

PUBLIC SERVICE OPERATING AGREEMENT-2013

THIS PUBLIC SERVICE OPERATING AGREEMENT (the “Agreement”) is entered into by and between Iowa Public Radio, Inc., and the Board of Regents, State of Iowa, with the consents of the President of Iowa State University of Science and Technology, the President of the State University of Iowa and the President of the University of Northern Iowa.

RECITALS

WHEREAS, Iowa Public Radio, Inc. (“IPR”) is a nonprofit corporation organized and in good standing pursuant to Chapter 504, Code of Iowa;

WHEREAS, the Articles of Incorporation of IPR provide that IPR is organized exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended from time to time, and has the primary purpose of supporting and promoting the welfare and growth of the network of public radio stations licensed to the Board of Regents, State of Iowa, and operated for the public benefit;

WHEREAS, the Board of Regents, State of Iowa (the “Board of Regents”) exists pursuant to Chapter 262, Code of Iowa, as the governing body for various state institutions, including the Iowa State University of Science and Technology, the State University of Iowa and the University of Northern Iowa;

WHEREAS, Iowa State University of Science and Technology (“ISU”) exists pursuant to Chapter 266, Code of Iowa, as a state university located primarily at Ames, Iowa and governed by the Board of Regents;

WHEREAS, the University of Iowa (“UI”) exists pursuant to Chapter 263, Code of Iowa, as a state university located primarily at Iowa City, Iowa and governed by the Board of Regents;

WHEREAS, the University of Northern Iowa (“UNI”) exists pursuant to Chapter 268, Code of Iowa, as a state university located primarily at Cedar Falls, Iowa and governed by the Board of Regents;

WHEREAS, pursuant to Section 262.9(1), Code of Iowa, the Board of Regents has appointed Presidents and other officers for each of ISU, UI, and UNI (collectively, the “Universities”);

WHEREAS, the University of Northern Iowa Foundation, the University of Iowa Foundation and the Iowa State University Foundation (the “University Foundations”), are Iowa nonprofit corporations established for the support of the Universities, but not controlled by such Universities;

WHEREAS, pursuant to Section 262.9(4), Section 262.9(7) and Section 262.9(12), Code of Iowa, the Board of Regents is empowered to acquire, manage, control and dispose of property, both real and personal, belonging to the Universities and to perform all other acts necessary and proper for the execution of the powers and duties conferred by law upon it;

WHEREAS, ISU is the Federal Communications Commission (“FCC”) licensee of certain non-commercial educational radio stations and their ancillary services (translators, subcarriers,

studio-to-transmitter links, etc.) as set forth more fully on the attached Exhibit 'A' (the "WOI Radio Group");

WHEREAS, UI is the FCC licensee of certain non-commercial educational radio stations and their ancillary services (translators, subcarriers, studio-to-transmitter links, etc.) as set forth more fully on the attached Exhibit 'A' (the "KSUI Radio Group");

WHEREAS, UNI is the FCC licensee of certain non-commercial educational radio stations and their ancillary services (translators, subcarriers, studio-to-transmitter links, etc.) as set forth more fully on the attached Exhibit 'A' (the "KUNI Radio Group");

WHEREAS, the WOI Radio Group, the KSUI Radio Group and the KUNI Radio Group previously have been instructed by the Board of Regents to work in partnership as a statewide network of public radio stations (collectively the "Radio Groups", comprised of the "Stations");

WHEREAS, the Board of Regents and IPR previously entered into a Public Service Operating Agreement (the "2007 Agreement") under which IPR manages the day-to-day operations of the Radio Groups on behalf of the Board of Regents and the Universities consistent with FCC requirements for licensee control and to serve as the primary fundraising entity for the Radio Groups;

WHEREAS, the 2007 Agreement expires effective June 30, 2013; and

WHEREAS, the parties desire to renew the 2007 Agreement, subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and promises described below, during the term of this Agreement, the parties agree as follows:

ARTICLE 1. TERM

This Agreement shall be effective as of July 1, 2013 and shall continue until June 30, 2019, subject to the early termination and renewal provisions of Article 7.

ARTICLE 2. RELATIONSHIP OF THE BOARD OF REGENTS, THE UNIVERSITIES AND IPR

2(a) Radio Group Operation.

The Universities shall continue to operate the Radio Groups on behalf of the Board of Regents, and to provide the Radio Groups with direct and indirect support as specified in Article 6.

2(b) Radio Group Management.

IPR shall manage the Radio Groups on behalf of the Universities and the Board of Regents, and assist in Radio Group operations, as specified in Articles 3 and 4. Neither the Board of Regents nor the Universities shall at any time delegate to IPR any licensee obligations mandated by the FCC.

