule of such reasonable expenditures, and accompanying documentation, not later than ten (10) days after to the end of each month. Programmer, within ten (10) days of receipt of such schedule, shall thereafter reimburse Licensee for the Expense Reimbursement.

(b) Programmer hereby agrees to pay Licensee the amounts specified in paragraph (a) above for the right, from and after the Effective Date, to broadcast the Programming on the terms and conditions herein provided. Payments of the Monthly Fee are due and payable in full on the first day of each calendar month for which such payment is intended to be applied and shall be prorated for any partial calendar month at the beginning or end of the term hereof. The failure of Licensee to demand or insist upon prompt payment in accordance herewith shall not constitute a waiver of its right to do so. Programmer shall receive a payment credit for any Programming not broadcast by either Station (a "Credit"), such Credit to be determined by multiplying the monthly payment by the ratio of the amount of time preempted or not accepted to the total number of hours of Programming for all of the Stations each month provided, however, that no credit shall be given for time used to broadcast Licensee Programming, as described in paragraph 4 hereof.

(c) Concurrently with the execution of the Interim Agreement, Buyer has deposited with Lawrence Bernstein, Esq. ("Escrow Agent"), in immediately available funds, the sum of ONE MILLION THREE HUNDRED SEVENTY-FOUR THOUSAND DOLLARS ($1,374,000) (the "Security Deposit"). The Escrow Agent shall maintain the Security Deposit in a separate account on behalf of the Programmer in accordance with the provisions of the Escrow Agreement attached hereto as Exhibit A and incorporated herein by this reference.

3.   **Term**. The term of this Agreement shall begin on the Effective Date and end on the earliest of (i) the Closing, as defined in the Option Agreement, or (ii) the date which is ten (10) days following any termination of the Option Agreement in accordance with the terms thereof (the "Termination Date," and such period of time, the "Term").

4.   **Programming**. Programmer shall furnish or cause to be furnished the Programming, which shall be an entertainment format for each Station, and may include, without limitation, news, promotions (including on-air giveaways), contests, syndicated programs, barter programs, paid-for programs, locally-produced programs, advertising commercial matter, including that in both program or spot announcement forms, and public service information. On a regular basis, Licensee shall air, or shall require Programmer to air on the Stations, programming on issues of importance to the local communities (the "Licensee Programming"). Programmer shall provide Licensee's General Managers such personnel and facilities as such General Managers reasonably require for the production and broadcast of Licensee Programming, which shall be aired in such amounts and at such times as Licensee shall reasonably determine, consistent with public service programming currently broadcast over the respective Stations. All actions or activities of Programmer under this Agreement, and all Programming provided by Programmer shall be in accordance with (i) the Communications Act of 1934, as amended; (ii) Federal Communications

Commission (the "FCC") rules, requirements and policies, including, without limitation, the FCC's rules on plugola/payola, lotteries, station identification, minimum operating schedule, sponsorship identification, political programming and political advertising rates; (iii) all applicable federal, state and local regulations and policies; and (iv) generally accepted quality standards consistent with Licensee's past practices. Programmer agrees that, if in the sole, good faith judgment of the Licensee or the respective Station's General Manager, Programmer does not comply with the standards of this paragraph. Licensee may suspend or cancel any Programming not in compliance. The right to use the Programming and to authorize its use in any manner and in any media whatsoever shall be, and remain, vested solely in Programmer, subject in all events to the rights, if any, of others in such Programming.

5.   **Programming Discretion**. Licensee reserves the right in its discretion, and without liability, to preempt, delay or delete any of the broadcasts of the Programming and to substitute programming which in Licensee's judgment is of greater local, regional or national importance. In all such cases, Licensee shall use its best efforts to give Programmer reasonable notice of its intention to preempt such Programming, and , in the event of such preemption, Programmer shall receive a Credit for the Programming so omitted consistent with the intent and pursuant to the terms of Section 2(b) hereof.

6.   **Advertising and Programming Revenues**. Programmer shall retain all advertising and other revenues, and all accounts receivable, with respect to Programming broadcast during the Term, and relating to the Programming it delivers to the Stations for broadcast during the Term, including without limitation, promotion-related revenues. Licensee and Programmer each shall have the right, at their own expense, to seek copyright royalty payments for their own programming.

7.   **Station Facilities**. Subject to the qualifications set forth in this Agreement, throughout the term of this Agreement Licensee shall make the facilities of the Stations available to Programmer for operation and broadcast with the maximum authorized facilities twenty-four (24) hours a day, seven (7) days a week, except for downtime occasioned by either (i) emergency maintenance or (ii) routine maintenance not to exceed two (2) hours each Sunday morning between the hours of 12 Midnight and 5:00 a.m., and except for Licensee Programming. Programmer shall not be entitled to a Credit for Programming not broadcast over the Stations for periods specified in this Section 7. To the extent practicable, any maintenance work affecting the operation of the Stations at full power shall be scheduled upon at least forty-eight (48) hours prior notice with the agreement of Programmer, such agreement shall not be unreasonably withheld.

