

EXHIBIT 2.8

CONSULTING AND NON-COMPETE AGREEMENT

THIS CONSULTING AND NON-COMPETE AGREEMENT (this "Agreement"), made and entered into this ____ day of _____, 2003 (the "Effective Date"), by and between CUMULUS BROADCASTING, INC. a Nevada corporation, ("Buyer") and GREGORY D. GENTLING, an individual resident of Minnesota ("Consultant"),

W I T N E S S E T H:

WHEREAS, the Southern Minnesota Broadcasting Co. (the "Company") is the licensee of the radio broadcast stations KROC (AM), Rochester, Minnesota; KROC (FM), Rochester, Minnesota; KYBA (FM), Stewartville, Minnesota; KYBB (FM), Canton, South Dakota; KIKN (FM), Salem, South Dakota; KKLS (FM) Sioux Falls, South Dakota; KMXC (FM), Sioux Falls, South Dakota; KSOO (AM), Sioux Falls, South Dakota; and KXRB (AM), Sioux Falls, South Dakota (collectively, the "Stations");

WHEREAS, G Gentling LLC (the "LLC") owns certain real estate located in Sioux Falls, South Dakota and the Company and the LLC together own all of the assets, radio broadcast rights, and related rights that are used or useful in the operation of the Stations;

WHEREAS, Buyer, the Company, and the LLC are parties to that certain Acquisition Agreement dated as of _____, 2003 (hereinafter the "Acquisition Agreement"), pursuant to which Buyer and its affiliates will acquire all of the issued and outstanding shares of capital stock of the Company and all of the outstanding membership interests of the LLC;

WHEREAS, immediately following the closing of the transactions contemplated by the Acquisition Agreement (the "Acquisition"), Buyer will be continuing the business conducted by the Company and the LLC with respect to the Stations in substantially the manner as such business was conducted by the Company and the LLC prior to the Acquisition;

WHEREAS, Consultant is the controlling shareholder of the Company and the sole member of the LLC;

WHEREAS, Consultant has had access to, has shared responsibility for developing and implementing, and has intimate and valuable knowledge of the Business (as defined in Section 2.2.1 below), as well as technical, financial, customer, and other confidential information related to the Business, which, if exploited by Consultant in contravention of this Agreement, could seriously and irreparably affect the ability of Buyer to continue the Business as previously operated;

WHEREAS, as a material and vital inducement to Buyer entering into the Acquisition Agreement, which includes the payment by Buyer for the goodwill of the Business, and as a condition precedent to the consummation of the Acquisition, which will directly benefit Consultant, Consultant has agreed to execute this Agreement, which Buyer acknowledges is

essential to protect Buyer's business interest and investment in the assets and goodwill of the Business;

WHEREAS, Consultant acknowledged that Buyer has paid and Consultant has received value for Consultant entering into this Agreement to abstain, under the conditions set forth below, from activities competitive with the Business that Buyer is acquiring; and

WHEREAS, Buyer desires to retain Consultant, and Consultant desires to be hired, as a consultant, upon the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, Buyer and Consultant agree as follows:

ARTICLE 1 CONSULTING SERVICES

1.1 Consulting Services. Buyer agrees to retain Consultant, and Consultant agrees to serve Buyer, as a consultant for a period commencing on the Effective Date and terminating sixty (60) months thereafter (the "Consulting Period"). Consultant agrees that, during the Consulting Period, Consultant shall make himself available to Buyer for reasonable periods of time, in person at the offices of any of the Stations or such other locations within the Territory (as hereinafter defined) as Buyer shall reasonably request, for advice and consultation with management of Buyer on administrative, marketing, and sales matters, and as well as matters relating to the radio broadcasting industry (the "Consulting Services"), as Buyer shall reasonably request. Such Consulting Services shall be provided at such times during normal business hours as may be reasonably requested by Buyer and as may be reasonably convenient for Consultant.

1.2 Compensation for Consulting Services.

1.2.1 In consideration of the services to be rendered by Consultant during the Consulting Period, Consultant shall be entitled to consulting fees in an aggregate amount equal to five million dollars (\$ 5, 000,000) (the "Consulting Fees") to be paid in sixty (60) equal monthly installments during the Consulting Period, each such installment payable within ten (10) days following the completion of each month.

