

## **ASSET PURCHASE AGREEMENT**

THIS AGREEMENT, entered into as of this \_\_\_\_ day of February, 2008, by and between GREAT LAKES COMMUNITY BROADCASTING, INC. ("Seller") and MACDONALD-GARBER BROADCASTING, INC. ("Buyer");

### **WITNESSETH:**

WHEREAS, Seller is the Permittee of FM Translator Station W221BQ at Petoskey, Michigan, with license application BLFT-20070525AAA currently pending before the Federal Communications Commission ("FCC"); and,

WHEREAS, Buyer desires to acquire W221BQ once the station's license application is granted, and contingent upon Buyer also securing FCC approval for Special Temporary Authority, a waiver or permanent authority for W221BQ to rebroadcast the signal of Buyer's Standard Broadcast Station WMKT-AM so that WMKT-AM could heard at night in an appreciable portion of its daytime service area, and Seller desires to sell, assign, transfer and convey the same to Buyer pursuant to the terms and conditions set forth below:

NOW, THEREFORE, in consideration of the mutual covenants herein contained, receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. **DEFINITIONS:** Unless otherwise stated in this Agreement, the following terms shall have the following meanings:

a. Closing Date or Closing means a date to be designated by Buyer which shall not be earlier than the tenth (10th) nor later than the forty-fifth (45th) business day after the FCC provides Notice that it has approved and granted the assignment of W221BQ, provided, however, that, in the event of any post-grant protest of the Application, either Seller or Buyer shall have the option to extend the Closing Date to a date not later than the tenth (10th) business day after the Commission's consent and approval has become a Final Order, as defined below, further subject to the prior approval by the FCC of the W221BQ license application and Buyer's STA, waiver or other authority to permit W221BQ to rebroadcast Radio Station WMKT-AM.

(b) Final Order means an Order of the FCC granting its consent and approval to the assignment of the Construction Permits from Seller to Buyer, which is no longer subject to rehearing, reconsideration or review by the FCC, or to a request for stay, an appeal or review by any court under the Communications Act of 1934, or the Rules and Regulations of the FCC.

2. **SALE AND TRANSFER OF ASSETS:** On the Closing Date, Seller agrees to sell and shall sell, transfer, assign, convey and deliver to the Buyer the W221BQ license.

3. **PURCHASE PRICE:** The total consideration to be paid by Buyer to Seller pursuant to this Agreement is One Thousand Five Hundred Dollars (\$ 1,500.00), which shall be paid in full by certified bank check or wire transfer at Closing.

4. **ASSUMED CONTRACTS AND OBLIGATIONS.** No expense, debt or liability of Seller, of any nature whatsoever, shall be assumed by Buyer unless said assumption is set forth in this Agreement, or in any separate written agreements executed by both Buyer and Seller.

5. **TERMINATION:** This Agreement may be terminated at the option of either party upon written notice to the other party if the Closing has not consummated by January 1, 2009, provided however, that neither party may terminate this Agreement if that party is in default hereunder, or if a delay in any decision or determination by the FCC respecting either application has been caused or materially contributed to (i) by any failure of the terminating party to furnish, file or make available to the FCC information within its control; (ii) by the willful furnishing by the terminating party of incorrect, inaccurate, or incomplete information to the FCC, or (iii) by any other action taken by the terminating party for the purpose of delaying the FCC's decision or determination respecting the application.

6. **TRANSFER OF ASSETS:** Seller, on the Closing Date at the Closing Place, will sell, transfer, convey, assign and deliver to Buyer the W221BQ license.

7. **CONSENT OF THE FCC:**

a. It is specifically understood and agreed that the consummation of this Agreement shall be subject to the prior consent of the FCC without conditions materially adverse to the Buyer. Upon the execution of this Agreement, Seller and Buyer will, at their mutual expense, proceed to expeditiously prepare and file with the FCC the requisite Assignment Application (Including Buyer's concomitant STA Request for WMKT-AM) to secure such consent, together with such other necessary instruments and documents as may be required. The parties further agree to tender the said Application to the FCC within ten (10) days of the date of execution of this Agreement, and thereafter to prosecute said Application with diligence, and to cooperate with each other and to use their best efforts to obtain the requisite consent and approval promptly, and to carry out the provisions of this Agreement. Buyer shall be responsible for paying of any FCC filing fees associated with this transaction.