8.   **Right of Access**. Programmer and Programmer's employees or agents shall at all times be afforded reasonable access to the Stations in order to perform their duties in connection with the production and transmission of the Programming over the facilities of the Stations. Programmer shall have the right to install at Licensee's and/or Programmer's premises, and to maintain throughout the term of this Agreement, at Programmer's expense, any microwave studio/transmitter relay equipment, telephone lines, transmitter remote control, monitoring devices or any other equipment necessary for the proper transmission of the Programming on the

Stations, and Licensee and Programmer shall take all steps reasonably necessary to prepare and file any applications with the FCC to effectuate such proper transmission

9. **Force Majeure**. Any failure or impairment of facilities or any delay or interruption in broadcasting the Programming, or failure at any time to furnish facilities, in whole or in part, for broadcasting, due to acts of God, strikes, or threats thereof, *force majeure*, or due to causes beyond the control of Licensee, shall not constitute a breach of this Agreement, and Licensee shall not be liable to Programmer, except to the extent of allowing in each such case an appropriate Credit for Programming not broadcast by the Stations based upon a *pro rata* adjustment to amounts due as specified in Section 2 hereof calculated upon the length of time during which the interruption or failure exists or continues.

10. **Licensee Control of Stations**. Notwithstanding anything to the contrary in this Agreement, Licensee shall have full authority, control and power over the operation of the Stations during the period of this Agreement. Licensee shall retain control over the policies, programming and operations of the Stations, including, without limitation, the right to decide in its sole discretion whether to accept or reject any Programming or advertisements, the right to preempt any Programming in order to broadcast a program deemed by Licensee to be of greater national, regional, or local interest, and the right to take any actions necessary for compliance with the laws of the United States; the laws of the relevant states: the rules, regulations, and policies of the FCC (including without limitation the prohibition on unauthorized transfers of control); and the rules, regulations and policies of other federal governmental authorities, including without limitation the Federal Trade Commission and the Department of Justice. Licensee shall be responsible for ensuring that FCC requirements are met with respect to ascertainment of the problems, needs and interests of the community, public service programming, main studio staffing, maintenance of public inspection files and the preparation of quarterly issues/programs lists. Programmer shall, upon request by Licensee, provide Licensee with information with respect to such of Programmer's programs which are responsive to the problems, needs and interests of the community, so as to assist Licensee in the determination of the need for Licensee Programming and the preparation of required quarterly issues/programs lists, and shall provide upon request other information to enable Licensee to prepare other records, reports and logs required by the FCC or other local, state or federal governmental agencies.

11. **Responsibility for Employees and Expenses**. Licensee shall employ the minimum number of employees at each main studio of the Stations as may be required by the FCC from time to time, one of whom shall be the General Manager of those Stations, all of whom shall report to and be accountable to Licensee, and who shall be ultimately responsible for the day-to-day operation of the Stations. Licensee shall be directly responsible for paying the salaries, taxes insurance and related costs for such employees in addition to legal fees, FCC fees and janitorial expenses (the "Licensee Expenses"). Licensee shall be responsible for paying directly (i) transmitter site and main studio rent and/or mortgage for the Stations; and (ii) transmitter site and main studio utilities for the Stations ("Licensee Transmitter Expenses"). Licensee shall be responsible for paying directly all income taxes relating to Licensee's earnings from this arrangement.

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Programmer shall employ and be responsible for the salaries, taxes, insurance and related costs for all personnel used in the production of the Programming (including, without limitation, salespeople, traffic personnel, administrative and programming staff). Excluding those expenses for which Licensee is making direct payments as set forth in this Section 11, during the Term, Programmer shall be responsible for paying all other expenses reasonably and directly related to the continued operation of the Stations subject to the covenants of the parties to this Agreement, and further subject to the ultimate authority, control and power of Licensee.

(a) *Employee Matters.* The parties acknowledge and agree that Programmer shall have the right (but not the obligation) to interview and to elect which employees of Licensee that it will hire as the Programmer's employees (other than those employees whom Licensee employs as its General Managers and such other employees described in the first sentence of paragraph 11) and to set the wages and any other compensation that any person so hired shall receive. Licensee shall be responsible for the payment of all compensation and accrued employee benefits payable to all employees through the Effective Date. For purposes of employee benefits under the employee benefit plans of Licensee, all employees of Licensee who accept employment with Programmer shall be considered terminated employees and shall not be entitled to receive from Programmer, credit for any accrued vacation days, sick days personal days or other such days. Licensee acknowledges and agrees that it, and not Programmer, is and shall after the Effective Date remain solely responsible for any and all insurance, supplemental pension, deferred compensation, retirement and any other benefits, and related costs, premiums and claims, due, to become due, committed or otherwise promised to any person who, as of the Effective Date, is a retiree, former employee, or current employee of Licensee, relating to the period up to and including the Effective Date. Programmer shall assume no employee benefit plans, programs or practices, whether or not set forth in writing, maintained by Licensee at any time.