2(c) Radio Group Fundraising.

IPR shall operate as the primary fundraising entity for the Radio Groups and coordinate and direct all fundraising efforts of the Radio Groups, as specified in Article 5.

2(d) Licensee Control Obligations.

IPR, the Board of Regents and the Universities acknowledge and agree that the operation of the Radio Groups and each Station thereunder, and compliance with Federal law and the rules and regulations of the FCC therefor, is the ultimate responsibility of the Universities, as licensees, and that nothing in this Agreement shall be construed as limiting, transferring, assigning or otherwise relieving the Universities of such responsibility. The Universities, through the Licensee Representatives, shall determine the basic operating policies concerning personnel, programming and finances for the Radio Groups.

ARTICLE 3. IPR STRUCTURE

3(a) In General.

IPR shall maintain its status as an Iowa nonprofit corporation organized pursuant to Chapter 504, Code of Iowa, exempted from Federal income taxation as a publicly-supported charity pursuant to Sections 501(c)(3) and 509(a)(1) of the Internal Revenue Code of 1986, as amended (the "Code").

3(b) Directors.

IPR shall maintain Articles and Bylaws in accordance with the laws of the State of Iowa. Such governing documents shall provide for a board of directors (the "IPR Board"), comprised of Community Directors representing the interests of the community, as well as Licensee Directors representing the interests of each respective Station licensee. Such governing documents shall require the affirmative vote of all three Licensee Directors to alter or amend the number of directors or their voting power.

3(c) Management.

IPR shall maintain such employees as are necessary to implement the management and fundraising obligations of IPR pursuant to this Agreement, including but not limited to an Executive Director (the "Executive Director") who shall report directly to the Board of Directors of IPR and who shall serve as the chief executive officer of IPR.

3(d) Additional License Management Limitations.

During the term of this Agreement and except as the Board of Regents may specifically consent in writing, IPR shall not manage additional radio stations owned by licensees of the FCC other than the Universities or the Board of Regents and shall not own FCC licenses on its own behalf.

ARTICLE 4. IPR MANAGEMENT AND OPERATION OF THE RADIO GROUPS

IPR agrees to provide management services and operational support to the Radio Groups as described in this Article during the term of this Agreement.

4(a) Licensee Representative.

Each FCC licensee subject to the provisions of this Agreement shall designate one Licensee Representative as its direct liaison to IPR. The parties anticipate such Licensee Representative will be the person then-serving as the Licensee Director for such licensee. Each University-appointed Licensee Representative shall be subject to the oversight of such University's President. The Executive Director of IPR shall work directly with the Licensee Representatives to ensure compliance with all FCC requirements for licensee control of the Stations.

4(b) Management of Radio Groups.

Day to day management of the Radio Groups, including programming, technical support, and administration, shall be the responsibility of IPR, subject to the oversight of the Licensee Representatives on behalf of the Universities. The Executive Director shall oversee all Radio Group operations and shall implement the provisions of this Agreement on behalf of IPR.

4(c) Radio Group Personnel.

- (1) Radio Group Employees. Commencing with the execution of this Agreement, the Executive Director shall have day to day supervisory responsibility for and over Radio Group employees; and consistent with such responsibility shall comply with all applicable Board of Regents and University employment policies. Notwithstanding the Executive Director's supervisory control, the Executive Director shall coordinate with the human resources department of each University and may make recommendations on all issues of appointment, censure or termination. The ultimate authority for Radio Group personnel shall remain with the Board of Regents and the Universities.
- (2) Employee Transitions. During the term of this Agreement, the parties may agree to transfer one or more Radio Group employees to IPR, subject to mutually-agreeable terms and conditions, provided that such employees' acceptance of future employment as IPR personnel shall, in all cases, constitute a waiver of any ongoing rights or obligations of the Board of Regents or University with respect to the continued employment of such individual.
- (3) No Enlargement of Rights. Nothing in this Agreement shall be construed to confer upon any present or future employee of the Board of Regents, the Universities or IPR any rights of employment with any party, nor shall this Agreement have any effect on such rights employees may currently enjoy, whether by employment contract, collective bargaining agreement or otherwise.
- (4) IPR Personnel. Nothing in this Agreement shall limit the power of IPR to hire or otherwise retain additional employees or independent contractors as the IPR Board may determine necessary to carry out its functions, including those functions described in this

Agreement. IPR shall be free to adopt its own employment policies for IPR personnel; such policies need not conform to the employment policies of the Board of Regents and the Universities. The Universities shall allow IPR to participate in employee benefit plans and services from the Universities consistent with the plans and services available to other University affiliate organizations.

4(d) Financial Management.

