

## **EXHIBIT 4**

### **Agreements for Sale of Stations**

The Receivership of Lifestyle Communications Corporation, Thomas H. Burke Court-Appointed Receiver and Northwestern College have entered into an Asset Purchase Agreement, dated as of July 28, 2003 (the “Agreement”), providing for the assignment of the licenses, a copy of which is attached hereto. Copies of the Exhibits to the Agreement have been omitted to avoid burdening the Commission with unnecessary information that is not relevant to the Commission’s or the public’s review of the transaction proposed herein and to preserve proprietary information relating to the business of the parties to the Agreement. Nevertheless, upon the Commission’s request, copies of any of the Exhibits will be provided to the Commission. The following Exhibits to the Agreement have not been provided to the Commission as part of the application, for the reasons noted:<sup>1</sup>

<b>Exhibit</b>	<b>Description of Exhibit</b>	<b>Reasons for Omission of Exhibit</b>
Exhibit A	Bill of Sale	The information contained in this exhibit is not relevant to the Commission’s or the public’s review of the transaction proposed herein. In addition, this exhibit contains proprietary, non-public information relating to the business of the parties to the Agreement.
Exhibit B	Index to Leases and Contracts	The information contained in this exhibit is not relevant to the Commission’s or the public’s review of the transaction proposed herein. In addition, this exhibit contains proprietary, non-public information relating to the business of the parties to the Agreement.
Exhibit C	Assignment and Assumption of FCC Licenses	The information contained in this exhibit is not relevant to the Commission’s or the public’s review of the transaction proposed herein. In addition, this exhibit includes information that is already provided in this assignment application or is a part of the Commission’s public records.
Exhibit D	Assignment and Assumption Agreement	The information contained in this exhibit is not relevant to the Commission’s or the public’s review of the transaction proposed herein. In addition, this exhibit contains proprietary, non-public information relating to the business of the parties to the Agreement.

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<sup>1</sup> See *LUI, Inc.*, Memorandum Opinion and Order, 17 FCC Rcd 16980 (2002); *Public Notice*, DA 02-2049, (rel. Aug. 22, 2002).

The Receivership of Lifestyle Communications Corporation, Thomas H. Burke Court-Appointed Receiver and Northwestern College also have entered into a Time Brokerage Agreement, dated as of July 28, 2003, a copy of which is attached hereto. The following exhibit has been omitted from the Time Brokerage Agreement for the reasons described below.

<b>Exhibit</b>	<b>Description of Exhibit</b>	<b>Reasons for Omission of Exhibit</b>
Exhibit B	Time Brokerage Fee	The information contained in this exhibit is not relevant to the Commission's or the public's review of the transaction proposed herein. In addition, this exhibit contains proprietary, non-public information relating to the business of the parties to the Time Brokerage Agreement.

## **ASSET PURCHASE AGREEMENT**

THIS ASSET PURCHASE AGREEMENT (hereinafter referred to as the "Agreement") is made as of the 28<sup>th</sup> day of July, 2003, by and between The Receivership of Lifestyle Communications Corporation, Thomas H. Burke Court-Appointed Receiver (hereinafter referred to as the "Seller") and Northwestern College, a Minnesota Not-For-Profit Corporation (hereinafter referred to as the "Purchaser").

### **BACKGROUND STATEMENT**

Seller is the licensee of radio broadcast Stations KJJC(FM) licensed to Osceola, Iowa; and KLRX(FM) licensed to Madrid, Iowa (hereinafter referred to as the "Stations"). Seller desires to sell, and Purchaser desires to purchase all the assets used, useful or intended for use in the operation of the Stations and to secure an assignment of the licenses issued by the Federal Communications Commission (the "FCC") and certain leases the Seller uses for the operation of the Stations. Seller and Purchaser have entered into a Time Brokerage Agreement of even date herewith (the "TBA"), granting Purchaser the right, subject to stated conditions, to broadcast Purchaser's programming on the Stations during the period prior to the closing hereunder.

### **STATEMENT OF AGREEMENT**

The parties hereto, in consideration of the mutual promises set forth below, the mutuality and sufficiency of which is hereby acknowledged, hereby agree as follows:

#### **ARTICLE 1**

##### **PURCHASE AND SALE OF ASSETS**

**1.1 Sale of Assets.** Purchaser agrees to buy, and Seller agrees to sell, assign, transfer, convey and deliver to Purchaser, upon the terms and subject to and pursuant to the covenants,

conditions, representations and warranties contained in this Agreement, and for the consideration set forth in paragraph 1.2 below, at the Closing (as hereafter defined in paragraph 2.1), all of the assets, real, personal and mixed, tangible and intangible, used, useful or intended for use in the operation of the Stations (hereinafter collectively referred to as the "Assets") including but not limited to the following:

- (a) All of the fixed and tangible personal property, physical assets and equipment, leasehold improvements, and program production materials and related assets (but not including any program contracts or equipment leased by Seller) as set forth in the Bill of Sale (the "Bill of Sale") attached as Exhibit "A" to this Agreement (hereinafter referred to as the "Equipment");
- (b) All of Seller's right, title and interest in and to any real property and interests in real property, the improvements thereon and all leases, easements and rights for the benefit of such property used or useful or intended to be used in the operation of the Stations as described more fully on Exhibit "B" to this Agreement, the Index to Leases;
- (c) The FCC public file and other information or data related to the operation of the Stations;
- (d) All of Seller's right in and to the licenses and other authorizations issued by the FCC for the Stations including those certain FCC licenses (hereinafter referred to as the "Licenses"), pursuant to that certain Assignment and Assumption of FCC Licenses in the form and format appended hereto as Exhibit "C";

- (e) All of Seller's right, title and interest in and to all intangible assets, goodwill, going concern value and like items of the Stations; and
- (f) Any assets of the type described above that are acquired between the date hereof and the Closing in accordance with this Agreement.

The Assets shall be delivered to Purchaser at the Closing free and clear of all liens, mortgages, pledges, covenants, security interests, charges, claims or encumbrances of any kind whatsoever, with the exception of those real estate leaseholds included in the Assets that are the subject of the leases disclosed to Purchaser by Seller in Exhibit "B" to this Agreement ("Liens").

**1.2 Purchase Price.**

- (a) Amount. The purchase price for the Assets shall be One Million Eight Hundred Thousand Dollars (\$1,800,000.00) (hereinafter referred to as the "Asset Purchase Price"). Purchaser and Seller agree that the Asset Purchase Price shall be allocated to the Assets in accordance with the agreement reached by and between Purchaser and Seller executed of even date herewith. Purchaser and Seller shall report (including the filing of Form 8594 with the Internal Revenue Service) the purchase and sale of the Assets for all income tax purposes in a manner consistent with such allocation.
- (b) Payment of Asset Purchase Price. Purchaser shall pay the Asset Purchase Price, less other provisions, prorations, assumed contracts and liabilities, as may be agreed by and between the parties, in cash or certified funds at Closing pursuant to the following terms and provisions:

- (i) Prior to the execution of this Agreement, Purchaser deposited One Hundred Thousand Dollars (\$100,000.00) with Clarke County State Bank in Osceola, Iowa, as Escrow Agent (the "Escrow Agent") to be held and disposed of in accordance with the terms of that certain Escrow Agreement executed by and among the Purchaser, Seller and the Escrow Agent dated the 19<sup>th</sup> day of June, 2003 (the "Escrow Agreement") and the terms of this Agreement;
- (ii) Contemporaneous with the execution of this Agreement, Purchaser shall deposit an additional Two Hundred Thousand Dollars (\$200,000.00) in cash or certified funds or by wire transfer with the Escrow Agent to be held and disposed of in accordance with the terms of the Escrow Agreement and this Agreement. The initial \$100,000 deposit referenced in paragraph 1.2(b)(i) above and the additional \$200,000 deposited in escrow in accordance with this paragraph 1.2(b)(ii) shall be referred to herein as the "Escrow Deposit." The Escrow Deposit made by Purchaser shall be credited against the Asset Purchase Price at the Closing.
- (iii) One Million Five Hundred Thousand Dollars (\$1,500,000.00) in certified funds, cashier's check or wire transfer to be paid by Purchaser to Seller at Closing.