(b) Within 30 days of the Effective Date, Licensee agrees to transfer all assets and liabilities of the Licensee's cafeteria plan of benefits and 401(k) plan which are attributable to former employees of Licensee who are employees of the Programmer as of the Effective Date to the Programmer's cafeteria plan and 401(k) plan.

12. **Station Agreements**.

(a) *Assignment and Assumption Station Agreements.* Effective on the Effective Date, Licensee hereby assigns to Programmer, and Programmer hereby assumes, subject to the provisions of this Section 12, the obligations of Licensee arising or to be performed on and after the Effective Date (except to the extent such obligations

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represent liabilities for activities, events or transactions occurring, or conditions existing, on or prior to the Effective Date) under: (i) all of the Contracts necessary and material in the business and operation of each Station, excluding (A) contracts and agreements relating to the Licensee Expenses and (B) contracts and agreements relating to the Licensee Transmitter Expenses; (ii) all agreements for the sale of advertising time on the Stations for cash and at prices consistent with Licensee's ordinary course of business pricing policies ("Time Sales Agreements") and (iii) all contracts entered into by Licensee which are for consideration other than cash, such as merchandise, services or promotional consideration ("Trade Agreements") arising in the ordinary course of business consistent with the past practices of Licensee. All of the foregoing liabilities and obligations under (i), (ii) and (iii) hereof, listed on Schedule 2 of the Interim Agreement and incorporated herein by reference, shall be referred to herein collectively as the "Station Agreements" or individually as a "Station Agreement".   Licensee represents and warrants that the Station Agreements are freely assignable, or, if consent of the other contracting party to the assignment is required, Licensee covenants to use its reasonable best efforts to obtain such consent as promptly as practicable. As of the Effective Date, Licensee shall have paid all amounts due on and shall have performed all obligations due under the Station Agreements. Licensee shall not enter into any other Station Agreements with respect to the Stations without the prior written consent of Programmer.

(b)   *Consents to Assignment*. To the extent that any Station Agreement is not capable of being sold, assigned, transferred, delivered or subleased without the waiver or consent of any third person (including a government or governmental unit), or if such sale, assignment, transfer, delivery or sublease or attempted sale, assignment, transfer, delivery or sublease would constitute a breach thereof or a violation of any law or regulation, this Agreement and any assignment executed pursuant hereto shall not constitute a sale, assignment, transfer, delivery or sublease or an attempted sale, assignment, transfer, delivery or sublease thereof.   In those cases where consents, assignments, releases and/or waivers have not been obtained at or prior to the Effective Date to the transfer and assignment to Programmer of any Station Agreement, this Agreement and any assignment executed pursuant hereto, to the extent permitted by law, shall constitute an equitable assignment by Licensee to Programmer of all of Licensee's rights, benefits, title and interest in and to the Station Agreements, and where necessary or appropriate, Programmer shall be deemed to be Licensee's agent for the purpose of completion, fulfilling and discharging all of Licensee's rights and liabilities arising after the Effective Date under such Station Agreements. In the event that a Station Agreement is not assigned, which is material to the business and operation of the Stations, Licensee shall use its best efforts to provide Programmer with the financial and business benefits of such Station Agreements (including, without limitation, permitting Programmer to enforce any rights of Licensee arising under such Station Agreements), and Programmer shall, to the extent Programmer is provided with the benefits of such Station Agreements, assume, perform and in the course pay and discharge all debts, obligations and liabilities of Licensee under such Station Agreements to the extent that Programmer was to assume those obligations pursuant to the terms hereof.   In the event that this agreement is

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terminated for reasons other than the execution and closing under the Option Agreement, all Station Agreements will be reassigned to Licensee as of such termination date and Programmer shall have no further liability under any such Station Agreements.

