

ASSET PURCHASE AGREEMENT

THIS AGREEMENT, entered into as of this 13th day of October 2006, by and between ABACOA RADIO CORPORATION ("Seller") represented in this act by its president Lirio Pirallo and AERCO Broadcasting Corporation represented in this act by its president Angel O. Roman Lopez ("Purchaser").

WITNESSETH:

WHEREAS, Seller is the owner, operator, and licensee of Radio Station WMIA at Arecibo, Puerto Rico FCC Facility ID number 254; and

WHEREAS, Purchaser desires to acquire certain assets and rights used, useful or intended to be used, in the business and operation of WMIA, and to secure an assignment of the licenses and other authorizations issued by the Federal Communications Commission ("FCC") for the operation of WMIA, and Seller desires to sell, assign, transfer and convey the same to Purchaser pursuant to the terms and conditions set forth below:

NOW, THEREFORE, in consideration of the mutual covenants herein contained, receipt and sufficiently 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 Seller which shall take place on the first business day following the expiration of ten days after the FCC consent has become a Final Order.

(b) Final Order means an order of the FCC granting its consent and approval to the assignment of the WMIA licenses and authorizations from Seller to Purchaser, which is no longer subject to rehearing, reconsideration or review by the FCC, or to a request for stay, 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 purchaser good and marketable title, free and clear of all liens, encumbrances, taxes, claims, options, liabilities, commitments, charges, restrictions, and other obligations, certain assets, which includes the goodwill of WMIA, all trade names, trademarks and service marks used by WMIA, subject to the necessary approvals for assignment, as hereinafter set forth; real estate and equipment as listed on "**Exhibit A**", attached hereto and incorporated herein.

3. PURCHASE PRICE, METHOD OF PAYMENT AND TERMS:

The total consideration to be paid by purchaser to Seller pursuant to this agreement is NINE HUNDRED THOUSAND DOLLARS (\$900,000.00). Said consideration shall be paid as follows:

A. The sum of Ninety Thousand (\$90,000.00) shall be delivered to Seller by Purchaser in the form of a cashier or certified check at the signing of this agreement. Said sum is not refundable except for causes attributable to Seller or causes not under the control of Purchaser.

B. The balance of Eight hundred ten thousand dollars (\$810,000.00) at closing.

4. TRANSFER OF ASSETS:

Seller, on the Closing Date at the Closing Place, will sell, transfer, convey, assign and deliver to Purchaser the assets, business rights and privileges of Seller referenced in Section 2, above, including those assets listed on "Exhibit A" attached hereto. In addition, Seller shall convey to Purchaser at Closing the following:

- (a) A complete set of all records required by the FCC including WMIA Public File Records and Stations logs.



5. CONSENT OF THE FCC:

It is specifically understood and agreed that the consummation of this Agreement shall be subject to the prior consent of the FCC. Upon the execution of this Agreement, Seller and Purchaser will, at their mutual expense, proceed to expeditiously prepare and file with the FCC the requisite Assignment Application 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. At the time the FCC License Assignment Application is filed, purchaser shall pay the total FCC Filing Fee required.

6. LEGAL NOTICE:

Upon the filing of the license transfer application, Seller shall be responsible for, and shall take the necessary steps, to provide such Legal Notice concerning the filing as is required by the FCC Rules.

7. EMPLOYEES:

Purchaser shall not be obligated to retain, or continue to retain or to employ any of the existing staff or employees of WMIA, or of the Seller, after the date of closing. Neither shall Purchaser be responsible for any accrued leave time, employee benefits, sick leave, or other incidental employment arrangements between Seller and any employee, or WMIA and any employee.

8. COVENANTS, REPRESENTATIONS, WARRANTIES AND INSURANCE:

Seller has full power and authority to enter into this Agreement, is the holder of the WMIA license and associated authorities, and has good and marketable title to all assets conveyed pursuant to this Agreement. Seller agrees to maintain adequate insurance on the assets subject to this Agreement between the date hereof and the closing Date.

Seller hereby represents that all of the WMIA FCC licenses and authorizations are now and on the Closing Date will be in full force and effect, and that there is no action pending before the FCC to revoke, cancel, modify or rescind any of the WMIA licenses and authorizations. Purchaser has full power and authority to enter into this Agreement and has correctly represented its qualifications and financial standing to consummate this Agreement.