**1.3 Excluded Liabilities.** Seller and Purchaser expressly understand and agree that, with the exception of the contractual obligations under the real estate leases that have been disclosed to Purchaser by Seller in Exhibit "B" to this Agreement, Purchaser shall not and does not hereby assume or become liable for any obligations, liabilities, commitments or debts, or guaranties of debt,

of Seller or any of its subsidiaries or affiliates, whether due or to become due, asserted or unasserted, accrued or unaccrued, liquidated or unliquidated, contingent, executory or otherwise, howsoever or whenever arising. The following is a non-exclusive listing of some of the liabilities and obligations of Seller which Purchaser shall not assume or agree to pay, perform or discharge:

- (a) Litigation. Any and all items of governmental, judicial or adversarial proceedings (public or private), litigation, hearings, arbitration, dispute or investigation against or involving Seller, its subsidiaries or affiliates, directly or indirectly.
- (b) Taxes. Any and all federal, state, local, foreign, franchise, sales, use, transfer, income, inheritance, gift, estate or excise taxes or fees, expenses, penalties, assessments or other tax liabilities or interest thereon imposed upon or with respect to Seller, the Assets or any part thereof, except to the extent that Purchaser is responsible with respect to the Assets, assessments imposed after the Closing for any period after the Closing.
- (c) Claims. With the exception of the contractual obligations under the real estate leases that have been disclosed to Purchaser by Seller in Exhibit "B" to this Agreement, any and all claims, the basis for which is in existence as of the Closing, or which pertain to any state of facts existing or relating to any period prior to the Closing.
- (d) Environmental Claims. Any and all claims, liabilities and obligations, including without limitation any and all items of litigation, investigation, clean-up, removal and remediation, which relate to, are based upon or arise from or in connection with federal, state or local environmental laws, rules or regulations, whether such claims, liabilities and obligations are made or asserted by any federal, state or local

governmental agency or authority or by private parties, without regard as to whether Purchaser has conducted an environmental audit, and whether such claims, liabilities and obligations arise or accrue before, on or after the Closing in connection with acts, events or omissions that occurred, or conditions or circumstances that existed, on or before the Closing (hereinafter referred to as the "Environmental Claims") whether or not any such act, event, omission, condition or circumstance was lawful when it occurred or existed.

## ARTICLE 2

### THE CLOSING

2.1 **Closing.** The consummation of the transaction contemplated by this Agreement (hereinafter referred to as the "Closing") shall take place at the Law Firm of Whitfield & Eddy, P.L.C., 317 Sixth Avenue, Suite 1200, Des Moines, Iowa 50309-4195, on the date designated by Buyer within the immediate ten (10) business days after the FCC Consent shall have become a Final Order, as defined below, or such other date as the parties mutually may agree to in writing (hereinafter referred to as the "Closing Date"); provided, however, that if the FCC Consent shall have become a Final Order and the FCC shall not yet have approved, but shall not yet have denied, the Modification Application (as defined in Section 5.7), Purchaser shall have the right to delay the Closing until a date that is no later than five (5) business days after the FCC shall have approved the Modification Application. "FCC Consent" means the action of the Federal Communications Commission granting an application for consent to the assignment of the Licenses from Seller to Purchaser. "Final Order" means an order (or orders) of the FCC granting the FCC Consent that are no longer subject to petition for reconsideration or judicial review at the instance of third parties and



as to which the time period for the FCC to set aside the action on its own motion has passed without such action having been taken. THE TRANSACTION IS TO BE EFFECTIVE AS OF THE DATE OF THE CLOSING. Subject to, and without waiver of the terms and conditions of the TBA, Purchaser shall become responsible for all payroll, costs and expenses of operating of the Stations following 5:00 p.m. on the Closing Date. All accounts receivable generated by the business activities of Seller prior to the Closing Date shall remain the property of Seller.

**2.2 Termination.** This Agreement may be terminated by either Purchaser or Seller, if the party seeking to terminate is not or has not been in material default or breach of this Agreement, upon written notice to the other upon the occurrence of any of the following:

- (a) If, on or prior to the Closing Date, the other party is in material breach or default of its respective covenants, agreements, or other obligations herein, or if any of its representations herein are not true and accurate in all material respects when made or when otherwise required by this Agreement to be true and accurate, and such breach, default or failure, if curable, is not cured within fifteen (15) business days of receipt of notice that such breach, default or failure exists or has occurred; or
- (b) If the Closing has not occurred within nine (9) months after filing with the FCC of the Assignment Application (as defined in Section 5.7).

No waiver by a party of a misrepresentation or breach of warranty or covenant by another party shall limit the effectiveness of such other party's representations, warranties or covenants contained in this Agreement or the right of the waiving party to obtain indemnification as provided in this Agreement unless otherwise provided in the waiver instrument executed by the party waiving the misrepresentation or breach of warranty or covenant. Upon any such termination, any non-

breaching party shall be relieved of all liability hereunder, except with respect to paragraphs 5.1 and 5.4 hereinafter.

If this Agreement is terminated by Seller pursuant to Section 2.2(a) above and Seller is not and has not been in material default or breach of this Agreement, Seller shall be entitled to the Escrow Deposit as liquidated damages in full settlement of any claims against Purchaser in connection with this Agreement and the transactions contemplated hereby and damages of any nature or kind that Seller may suffer or allege to have suffered as a result thereof. Receipt of the Escrow Deposit under this Section 2.2 shall be the sole and exclusive remedy of Seller against Purchaser for breach of failure to consummate this Agreement or the transactions contemplated hereby, and shall be applicable regardless of the actual amount of damages sustained. As a condition to obtaining such liquidated damages, Seller shall be required to demonstrate that it is willing and able to tender the Assets and to perform its other closing obligations hereunder. If this Agreement is terminated for any reason other than by Seller pursuant to Section 2.2(a) as described in this paragraph, the Escrow Deposit shall be paid to Purchaser.

**2.3 Deliveries at Closing.**

**(a) Deliveries by Seller.** At the Closing, Seller shall deliver to Purchaser:

- (i) Bill of Sale. A Bill of Sale with regard to the Assets in substantially the form as Exhibit "A" appended hereto and made a part hereof.
- (ii) Assignment and Assumption of FCC Licenses. An Assignment and Assumption of FCC Licenses in substantially the form as Exhibit "C" appended hereto and made a part hereof.

- (iii) Assignment and Assumption Agreement. An Assignment and Assumption Agreement in substantially the form as Exhibit "D" appended hereto and made a part hereof.
  - (iv) Releases. Releases of any and all security agreements, financing statements, mortgages or chattel mortgages, or any Liens, held by any individual, entity or institution, which encumber or purport to encumber the Assets and/or the Equipment and/or the Licenses at the time of Closing.
  - (v) All books, records and financial statements of Lifestyle Communications Corporation in possession or control of Seller.
- (b) Deliveries by Purchaser. Upon Seller's tender of delivery of the foregoing at the Closing, Purchaser shall deliver to Seller the following:
- (i) Payment of Asset Purchase Price. Payment of the Asset Purchase Price as provided in this Agreement.
  - (ii) Corporate Proceedings. Certified copies of corporate proceedings of Purchaser authorizing or ratifying the execution and performance of this Agreement.
  - (iii) Officer's Certificate. A certificate executed by the appropriate corporate officers of Purchaser dated the Closing Date in the form and content as specified by paragraph 6.2(d) below.

## ARTICLE 3

### **REPRESENTATIONS AND WARRANTIES OF SELLER**

Seller represents and warrants to Purchaser as follows:

**3.1 Organization and Standing of Seller.** Seller is a court-appointed receivership established by the Iowa District Court for Polk County (Iowa) in the case captioned: Clarke County State Bank v. Lifestyle Communications Corporation, et al., Polk County Equity Case No. CE 42447. Seller has all of the requisite power and authority to own and operate the Assets and conduct the business of the Stations as it is presently conducted and has all requisite power and authority to enter into this Agreement and to perform its obligations hereunder.

**3.2 No Violation.** The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby do not and will not violate the rules and regulations of the FCC and/or the provisions of any note, indenture, mortgage, lease, order, decree, contract or other agreement or instrument to which Seller is a party or by which it is bound or to which the Assets are subject.

**3.3 Enforceability.** This Agreement and the documents and instruments contemplated by this Agreement to which Seller is a party or a signatory, when approved by the Iowa District Court for Polk County, and thereafter, executed and delivered by Seller will constitute the legal, valid and binding obligation of Seller, enforceable in accordance with their terms. The Court having jurisdiction under the receivership, the Iowa District Court for Polk County, has by court order, approved this Agreement and any and all other agreements contemplated by this Agreement and all proceedings before the FCC necessary to fulfill this Agreement have been taken or instituted.

**3.4 Absence of Certain Changes.** There has not been and there will not be as of the Closing (i) any change in the Stations, the Assets, the Equipment and the Licenses, other than changes in the ordinary course of business, none of which has been materially adverse; (ii) any sale or granting to any party or parties of any license, franchise, option or other right of any nature whatsoever to sell, distribute or otherwise deal in or with products or services of the Stations; (iii) any waiver, compromise or other settlement by Seller of any of its rights under any contract; or (iv) any other event or condition of any character which adversely affects the financial condition, results of operations, business prospects or the Assets of the Stations.