- (1) Fund Management. IPR shall manage the receipt, deposit, and expenditure of all funds and income received by it subject to the requirements of the laws of the State of Iowa and (to the extent such funds are received through fundraising activities) the provisions of Article 4(b) of this Agreement. IPR shall limit deposits of funds to depositories approved for deposits of Board of Regents funds pursuant to Chapter 12C of the Iowa Code. IPR may invest and administer all of such funds and income, so long as such investment and administration is consistent with the purposes of IPR and the provisions of the Board of Regents Policy Manual Section 7.04 relating to the investment of Operating Funds and Endowment Funds.
- (2) Payables and Receivables. IPR shall manage payables and receivables and establish systems of internal controls (and separate accounting for restricted and unrestricted gifts) in accordance with generally accepted budgeting and accounting principles based on recommendations, if any, of IPR's independent auditors the Board of Regents and the State Auditor to provide internal controls over the funds, investment, accounts and other property of IPR.

4(e) Fiscal Year and Reporting Requirements.

- (1) Fiscal Year. IPR shall operate on a fiscal year ending on June 30.
- (2) Budgets. IPR shall submit copies of fiscal year budgets for the Radio Groups and for IPR to the Board of Regents and Universities as requested by the Board of Regents. Such budgets shall be prepared in accordance with reasonable business practices, generally accepted accounting principles and Board of Regents Policy Manual Section 7.03.
- (3) Financial Reports. IPR shall provide the Board of Regents and Universities with monthly financial reports on IPR and Radio Group activities.
- (4) Tax Reports. IPR shall provide the Board of Regents, the Universities, and the State of Iowa Legislative Services division with a copy of its annual Form 990 Federal tax return.
- (5) State Oversight. IPR shall comply with the provisions of Iowa Code Chapter 8F.
- (6) Audits. The IPR Board shall engage an independent public accountancy firm to conduct annual audits of IPR and the Radio Groups, and shall provide copies of each audit report to the Board of Regents and Universities within 30 days of the completion of such audit.
- (7) Maintenance of Books and Records. IPR agrees to make all books and records in its possession and any materials produced in connection with services under this Agreement

available to the Board of Regents, the Universities, the State Auditor or their authorized representatives upon request.

4(f) Public Meetings and Records.

- (1) IPR shall conduct its meetings consistent with Iowa Code Chapter 21 and 47 U.S.C. Section 396(k)(4).
- (2) IPR shall make its records regarding its activities in managing operations of the Radio Groups on behalf of the Board of Regents and Universities; and serving as the primary fundraising entity for the Radio Groups, accessible to the public consistent with Iowa Code Chapter 22.

ARTICLE 5. FUNDRAISING

5(a) In General.

IPR shall perform fundraising for itself and on behalf of the Radio Groups in the form of individual gifts, corporate and foundation support, capital campaigns, and other activities. IPR may accept gifts to itself, the Radio Groups or any constituent Station of the Radio Groups, or may (with the recipient's consent) direct such gifts to the Universities or the University Foundations for use by the Radio Groups or any constituent Station of the Radio Groups.

5(b) Use of Funds.

Funds raised by IPR on behalf of the Radio Groups shall be used in accordance with the relevant gift instrument exclusively for the support of the Radio Groups and their constituent Stations. IPR may direct all or a portion of any such funds to the Board of Regents or the Universities to offset Radio Group costs or for the expansion of Radio Group programming or activities, or to third-parties for products or services in support of Radio Group operations. Funds designated as endowment funds shall be held as such by IPR consistent with the provisions of Iowa law and the relevant gift instrument.

5(c) Accounts.

Funds raised or accepted by IPR shall be deposited in the account of IPR, or into one or more accounts maintained by the Universities or University Foundations, as requested by IPR and agreed to by the owner of such account. Notwithstanding the foregoing, proceeds from on-air fundraising or for Station-identified grants shall be separately accounted for and such funds shall be restricted for the uses and purposes of the soliciting Station to the extent required by the FCC.

5(d) Grant Applications.

The Board of Regents and the Universities agree to assist the Executive Director in applying for and receiving grants for the maintenance and growth of the Radio Groups. Such grants may be solicited from the legislature of the State of Iowa, the Federal Government, quasi-governmental agencies such as the Corporation for Public Broadcasting, or non-governmental entities.

5(e) Gift Acceptance Policies.

The IPR Board shall establish written policies and procedures for the acceptance of gifts. Such policies may include provisions authorizing IPR to charge a one-time gift acceptance fee and an annual administrative fee against all gifts received by IPR on its behalf or on behalf of the Radio Groups or their constituent Stations consistent with the fees currently charged against such gifts by the University Foundations and to the extent allowable by law and the gift instrument.