1.2.2 In addition, Buyer shall pay or reimburse Consultant, in accordance with Buyer's standard policies and procedures, for reasonable travel and other business-related expenses incurred in the performance of his duties.

1.3 Termination.

1.3.1 Consultant agrees that Buyer shall have the right, at Buyer's sole discretion, to terminate Consultant's provision of Consulting Services at any time, provided that Buyer shall be obligated to continue to pay the Consulting Fees throughout the Consulting Period except as provided in Section 1.3.2 below, and the other terms and conditions hereof shall remain in full force and effect.

1.3.2 In the event that Buyer determines that Consultant has breached the provisions of Section 1.4 or Articles 2 or 3 hereof (a "Breach"), Buyer shall have the right to suspend the payment of all Consulting Fees hereunder to Consultant and shall pay same into an escrow account, pending either (i) agreement of Buyer and Consultant that Consultant has committed a Breach, or (ii) an order or judgment of a court of competent jurisdiction after the rights of Buyer and Consultant have been fully adjudicated (with all rights of appeal having expired or terminated) determining whether Consultant has committed a Breach (a "Judgment"), and the other terms and conditions hereof shall remain in full force and effect. If the Consultant agrees that Consultant has committed a Breach or a Judgment determines that Consultant has committed a Breach, Buyer shall have the right to terminate the payment of all Consulting Fees hereunder as of the date of such Breach and any Consulting Fees paid into escrow by Buyer pursuant to this subsection shall be distributed to Buyer and the other terms and conditions hereof shall remain in full force and effect. If a Judgment determines that Consultant has not committed a Breach, then Buyer shall pay all Consulting Fees owed from the date of such Judgment, and the Consulting Fees paid into escrow shall be distributed to Consultant as Consultant's sole remedy, subject to the provisions of Section 4.1 hereof, and the other terms and conditions hereof shall remain in full force and effect.

1.4 Covenant Not To Compete. Consultant acknowledges that Consultant's services are of a special and unusual character, which have a unique value to Buyer. Buyer and Consultant recognize that an important part of Consultant's duties will be to develop goodwill for Buyer through Consultant's personal contact with customers, agents, and others having business relationships with Buyer. There is therefore a danger that this goodwill -- a proprietary asset of Buyer -- may follow Consultant if and when Consultant's relationship with Buyer is terminated. In consideration of Consultant's relationship to Buyer and the benefits contained in this Article 1, Consultant agrees as follows:

1.4.1 Non-Competition. During the Consulting Period Consultant will not, directly or indirectly, compete with Buyer within the Territory (as defined in Section 2.2.2) by acting as a manager of a business that competes with the Business, as a supervisor of officers or employees rendering services for such a business, or as an advisor with respect to the conduct of such a business.

1.4.2 Non-Solicitation of Customers. During the Consulting Period Consultant will not, directly or indirectly, for purposes of a business that competes with the Business, solicit, call upon, or take away or attempt to solicit, call upon, or take away the patronage of any of the clients, customers, or accounts, or potential clients, customers, or accounts that Buyer actively solicited and, in each case, with whom Consultant had Material Contact at any time during the twelve (12)-month period immediately preceding the termination of the Consulting Services for any reason. For purposes of this Section 1.4.2, "Material Contact" shall be deemed to exist between Consultant and each of Buyer's clients, customers, or accounts or prospects: (i) whom Consultant recruited to Buyer or materially participated in such recruitment; or (ii) with whom Consultant met in person or by telephone for the purpose of contracting with Buyer; or (iii) for whom Consultant performed services on behalf of Buyer; or (iv) whose dealings with Buyer Consultant coordinated or supervised; or (v) about whom Consultant obtained confidential information in the ordinary course of business as a result of his consulting relationship with Buyer.

1.4.3 Non-Recruiting of Employees. During the Consulting Period Consultant will not, directly or indirectly, (i) for purposes of a business that competes with the Business, recruit, call upon, solicit, take away or seek to establish an independent contractor or joint venture relationship with any person who was employed by Buyer or who served as an independent contractor to Buyer and with whom Consultant had Material Contact at any time during the twelve (12)-month period immediately preceding the termination of the Consulting Services for any reason; or (ii) for purposes of a business that competes with the Business, induce or attempt to induce any person who is then employed by or is providing services to Buyer to lessen or terminate his or her employment or association with Buyer. For purposes of this Section 1.4.3, "Material Contact" shall be deemed to exist between Consultant and each of the employees or independent contractors of Buyer: (i) whom Consultant recruited to Buyer or materially participated in such recruitment; or (ii) whose activities with Buyer Consultant coordinated or supervised; or (iii) with whom Consultant had contact in person or by telephone.