**3.5 Properties .**

- (a) Contract and Option Properties. Seller does not have any present or future right to acquire or lease pursuant to any agreement, contract, understanding or option to purchase or lease any personal property that may be used or useful in the operation of the Stations and is located within the current operating area of the Stations except as has been disclosed to Purchaser.
- (b) Necessary Properties; Contiguity. All properties, assets occupied by, used in or necessary to the operation of the Stations and the conduct of the business of the Stations (other than those items of personal property leased by Seller that have been disclosed to Purchaser and that Purchaser will not acquire) are included in the Assets and are being sold, assigned and conveyed by Seller to Purchaser pursuant to this Agreement. Seller has, or at the time of Closing will have, and will convey and transfer to Purchaser at Closing, good, valid and marketable title to the Assets free and clear of all Liens.

- (c) Condition. All personal property and all improvements, fixtures and appurtenances on any real property (including leaseholds) included in the Assets are in good repair and operating condition, normal wear and tear excepted, are operating in compliance of with all applicable FCC rules and regulations and with all other applicable statutes, ordinances, rules and regulations, federal, state and local, and are substantially fit for the purposes for which they are being utilized.
- (d) Environmental Conditions. There are no material and adverse environmental conditions affecting the Assets herein, or the business or financial condition of Seller, including any improper use, treatment, storage, release or disposal of hazardous substances and the Assets are in compliance with all FCC, Federal Aviation Administration and Environmental Protection Agency rules, regulations and laws.

### 3.6 Contracts and Leases.

- (a) Disclosure and Status. Seller has delivered to Purchaser true and accurate copies of all leases and contracts that Purchaser has agreed to assume, together with all amendments, modifications and supplements thereof and waivers and consents thereunder as outlined in attached Exhibit "B". Except as is disclosed in Exhibit "B," neither Seller nor any other party is in default in connection with any lease or contract; no act or event has occurred which, with notice or lapse of time or both, constitutes a default under any lease or contract with respect to Seller or any other party; there is no basis for any

claim or default under any lease or contract with respect to Seller or any other party; there is no outstanding notice of cancellation or termination in connection with any lease or contract; and each lease and contract is the valid and binding agreement of Seller and of each other party thereto, which is in full force and effect in accordance with its terms and will not be affected by or require the consent of any other party to, the transactions contemplated by this Agreement.

**3.7    Operations Conducted Lawfully.** The operation of the Stations and the business of the Stations as conducted by Seller on the date hereof do not violate any applicable federal, state and local law, statute, rule, administrative regulation or ordinance, including any rules, regulations or policies of the FCC, in any respect and Seller has received no notice of any such violation.

**3.8    Taxes.** Seller has properly completed and filed all tax returns required to be filed by it relating specifically to the Stations, and no filing extensions for any such returns are in effect. Seller has paid and satisfied on or before its respective due dates all taxes, estimated tax payments, deficiency assessments, additions to tax, penalties and interest relating specifically to the Stations (whether or not requiring the filing of returns). All taxes, assessments and levies which Seller is or was required by law to withhold or collect with respect to the Stations, including sales, unemployment and payroll taxes, have been duly withheld and collected and paid over to the proper governmental authorities.

During the period from the filing of the applications for transfer of the Licenses with the FCC to the date of Closing, should Federal and/or State tax authorities file liens or any matter contesting the validity or priority of the Seller's interest in the Assets sold hereunder, the Seller and Purchaser

shall cause to be escrowed with a mutually agreeable escrow agent, a sum sufficient from the sale proceeds, to satisfy the amount of any taxes, penalties and interest which the taxing authorities claim are due.

**3.9    No Consents.** Except for prior approval from the Iowa District Court for Polk County and the requirement of the consent of the FCC, no consent, approval, order or authorization of, or registration, declaration or filing with any governmental or public unit, agency, body or authority or other person on the part of Seller is required in connection with the execution or delivery of, or the performance of its obligations under this Agreement or the consummation of any transaction contemplated hereby.

**3.10    Disclosure.** No representation or warranty by Seller in this Agreement, nor any statement, certificate, schedule, exhibit, representation, or other instrument furnished or to be furnished to Purchaser by Seller or their representatives pursuant hereto, or in connection with the transactions contemplated hereby, contains or will contain any untrue statement of fact, or omits or will omit to state a fact necessary to make the statements contained herein or therein not misleading.

**3.11    Intangibles.** Seller owns the entire right, title and interest in the State of Iowa to the name "Lifestyle Communications Corporation" and all derivations thereof, and Seller knows of no similar name in use in Iowa or in any other state.

**3.12    Financial Statements.** Seller affirms that the financial statements, books and records of the Seller provided to Purchaser in connection with this transaction, taken as a whole, fairly represent the financial position and results of the operations of Seller as of the date thereof, and the period then ended, and were prepared in accordance with generally accepted accounting principles. That as of the dates of the financial statements provided to Purchaser, Seller had no



liabilities or obligations, fixed or contingent, not adequately reflected in such statements, the notes thereto, or the exhibits thereto, and there are no outstanding lawsuits or litigation regarding the transfer of the Licenses or Assets pending in any court in Iowa or before the FCC or which may affect Seller's ability to perform its obligations hereunder or under any agreement or instruments contemplated by this Agreement, and to the knowledge of Seller, there is no basis for any such action.

**3.13 No Broker.** Seller has not committed to any liability for any finder's fee or any similar fees in connection with the transactions contemplated by this Agreement. Seller has not had any dealings, negotiations or communications with any finder or any other intermediary in connection with the transactions contemplated by this Agreement.

**3.15 Insurance.** All of the Assets that are of an insurable character are insured by Seller against loss or damage to the extent and in the manner customary and prudent for companies engaged in similar businesses or required by and of the Licenses, rules or regulations of the FCC or applicable, statutes, ordinances, rules and regulations, federal, state or local. Valid policies therefor are now outstanding and duly in force and effect, and the premiums thereof will be paid for the period to the Closing Date.

**3.15 Representations and Warranties Surviving Closing.** All representations and warranties contained herein on behalf of Seller shall survive the Closing.

#### **ARTICLE 4**

##### **REPRESENTATIONS AND WARRANTIES OF PURCHASER**

Purchaser represents and warrants to Seller as follows:

**4.1     Organization and Standing of Purchaser.** At the time of Closing, Purchaser is a Minnesota not-for-profit corporation, duly organized, validly existing, and in good standing under the laws of the State of Minnesota, and qualified to do business in the State of Iowa and has all requisite corporate power and authority to enter into this Agreement and to perform its obligations hereunder.

**4.2     No Violation.** The execution and delivery of this Agreement and the consummation of the transactions contemplated thereby do not and will not violate the provisions of any Articles of Incorporation and/or By-Laws of the Purchaser, or any note, indenture, mortgage, lease, or other material agreement or instrument to which Purchaser is a party or by which it is bound.

**4.3     Enforceability.** This Agreement and all agreements and instruments contemplated by this Agreement to which Purchaser is a party or a signatory when executed and delivered by Purchaser will constitute the legal, valid and binding obligations of Purchaser enforceable in accordance with their terms.

**4.4     No Litigation.** There is no litigation, action, claim, proceeding, or governmental investigation against Purchaser which may affect Purchaser's ability to perform its obligations hereunder or under any agreement or instruments contemplated by this Agreement, and to the knowledge of Purchaser, there is no basis for any such action.

**4.5     Purchaser's Qualifications as an FCC Licensee:** Purchaser is qualified under the Communications Act of 1934, as amended, and the rules and regulations of the FCC to be the assignee of the Licenses. There are no facts that would disqualify Purchaser as an assignee of the Licenses or as owner and operator of the Stations. There are no proceedings pending against any

broadcast station controlled by or under common control with Purchaser that, if determined adversely to Purchaser's interest, would impair the qualifications of the Purchaser as assignee of the Licenses or impede or delay, in any respect, the grant of the FCC Consent.

**4.6 Representations and Warranties Surviving Closing.** All representations and warranties contained herein on behalf of Purchaser shall survive the Closing.