(c)   *Retained Liabilities*.   Except as set forth in Section 11 and 12 hereof, Programmer expressly does not, and shall not assume or agree to pay, satisfy, discharge or perform and will not be deemed by virtue of the execution and delivery of this Agreement or any agreement, instrument or document delivered pursuant to or in connection with this Agreement or otherwise by reason of or in connection with the consummation of the transactions contemplated hereby or thereby, to have assumed or to have agreed to pay, satisfy, discharge or perform, any liabilities, obligations or commitments of Licensee of any nature whatsoever whether accrued, absolute, contingent or otherwise and whether or not disclosed by Programmer, other than the Station Agreements.   Licensee will retain and pay, satisfy, discharge and perform in accordance with the terms thereof, all liabilities and obligations of the Licensee, other than the Station Agreements, including but not limited to, the obligation to assume, perform, satisfy or pay any liability, obligation, agreement, debt, charge, claim, judgment or expense incurred by or asserted against Licensee related to taxes environmental matters, pension or retirement plans or trusts, profit-sharing plans, employment contracts, employee benefits, severance of employees, product liability or warranty, negligence, contract breach or default, copyright, trademark, service mark, trade name and other intellectual property, or other obligations, claims or judgments asserted against Programmer as successor in interest to Licensee.   All such liabilities, obligations and commitments of Licensee described in this Section 12(c) shall be referred to herein collectively as the "Retained Liabilities."

13.   **Accounts Receivable**.   Schedule 3 to the Interim Agreement, incorporated herein by reference, sets forth all of the Stations' outstanding accounts receivable as of the effective date of the Interim Agreement and shall be updated as of the Effective Date to show all of the Stations accounts receivable for the sale by Licensee of advertising time that has been broadcast by the Stations prior to the Effective Date hereof and for the sale of other goods and services that have been provided by the Stations prior to the Effective Date (the "Accounts Receivable").   From and after the Effective Date the Programmer shall, if required, act as Licensee's agent for collection of the Accounts Receivable in a manner, to the extent and pursuant to the Interim Agreement.

14.   **Proration of Income and Expenses: Trade Agreements Adjustment.**

(a)   Except as otherwise provided herein, all deposits, reserves and prepaid and deferred income and expenses relating to the Station Agreements shall be prorated between Programmer and Licensee in accordance with general accepted accounting principles as of 11:59 p.m. Central time, on the date immediately preceding the Effective Date.

(b)   Except as otherwise provided herein, the prorations and adjustments contemplated by this Section 14, to the extent practicable, shall be made on the Effective

Date. As to those prorations and adjustments not capable of being ascertained on the Effective Date, an adjustment and proration shall be made within ninety (90) calendar days after the Effective Date.

(c)   In the event of any disputes between the parties as to such adjustments, the amounts not in dispute shall nonetheless be paid at the time provided in Section 14(b) hereof and such disputes shall be determined by an independent certified public accountant mutually acceptable to the parties, and the fees and expenses of such accountant shall be paid one-half by Licensee and one-half by Programmer.

(d)   Schedule 3 to the Interim Agreement lists all Trade Agreements as of the effective date of the Interim Agreement.   There have been no additional Trade Agreements since the date of the Interim Agreement.

15.   **Indemnification**.

(a)   *Indemnification of Licensee.*   Programmer shall indemnify and hold Licensee and its stockholders, directors, partners, officers, agents, employees, successors, and assigns harmless from and against any and all claims, expenses, causes of action and liability resulting from or relating to (i) the broadcast of Programming during the Term, (ii) any and all promotions, contests and on-air "give-aways" relating to the Stations during the Term, (iii) a breach of Programmer's representations, warranties, covenants or agreements contained herein, (iv) any liability resulting from Programmer's default under the Station Agreements following their successful assignment hereunder to Programmer, and (v) all other matters arising out of or related to Programmer's activities involving the Stations or use of the Licensee Station facilities or relating to the obligations assumed by Programmer in connection with this Agreement.

(b)   *Indemnification of Programmer.*   Licensee agrees to indemnify, defend, and hold harmless Programmer and its stockholders, directors, officers, agents, employees, successors and assigns from and against any and all claims, expenses, causes of action and liability resulting from or relating to (i) material broadcast by Licensee, including, without limitation, the Licensee Programming, (ii) liabilities (including the loss of advertising revenue which is specifically tied to the particular programming being pre-empted, but not loss of general advertising revenue) that arise as a result of Licensee's alteration of any and/or all Programming prior to broadcast by Licensee, (iii) a breach of Licensee's representations, warranties, covenants or agreements contained herein, (iv) the Retained Liabilities, and (v) employment claims, shareholder claims or other litigation related to Licensee's employees or Licensee's shareholders, where the subject of such claims or litigation occurred prior to the Effective Date or which are based upon this transaction..

(c)   *Procedures: Third Party and Direct Indemnification Claims.*   The obligations and liabilities of Licensee and of Programmer hereunder with respect to their respective indemnities pursuant to this Section 15, resulting from any claim or other

assertion of liability by third parties are subject to the procedures for indemnification set forth in the Option Agreement.