5(f) Coordination with Universities.

Notwithstanding IPR's right to fundraise on behalf of itself and the Radio Groups, the parties acknowledge that each University and its respective University Foundation conduct ongoing fundraising activities for the benefit of the Universities. The parties agree that, to the extent practicable, such fundraising activities will be coordinated to ensure optimum public awareness and separation between such campaigns.

5(g) Coordination with University Foundations.

IPR will explore mutually beneficial relationships with the University Foundations, including support of IPR's fundraising and planned giving activities. The Board of Regents and the Universities agree to assist IPR in developing such relationships.

ARTICLE 6. OBLIGATIONS OF THE BOARD OF REGENTS AND THE UNIVERSITIES

6(a) Support of IPR.

As part of its annual budgeting process, the IPR Board shall determine the direct costs of IPR (including employment expenses) in meeting its obligations pursuant to this Agreement. Except as prohibited by the relevant gift instrument, IPR may deduct from fundraising proceeds in IPR's possession such budgeted amount as a fee for the management of the Radio Groups (the "Management Fee"). To the extent the Management Fee exceeds the funds in IPR's possession that may be applied toward such Management Fee, the Licensee Representatives shall arrange for the payment of any shortfall to IPR from Radio Group funds in the Universities' possession.

6(b) Support of Radio Groups.

The Board of Regents and the Universities agree to continue to provide the Radio Groups with such financial support, support services and facilities as are necessary for the continued operation and success of the Radio Groups, subject to the following provisions:

- (1) Financial Support for the Radio Groups shall be determined pursuant to annual negotiation between the Universities, the Board of Regents and IPR and authorized pursuant to their respective annual budgeting processes, and shall be determined and communicated to IPR sufficiently early to allow the preparation of budgets for IPR and the Radio Groups in a timely manner.
- (2) Support Services to be provided to each Radio Group shall be consistent with the support services provided from time to time to other departments at such University to the extent

such Support Services are reasonably necessary to insure IPR's efficient and economical operation as contemplated by this Agreement. Support Services currently available to the Radio Groups include but are not limited to, mail services, equipment maintenance, custodial services, telecommunications and network support, E-mail accounts, copy services, publication services, payroll, benefits and human resource services, accounting services, and security services. IPR employees using such Support Services shall comply with all applicable Board of Regents and University policies.

- (3) Station Facilities adequate for IPR's operation shall continue to be maintained for the use of the Radio Groups. During the term of the Agreement, IPR shall enjoy access to the Station Facilities consistent with the purpose of this Agreement and FCC requirements for licensee control of broadcast facilities. Except as otherwise provided in this Agreement, the "Station Facilities" shall mean the physical plant and equipment including, but not limited to, all of the studios, space, furnishings, transmitter buildings, sites, transmission and reception equipment, and utility service thereon, necessary or useful for the operation of the Radio Groups as contemplated by this Agreement. A listing of current Station Facilities is attached hereto as Exhibit B.

6(c) Improvement of Facilities.

Upon the consent of the IPR Board, one or more of the Universities may use IPR or University funds for the improvement or replacement of Station Facilities. Any such improvements or replacements shall occur pursuant to the policies of the purchasing University.

6(d) Ownership of Facilities.

Station Facilities shall remain the property of the Board of Regents and the Universities and will revert to the possession of the Board of Regents and the Universities upon the termination of this Agreement, along with any improvements to the Station Facilities made during the term of this Agreement.

6(e) FCC Compliance.

Each FCC licensee, through its Licensee Director, Licensee Representative and Licensee Compliance Personnel shall ensure such licensee's stations remain at all times in compliance with Federal law and the rules and regulations of the FCC.

6(f) IPR Records.

Except as required by the Iowa Open Records Law, Chapter 22, Code of Iowa or other applicable law, the Board of Regents and Universities agree not to make any IPR documents, records or any other information (whether written or in any other form) available to a third party without IPR's express written consent, which consent shall not be unreasonably withheld.

6(g) Donor Information.

The Board of Regents and the Universities agree to provide IPR with copies of all information in their possession in such format as may reasonably be requested by IPR regarding historical or

prospective donors to the Radio Groups, specifically including such donor lists and contact information as may be useful to IPR in its ongoing fundraising activities, and to assist IPR in obtaining such Radio Group donor information as may be in the possession of the University Foundations. IPR shall abide by applicable law and Corporation for Public Broadcasting requirements with respect to such information and will use such information only as authorized by this Agreement.

ARTICLE 7. RENEWAL, TERMINATION, AND EFFECT OF TERMINATION

7(a) Automatic Renewal.