## **ARTICLE 5**

### **OTHER AGREEMENTS**

**5.1 Access and Information.** Seller shall give to Purchaser and its counsel, accountants, and other representatives, full access, during normal business hours throughout the period prior to the Closing, to all of Seller's properties, books, contracts and records pertaining to the Stations and the Assets, and shall furnish to Purchaser during such period all such information concerning the Stations and the Assets as Purchaser or its representatives reasonably may request; provided, however, that Purchaser will hold in strict confidence and not use for its own benefit the documents and information furnished concerning Seller, the Assets and the Stations; and, if the transactions contemplated by this Agreement shall not be consummated, such confidence shall be maintained and all documents provided by Seller and all copies thereof shall be destroyed. Purchaser shall conduct its investigation pursuant to this paragraph 5.1 in such a manner so as not to interfere unreasonably with the operation of the Stations. No investigation by Purchaser or its representatives shall limit the effectiveness of Seller's representations, warranties or covenants herein or the right of Purchaser to obtain indemnification as provided by this Agreement. For a period of five (5) years following the Closing Date, Purchaser shall give Seller and its counsel, accountants and other representatives, reasonable access, during normal business hours, to all books, contracts and records transferred to

Purchaser hereby. Nothing in this paragraph 5.1 shall prohibit (i) Purchaser from destroying records and other documents in the usual course of its business and (ii) Seller from destroying records and other documents in the usual course of its business after the Closing Date, except that Seller and Purchaser shall not have the right to destroy records and documents that should have been delivered to Seller and/or Purchaser pursuant to this Agreement.

**5.2 Conduct of Business Pending Closing.** Seller covenants and agrees that, unless otherwise agreed to by Purchaser in writing, prior to Closing, the business of the Stations shall be conducted only in the ordinary course consistent with standard broadcast industry practice and, with respect to Seller's operation of the Stations:

- (a) Seller will not enter into any contract or other arrangement to sell or supply services to any customer except in the ordinary course of business;
- (b) Seller shall not enter into or terminate any contract, agreement, plan or lease (other than contracts to sell or supply services as provided in subparagraph (a) above), or make any change in any of its contracts, agreements, plans or leases other than in the ordinary and usual course of business except for contracts and agreements that may be terminated at any time without penalty;
- (c) Seller will not sell, mortgage, pledge, encumber or otherwise dispose of any of the Assets other than in accordance with this Agreement and shall maintain the Assets in good operating condition and in accordance with Seller's historical maintenance practices, ordinary wear and tear excepted;

- (d) No change other than in the ordinary course of business will be made affecting personnel employed by Seller in connection with the operation of the Stations or employee benefits for such employees;
- (e) Seller will not merge with, liquidate or otherwise combine with any other business, person or entity; and
- (f) Except as otherwise requested by Purchaser, Seller will use its best efforts (without making any commitment on behalf of Purchaser) to preserve the Stations organization, to keep available the services of the present employees of the Stations, and to preserve the good will of Seller's suppliers, customers and others having business relations with Seller.

**5.3 Seller Personnel.** Purchaser shall have the right, but shall not be obligated to, hire (effective as of the Closing Date) some or all of Seller's employees who are employed at the Stations. Seller will assist Purchaser in hiring those employees of Seller who are employed at the Stations, and are designated by Purchaser. Seller shall assist and cooperate with Purchaser in communicating the proposed terms of employment or any employee benefits to employees of the Stations designated by Purchaser; provided that the Seller shall not make any unilateral statement to any employees in this regard. Purchaser shall not be obligated to continue or maintain any retirement, pension, health, insurance or other benefit plan maintained by Seller for the benefit of its employees. Seller is responsible for and shall timely pay all wages, salaries, employment benefits of any kind or nature, arising out of service performed prior to the Closing Date including, without limitation, retirement, health and other benefits, accumulated vacation pay, sick pay and any termination pay, whether due immediately or at some future date, whether or not required under any collective bargaining

agreement. All wages, salaries, vacation and sick pay, termination pay and any other employment benefit earned with respect to or arising out of service performed prior to the Closing Date shall be paid by Seller at or prior to Closing.

**5.4 Expenses.** Purchaser on one hand, and Seller on the other, shall pay their own expenses and costs incurred in connection with the negotiation and consummation of this Agreement and the transactions contemplated hereby. However, Seller and Purchaser shall agree to equally share all FCC filing and application fees, any and all other local, State or Federal fees, taxes, stamps, levies, etc. incurred as a result of this transaction will be paid separately by Buyer or Seller as individually obligated.

**5.5 No Negotiations.** From the date of this Agreement until the Closing or until this Agreement is terminated as provided in paragraph 2.1 above, Seller will not solicit or enter into any discussions or negotiations with, or furnish or cause to be furnished, any information concerning Seller or the Stations to any person or entity (other than Purchaser and its representatives) in connection with any acquisition of Seller or the Stations or the Assets, whether by merger, purchase of the capital shares of Seller, share exchange, sale of all or substantially all of the Assets or other takeover or business combination involving Seller or the Stations.

Except as necessary or appropriate to fulfill its obligations hereunder, Seller shall not discuss with any other party with the exception of the Iowa District Court for Polk County, the Clarke County State Bank or any governmental body whose consent or action is necessary in the performance of its obligations hereunder, any matters relating to this Agreement, the Escrow Agreement, and any filings with any regulatory body.

**5.6 Certain Tax Returns.** Seller shall file all tax returns for periods prior to and including the Closing with all appropriate taxing authorities as required by applicable law with respect to the Stations, within the respective time periods specified by law and timely make any payment required thereby.

**5.7 Application for FCC Consent.** Within fifteen (15) business days following the date of this Agreement (or if still in effect on the date of this Agreement, with fifteen (15) business days following the FCC's action to lift the freeze (announced in FCC Public Notice DA 03-1877, released June 3, 2003) on the filing of applications on Forms 314 and 315 requesting the FCC's consent to the assignment and transfer of control of an FCC authorization), Seller and Purchaser shall file with the FCC an application (the "Assignment Application") requesting the consent of the FCC to the assignment of the Licenses from Seller to Purchaser. Seller acknowledges and agrees that concurrently with the filing of the Assignment Application (or at such later time as Purchaser may elect), Purchaser may file, at Purchaser's sole cost and expense, applications with the FCC (FCC Form 302-FM) for issuance of non-commercial licenses to Purchaser for the Stations, such non-commercial licenses for the Stations to be contingent upon the Closing. As promptly as possible after the filing date of the Assignment Application, and in no event later than seven (7) days after the filing date of the Assignment Application, Purchaser shall file with the FCC, at its own expense, an application on FCC Form 301 requesting the FCC's authorization to relocate Station KJJC to a relocation site selected by the Purchaser (the "Modification Application"). Seller shall cooperate with Purchaser in the filing and prosecution of the Modification Application and any other applications Purchaser deems reasonably necessary or advisable in connection with Purchaser's operation of the stations after the closing.

**5.8. Control of the Stations.** This Agreement shall not be consummated until after the FCC has given its written consent and approval to the Assignment Application. Between the date of this Agreement and the Closing Date, Purchaser shall not directly or indirectly control, supervise or direct or attempt to control, supervise or direct the operation of the Stations, and such operation shall be the sole responsibility of and in the complete discretion of the Seller; subject to, and without waiver of the terms and conditions of the TBA.

## **ARTICLE 6**

### **CONDITIONS TO CLOSING**

**6.1 Conditions Precedent for Purchaser.** All obligations of Purchaser under this Agreement are subject to the fulfillment, prior to or at the Closing, of each of the following conditions:

- (a) **FCC Consent.** The FCC shall have granted the FCC Consent without any conditions that Purchaser is not required to accept and such FCC Consent shall have become a Final Order. The FCC shall have approved the Modification Application.
- (b) **Representations and Warranties True at Closing.** Seller's representations and warranties as contained in this Agreement shall be true and correct in all respects at the time of Closing as though such representations and warranties were made at Closing.
- (c) **Performance.** Seller shall have performed and complied with all agreements and conditions required by this Agreement to be performed or complied with by it prior to or at the Closing, including but not limited to, the ratification and approval of this



Agreement by the Iowa District Court for Polk County and the delivery of all items described in paragraph 2.3(a).

- (d) Seller's Certificate. Seller shall have delivered to Purchaser a certificate executed by its duly authorized representative, dated the Closing Date, certifying as to the fulfillment of the conditions specified in subparagraphs (a) and (b) of this paragraph and listing the agreements of Seller entered into after the date of this Agreement to the extent permitted pursuant to paragraph 5.2.
- (e) Material Damage to Assets. Between the date of this Agreement and the Closing, the Assets shall not have been materially and adversely affected by reason of any loss, taking, condemnation, destruction, or physical damage, whether or not insured against.
- (f) Satisfaction of Purchaser's Due Diligence Investigation. This purchase is contingent upon the determination by Purchaser that the financial information, books and records furnished by Seller and its agents to Purchaser related to this transaction are true and accurate and fairly represent the financial position of Seller, that there are no debts or other liabilities, including contingent liabilities affecting the Assets or liabilities, except as previously disclosed, and that the Assets purchased are in good operating condition, wear and tear excepted, and substantially fit for the purposes to be utilized, and all equipment is operating and is in compliance with and within all Federal Communications Commissions' operation specifications and guidelines and that the Stations are in compliance with all FCC, Federal Aviation Administration (FAA) and Environmental Protection Agency (EPA) rules, regulations and laws.

