

## **ASSET PURCHASE AGREEMENT**

The signatories hereto agree, subject nevertheless to grant of consent thereto by the Federal Communications Commission (FCC), to the following terms with respect to the sale and purchase of certain assets by and between Vazquez Development, LLC, ("Vazquez"), and Ric Federighi, Scott Federighi and Marc Federighi, ("Federighis"), whereas in consideration of the mutual covenants and conditions contained herein, the parties agree this 9th day of October, 2006, as follows:

1. At Closing the Federighis shall transfer to Vazquez all of their membership interests in Vazquez which comprise 45% of the issued and outstanding membership interests in Vazquez. Thus, upon the transfer of said membership interests the Federighis shall have no ownership interest in Vazquez.
2. At Closing Vazquez shall transfer to the Federighis 100% interest and all assets of the radio station commonly known as WIMS AM 1420 including, but not limited to, the Federal Communications Commission license for WIMS AM 1420.
3. WIMS AM 1420 shall be defined as the assets and license of said radio station. The assets shall include but are not necessarily limited to the real estate which is legally described in Exhibit A attached hereto, the broadcast equipment, studio equipment, furniture and fixtures, supplies, call letters, accounts receivable and other assets used in the operation of said radio station or incidental to the operation of said radio station.
4. Upon the terms and subject to the conditions hereof, on the Closing Date, Vazquez shall transfer, assign, convey and deliver all of Vazquez's right, title and interest in and to WIMS AM 1420 and the Federal Communication Commission License

for WIMS AM 1420 to the Federighis, as is, without any warranties or guarantees as to the condition or quality of the assets transferred unless expressly stated herein.

5. Upon the terms and subject to the conditions hereof, the Federighis agree to transfer, assign, convey and deliver to Vazquez at Closing all of the Federighis' right, title and interest, specifically their collective 45% membership interest in Vazquez to Vazquez, as is, without any warranties or guarantees as to the condition or quality of any of the assets transferred unless expressly stated herein.

6. Upon the terms and subject to the conditions hereof, upon execution hereof, Vazquez shall assume sole responsibility for and shall indemnify and hold harmless the Federighis with regard to the \$187,000 credit line at Mercantile National Bank.

7. The Closing date of the transaction shall be within thirty (30) days of the Federighis receiving the approval from the Federal Communications Commission for the assignment of the license of WIMS AM 1420 to the Federighis..

8. At Closing, Vazquez agrees to pay to the Federighis the sum of Three Hundred Thirty-Five Thousand Dollars (\$335,000.00) by cashier's check or cash.

9. The parties agree that the terms of this Agreement are conditioned upon the parties successfully assigning to the Federighis the Federal Communications Commission license for WIMS AM 1420 radio within eight (8) months of the date that this Agreement is executed. In the event that the Federighis are unable to accomplish the transfer of said Federal Communication Commission license, this Agreement shall be terminated effective upon said date occurring eight (8) months after the date of this Agreement and the parties shall be returned to the *status quo ante*.

10. The parties further agree that Vazquez and the Federighis shall take all necessary steps and execute any and all necessary documents to effectuate the assignment and shall work diligently to acquire and accomplish the assignment of the Federal Communication Commission license for WIMS AM 1420.

11. Simultaneously with the execution of this Agreement, Vazquez and the Federighis shall enter into a Local Marketing Agreement ("LMA") for a period not to exceed eight (8) months or the Closing Date under the Agreement, whichever occurs first, in which Vazquez agrees to make the broadcast transmission facilities of WIMS available to the Federighis and/or GM (collectively, "GM") to broadcast Programs of GM which are to originate from the Station or from other appropriate facilities. A copy of the LMA is attached hereto and marked as Exhibit B.

12. The parties agree that there shall be no fee or cost for said LMA, other than the consideration specified in this Agreement, and the reimbursements specified in this paragraph and/or in the LMA. Any and all profits and losses resulting from GM's programming on WIMS shall be the sole property of or obligation of GM. Any costs involved in transmitting GM's programming will be that of GM and as set forth herein. Vazquez, as the Licensee, shall remain responsible for all financial matters relevant to the physical operation of WIMS, including the salaries of two employees who shall be answerable to Vazquez during the term of the LMA, and all taxes, utilities, repairs, and maintenance of WIMS. Such salaries and expenses are, however, reimbursable expenses hereunder. Vazquez represents that all applicable fees, licenses and real estate taxes for WIMS have been paid and are current as of the date of this Agreement. GM shall reimburse Vazquez for its costs in connection with WIMS during the term of the LMA as

further consideration for the Agreement. GM shall be responsible for the salaries of all employees, and for all costs and expenses relevant to the programming to be broadcast over WIMS, including all fees, expenses, insurance, music licensing fees and other similar programming expenses associated with WIMS.

13. Vazquez agrees that Vazquez shall be solely responsible for any and all debts, obligations and expenses of WJOB AM 1230 radio incurred prior to or subsequent to the entry of this Agreement including, but not limited to, any and all fees and expenses, repairs, installations, property taxes, insurance, music licensing fees and FCC fees associated with WJOB AM 1230 radio.

14. The parties hereto intend and believe that each provision of this Agreement comports with all applicable laws. However, if any provision of this Agreement is found by a court of law to be in violation of any applicable law and if such court should declare such provision to be unlawful, void or unenforceable as written, then it is the intent of all parties hereto that such provisions shall be given full force and effect to the fullest possible extent that is legal, valid and enforceable and that the remainder of this Agreement shall be construed as if such unlawful, void or unenforceable provision were not contained herein and that the rights, obligations and interests of the parties shall continue in full force and effect.

15. The parties hereto agree and acknowledge that the subject matter of this Agreement is unique and that each of the parties shall be entitled to any and all lawful remedies upon a breach of this Agreement by the other party including, but not limited to, specific performance.

16. The parties further agree that in the event this Agreement shall be

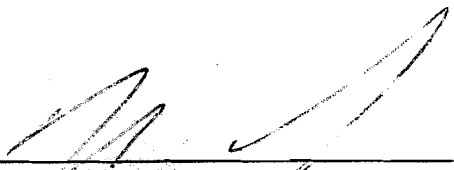
enforced by suit or otherwise that each party waives trial by jury in any action brought, further that the prevailing party shall be entitled to the recovery of reasonable attorney's fees and expenses incurred in connection therewith.

17. As further consideration for this Agreement, and for the contemporaneously executed Local Marketing Agreement, the Federighi's agree to become responsible and to reimburse Vazquez for any and all unpaid debts, fees, obligations and expenses of WIMS incurred from April 21, 2006 to the Closing Date under this Agreement.

18. The Federighi's shall have the right to assign their interest in this Agreement to a new company, Gerard Media, LLC, ("GM") which shall be controlled by the Federighis, which shall be formed prior to the filing of any application to the FCC for assignment of the License of WIMS, and which shall be the stated Assignee under the Assignment Application.

19. The parties agree that this Agreement shall be construed and interpreted pursuant to the laws of the State of Indiana, without reference to any conflicts of laws provisions.

20. This Agreement embodies the entire understanding between the parties and there are no other agreements, representations, warranties, or understandings, oral or written, between them with respect to the subject matter of this Agreement. No alteration, modification or change of this Agreement shall be valid unless by like instrument. This Agreement shall be binding upon and inure to the benefit of the parties, and their respective successors and assigns.



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Marc Federighi




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Ric Federighi



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Scott Federighi



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Vazquez Development, LLC  
By Alexis Vazquez Dedelow,  
President