ARTICLE 2

SALE OF BUSINESS COVENANT NOT TO COMPETE

2.1 Covenant Not to Compete.

2.1.1 Duty Not to Compete. Consultant covenants and agrees that during the Non-Compete Period (as defined in Section 2.2.3 below), he will not, within the Territory (throughout which Territory Consultant acknowledges that the Business has been conducted), directly or indirectly compete with Buyer by engaging in or carrying on a business that is substantially similar to the Business. For the purposes of this Agreement, the term "compete" shall include without limitation: (i) managing, supervising, or otherwise participating in a management or sales capacity with an entity that carries on a business that is substantially similar to the Business; (ii) without the express written consent of Buyer, hiring, soliciting, taking away, or attempting to hire, solicit, or take away any employee of the Business employed by the Company, the LLC, or any Station in connection with the Business as of immediately prior to the date hereof; (iii) calling on, soliciting, taking away, accepting as a client or customer, or attempting to call on, solicit, take away, or accept as a client or customer, any individual, partnership, corporation, limited liability company, association, or other entity that was a client or customer of the Company, the LLC, or any Station with respect to the Business as of immediately prior to the date hereof; (iv) entering into or attempting to enter into any business that conducts a business that is substantially similar to the Business; or (v) intentionally interfering with, disrupting, or attempting to disrupt, the relationship, contractual or otherwise, between Buyer and any client or customer of the Company, the LLC, or any Station with respect to the Business as of immediately prior to the date hereof.

2.1.2 Direct or Indirect Competition. For the purposes of this Agreement, the words "directly or indirectly" as they modify the word "compete" shall mean (i) carrying out any of the activities prohibited by Section 2.1.1 in Consultant's own behalf or on behalf of another; (ii) acting as an agent, representative, consultant, officer, director, member, independent contractor, or employee of any entity or enterprise that is competing with the Business; (iii) participating in any such competing entity or enterprise as an owner, partner, limited partner, joint venturer, member, creditor, or shareholder (except as a shareholder holding less than a one-percent (1%) interest in a corporation whose shares are actively traded on a regional or national

securities exchange or in the over-the-counter market); or (iv) communicating to any such competing entity or enterprise the names or addresses or any other information concerning any past, present, or currently identified prospective client or customer of the Company, the LLC, or any Station with respect to the Business.

2.1.3 Non-Solicitation. Consultant also covenants and agrees during the Non-Compete Period not to (i) call on, solicit, divert, take away, or accept as a client or customer, or attempt to call on solicit, divert, take away, or accept as a client or customer, any individual, partnership, corporation, limited liability company, association, or other entity that was a client or customer of the Company, the LLC, or any Station with respect to the Business as of immediately prior to the date hereof for purposes of a business that is substantially similar to the Business, or (ii) intentionally interfere with, disrupt, or attempt to disrupt, the relationship, contractual or otherwise, between Buyer and any client or customer of the Company, the LLC, or any Station with respect to the Business as of immediately prior to the date hereof.

2.1.4 Scope of Limitation. In view of the geographic scope and nature of the business in which Buyer is engaged (and in which the Company, the LLC, and each Station has been engaged), and recognizing the substantial sums to be paid to Consultant pursuant hereto and the benefits to Consultant pursuant to the Acquisition Agreement, Consultant expressly acknowledges that the restrictive covenants set forth in this Article 2, including, without limitation, the geographic and temporal scope of such covenants, are necessary in order to protect and maintain the proprietary interests and other legitimate business interests of Buyer.

2.2 Definitions.

2.2.1 For purposes of this Agreement, the term "Business" shall mean the business, operations, and activities of the Company and the LLC with respect to the Stations and the use of the Assets (as defined in the Acquisition Agreement) in connection therewith.

2.2.2 For purposes of this Agreement, the term "Territory" shall mean:

(a) A radius of seventy-five miles around the location of the transmitter/tower of each of the Stations as of the Effective Date; and

(b) Each of the Metro Survey Areas in the Stations are located as of the Effective Date hereof, as determined by Arbitron's defined Metro Survey Areas, to the extent beyond the radius described in paragraph (a) above for such station.