During the initial due diligence period, Purchaser, by and through its duly authorized representatives will furnish Seller with a list of technical and/or operational concerns that Seller shall address and assure Purchaser that all equipment, towers, antennas and the like, related to the Stations, are operating in full compliance with all existing federal, state and local laws.

The disclosure of any matter set forth on any schedule does not in any way affect the satisfaction of Purchaser or indicate acceptance by Purchaser or satisfaction with respect to any matters set forth therein. Purchaser may, but shall not be obligated to, waive strict compliance with any of the foregoing conditions precedent or assent to any state of facts existing on the Closing Date that may not be consistent with any representation, warranty or covenant. Such waiver of a condition precedent or assent to any state of facts shall not be deemed to be a waiver of strict compliance with the associated representation, warranty, covenant or indemnity, and no discovery by Purchaser in connection with Purchaser's due diligence investigation shall limit in any manner the effectiveness of any representation, warranty or covenant contained in this Agreement nor shall it diminish in any way Purchaser's rights to indemnification as set forth in this Agreement.

**6.2 Conditions Precedent for Seller.** All obligations of Seller under this Agreement are subject to the fulfillment, prior to or at the Closing, of each of the following conditions, any one or more of which may be waived by Seller, in its sole discretion, in whole or in part:

- (a) **FCC Consent.** The FCC shall have granted the FCC Consent without any condition that Seller is not required to accept.

- (b) Representations and Warranties True at Closing. Purchaser's representations and warranties contained in this Agreement shall be true and correct in all respects at the time of Closing as though such representations and warranties were made at Closing.
- (c) Performance. Purchaser shall have performed and complied in all respects with all agreements and conditions required by this Agreement to be performed or complied with by it prior to or at the Closing, including but not limited to the ratification and approval of this Agreement by proper corporate formalities and the delivery of all items described in paragraph 2.2(b).
- (d) Payment of Purchase Price. Purchaser shall have tendered payment of the Asset Purchase Price in accordance with the terms hereof.
- (e) Purchaser's Certificate. Purchaser shall have delivered to Seller a certificate executed by a duly authorized representative, dated the Closing Date, certifying as to the fulfillment of the conditions specified in subparagraphs (a) and (b) of this paragraph 6.2.

## ARTICLE 7

### GENERAL PROVISIONS

**7.1    Sales or Use Taxes.** If it is determined that any sales or use tax must be paid in connection with this transaction, Seller agrees to pay such taxes plus any interest and penalties thereon.

**7.2    Notices.** All notices, requests, demands, and other communications hereunder shall be in writing, and shall be deemed to have been duly given if delivered in person, sent by overnight courier service (with all fees prepaid) or mailed by registered or certified mail, return receipt requested (with postage prepaid), as follows:

Notices to Purchaser:	Northwestern College c/o Dr. Paul Virts 303 Snelling Avenue North St. Paul, MN 55113-1598
with a copy to:	Mr. John Wilner Attorney at Law Bryan Cave LLP 700 13 <sup>th</sup> Street N.W. Washington, D.C. 20005-3960
Notices to Seller:	Mr. Thomas H. Burke, Esq. Whitfield & Eddy, P.L.C. 317 Sixth Avenue, Suite 1200 Des Moines IA 50309-4195
with a copy to:	Mr. August B. Landis, Esq. Whitfield & Eddy, P.L.C. 317 Sixth Avenue, Suite 1200 Des Moines, Iowa 50309-4195

Any such notice, request, demand or other communication shall be deemed given if delivered in person, on the date delivered or, if sent by overnight courier service or mailed by registered or certified mail, on the date sent or mailed as evidenced by the date of the bill of lading or postmark, as the case may be; and shall be deemed received if delivered in person, on the date of personal delivery, if sent by overnight courier service, on the first business day after the date sent, or if by registered or certified mail, on the date of delivery or attempted delivery as indicated by the return receipt. Any such notice, request, demand or other communication shall be given to such other representative or at such other address as a party to this Agreement may furnish to the other parties in writing pursuant to this paragraph 8.4.

**7.3    Further Assurances.** Seller will, from time to time after the Closing, at Purchaser's request, execute, acknowledge and deliver or will cause to be executed, acknowledged and delivered, all such additional documents as may be reasonably required by Purchaser in conformity with this Agreement to assign, transfer and convey the Assets to Purchaser and will provide such information after the Closing as Purchaser may reasonably request.

**7.4    Waiver of Jury Trial; Consent to Jurisdiction.**

- (a) Purchaser and Seller irrevocably waive any right to a jury trial with respect to any matter arising out of or in connection with this Agreement.
- (b) All suits, actions or proceedings arising out of or relating to this Agreement shall be brought in a state court located in Polk County in the State of Iowa or in the United States District Court for the Southern District of Iowa, which courts shall be the exclusive forum for all such suits, actions or proceedings. Seller and Purchaser hereby waive any objection which they may now have or hereafter have to the laying

of venue in any such court of any such suit, action or proceeding as well as any right they may have to remove any such suit, action or proceeding, once commenced, to another court or jurisdiction on the grounds of forum non conveniens or otherwise.

**7.5 Assignment; Successors in Interest.**

- (a) By Seller. Seller shall not, in any way, shape or form, either prior to Closing or following Closing, assign its rights and obligations under this Agreement and any and/or all of the documents appended to this Agreement.
- (b) By Purchaser. Purchaser may assign its rights and obligations under this Agreement to any other entity at or concurrent with the Closing. If Purchaser does assign its rights under this Agreement, then any such assignment shall require the assignee to assume any obligations and liabilities which survive the Closing and the assignee shall succeed to any of the Purchaser's rights as against the Seller which survive the Closing.
- (c) Binding Nature. This Agreement and any and/or all of the documents appended to this Agreement shall be binding upon the parties to this Agreement and their respective legal representatives, heirs, devisees, legatees and other successors and assigns (whether or not permitted), and shall inure to the benefit of the parties to this Agreement and their respective permitted legal representatives, heirs, devisees, legatees and permitted other successors and assigns (and to or for the benefit of no other person or entity, whether an employee or otherwise, whatsoever), and any reference to a party to this Agreement shall also be in reference to a successor or assign.

7.6 **Construction.** This Agreement and any and/or all of the documents appended to this Agreement is intended to be performed in the State of Iowa and shall be construed and enforced in accordance with the laws of that State applicable to contracts made and performed therein.

7.7 **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

7.8 **No Third-Party Beneficiaries.** This Agreement is solely for the benefit of the parties hereto and no provision of this Agreement shall be deemed to confer upon any other person, any remedy, claim, liability, reimbursement, cause of action or other right whatsoever.

7.9 **Entire Agreement; Amendment.** This Agreement, which is deemed to include all exhibits, schedules and certificates delivered pursuant to the terms hereof, embodies the entire agreement of the parties hereto with respect to the subject matter hereof and supersedes all prior agreements, promises, covenants, arrangements, communications, representations or warranties, whether oral or written, whether expressed or implied, by any officer, employee or representative of any party hereto with respect thereto, and any other correspondence between Purchaser and Seller. This Agreement may be amended, and any provision hereof waived, but only in a writing signed by the party against whom such amendment or waiver is sought to be enforced. The granting of any waiver with respect to any failure to comply with any provision of this Agreement shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure to comply with any provision of this Agreement.

## ARTICLE 8

### INDEMNITIES AND COVENANTS

**8.1 Seller's Indemnity.** Seller hereby indemnifies and holds Purchaser, its successors and assigns, harmless from and against, and agrees to defend promptly Purchaser, its successors and assigns from and reimburse Purchaser, its successors and assigns for any and all losses, damages, costs, expenses, liabilities, obligations and claims of any kind, including, without limitation, reasonable attorney fees and other legal costs and expenses (hereinafter referred to collectively as the "Losses"), that Purchaser may at any time suffer or incur, or become subject to or as a result of or in connection with (i) any breach or inaccuracy of any of the representation and warranties made by Seller in or pursuant to this Agreement or (ii) any of the excluded liabilities set forth in Section 1.3 of this Agreement.