16.   **Events of Default: Cure periods and Remedies.**

(a)   *Events of Default.*   The following shall, after the expiration of the applicable cure periods, constitute Events of Default under the Agreement:

(i)   <u>Non-Payment</u>.   Programmer's failure to timely pay the consideration provided for in Section 2.

(ii)   <u>Default in Covenants or Adverse Legal Action</u>. The default by any party hereto in the observance or performance of any material covenant, condition or agreement contained herein which is not cured within five (5) business days following notice in accordance with Section 16(b) hereof, or if (A) any party shall make a general assignment for the benefit of creditors, (B) any party shall file or have filed against it a petition for bankruptcy, for reorganization or an arrangement, or for the appointment of a receiver, trustee or similar creditors' representative for the property or assets of such party under any federal or state insolvency law, which, if filed against such party, has not been dismissed or discharged within sixty (60) days thereof, or (C) specifically and without limitation, if Licensee's successors and assigns, including without limitation, any assignee of the FCC license for the Stations, except if such successor or assign is Programmer or an affiliate of Programmer, refuses to abide by or terminates this Agreement during the term of this Agreement.

(iii)   <u>Breach of Representation</u>. If any representation or warranty herein made by either party hereto, or in any certificate or document furnished by either party to the other pursuant to the provisions hereof, shall prove to have been false or misleading in any material respect as of the time made or furnished and is not cured within thirty (30) days following notice in accordance with Section 16(b) hereof.

(iv)   <u>Breach of Option Agreement</u>.   The breach by Licensee or Programmer in the observance or performance of any material representation, warranty, covenant, condition or agreement in the Option Agreement which is not cured within any time period provided for such cure under the Option Agreement provided, that no party may use its own breach under the Option Agreement as grounds to terminate this Agreement. An Event of Default by either party under this Agreement shall constitute a material default under the Option Agreement and insofar as the cure period specified in this Agreement has expired with respect to the default, no further cure period shall be afforded under the Option Agreement.

(b)   *Cure Periods.* An Event of Default shall not be deemed to have occurred

until after the non-defaulting party has provided the defaulting party with written notice specifying the event or events that if not cured would constitute an Event of Default and specifying the actions necessary to cure within thirty (30) days, unless otherwise stated herein or extended or waived by the non-defaulting party. The Event of Default shall not be deemed to have occurred if actions necessary to cure are completed during the relevant cure period.

17.   **Termination**.

(a)   *Event of Default*. Upon the occurrence of an Event of Default, the non-defaulting party may terminate this Agreement provided that it is not also in material default hereunder, and may seek such remedies at law and/or equity as are available, including without limitation specific performance. If Programmer has defaulted in the performance of its obligations, Licensee shall be under no further obligation to make available to Programmer any further broadcast time or broadcast transmission facilities and, without limitation of remedies, all amounts accrued or payable to Licensee up to the date of termination which have not been paid, less any payment credits, shall immediately become due and payable.

(b)   *Cross-Default: Closing*. This Agreement shall terminate automatically upon the termination of, or Closing under the Option Agreement or the Purchase Agreement, as applicable.

(c)   *Liabilities Upon Termination*. Upon termination of this Agreement other than Closing under the Purchase Agreement, Programmer shall be responsible for all liabilities, debts and obligations of Programmer accrued from the purchase of air time and transmission services including, without limitation, accounts payable, barter agreements and unaired advertisements, but not for Licensee's federal, state and local tax liabilities associated with Programmer's payments to Licensee as provided for herein. With respect to Programmer's obligations to broadcast material over the Stations after termination hereunder, Programmer may propose compensation to Licensee for meeting these obligations, but Licensee shall be under no duty to accept such compensation or to perform such obligations. Upon termination, (i) Programmer shall return to Licensee any equipment or property of the Stations used, or purchased to replace original equipment by Programmer, its employees or agents, in substantially the same condition, location and function as such equipment existed on the date of this Agreement, ordinary wear and tear excepted, (ii) Programmer shall assign to Licensee and Licensee shall assume the still outstanding Station Agreements that were assigned to Programmer pursuant to Section 12 hereof and (iii) Programmer shall assign to Licensee any new contracts entered into by Programmer relating to the Stations that Licensee expressly agrees to assume. Notwithstanding anything in the foregoing to the contrary, termination shall not extinguish any rights of either party as may be provided by Section 15 hereof.

18.   **Programmer Termination Option**. Programmer may elect to terminate this Agreement at any time during the term hereof in the event that Licensee preempts or substitutes other

programming for that supplied by the Programmer during three (3) percent or more of the total hours of operation of the Stations during any calendar month. In the event Programmer elects to terminate this Agreement pursuant to this provision, it shall give Licensee notice of such election at least ten (10) days prior to the termination date. Upon termination, neither party shall have any further liability to the other except as may be provided by Sections 15 and 16.4 hereof.