The term of this Agreement shall be automatically renewed for an additional term of three (3) years upon each subsequent termination date, unless either party gives written notice to the other of intent not to renew within a period of not less than three (3) months prior to the expiration of the term.

7(b) Termination for Breach.

The Board of Regents or IPR may terminate this Agreement with prior notice to the other party if the other party materially breaches this Agreement, provided the injured party has given the other party notice under Section 12(m) of such breach and the other party failed to cure such breach within thirty (30) days after receipt of such notice.

7(c) Termination or Suspension by Board of Regents.

Notwithstanding the foregoing, the Board of Regents, acting as the governing board of one or more FCC licensees, may terminate or suspend this Agreement with respect to such licensee or licensees Stations at any time with or without cause (and specifically including termination due to IPR's failure to comply with the provisions of Iowa Code Chapter 8F) upon notice to IPR under Section 12(m).

7(d) Effect of Termination.

In the event of termination or expiration of this Agreement,

- (1) Each party shall immediately pay all amounts due and owing to the other party under this Agreement;
- (2) IPR shall return to the Board of Regents and the Universities the exclusive access and control over all Station Facilities (including improvements and additions);
- (3) IPR shall distribute to the Board of Regents and the Universities:
 - (A) all monies in the possession or under the control of IPR, including but not limited to all funds raised or accepted by IPR;
 - (B) an assignment of all vested and contingent receivables of IPR; and

- (C) all other property owned by or under the control of IPR, including but not limited to donor information.

In order to facilitate the return of all such property, IPR shall provide the Board of Regents a detailed accounting of all IPR assets and obligations no later than twenty (20) business days after termination or expiration of the Agreement.

- (4) In the event IPR receives monies or any other property subsequent to the termination of this Agreement, whether by gift, bequest, or other source, IPR shall distribute such additional property to the Board of Regents and the Universities.

ARTICLE 8. INSURANCE

8(a) General.

IPR shall maintain such insurance as is necessary and appropriate for covering its services and the operations of the Radio Groups in accordance with reasonable business practices. IPR shall deliver certificates of coverage to the Regents Board within sixty (60) days of execution of this Agreement and at annual renewal thereafter. At a minimum, IPR shall obtain for itself and/or for the Radio Groups:

- (1) *Media Liability Insurance.* Coverage limits of at least \$1,000,000 per claim.
- (2) *Commercial General Liability.* Coverage limits of at least \$1,000,000 per claim and \$2,000,000 annual aggregate. Coverage shall include the Board of Regents and each University as additional insureds.
- (3) *Directors and Officers Liability Insurance.* Coverage limits of at least \$1,000,000 per claim.
- (4) *Workers Compensation Insurance.* Coverage limits as required by law. Coverage may be obtained by third-party carrier or through one or more Universities' affiliate coverage programs.
- (5) *Employment Practices Liability Insurance.* Coverage limits of at least \$1,000,000 per claim. This policy may be obtained as a component of the Directors and Officers Liability Insurance.
- (6) *IPR Employee Liability Insurance.* Coverage shall reasonably protect IPR and its managerial employees from liability relating to such employees' actions on behalf of IPR.
- (7) *Commercial Auto Liability Insurance.* Policy shall include owned, rented, leased and non-owned vehicles if any. Coverage limits of at least \$1,000,000 per claim.
- (8) *Property Insurance.* IPR shall carry normal office contents coverage as necessary. Property Coverage on media and broadcasting equipment and towers owned or leased by the Universities shall be the responsibility of such Universities.

- (9) *Employee Dishonesty Bond.* IPR shall carry a blanket dishonesty bond with a minimum limit of \$100,000 covering individuals employed directly by IPR. This bond will also be extended to include the IPR board of directors and any IPR volunteers. Individuals employed by the Universities will be required to have bond coverage provided by each University.
- (10) *Umbrella/Excess Liability Insurance.* Coverage limits of at least \$1,000,000 per claim and \$1,000,000 aggregate shall be carried providing excess coverage over the General Liability, Auto Liability, and Employers Liability.

All coverages shall be considered primary and not contributory to any other insurance or self insurance carried by the Regents or the Universities. Insurance companies shall be required to notify each certificate holder a minimum of thirty (30) days for any cancellation or material change in coverage terms. All companies are required to have a minimum AM Best Rating of A – VII and be licensed to do business in the State of Iowa. Any policy deductibles shall be the responsibility of IPR and not the Board of Regents or the Universities.

8(b) Additional Insured.

The Board of Regents shall be named as an additional insured on each insurance policy maintained by IPR, which shall also provide that the coverage is primary coverage and is not contributory with any other insurance or self-insurance programs.

ARTICLE 9. LIABILITIES

9(a) Independent Responsibility.