**8.2 Event of Claim Against Purchaser.** In the event a claim against Purchaser arises that is covered by the indemnity provisions of Paragraph 8.1(a) of this Agreement, notice shall be promptly given by Purchaser to Seller and Seller shall have the right to control all settlements (unless Purchaser agrees to assume the costs of settlement and to forego such indemnity) and to select lead counsel to defend any and all such claims at the sole cost and expense of Seller; provided, however, that Seller may not effect any settlement that could result in any cost, expense or liability to Purchaser unless Purchaser consents in writing to such settlement and Seller agrees to indemnify Purchaser therefor. Purchaser may select counsel to participate in any defense, in which event Purchaser's counsel shall be at the sole cost and expense of Purchaser. In connection with any such claim, action, or proceeding, the parties shall cooperate with each other and provide each other with access to relevant books and records in their possession.



**8.3 Purchaser's Indemnity.** Purchaser hereby indemnifies and holds Seller, its successors and assigns, harmless from and against, and agrees to defend promptly Seller, its successors and assigns from and reimburse Seller, its successors and assigns for any and all losses, damages, costs, expenses, liabilities, obligations and claims of any kind, including, without limitation, reasonable attorney fees and other legal costs and expenses (hereinafter referred to collectively as the "Losses"), that Seller may at any time suffer or incur, or become subject to or as a result of or in connection with any breach or inaccuracy of any of the representation and warranties made by Purchaser in or pursuant to this Agreement.

**8.4 Event of Claim Against Seller.** In the event a claim against Seller arises that is covered by the indemnity provisions of Paragraph 8.2(a) of this Agreement, notice shall be promptly given by Seller to Purchaser and Purchaser shall have the right to control all settlements (unless Seller agrees to assume the costs of settlement and to forego such indemnity) and to select lead counsel to defend any and all such claims at the sole cost and expense of Purchaser; provided, however, that Purchaser may not effect any settlement that could result in any cost, expense or liability to Seller unless Seller consents in writing to such settlement and Purchaser agrees to indemnify Seller therefor. Seller may select counsel to participate in any defense, in which event Seller's counsel shall be at the sole cost and expense of Seller. In connection with any such claim, action, or proceeding, the parties shall cooperate with each other and provide each other with access to relevant books and records in their possession.

**8.5 Rights and Remedies of Parties.** In the event that either party breaches any of the representations and warranties contained herein or fails to perform any of the obligations or covenants contained in this Agreement, each of the parties hereto except as provided in Section

2.2(b), shall have the rights and remedies as specified or referred to in this Agreement, as well as any rights and remedies available to the respective party under applicable law including, but not limited to, the right of setoff, provided that any setoff rights claimed by either party hereto may not be exercised unless and until ordered by the District Court of the State of Iowa in and for Polk County. Seller hereby agrees that Purchaser shall be entitled, in addition to any other remedies available to Purchaser in the event of any breach of this Agreement by Seller, to specific performance of the obligations of Seller under this Agreement. The parties further agree to submit to the jurisdiction of the District Court of the State of Iowa in and for Polk County any and all disputes arising under this Agreement. In the event a dispute under this Agreement is litigated, the prevailing party shall be entitled to reasonable costs associated with such litigation, including but not limited to, attorneys' fees.

**IN WITNESS WHEREOF** the parties have duly executed this Agreement as of the day and year first above written.

**"SELLER"**

Lifestyle Communications Corporation  
Receivership by Thomas H. Burke, Receiver

By: 

Title: Receiver

Dated: 7/24/03

STATE OF IOWA     )  
                              ) SS:  
COUNTY OF POLK )

On this 24<sup>th</sup> day of July, 2003, before me the undersigned, a Notary Public in and for said County and said State, personally appeared Thomas H. Burke on behalf of Lifestyle Communications Corporation Receivership, to me known to be the identical person named in and who executed the foregoing instrument, and acknowledged that he executed the same as his voluntary act and deed.





Notary Public in and for the State of Iowa

**"PURCHASER"**

Northwestern College

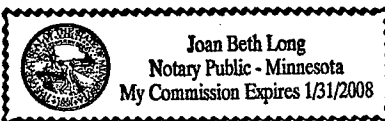
By: Alan S. Cureton

Title: President

Dated: July 28, 2003

STATE OF MINNESOTA   )  
  ) SS:  
COUNTY OF Ramsey   )

On this 28<sup>th</sup> day of July, 2003, before me the undersigned, a Notary Public in and for said County and said State, personally appeared Alan S. Cureton, who stated that he was the Purchaser on behalf of Northwestern College, to me known to be the identical person named who was the President and who executed the foregoing instrument, and acknowledged that he executed the foregoing instrument as the voluntary act and deed of said not-for-profit corporation, Northwestern College, with all appropriate corporate authority on behalf of said not-for-profit corporation.



Joan Beth Long  
Notary Public in and for the State of Minnesota

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## **TIME BROKERAGE AGREEMENT**

THIS TIME BROKERAGE AGREEMENT (the "Agreement") is made and entered into as of July 28, 2003, by and between **Northwestern College**, a Minnesota not-for-profit corporation ("Broker"), and **Thomas H. Burke, Receiver for Lifestyle Communications Corporation** ("Licensee"), licensee of Radio Stations KJJC(FM), Osceola, Iowa and KLRX(FM), Madrid, Iowa (the "Stations"):

### **Recitals:**

WHEREAS, Broker is the licensee of various radio broadcast stations in the business of producing and transmitting news, informational, public service, and religious programming; and

WHEREAS, Licensee has valid licenses or other authorizations issued by the Federal Communications Commission ("FCC") for the Stations; and

WHEREAS, Licensee and Broker have entered into an Asset Purchase Agreement of even date herewith (the "Purchase Agreement") for the sale to Broker of certain assets of the Stations; and

WHEREAS, Broker desires to provide programming to be transmitted on the Stations pursuant to the provisions of this Agreement and the applicable rules and regulations of the FCC; and

WHEREAS, Licensee desires to accept and to transmit programming supplied by Broker on the Stations, while maintaining control over the Stations and having the right to continue to broadcast Licensee's own programming on the Stations; and

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

## **ARTICLE I PROGRAMMING**

1.1 **Brokered Programming.** Commencing on August 1, 2003 (the "Commencement Date"), Broker, at Broker's expense, will provide for transmission by the Stations, and Licensee will make the facilities of the Stations available to Broker for the transmission of programming sufficient to program the Stations for up to twenty-four (24) hours per day throughout the Term, as hereinafter defined, (the "Brokered Programming"), except as otherwise provided herein. All Brokered Programming and its transmission by the Stations shall be subject to the supervision and control of Licensee as set forth in this Agreement.

1.2 Licensee Programming. Licensee will retain sole responsibility to program the Stations during all hours when the Stations are not broadcasting the Brokered Programming (the "Licensee Programming") and for the ascertainment of the problems, issues, concerns, and needs of the Stations' communities of license and their service areas, including specifically the problems, issues, concerns and needs of the Stations' listeners. Licensee may delete or pre-empt, in Licensee's sole discretion, any Brokered Programming for the purpose of transmitting such Licensee Programming.

1.3 Additional Licensee Obligations.

a) Although Licensee and Broker shall cooperate in the broadcast of emergency information over the Stations, Licensee shall retain the right to interrupt, pre-empt, or delete the Brokered Programming in case of an emergency or for programming which, in the good faith judgment of Licensee, is of greater local or national public importance than the Brokered Programming so interrupted, preempted, or deleted.

(b) Licensee shall coordinate with Broker the Stations' hourly station identifications and any other announcements required to be presented by the FCC's rules and regulations.

(c) Licensee and Broker shall cooperate in ensuring compliance with the FCC's rules and requirements governing uses of the Stations' facilities by legally-qualified candidates for election to public office, including compliance with Licensee's obligation to provide reasonable access to use the Stations' facilities on the part of legally-qualified candidates for election to federal public offices. Broker will provide Licensee with copies of any material setting forth terms and/or conditions for the availability of political advertising time on the Stations in advance of the public dissemination of such material, so that Licensee may provide its input as to such material.

1.4 Broadcast Station Programming Policy Statement. Licensee has adopted a Broadcast Stations Programming Policy Statement (the "Policy Statement"), a copy of which appears as Exhibit A hereto and by this reference is incorporated herein as though fully set forth herein. Upon notice to Broker, the Policy Statement may be amended from time to time by Licensee in good faith and not for commercial or economic advantage. Broker agrees and covenants to comply in all material respects with Licensee's current and future Policy Statement and with all current and future rules and regulations of the FCC. Broker shall furnish or shall cause to be furnished the artistic personnel and material for the Brokered Programming as provided in this Agreement, and all Brokered Programming shall be prepared and presented in conformity with the rules, regulations, and policies of the FCC and with the Policy Statement set forth in Exhibit A hereto. If Licensee shall determine that any Brokered Programming supplied by Broker is for any reason, within Licensee's reasonable discretion, unsatisfactory or unsuitable or contrary to the public interest, or does not comply with the Policy Statement, Licensee may, upon written notice to Broker (to the extent that time shall permit such notice) require Broker to alter the Brokered Programming and, in the absence of such alteration to Licensee's satisfaction on a timely basis, suspend or cancel such Brokered Programming and substitute Licensee's own programming or require Broker to provide suitable programming, commercial announcements, or other announcements or promotional material.