19.   **Responsive Programming**.   Programmer and Licensee mutually acknowledge their interest in ensuring that the Stations serve the needs and interests of the residents of each respective Station's community of license and service areas and agree to cooperate in doing so. Licensee shall, on a regular basis, assess the issues of concern to residents of the Stations' community of license and service areas and address those issues in its public service programming.   Licensee shall describe those issues and responsive programming and place issues/program lists in the Stations' public inspection files as required by FCC rules. Licensee may request, and Programmer shall provide information concerning such of Programmer's Programming that is responsive to community issues so as to assist Licensee in the satisfaction of its public service programming obligations. Programmer shall also provide to Licensee upon request such other information necessary to enable Licensee to prepare records and reports required by the FCC or other local, state or federal government entities.

20.   **Programming Agreement Compliance or Challenge**.

        (a)   It is the intention of Licensee and Programmer that this Agreement comply at all times with the rules, regulations and policies of the FCC. Licensee and Programmer recognize, however, that such rules, regulations and policies continue to evolve.   Therefore, should Licensee or Programmer determine in good faith that any provision of this Agreement is or becomes inconsistent with FCC rules, regulations or policies as they may be in effect from time to time, Licensee and Programmer will negotiate in good faith substitute provisions that comply with then-current FCC rules, regulations and policies and which preserve, as closely as possible, their original intentions as expressed in this Agreement.   If the parties are unable to reform this Agreement within thirty (30) days to comply with the rules, regulations and policies of the FCC, then this agreement shall terminate, and all sums owing to Licensee shall be paid and neither party shall have any further liability to the other except as may be provided by Sections 15 and 16 (d) hereof.

        (b)   If this Agreement is challenged in whole or in part at or by a governmental authority or is challenged in whole or in part in a judicial forum, counsel for the Licensee and counsel for the Programmer shall jointly defend this Agreement and the parties' performance thereunder throughout all such proceedings. If this Agreement is declared invalid or illegal in whole or in substantial part by a ruling, order or decree of a governmental authority or court, and such ruling, order or decree has become effective, or in the event of a change in FCC rules, regulations or policies, then the parties shall endeavor in good faith to reform the Agreement as necessary. If the parties are unable to reform this Agreement within thirty (30) days of the effective date of such ruling, order or decree, or change of FCC rules, regulations or policies, then this Agreement shall

terminate, and all sums owing to Licensee as of such termination date shall be paid and neither party shall have any further liability to the other except as may be provided by Sections 15 and 16.4 hereof.

21.	**Representations, Warranties and Covenants of Licensee**.	Licensee makes the following further representations, warranties and covenants.

(a)	*Representations, Warranties and Covenants Restated*.	All of the representations, warranties and covenants of Licensee contained in the Interim Agreement are hereby restated and are true and correct on the date hereof, including without limitation, those representations, warranties and covenants contained in Section 21 of the Interim Agreement.

(b)	*Licensee Control*.	Licensee hereby verifies that for the term of this Agreement it shall maintain ultimate control over the Stations' facilities, including specifically control over the Stations' finances, personnel and programming, and nothing herein shall be interpreted as depriving Licensee of the power or right of such ultimate control.

(c)	*Insurance*.	Licensee shall maintain in full force and effect, subject to reimbursement by Programmer, throughout the term of this Agreement insurance with responsible and reputable insurance companies or associations covering such risks (including fire and other risks insured against by extended coverage, public liability insurance, insurance for claims against personal injury or death or property damage and such other insurance as may be applicable) and in such amounts and on such terms as is conventionally carried by broadcasters operating radio stations with facilities in the area comparable to those of the Stations. Programmer shall be listed as an additional insured on such insurance policies. Any insurance proceeds received by Licensee in respect of damaged property shall be used to repair or replace such property so that the operations of the Stations conform with this Agreement. Licensee shall present to Programmer prior to the execution of this Agreement certificates of insurance or binders for such insurance policies. If requested by Programmer, Licensee shall maintain, at Programmer's expense, business interruption insurance for Programmer's benefit. In the event and to the extent that such insurance is paid to Programmer, Programmer shall continue to make the Monthly Payment.

(d)	*Compliance with Law*. Licensee covenants that throughout the term of this Agreement, Licensee shall comply with all laws and regulations applicable in the conduct of Licensee's business and Licensee acknowledges that Programmer has not urged, counseled, or advised the use of any unfair business practice.

(e)	*Further Assurances*.	Licensee covenants that it will deliver all information, documents or further assistance necessary to complete the transactions contemplated hereby, including, without limitation the execution of all documents,

assignments, conveyances, regulatory applications or other material or actions as may be reasonable requested by Programmer.