IPR, the Board of Regents and the Universities shall each be responsible for their own acts.

9(b) Indemnification by IPR.

IPR shall indemnify and hold harmless the Board of Regents and Universities from and against any and all losses, claims, damages, expenses, including legal fees for defense, or liabilities, (collectively, “Damages”) to which the Board of Regents and the Universities may be subjected by reason of the acts, errors, or omissions of IPR’s officers, employees or agents.

9(c) Responsibility of the Board of Regents and the Universities.

The Board of Regents and Universities shall assume responsibility for any and Damages arising out of the performance of this Agreement which are incurred by reason of the negligence of the Board of Regents and Universities or their employees to the full extent permitted by the Constitution of the State of Iowa and by Chapter 669, Code of Iowa and according to the procedures set forth therein.

ARTICLE 10. USE OF MARKS

10(a) Board of Regents Marks.

IPR is hereby granted a nonexclusive license during the term of this Agreement to use the name “WOI”, “WOI-AM”, “WOI-FM”, “WOI Radio Group”, “KTPR-FM”, “KWOI-FM”, “KOWI-FM”, “KSUI-FM”, “WSUI-AM”, “KSUI Radio Group”, “KUNI-FM”, “KHKE-FM”, “KUNY-FM”, “KRNI-AM”, “KDMR-FM”, “KDUB-FM”, “KUNI Radio Group” and any other trademarks, trade names, service marks or logos owned and used by the Board of Regents or the Universities in connection with the Radio Groups.

10(b) IPR Marks.

The Board of Regents and the Universities are hereby granted a reciprocal nonexclusive license during the term of this Agreement to use the name “IPR” and “Iowa Public Radio” and any other trademarks, trade names, service marks or logos owned and used by IPR.

ARTICLE 11. AMENDMENTS

Except as provided in Article 7, neither this Agreement nor any provision hereof can be modified, amended, discharged, terminated, waived or changed except by an instrument in writing signed by both parties.

ARTICLE 12. GENERAL CONDITIONS

12(a) Assignment.

Neither party may assign or transfer this Agreement or any of its rights hereunder, or delegate any of its duties hereunder, without the prior written consent of the other party. Any attempted assignment, transfer or delegation in contravention of this Section of the Agreement shall be null and void. This Agreement shall inure to the benefit of and be binding on the parties hereto and their permitted successors and assigns.

12(b) Authority.

Except as provided herein, neither party shall have authority to bind, obligate or commit the other party by any representation or promise without the prior written approval of the other party.

12(c) Authorization.

The Board of Regents, Universities and IPR have full power and authority to enter into and perform the Agreement, and the person signing the Agreement on behalf of each has been properly authorized and empowered to enter into the Agreement and to bind each party to each and every one of the terms, conditions and obligations set forth herein.

12(d) Binding Effect.

Each party agrees that the Agreement binds it and each of its employees, agents, independent contractors, and representatives.

12(e) Compliance With Civil Rights Laws.

- (1) IPR shall not discriminate against any employee or applicant for employment because of race, creed, color, religion, national origin, sex, sexual orientation, age, or physical or mental disability. IPR shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, creed, color, religion, national origin, sex, sexual orientation, age, or physical or mental disability except where it relates to a bona fide occupational qualification. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. IPR agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Board setting forth provisions of this nondiscrimination clause.
- (2) All solicitations or advertisements for employees placed by or on behalf of IPR shall state that all qualified applicants will receive consideration for employment without regard to race, creed, color, religion, national origin, sex, sexual orientation, age, or physical or mental disability, except where it relates to a bona fide occupational qualification.
- (3) IPR shall send to each labor union or representative of workers with which IPR has a collective bargaining agreement or other contract or understanding, if any, a notice advising the labor union or workers' representative of IPR's commitments under this nondiscrimination clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (4) IPR shall comply with the provisions of all federal and state laws, executive orders, and rules and regulations of the Board of Regents and of its institutions which pertain to equal employment opportunity and affirmative action. IPR shall furnish all information and reports requested by the Board of Regents and shall permit access to IPR payroll and employment records for the purposes of investigation to ascertain compliance with this nondiscrimination clause.
- (5) In the event of IPR's noncompliance with the nondiscrimination clauses of this Article or with any of the aforesaid rules, regulations, or request, this Agreement may be cancelled, terminated, or suspended in whole or in part and IPR may be declared ineligible for further agreements with the Board of Regents. In addition, the Board of Regents may take such further action and such other sanctions may be imposed and remedies invoked, as provided by the Iowa Civil Rights Act of 1965, Chapters 216 and 19B.7, Code of Iowa, as amended from time to time, or as otherwise provided by law.