1.5 Broker Compliance with Copyright Act. Broker represents and warrants to Licensee that Broker has full authority to broadcast the Brokered Programming on the Stations, and that Broker shall not broadcast any material in violation of the Copyright Act. All music supplied by Broker shall be: (i) licensed by ASCAP, SESAC, or BMI; (ii) in the public domain; or (iii) cleared at the source by Broker. Licensee shall maintain ASCAP, SESAC, and BMI licenses, as necessary, regarding the Licensee's programming. The right to use the Brokered Programming and to authorize its use in any manner shall be, and shall remain, vested in Broker.

## ARTICLE II TERM

2.1 Term. The term of this Agreement (the "Term") shall begin on the Commencement Date, and the Term shall expire on the earlier of (i) the date of termination of the Purchase Agreement between Licensee and Broker, pursuant to the terms thereof, or (ii) closing of the sale of the Stations to Broker pursuant to such Purchase Agreement.

2.2 Termination for Default or Nonperformance. Should either party be in breach of or default under this Agreement for the nonperformance of a material obligation of such party hereunder, or for a material violation of a representation or warranty by such party contained in this Agreement, including, specifically, Broker's payment obligations under Section 4.1 hereof, this Agreement may be terminated by the other party if (i) such breach, default, or non-performance shall have continued uncured for a period of thirty (30) days (fifteen (15) days in the case of Broker's non-payment of the monthly fee) following the receipt by the defaulting party of written notice from other party, which notice shall indicate the nature of such breach, default, or non-performance and (ii) the party seeking termination is not in material default hereunder.

2.3 Termination Upon FCC Action. If the FCC shall determine that this Agreement is inconsistent with Licensee's obligations as the holder of the FCC's authorizations for the Stations, or is otherwise contrary to FCC policies, rules, and regulations, or if regulatory or legislative action subsequent to the date hereof shall alter the permissibility of this Agreement under the Act or under the FCC's rules, regulations, and policies, either party may terminate this Agreement upon thirty (30) days' prior written notice to the other party.

2.4 Effect of Termination. Any termination of this Agreement shall extinguish the rights and liabilities of Broker and Licensee under this Agreement from and after the effective date of such termination, provided that each party shall remain liable to the other for any breach or default under this Agreement prior to the effective date of termination.

## **ARTICLE III OPERATIONS**

### **3.1     Compliance With FCC Regulations.**

(a)     Licensee will have full authority, power, and control over the management and operations of the Stations during the Term of this Agreement. Licensee will bear all responsibility for the Stations' compliance with all applicable provisions of the Act, and the rules, regulations, and policies of the FCC, including all technical regulations governing the operation of the Stations, all programming content requirements, the maintenance of the main studios, providing a meaningful managerial and staff presence at the main studios, the ascertainment of and programming in response to community problems, issues, concerns, and needs, political programming laws and regulations, sponsorship identification rules, lottery and contest regulations, maintenance of the Stations' public and political files, compiling quarterly or annual lists of the problems, issues, concerns, and needs of listeners and responsive programming broadcast by the Stations, maintaining employment records for the Stations, and all other FCC requirements and duties. Broker shall, upon request by Licensee, provide Licensee with such information concerning the Brokered Programming as is necessary to assist Licensee in the preparation of such lists and documentation.

(b)     It is hereby agreed that a minimum, Licensee, at its expense, will employ at least two full-time employees at the main studio of the Stations in compliance with the FCC's rules and regulations, including a Station Manager who shall have managerial control over and direct the Licensee's day-to-day operations at the Stations and one additional employee. Licensee's employees shall report to and be accountable to Licensee.

3.2     Provision of Programming. Subject to Licensee's control and supervision, as of the Commencement Date, Broker shall provide the Brokered Programming and shall be responsible for delivering the Brokered Programming for transmission by the Stations.

3.3     Station Maintenance. Licensee shall be responsible, with the cooperation of Broker, for the maintenance in good working order and repair of the Stations' transmission system and all other Licensee-owned equipment used or useful in connection with the operation of the Stations. During the Term of this Agreement, Licensee shall maintain such transmission system and Stations' equipment in substantially the same condition and repair as exists on the Commencement Date, ordinary wear and tear excepted.

3.4     Broker Furnished Equipment. Any time after the Commencement Date, Broker may, with the prior consent of Licensee, furnish its own equipment in place of the Stations' transmission system and other Licensee-owned equipment at Broker's sole cost and expense. In the event that Broker furnishes its own equipment, Licensee shall be relieved of its maintenance obligations under Section 3.3. If this Agreement shall terminate other than through expiration of its term upon closing of the sale of the Stations to Broker, Broker shall, at its own cost and expense, remove all Broker furnished equipment and restore the original Station transmission system and other Licensee-owned



equipment to the same working order as existed at the time Broker ceased using such transmission system and equipment in the operation of the Stations.

#### ARTICLE IV FEES

4.1 Fee. Starting on the Commencement Date and continuing until the termination of this Agreement, Broker shall pay to Licensee the fee specified in Exhibit B hereto, and by this reference is incorporated herein as though fully set forth herein. The fee shall be prorated for any partial month in the Term.

4.2 Adjustments.

(a) Licensee may at its sole discretion broadcast up to two (2) hours of Licensee Programming per week pursuant to Section 1.2 hereof without any adjustment to the fee provided in Exhibit B. If at any time during the Term of this Agreement either Station shall fail for any reason, other than as expressly provided in Subsections 4.2(b) and (c) below, to carry Brokered Programming for an amount of time for which Broker shall have offered such Brokered Programming for transmission by the Station, the fee payable to Licensee by Broker pursuant to Exhibit B shall be reduced on a pro-rata basis with the number of hours of non-broadcast as the numerator and the total of monthly hours as the denominator with the result applied as a percentage of the monthly fee; provided, however that any reduction in the fee payable to Licensee by Broker pursuant to this Subsection 4.2(a) shall not prejudice any of Broker's rights under Sections 2.2 through 2.4 hereof.

(b) The monthly fee payable to Licensee by Broker shall be reduced as set forth in Section 4.2(a) above if Licensee's failure or refusal to carry the Brokered Programming is for any reason other than either (i) the permitted two (2) hours per week of Licensee programming as provided in Section 4.2(a) above or (ii) a force majeure event as provided in Section 7.1 hereof; provided, however, that any reduction in such fee shall not prejudice any of Broker's rights under Section 2.2 through 2.4 hereof.

(c) Notwithstanding the provisions of Subsection 4.2(a) hereof, the fee payable to Licensee by Broker shall not be reduced if Licensee shall determine, in its sole discretion, that Licensee Programming, as defined in Section 1.2 hereof, in an amount exceeding two (2) hours per week, shall be necessary to be broadcast by the Stations in order to fulfill FCC requirements or Licensee's obligations as an FCC licensee; provided, however, that any exercise by Licensee of its rights pursuant to this Subsection 4.2(c) shall not prejudice any of Broker's rights under Section 2.2 through 2.4 hereof.

(d) Licensee agrees that its rights to preempt the Brokered Programming will be exercised only in good faith and not for a commercial or economic advantage.

## ARTICLE V ASSIGNABILITY

This Agreement shall inure to the benefit of and be binding upon Licensee, Broker, and their respective successors, heirs and permitted assigns; provided, however, that neither Licensee nor Broker shall assign or transfer its rights and benefits, nor delegate its duties and obligations under this Agreement, without the prior written consent of the other party, which shall not unreasonably be withheld.

## ARTICLE VI REPRESENTATIONS, WARRANTIES, AND COVENANTS

6.1 Licensee's Representations and Warranties. Licensee represents and warrants to Broker that to the personal knowledge of the Receiver only the following:

- (a) Capacity. Licensee is the court-appointed Receiver for Lifestyle Communications Corporation and has full power and authority to own and operate the Stations and to execute, deliver and carry out all of the transactions contemplated by this Agreement.
- (b) Compliance with Law. Licensee has complied with and will continue to comply with all laws, rules, and regulations governing the business, ownership, and operations of the Stations that are material in any way to this Agreement. No attendant contracts and undertakings, nor the carrying out of this Agreement, will 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 Licensee, or any contract, commitment, agreement, lease, license, permit, franchise, or indenture applicable to Licensee or the Stations.
- (c) Authority. All requisite authorizations necessary for the execution, delivery, performance, and satisfaction of this Agreement by Licensee have been or will be duly obtained, adopted, and complied with, subject to approval by the Iowa District Court for Polk County in cause number CE 42447.
- (d) Misrepresentation of Material Fact. No representation or warranty made by Licensee to Broker in this Agreement, no document or contract disclosed to Broker by Licensee pursuant to this Agreement and which in any way affects any of the properties, assets, or business of Licensee as related to this Agreement, and no certificate or statement furnished by or on behalf of Licensee to Broker in connection with the transactions contemplated herein or therein contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary in order to make the statements contained herein or therein not misleading.