b. **Modification Applications.** Seller agrees to cooperate with Buyer in the filing of a minor change modification application for W221BQ if in Buyer's sole discretion such an application is desired. Buyer shall bear the costs and expenses it incurs with regard to the preparation, filing and prosecution of any such application. Buyer's obligation to proceed with this transaction shall be contingent upon the successful outcome of such modification application, including the final licensing thereof.

c. **License Application Approval.** So long as this agreement remains valid, Buyer hereby agrees to provide Seller with any reasonable technical, mechanical and financial assistance needed to secure FCC approval for the pending license application for W221BQ. Such assistance shall be at the direction of Seller, with ultimate authority of such efforts residing with Seller.

8. **LEGAL NOTICE:** Upon the filing of the assignment application, Seller shall be responsible for, and shall take the necessary steps, to provide such Legal Notice concerning the filing as may be required by the FCC Rules. If requested by Buyer, Seller shall provide Buyer with evidence of Seller's compliance with the Legal Notice requirements.

9. **SECTION 73.1150 STATEMENT:** Both the Seller and Buyer agree that the Seller has retained no rights of reversion in W221BQ, no right to the reassignment of W221BQ in the future, and has not reserved the right to use the facilities of W221BQ in the future for any reason whatsoever.

10. **COMPLIANCE WITH LAWS:** Seller has not received any notice asserting noncompliance by it in connection with W221BQ with respect to any applicable local, state or federal (including FCC) statute, rule or regulation. Seller is not in default with respect to any judgment, order, injunction or decree of any court, administrative agency or other governmental authority or any other tribunal duly authorized to resolve disputes in any respect material to the transactions contemplated hereby. There are no applications, complaints or proceedings pending or, to the best of Seller's knowledge, threatened before the FCC relating to W221BQ which would have a material adverse effect on the future operation of W221BQ.

11. **COVENANTS, REPRESENTATIONS, WARRANTIES AND INSURANCE:**

(a). Seller has full power and authority to enter into this Agreement and is the permittee of W221BQ.

(b). Buyer has full power and authority to enter into this Agreement and has

correctly represented its financial standing to consummate this Agreement.

**12. EXPIRATION OF REPRESENTATIONS AND WARRANTIES:** The representations and warranties of Seller and Buyer contained herein shall expire one (1) year after the Closing.

**13. FCC QUALIFICATIONS:**

(a) Seller is qualified under the Communications Act of 1934, as amended, to assign W221BQ to Buyer.

(b) Seller does not know of any facts relating to Seller which would cause the FCC to deny its consent to the assignment of W221BQ to Buyer, and should any such facts come to Seller's attention, Seller shall promptly notify Buyer thereof and use his reasonable best efforts and take such steps as may be reasonably necessary to remove any such impediment to the Assignment.

**14. SELLER'S PERFORMANCE AT CLOSING:** On the Closing Date at the Closing Place, Seller shall execute and deliver or cause to be delivered to Buyer the following:

(a) An Assignment to Buyer of the W221BQ license, together with any and all other related authorizations.

(b) An Assignment to Buyer of all rights, title and interest in and to the Call Letters W221BQ.

(c) Such other assignments, bills of sale or other instruments as may be required to effectuate this Agreement and the assignment of the W221BQ license from Seller to Buyer.

**15. BUYER'S PERFORMANCE AT CLOSING:** On the Closing Date at the Closing Place, Buyer shall execute the appropriate Closing Documents and deliver to Seller a bank check or wire transfer in the amount of One Thousand Five Hundred Dollars (\$1,500.00).

**16. BENEFIT:** The parties hereto understand and agree that this Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns.

**17. INDEMNIFICATION:**

(a) It is understood and agreed that the Buyer does not assume and shall not be obligated to pay any liabilities of Seller under the terms of this Agreement or otherwise and shall not be obligated to perform any obligations which arise subsequent to the Closing Date or as herein provided. Seller hereby agrees to indemnify and hold Buyer, its successors and assigns, harmless from and against the following:

(i) Any and all claims, liabilities and obligations of every kind and description, contingent or otherwise, arising from or related to the operation of W221BQ prior to the close of business on the Closing Date, including, but not limited to, any and all claims, liabilities and obligations arising or required to be performed prior to the close of business on the Closing Date under any contract or instrument assumed by Buyer hereunder.