9. FCC QUALIFICATIONS:

- (a) Seller is qualified under the Communications Act of 1934, as amended, to assign the WMIA FCC license and authorizations to Purchaser.
- (b) Seller does not know of any facts relating to Seller which would cause the FCC to deny its consent to the assignment of the WMIA license and authorizations to Purchaser, and should any such facts come to Seller's attention, Seller shall promptly notify Purchaser thereof and use his reasonable best efforts and take such steps as may be reasonably necessary to remove any such impediment to the Assignment.

10. SELLER'S PERFORMANCE AT CLOSING:

On the closing date at the Closing Place, Seller shall execute and deliver or cause to be delivered to Purchaser the following:

- a) An assignment to Purchaser of the FCC Licenses for WMIA, together with any and all other related authorizations.
- b) An assignment to Purchaser of all rights, title and interest in and to the Call Letters of WMIA.
- (c) One or more Bills of Sale assigning, transferring and conveying to Purchaser free and clear title to all of the Personal Tangible Assets to be acquired by Purchaser pursuant to the terms of this Agreement.
- (d) An Assignment of all intangibles owned or held by Seller, including trade names, trademarks and service marks, that are subject to this Agreement.
- (e) An Assignment of the Public Inspection File of WMIA.
- (f) Such other assignments, bills of sale or other instruments as may be required to effectuate this Agreement and the assignment of the WMIA license from Seller to Purchaser.



11. PURCHASER'S PERFORMANCE AT CLOSING:

On the Closing Date at the Closing Place, Purchaser shall deliver to Seller a cashier's or certified check in the amount of EIGHT HUNDRED AND TEN THOUSAND DOLLARS (\$810,000.00), which represents the total purchase price minus the amount of funds already paid.

12. RISK OF LOSS:

The risk of loss, damage or destruction to any of the property or assets to be transferred to Purchaser hereunder from fire or other casualty or cause shall be borne by Seller at all times up to the close of business on the Closing Date. In the event of any such loss, damage or destruction, the proceeds of any claim for any loss, payable under any insurance policy with respect thereto, shall be used to repair, replace or restore any such property to its former condition.

13. 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.

14. OTHER DOCUMENTS:

The parties shall execute such other documents as may be necessary and desirable to the implementation and consummation of the Agreement.

15. POSSESSION AND CONTROL OF STATION: Between the date of this Agreement and the Closing Date, Purchaser shall not control the operation of WMIA, but such operation shall be the responsibility of Seller.

16. BROKER: The Seller and Purchaser agree that no broker or finder was involved in this transaction.

17. NO INCONSISTENT ACTIONS: Neither the Seller nor the Purchaser shall take any action which is materially inconsistent with its obligations under this Agreement.



18. ATTACHMENTS: All Attachments to this Agreement shall be deemed part of this Agreement and incorporated herein where applicable, as if fully set forth herein.

19. 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.

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

If to Seller:

Lirio Pirallo
Abacoa Radio Corporation
Box 195416
San Juan, PR 00916

With a copy to:

Christopher D. Imlay, Esquire
Booth, Freret & Imlay, P.C.
7900 Wisconsin Avenue
Suite 304
Bethesda, MD 20814-3628

If to Purchaser:

Angel O. Román López
Calle Bori 1508
Urb. Antonsanti
San Juan, PR 00927

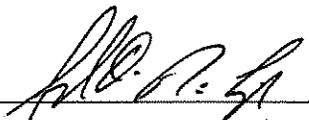
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21. GOVERNING LAW: This Agreement shall be construed and enforced in accordance with the laws of Puerto Rico.

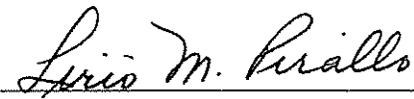
IN WITNESS HEREOF, the parties hereto have hereunto set their hands and seals.

PURCHASER:

SELLER:

By: 
ANGEL D. ROMÁN LÓPEZ
PRESIDENT

Date: OCT. 13, 2006

By: 
Title: President

Date: Oct. 13, 2006