6.2 Broker's Representations and Warranties. Broker represents and warrants to Licensee as follows:

(a) Capacity. Broker is a Minnesota not-for-profit corporation and has full power and authority to carry out all of the transactions contemplated by this Agreement.

(b) Authority. All requisite authorizations necessary for the execution, delivery, performance, and satisfaction of this Agreement by Broker have been duly obtained, adopted, and complied with.

(c) Misrepresentation of Material Fact. No representation or warranty made by Broker to Licensee in this Agreement, no document or contract disclosed to Licensee by Broker pursuant to this Agreement and which in any way affects any of the properties, assets, or business of Broker as related to this Agreement, and no certificate or statement furnished by or on behalf of Broker to Licensee in connection with the transactions contemplated herein or therein contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary in order to make the statements contained herein or therein not misleading.

6.3 Licensee's Affirmative Covenants. Licensee covenants and agrees that it will use its best efforts to continue to 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, permits, and agreements to which Licensee is a party or by which Licensee is otherwise bound. Notwithstanding the generality of the foregoing, Licensee shall own and hold all of the licenses and other authorizations necessary for the operation of the Station as presently conducted and shall not take or fail to take any action that might reasonably be expected to impair the continued operation of the Stations in their current manner. The Stations' equipment will be maintained to comply with the maximum facilities with which the Stations are currently authorized to operate.

6.4 Broker's Affirmative Covenants. Broker covenants and agrees that (i) all Brokered Programming shall be noncommercial and (ii) it will comply in all material respects with all federal, state, and local laws, rules, procedures and regulations (including, without limitation, all FCC rules, policies, and regulations) applicable to the operations of the Stations and to the provision of the Brokered Programming to Licensee.

## ARTICLE VII MISCELLANEOUS

7.1 Force Majeure. Notwithstanding anything contained in this Agreement to the contrary, except Section 2.4, neither party shall be liable to the other party for a failure to perform any obligation (other than a payment obligation) under this Agreement (nor shall any charges or payments be made in respect thereof) if such party shall be prevented from such performance by reason of fires, strikes, labor unrest, embargoes, civil commotion, rationing, or other orders or requirements, acts of civil or military authorities, acts of God, or other contingencies beyond the reasonable control of the parties; and all

provisions herein requiring performance within a specified period shall be deemed to have been modified in order to toll or to extend the period in which such performance shall be required, in order to accommodate the period of the pendency of such contingency which shall prevent such performance.

7.2 Notices. All notices, requests, demands, and other communications that are required or that may be given pursuant to the terms of this Agreement shall be in writing and shall be deemed to have been given when delivered by hand or on the business day after being deposited (with delivery charges pre-paid) with a nationally-recognized overnight courier service, or when sent by facsimile transmission with receipt confirmation provided that a copy of such notice is sent by nationally-recognized overnight courier on the same day as the facsimile, or on the third (3rd) business day after having been mailed by first-class United States mail, registered or certified, postage pre-paid, with return receipt requested, to the following addresses:

- (a) if to Broker:  
Northwestern College  
c/o Dr. Paul H. Virts  
3003 Snelling Avenue North  
St. Paul, MN 55113-1598  
Telephone: (612) 631-5000  
Telecopier: (612) 631-5088
- (b) if to Licensee:  
Thomas H. Burke, Esq.  
Receiver for Lifestyle Communications Corporation  
c/o Whitfield & Eddy P.L.C.  
317 Sixth Avenue, Suite 1200  
Des Moines, IA 50309-4195  
Telephone: (515) 288-6041  
Telecopier: (515) 246-1474

or to such other address as any party shall have designated by notice to the other party conforming to the requirements of this Section.

7.3 Duty to Consult. Each party will use its best efforts not to take any action that would unreasonably interfere with, threaten, or frustrate the other party's purposes or business activities, and each party will keep such other party informed of, and will coordinate with such other party regarding, any activities that may have a material effect upon such other party.

7.4 Entire Agreement. This Agreement, including all Exhibits hereto, constitutes the entire agreement of the parties with respect to its subject matter and supersedes all prior representations, negotiations, agreements, and understandings of the parties, oral and written, with respect to the subject matter hereof, all of which are deemed to have been merged herein. This Agreement may be modified only by an agreement in writing executed by both of the parties hereto.

7.5 Payment of Expenses. Except as otherwise specifically provided herein, Licensee and Broker shall each pay its own expenses incident to the preparation and carrying out of this Agreement, including all fees and expenses of its counsel.

7.6 Counterparts. This Agreement may be executed in one (1) or more counterparts, each of which shall be deemed to be an original, but all of which taken together shall constitute one (1) 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 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 himself or itself out to others to be, vested with any power, authority, or right to bind contractually or to act on behalf of the other party as its broker, agent, or otherwise for the purpose of 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 binding upon such other party.

7.9 Governing Law. This Agreement shall be governed by, and enforced and construed under and in accordance with, the internal laws of the State of Iowa, without giving effect to the choice-of-law principles thereof.

7.10 Certifications. Pursuant to Section 73.3555 of the Rules of the FCC, Licensee hereby verifies that it will maintain ultimate control over the Stations' facilities, including, specifically, control over station finances, personnel and programming during the Term of this Agreement. Broker hereby verifies that the arrangement contemplated by this Agreement complies with the provisions of Section 73.3555 of the FCC's Rules.

7.11 Attorneys' Fees. If either Licensee or Broker brings suit against the other in connection with this Agreement, the prevailing party shall be entitled to receive from the other party reasonable attorneys' fees and other costs and expenses incurred by such party in connection with such suit regardless of whether such suit is prosecuted to judgment. As used herein, "prevailing party" shall mean, in the case of a claimant, one who is successful in obtaining substantially all of the relief sought, and in the case of a defendant or respondent, one who is successful in denying substantially all of the relief sought by the claimant.

7.12 Severability. If any provision of this Agreement shall be held invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remainder of this Agreement shall not be affected thereby, and the parties shall use their best efforts to negotiate a replacement for any such provision that shall be neither invalid, illegal, or unenforceable.

7.13 Survival. All representations, warranties, covenants, and agreements made herein by the parties hereto or in any certificate delivered or to be delivered hereunder or made or to be made in writing in connection with the transactions contemplated herein shall survive the execution and delivery of this Agreement. All such representations and warranties shall survive for a period of six (6) months from and after the date upon which this Agreement shall expire or shall be terminated, as herein provided.

7.14 Further Assurances. From time to time after the date of this Agreement, the parties shall take such further actions and shall execute such further documents, assurances, and certificates, as either party reasonably may request of the other party in order to effectuate the purposes of this Agreement.

7.15 Insurance. Licensee and Broker shall each maintain comprehensive general liability insurance with respect to their respective business operations, having the other party as an additional insured. The amounts of such coverage shall be mutually agreed upon from time to time, and each party shall provide proof of its insurance to the other upon request.

7.16 Gender Neutrality. All pronouns and possessives appears in this Agreement shall be deemed to refer to the masculine, the feminine, or the neuter, as the identity of the person or entity thereby referred to may require.

7.17 No Partnership or Joint Venture. This Agreement is not intended to be and shall not be construed as a Partnership or Joint Venture Agreement between the parties. Except as otherwise specifically provided in this Agreement, no party to this Agreement shall be authorized to act as agent of or otherwise any other party to this Agreement.

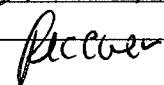
[Signatures appear on next page.]

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

**LICENSEE:**

Thomas H. Burke  
Receiver for Lifestyle Communications Corporation

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

Its:  \_\_\_\_\_

**BROKER:**

Northwestern College

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

Its: \_\_\_\_\_

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

**LICENSEE:**

Thomas H. Burke

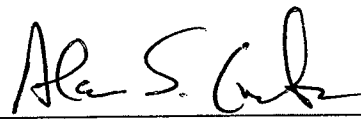
Receiver for Lifestyle Communications Corporation

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

Its: \_\_\_\_\_

**BROKER:**

Northwestern College

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

Its: President