(ii) Any and all damages or deficiency resulting from any misrepresentations, breach of warranty or covenant, or nonfulfillment of any agreement or obligation on the part of Seller under this Agreement, or from any misrepresentation in or omission from any certificate or other instrument furnished to the Buyer pursuant to this Agreement or in connection with any of the transactions contemplated hereby.

(iii) Any and all actions, suits, proceedings, damages, assessments, judgments, costs and expenses, including reasonable attorneys' fees incident to any of the foregoing provisions.

(b) If any claim or liability shall be asserted against the Buyer which would give rise to a claim by the Buyer against the Seller for indemnification under the provisions of this Paragraph, the Buyer shall promptly notify the Seller in writing of the same and the Seller shall, at its own expense, defend any such action.

**18. SPECIFIC PERFORMANCE:** Buyer and Seller recognize that if Seller refuses to perform under the provisions of this Agreement, monetary damages alone will not be adequate to compensate Buyer for its injury. Buyer shall therefore be entitled, in addition to any other remedies that may be available, to obtain specific performance of the terms of this Agreement.

**19. OTHER DOCUMENTS:** The parties shall execute such other documents as may be necessary and desirable to the implementation and consummation of this

Agreement.

20. **BROKER**: The Seller and Buyer agree that no broker was involved in this transaction.

21. **ATTACHMENTS**: All Attachments to this Agreement shall be deemed part of this Agreement and incorporated herein, where applicable, as if fully set forth herein. If any provision in any Attachment conflicts with or is not consistent with the provisions of this Agreement, the terms of this Agreement shall govern.

22. **NO INCONSISTENT ACTIONS**. Neither the Seller nor the Buyer shall take any action which is materially inconsistent with its obligations under this Agreement.

23. **ENTIRE AGREEMENT**: This Agreement is the only Agreement between the parties hereto and contains all of the terms and conditions agreed upon with respect to the subject matter hereof. No alteration, modification or change of this Agreement shall be valid unless by like instrument.

24. **NOTICES**: All necessary notices required under this Agreement shall be sent first-class mail, postage pre-paid, to the following:

If to Seller: James J. McCluskey  
Great Lakes Community Broadcasting,  
Inc.  
P.O. Box 334  
Stanwood, MI 49346

If to Buyer: Patricia MacDonald Garber  
MacDonald Garber Broadcasting, Inc.  
P.O. Box 286  
Petoskey, MI 49770

With a copy to: Cary S. Tepper, Esq.  
Booth, Freret, Imlay & Tepper, PC  
7900 Wisconsin Avenue  
Suite 304  
Bethesda, MD 20814-3628

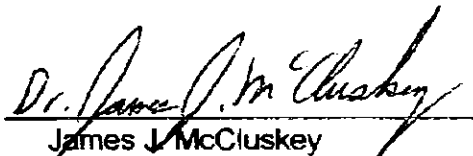
25. **GOVERNING LAW**: This Agreement shall be construed and enforced in accordance with the laws of the State of Michigan.

**26. COUNTERPARTS:** This Agreement may be executed in counterparts.

**27. HEADINGS:** The headings of the Paragraphs of this Agreement are inserted as a matter of convenience and for reference purposes only, and in no way define, limit or describe the scope of this Agreement nor the intent of any Paragraph hereof.

IN WITNESS HEREOF, the parties hereto have hereunto set their hands and seals.

**GREAT LAKES COMMUNITY  
BROADCASTING, INC.  
(Seller")**

By:   
James J. McCluskey  
President

Date: Feb 8, 2008

**MacDONALD GARBER  
BROADCASTING, INC.  
(Buyer")**

By: \_\_\_\_\_  
Patricia MacDonald Garber  
President

Date: \_\_\_\_\_

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GREAT LAKES COMMUNITY  
BROADCASTING, INC.  
(Seller)

By: *James J. McCluskey*  
James J. McCluskey  
President

Date: Feb 8 2008

MacDONALD GARBER  
BROADCASTING, INC.  
(Buyer)

By: *Patricia MacDonald Garber*  
Patricia MacDonald Garber  
President

Date: 2/8/08