22. **Representations, Warranties and Covenants of Programmer**.

(a) *Representations, Warranties and Covenants Restated*. All of the representations, warranties and covenants of Programmer contained in the Interim Agreement are hereby restated and are true and correct on the date hereof, including without limitation, those representations, warranties and covenants contained in Section 22 of the Interim Agreement.

(b) *Compliance with 47 C.F.R. §73.3555(a)*. Programmer hereby verifies that execution and performance of this Agreement complies with the Commission's restrictions on local radio ownership set out in Sections 73.3555(a) of the FCC Rules.

(c) *Compliance with Applicable Law*. Programmer covenants that its performance of its obligations under this Agreement and its furnishing of Programming shall be in compliance with, and shall not violate, any applicable laws or any applicable rules, regulations, or orders of the FCC or any other governmental agency and Programmer acknowledges that Licensee has not urged counseled, or advised the use of any unfair business practice.

(d) *Handling of Complaints*. Programmer shall promptly advise Licensee of any public or FCC complaint or inquiry that Programmer receives concerning the Programming on the Stations and shall cooperate with the Licensee and take all actions as may be reasonably requested by Licensee in responding to any such complaint or inquiry.

(e) *Copyright and Licensing*. Programmer represents and warrants to Licensee that Programmer has and shall have throughout the term of this Agreement the full authority to broadcast the programming on the Stations and that Programmer shall not broadcast on the Stations any material in violation of the Copyright Act. All music supplied by Programmer shall be: (i) licensed by ASCAP, SESAC or BMI; (ii) in the public domain; or (iii) cleared at the source by Programmer.

(f) *Information for FCC Reports*. Upon request by Licensee, Programmer shall provide in a timely manner any such information in its possession which shall enable Licensee to prepare, file or maintain the records and reports required by the FCC.

(g) *Payola/Plugola*. Programmer covenants that it shall not accept, and shall instruct its employees not to accept, any consideration, compensation, gift or gratuity of any kind whatsoever, regardless of its value or form, including, but not limited to, a commission, discount, bonus, materials, supplies or other merchandise, services or labor, whether or not pursuant to written contracts or agreements between Programmer and merchants or advertisers, unless the payer is identified in the program as having paid for

or furnished such consideration, in accordance with FCC requirements. Programmer agrees to annually, or more frequently at the request of Licensee, execute and provide Licensee with an affidavit regarding payola/plugola compliance.

(h)   *Further Assurances*.   Programmer covenants that it will deliver all information, documents or further assistance necessary to complete the transactions contemplated hereby, including, without limitation the execution of all documents, assignments, conveyances, regulatory applications or other material or actions as may be reasonable requested by Licensee.

(i)   *Station Maintenance*.   Programmer agrees to perform all maintenance related to the day to day operations of the Stations. In the event that the Assets or Stock of the Company are not acquired by Programmer, and Programmer has purchased replacement equipment used in the day to day operations of the Stations, such equipment will remain at the respective Station in the same condition, location and function as existed on the Effective Date as property of the Licensee.

23.   **Intellectual Property**.   Effective as of the Effective 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 solely in the operations of the Stations (including, but not limited to, logos, jingles, promotional materials, call signs, goodwill, trademarks, service marks, slogans, trade names, copyrights and any applications and registrations therefor) (the "IP License"). In the event of termination of the Agreement the IP License shall terminate.

24.   **Subcarrier Rights**.   Licensee and Programmer acknowledge and agree that any subsidiary communications services transmitted on a subcarrier within the FM baseband signal of any of the Stations ("Subcarrier"), and any use of the Subcarrier authorized by the FCC ("Subcarrier Uses"), are subject to the terms and conditions of this Agreement. Licensee hereby agrees (a) to apply, at Programmer's expense, for any additional authorization from the FCC or any other governmental agency or entity that may be necessary in order to make use of any Subcarrier Uses, and (b) that Programmer has the sole and exclusive right, subject to the terms and conditions hereof, to make use of any Subcarrier uses and collect the revenues therefrom. Programmer hereby agrees to reimburse Licensee for Licensee's reasonable expenses incurred in carrying out Licensee's obligations pursuant to this Section 24, including reasonable attorney and engineering fees and expenses.

25.   **Publicity**. Licensee and Programmer shall not issue any press release or otherwise make any public statement with respect to the transactions contemplated herein except as may be required by law or regulation or as agreed to by Licensee and Programmer.

26.   **No Waiver; Remedies Cumulative**. No failure or delay on the part of Licensee or Programmer in exercising any right or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise

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thereof or the exercise of any other right or power. The rights and remedies of Licensee and Programmer herein provided are cumulative and are not exclusive of any right or remedies which it may otherwise have.