12(f) Cooperation of Parties.

The parties agree to fully cooperate with each other in connection with the performance of their respective obligations and covenants under this Agreement.

12(g) Entire Agreement; Acknowledgement of Understanding.

The Board of Regents, the Universities and IPR acknowledge that they have read the Agreement, understand it and agree to be bound by its terms and conditions. Further, the Board of Regents and the Universities and IPR agree that the Agreement is the complete and exclusive statement of the Agreement between the parties relating to the subject matter of the Agreement and supersedes all proposals, letters of intent or prior agreements, oral or written, and all other communications and representations between the parties relating to the subject matter of the Agreement. Understandings, agreements, representations, or warranties not contained in this Agreement or a written amendment hereto shall not be binding on either party.

12(h) Force Majeure.

Neither the Board of Regents, the Universities nor IPR shall be liable or responsible for delays or failures in performance resulting from events beyond the reasonable control of such party and without fault or negligence of such party. Such events shall include but not be limited to acts of God, strikes, lockouts, riots, acts of war, epidemics, acts of government, fire, power failures, nuclear accidents, earthquakes, unusually severe weather, or other disasters, whether or not similar to the foregoing, and acts or omissions or failure to cooperate of the other party or third parties (except as otherwise specifically provided herein).

12(i) Governing Law.

This Agreement shall be governed in all respects by the laws of the State of Iowa.

12(j) Headings.

The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

12(k) Nonwaiver.

Except as otherwise specifically provided herein, any failure or delay by either party to exercise or partially exercise any right, power or privilege under the Agreement shall not be deemed a waiver of any such right, power, or privilege under the Agreement. Any waivers granted by the Board of Regents, the Universities or IPR for breaches hereof shall not indicate a course of dealing of excusing other or subsequent breaches.

12(l) Notice of Delay.

When either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Agreement, that party shall, within five (5) working days, give notice thereof, including all relevant information with respect thereto, to the other party.

12(m) Notices.

Any notice or demand or other communication required or permitted to be given under this Agreement or applicable law shall be effective if and only if it is in writing, properly addressed,

and either delivered in person, or by a recognized courier service, or deposited with the United States Postal Service as first-class certified mail, postage prepaid and return receipt requested, to the parties at the following addresses:

To the **Board of Regents, State of Iowa** at:

Attention: Thomas Evans
11260 Aurora Avenue
Urbandale, Iowa 50322-7905

To **IPR** at:

Attention: Kelly Edmister
2111 Grand Avenue; Suite 100
Des Moines, Iowa 50312

To **Iowa State University of Science and Technology** at:

Attention: Steven Leath
1750 Beardshear Hall
Ames, Iowa 50011-2035

To **University of Iowa** at:

Attention: Sally Mason
101 Jessup Hall
Iowa City, Iowa 52242-1316

To **University of Northern Iowa** at:

Attention: William N. Rudd
Seerley Hall 20
Cedar Falls, Iowa 50614-0705

The notice address as provided herein may be changed by notice given as provided above.

12(n) Remedies.

No remedy conferred by any of the specific provisions of the Agreement is intended to be exclusive of any other remedy, and each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder, now or hereafter existing at law or in equity or by statute or otherwise. The election of any one or more remedies by either party shall not constitute a waiver of the right to pursue other available remedies.

12(o) Severability.

If any term or condition of this Agreement or the application thereof to any person(s) or circumstances is held invalid, such invalidity shall not affect other terms, conditions, or applications which can be given effect without the invalid term, condition, or application; to this end the terms and conditions of this Agreement are declared severable.

12(p) Subcontractors.

IPR may enter into subcontracts with third parties for its performance of any part of IPR's duties and obligations. In no event shall the existence of a subcontract operate to release or reduce the liability of IPR to the Board of Regents for any breach in the performance of IPR's duties.

12(q) Subpoena.

In the event that a subpoena or other legal process commenced by a third party in any way concerning the services provided pursuant to this Agreement is served upon the Board of Regents or IPR, such party agrees to notify the other party in the most expeditious fashion possible following receipt of such subpoena or other legal process. The Board of Regents and IPR further agree to cooperate with the other party in any lawful effort by the such other party to contest the legal validity of such subpoena or other legal process commenced by a third party.

12(r) Survival.

All services performed pursuant to the authority of this Agreement are subject to all of the terms and conditions set forth herein, notwithstanding the expiration of the initial term of this Agreement or any extension thereof. Further, the terms, conditions and warranties contained in this Agreement that by their sense and context are intended to survive the completion of the performance, cancellation or termination of this Agreement shall so survive.

12(s) Waiver.