2.2.3 For purposes of this Agreement, the term "Non-Compete Period" shall mean the shorter of (i) a period of five (5) years from the Effective Date and (ii) such time as Buyer, or its successors, cease operating the Business in the Territory, or any subset thereof, provided that with respect to any subset of the Territory, the provisions of the covenants not to compete contained in this Article 2 shall only terminate with respect to that subset and will not terminate with respect to all other subsets where Buyer, or its successors, continue operating the Business.

2.3 Condition Precedent. Consultant acknowledges and agrees that his execution and delivery of this Agreement is a condition precedent to Buyer's performance under the Acquisition Agreement.

ARTICLE 3 CONFIDENTIALITY

3.1 Buyer's Property. Consultant agrees that the customers and potential customers of the Business with which Consultant had personal dealings are and shall remain the exclusive property of the Business, are confidential, and are of great value to the Business. Consultant also agrees that this and certain other information not generally known to the public used by the Company and the LLC in marketing the Business and broadcasting radio programming constitute trade secrets, are confidential, and have been the valuable property of the Business, which has been sold to Buyer and are now the property of Buyer. Further, Consultant recognizes and acknowledges that the business matters and affairs of the Business and the methods of business operations of the Business are valuable and confidential information and trade secrets and that unauthorized disclosure of the same would irreparably damage the Buyers.

3.2 Duty Not to Disclose. During the Consulting Period and for five (5) years thereafter, Consultant shall maintain in confidence and shall not, either during or at any time after the Consulting Period, communicate or disclose, or use for the benefit of Consultant or any other person, firm, association, or corporation, any proprietary or confidential information, trade secret, or know-how belonging to Buyer ("Proprietary Information"), whether or not such information is in written or permanent form, except to the extent required to perform the duties described herein. Such Proprietary Information includes, but is not limited to, the information described in Section 3.1, technical and business information relating to Buyer's inventions or products, research and development, confidential records, computer software programs or any portions or logic comprising said programs, pricing information, marketing information, sales techniques, customer lists, information about customer requirements, terms of license agreements, terms of contracts with suppliers and customers, planning and financial information of Buyer, and marketing and future business plans. The foregoing obligations with respect to Proprietary Information extend to information belonging to customers and suppliers of Buyer who may have disclosed such information to Consultant as a result of Consultant's status as a consultant to Buyer.

3.3 Non-Exclusive Remedy. Consultant hereby acknowledges and agrees that the prohibitions against disclosure of Proprietary Information recited herein are in addition to, and not in lieu of, any rights or remedies that Buyer may have available pursuant to the laws of any jurisdiction or common law or judicial precedent to prevent the disclosure of trade secrets or proprietary information, and the enforcement by Buyer of its rights and remedies pursuant to this Agreement shall not be construed as a waiver of any other rights or available remedies that it may possess in law or equity absent this Agreement.

3.4 Return of Information. All Proprietary Information consisting of records, reports, notes, compilations, or other recorded matter, and copies or reproductions thereof, relating to Buyer's operations, activities, or business, made or received by Consultant during the Consulting Period are and shall be Buyer's exclusive property, and Consultant shall keep the same at all

times in Buyer's custody and subject to its control and will surrender the same at the termination of the Consulting Period, if not before.

ARTICLE 4 SETOFF RIGHTS

4.1 Setoff Rights. Buyer's obligation to pay Consultant the Consulting Fees under Articles 1 shall be subject to Buyer's right to withhold and offset against such payments for any and all indemnification claims made on the first anniversary of the date of the Acquisition Agreement, up to a maximum amount of one million five hundred thousand dollars (\$1,500,000), subject to first seeking satisfaction of Buyer's indemnification claims from the Escrow Amount (as defined in the Acquisition Agreement), as provided in Section 12.4 of the Acquisition Agreement; Consultant hereby acknowledging that the transactions pursuant to the Acquisition Agreement will inure to the direct benefit of Consultant and that Consultant's right to payments hereunder shall constitute security for the obligations of the Selling Parties (as defined in the Acquisition Agreement) under the Acquisition Agreement.