27.   **Construction**. This Agreement shall be construed in accordance with the laws of the State of South Dakota, without giving effect to the choice of law provisions thereunder, and the obligations of the parties hereto are subject to all federal, state or municipal laws or regulations now or hereafter in force and to the regulations of the FCC and all other governmental bodies or authorities presently or hereafter to be constituted.

28.   **Headings**. The headings contained in this Agreement are included for convenience only and no such heading shall in any way alter the meaning of any provision.

29.   **Benefit and Assignment**. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither Programmer nor Licensee may voluntarily or involuntarily assign its interest under this Agreement without the prior written consent of the other party, which consent will not be unreasonably withheld. In the event that Programmer finds it necessary or is required to provide to a third party lender a collateral assignment of Programmer's interest in this Agreement and/or any related documents, Licensee shall cooperate with Programmer and any third party requesting such assignment including but not limited to Licensee signing a consent and acknowledgment of such assignment. All covenants, agreements, statements, representations, warranties and indemnities in this Agreement by and on behalf of any of the parties hereto shall bind and inure to the benefit of their respective successors and permitted assigns of the parties hereto.

30.   **Notices**. All notices, demands, requests, or other communications which may be or are required to be given or made by any party to any other 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, delivered by overnight air courier, or transmitted by telegram, telex, or facsimile transmission. Each notice, demand, request, or communication which shall be given or made in the manner described above shall be deemed sufficiently given or made for all purposes at such time as it is delivered to the addressee (with the return receipt, the delivery receipt, the affidavit of messenger or (with respect to a telex or facsimile) the answer back being deemed conclusive but not exclusive evidence of such delivery) or at such time as delivery is refused by the addressee upon presentation. Notices, unless otherwise instructed in writing, should be delivered;

        If to Programmer: Steven W. Seline, Esq.
                                 Waitt Radio, Inc.
                                 1125 South 103rd Street, Suite 200
                                 Omaha, NE 68124
                                 Facsimile: (402) 330-2445

With a copy to:	Lawrence Bernstein, Esq.
	1818 N. Street, NW, Suite 700
	Washington, DC 20036
	Facsimile: (202) 331-9306
and:	Eric L. Preston, Esq.
	5416 South Valdai Way
	Aurora, CO 80015
	Facsimile: (303) 696-7422
If to Licensee to:	Dean Sorenson
	Sorenson Broadcasting Corporation
	600 N. Kiwanis Avenue
	Sioux Falls, SD 57104
	Facsimile: (605) 338-0326
with a copy to:	Peter Gutman, Esq.
	Pepper & Corazzini, L.L.P.
	1776 K Street, N.W.
	Washington, DC 20006
	Facsimile: (202) 296-5572

31.   **Entire Agreement**. This Agreement, the Option Agreement, the Interim Agreement and related documents embody the Entire Agreement between the parties and there are no other agreements, representations, warranties, or understandings, oral or written, between them with respect to the subject matter hereof. No alterations, modifications or change of this Agreement shall be valid unless made in writing, and signed by the party adversely affected by the waiver, and then such waiver shall be effective only in the specified instance and for the purpose for which given.

32.   **Severability**. In the event that any of the provisions contained in this Agreement is held to be invalid, illegal or unenforceable, such event shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provisions had not been contained herein.

33.   **Counterpart Signatures**. This Agreement may be signed in one or more counterparts, each of which shall be deemed a duplicate original, binding on the parties hereto notwithstanding that the parties are not signatory to the original or the same counterpart. This Agreement shall be binding and effective as of the date on which the executed counterparts are exchanged by the parties.

[remainder of page intentionally left blank]

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

LICENSEE:

SORENSON BROADCASTING CORPN, a South Dakota corporation

By: _____
Name: Dean Sorenson
Title: President

PROGRAMMER:

WAITT RADIO, INC., a South Dakota corporation

By: _____
Name: _____
Title: _____

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PROGRAMMING AGREEMENT
SCHEDULE 1

(SORENSON BROADCASTING STATIONS)

Community	Station
Yankton, SD	KYNT-AM
	KKYA-FM
Pierre, SD	KCCR-AM
	KLXS-FM
Volga, SD	KJJQ-AM
	KKQQ-FM
Clear Lake, SD	KDBX-FM
Mitchell, SD	KORN-AM
	KQRN-FM
Watertown, SD	KWAT-AM
	KDLO-FM
	KIXX-FM
Milbank, SD	KKSD-FM
Fort Dodge, IA	KVFD-AM
	KUEL-FM
Red Wing, MN	KCUE-AM
	KWNG-FM

[don't we have some additional stations for this list?]

PROGRAMMING AGREEMENT
EXHIBIT A

(ESCROW AGREEMENT)