Waiver of any breach of any term or condition of this Agreement shall not be deemed a waiver of any prior or subsequent breach. No term or condition of this Agreement shall be held to be waived, modified or deleted except by a written instrument signed by the parties hereto.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Public Service Operating Agreement and Restated Agreement as of the date first written above.

BOARD OF REGENTS, STATE OF IOWA

By _____
Bruce Rastetter, Interim President

Date

IOWA PUBLIC RADIO, INC.

By _____
Kay K. Runge, Board Chair

Date

Consented to by:

IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY

By _____
Steven Leath, President

Date

UNIVERSITY OF IOWA

By _____
Sally Mason, Interim President

Date

UNIVERSITY OF NORTHERN IOWA

By _____
William N. Rudd, President

Date

EXHIBIT "A"

LISTING OF STATIONS:

<u>Licensee</u>	<u>Station Identifier</u>	<u>Location</u>	<u>Facility ID</u>
Iowa State University	WOI-AM	Ames	29119
of Science and Technology	WOI-FM	Ames	29118
	KNSH-FM	Fort Dodge	29066
	KNSC-FM	Carroll	122627
	KNSL-FM	Lamoni	81325
	KNSZ-FM	Ottumwa	29117
	KICP-FM	Patterson	164102
	KICL-FM	Pleasantville	164103
	KICG-FM	Perry	78934
University of Iowa	WSUI-AM	Iowa City	63119
	KSUI-FM	Iowa City	66626
	KSUI Translator: K269EK	Dubuque	66438
University of Northern Iowa	KUNI-FM	Cedar Falls	69158
	KHKE-FM	Cedar Falls	69027
	KNSM-FM	Mason City	69284
	KRNI-AM	Mason City	69035
	KICJ-FM	Mitchellville	90336
	KNSY-FM	Dubuque	85606
	KNSB-FM	Bettendorf	83540
	KICW-FM	Ottumwa	83086
	KUNI Translators: K233AA	Davenport	69144
	K271AF	Eldridge	69010
	K269EJ	Des Moines	69355
	KHKE Translator: K214BA	Mason City	69129

EXHIBIT “B”

RADIO GROUP STATION FACILITIES

Iowa State University of Science and Technology

Facilities owned by Iowa State University and assigned to the WOI Radio Group:

Office, technical and studio space on the Second Floor of the Communications Building, Ames

Garage in the Communications Building, Ames

Storage area in the basement of the Communications Building, Ames

Tower adjacent to Communications Building, Ames

Tower and transmitter facilities near Napier

Tower and transmitter facilities near Alleman

Tower and transmitter facilities near Ottumwa

Tower and transmitter facilities near Van Wert

Transmitter building near Litterdale

Tower and transmitter facilities near Patterson

Facilities leased by Iowa State University and assigned to the WOI Radio Group:

Studio space and tower at Iowa Central Community College, Fort Dodge

Tower space and transmitter building near Bradgate

Land for tower near Van Wert

Land for tower near Alleman

Studio space and tower at Graceland University, Lamoni

Tower space near Litterdale

Studio space and tower at Carroll High School, Carroll

Land for tower near Ottumwa

Land for tower near Patterson

Tower and transmitter facilities near Pleasantville

Tower and transmitter facilities near Boone

Tower at Ottumwa High School, Ottumwa

University of Iowa

Facilities owned by University of Iowa and assigned to the KSUI Radio Group:

Office, technical and studio space at 710 South Clinton Street, Iowa City

Tower and transmitter facilities near Oakdale

Tower and transmitter facilities near Hills

Facilities leased by University of Iowa and assigned to the KSUI Radio Group:

Tower and transmitter facilities near Grant County, Wisconsin

Tower and transmitter facilities near West Branch

University of Northern Iowa

Facilities owned by University of Northern Iowa and assigned to the KUNI Radio Group:

Office, technical and studio space on the Third Floor of the Communication Arts Center, Cedar Falls.

Tower and transmitter facilities near Waterloo

Transmitter building near Mason City (KRNI)

Transmitter building near Mitchellville

Tower near Mason City (KNSM)

Facilities leased by University of Northern Iowa and assigned to the KUNI Radio Group:

Tower and transmitter facilities near Walker

Tower and transmitter facilities near Dubuque

Tower near Mitchellville

Tower and transmitter facilities near Davenport (K233AA)

Tower and transmitter facilities near Eldridge

Land for tower and building near Waterloo

Tower and transmitter facilities near Des Moines

Tower and transmitter facilities near Davenport (KNSB)

Tower and transmitter facilities near Mason City (K214BA)

Land, tower and building near Ottumwa

Tower near Mason City (KRNI)

Land and transmitter facilities near Mason City (KNSM)

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