ARTICLE 5 MISCELLANEOUS

5.1 Relationship between Parties. During the Consulting Period, Consultant's relationship to Buyer shall be that of independent contractor. During the Consulting Period, Consultant is not required to observe any regular hours of work for Buyer or attend any regular conferences with any personnel of Buyer, except as reasonably requested by Buyer pursuant to Section 1.1 of this Agreement.

5.2 Equitable Relief. Consultant acknowledges that his expertise in the Business described herein is of a special, unique, unusual, extraordinary, and intellectual character, which gives said expertise a pecuniary value; that a breach of any of the provisions contained in this Agreement will cause Buyer irreparable injury and damage; and that a breach by Consultant of the provisions of this Agreement cannot reasonably or adequately be compensated in damages in an action at law. Consultant further acknowledges that he possesses unique skills, knowledge, and ability and that competition in violation of this Agreement or any other breach of the provisions of this Agreement would be extremely detrimental to Buyer. By reason thereof, Consultant agrees that Buyer shall be entitled, in addition to any other remedies it may have under this Agreement or otherwise, to preliminary and permanent injunctive and other equitable relief to prevent or curtail any breach of this Agreement; provided, however, that no specification in this Agreement of a specific legal or equitable remedy shall be construed as a waiver or prohibition against the pursuing of other legal or equitable remedies in the event of such a breach.

5.3 Independent Covenants. Consultant acknowledges and agrees that the covenants set forth in Section 1.4 of this Agreement are ancillary to Consultant's services as a consultant to Buyer (the "Consulting Non-Compete"), that the covenants set forth in Section 2.1 of this Agreement are ancillary to Consultant's sale of the Business (the "Sale-of-Business Non-Compete"), and that each of the Sale-of-Business Non-Compete and the Consulting Non-Compete has been separately bargained for and shall be construed and enforced independently.

5.4 Taxes. Consultant acknowledges and agrees that he shall be solely responsible and liable for any taxes arising out of the compensation received pursuant to this Agreement, and Consultant agrees to indemnify Buyer fully for any damages or penalties suffered by Buyer as a result of his failure to timely pay such taxes.

5.5 Assignability. This Agreement is nonassignable except that Buyer's rights, duties, and obligations under this Agreement may be assigned (in whole or in part) to any acquiror of the Business or any Station or Buyer's acquiror in the event Buyer is merged, acquired, or sells substantially all of the assets of the Business, or transfers the Business to any other entity. This Agreement shall inure to the benefit of and be binding upon such successors or assigns of Buyer. If this Agreement is assigned in accordance with the foregoing provisions, all references herein to the assigning Buyer shall likewise be deemed to be references to the successor or assignee.

5.6 Modification and Severability. If any provision of this Agreement is deemed by a court of competent jurisdiction to be unreasonably broad or unenforceable as written, the parties agree that such a court shall modify the offending provision such as to render it enforceable to the fullest extent possible against Consultant. If any particular provision of this Agreement shall be adjudicated to be invalid or unenforceable, such provision shall be deemed amended to delete therefrom the portion adjudicated to be invalid or unenforceable, such deletion to apply only with respect to the operation of such provision in the particular jurisdiction in which such adjudication is made.

5.7 Entire Agreement. This Agreement (with the Acquisition Agreement) constitutes the entire Agreement between the parties hereto with regard to the subject matter hereof and supersedes all other agreements relating to the subject matter hereof. There are no agreements, understandings, specific restrictions, warranties, or representations relating to said subject matter between the parties other than those set forth herein or herein provided.

5.8 Waiver. Any failure by any party to this Agreement to comply with any of its obligations hereunder may be waived. No waiver shall be effective unless in writing and signed by the party granting such waiver, and no such waiver shall be deemed a waiver of any subsequent breach or default of the same or similar nature.

5.9 Counterparts. This Agreement may be executed in two or more counterparts, each of which will take effect as an original, and all of which shall evidence one and the same Agreement.

5.10 Amendment and Modification. This Agreement may only be amended, modified, or terminated prior to the end of its term by the mutual agreement of the parties in writing.

5.11 Governing Law. The terms of this Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota.

[SIGNATURES ON THE NEXT PAGE]

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

"PURCHASER"

CUMULUS BROADCASTING, INC.

By: _____

Name: _____

Title: _____

"CONSULTANT"

Gregory D. Gentling