

ASSET PURCHASE AGREEMENT

BETWEEN

WKIF, INC.

and

TRUST B OF THE LORIN E. MILNER REVOCABLE TRUST

June 6, 2012

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ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (“Agreement”) is made and entered into as of this 6th day of June, 2012, by and between WKIF, Inc., an Illinois corporation (“Seller”) and Trust B of the Lorin E. Milner Revocable Trust, a trust (“Buyer”) (each a “Party,” and together, the “Parties”).

RECITALS

Seller owns and operates radio broadcast station WKIF(FM), Kankakee, Illinois (Federal Communications Commission (“FCC”) Facility Identification Number 62360) (the “Station”) pursuant to authorizations issued by the FCC.

Subject to the terms and conditions set forth herein, Seller desires to assign and sell to Buyer, and Buyer desires to purchase from Seller, the Assets, as set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants, agreements, representations, and warranties contained in this Agreement, the parties hereto, intending to be legally bound, do hereby agree as follows:

ARTICLES

I. ASSETS AND PRICE

1.1 Assets to be Acquired. Subject to and in reliance upon the representations, warranties and agreements herein set forth, and subject to the terms and conditions herein contained, Seller agrees to sell, assign, convey, transfer, and deliver to Buyer, and Buyer shall purchase and acquire all of the properties, assets, privileges, rights, interests and claims, real and personal, tangible and intangible, that are used or held for use in the operation of the Station, except the Excluded Assets as provided in Article 1.2 hereof (collectively, the “Assets”), including but not limited to:

(a) All licenses, permits or authorizations issued by the FCC with respect to and necessary to the current operation of the Station (the “FCC Licenses”), including without limitation all of those FCC Licenses listed and described on Schedule 1.1(a) (the “License Assets”);

(b) The Station’s tangible assets, equipment, or personal property, which are owned or leased by Seller, used in the operation of the Station, and listed and described on Schedule 1.1(b) hereto (collectively, “Tangible Personal Property”);

(c) The Station’s leases, contracts, agreements, obligations, and commitments that Buyer will assume (collectively, the “Assumed Contracts”) are listed on Schedule 1.1(c) hereto, and all other leases, contracts, agreements, obligations, and commitments which are entered into by Seller on behalf of the Station in accordance with the provisions of this Agreement, between the date hereof and the Closing Date, as defined hereto, will be

Assumed Contracts upon reasonable notice to Buyer. The Assumed Contracts shall not include any leases, contracts, agreements, obligations, and commitments that terminate between the date hereof and Closing;

(d) The Station's trade names, trademarks, service marks, copyrights, internal domain names, and patents (registered or unregistered, and including applications and licenses therefor) and any logograms, jingles, and other intangible personal property associated with the Station, to the extent held by the Seller or the Station, including those listed and described in Schedule 1.1(d) hereto (collectively, the "Intangible Property");

(e) The real property used in the operation of the Station owned by Seller as of the date hereof and listed and described in Schedule 1.1(e) hereto, plus such additions thereto and minus such deletions therefrom as are permitted by the provisions of this Agreement (collectively, the "Real Property"); and

(f) Books, files, and records specifically relating to the Assets, the Station, or the business or operation of the Station, and used in connection with the Station or the Assets, but not including (i) those books, files, and records set forth in Article 1.2 below, and (ii) any corporate or accounting books or records of Seller which do not relate to the operation of the Station and the Assets, or which relate to Seller's past or current income tax liabilities.

1.2 Excluded Assets. Notwithstanding anything in this Agreement to the contrary, the Assets do not include, and Seller shall not, and is not hereby agreeing to, sell, assign, transfer, deliver, or convey to Buyer, and Buyer shall not, and is not hereby agreeing to, purchase, acquire or accept the following assets, rights and properties (collectively, the "Excluded Assets"):

(a) All of Seller's cash and cash equivalents on hand or on deposit in banks (including any publicly traded securities);

(b) All of the Station's accounts receivable existing at Closing, as defined hereto;

(c) Any insurance policies, promissory notes, amounts due from employees, bonds, letters of credit, certificates of deposit, other similar items, and any cash surrender value in regard thereto;

(d) Any duplicate records and all records and documents relating to Excluded Assets;

(e) Any leases, contracts, agreements or commitments other than the Assumed Contracts;

(f) Any leases, contracts, agreements, assets, or property currently used in operation of a station other than the Station, as listed or described on Schedule 1.2 hereto; and

(g) Any other assets listed or described on Schedule 1.2 hereto

1.3 Purchase Price.

(a) Upon the terms and subject to the conditions set forth in this Agreement, and in consideration for the sale, assignment, conveyance, transfer, bargain, and delivery of the Assets and the License Assets to Buyer pursuant to the terms hereof, Buyer agrees to pay to Seller as provided herein an amount equal to One Million U.S. Dollars (\$1,000,000.00) (the "Purchase Price").

(b) Upon Closing, Buyer shall deliver to Seller by certified check or by wire transfer an amount equal to the Purchase Price, as adjusted in accordance with Article 2.3.

(c) Subject to, and in compliance with, Article 11 of this Agreement, at the Closing, Buyer shall assume and agree to pay and otherwise perform and discharge, and to indemnify Seller against, and hold Seller harmless from, all obligations and duties arising out of the operation of the Station accruing on or after the Closing Date (as hereinafter defined) under the Assumed Contracts (the "Assumed Contract Obligations") and operations on or after the Closing Date, except for Taxes (as hereinafter defined) of Seller.

II. CLOSING AND CLOSING DELIVERIES

2.1 Closing. The term "Closing" as used herein shall refer to the actual conveyance, transfer, assignment, and delivery of the Assets and the License Assets to Buyer in exchange for the payment to Seller by Buyer of the Purchase Price on the Closing Date (as hereinafter defined), and shall be deemed effective as of 12:01 a.m. on the Closing Date. Subject to Articles VIII and IX hereof, the Closing shall be held on the earlier of: (i) five (5) business days after the FCC Consents are granted and have become a Final Order(s) (as defined in Article 8.1 of this Agreement); or (ii) no later than July 27, 2012 if the FCC Consents have been granted on or prior to July 27, 2012 (such date of Closing referred to herein as the "Closing Date"). To the extent Closing occurs without FCC Consents becoming a Final Order(s), then Buyer and Seller shall enter into an unwind agreement as set forth in Exhibit 2.1(a) ("Unwind Agreement"). In addition, in the event that Closing does not occur on or before July 27, 2012, then Buyer and Seller shall enter into a time brokerage agreement as set forth in Exhibit 2.1(b) ("TBA").

2.2 Closing Deliveries. At the closing:

(a) Seller shall deliver, or shall cause to be delivered, to Buyer:

(i) A duly executed Bill of Sale, dated the Closing Date;

(ii) A duly executed Assignment or Assignments of FCC Licenses and Authorizations, dated the Closing Date;

(iii) Those consents listed on Exhibit 2.2(a)(iii) (the "Material Consents"), together with such additional written consents to the assignment to Buyer of other Assumed Contracts listed in Schedule 1.1(c), and such certificates and commitments obtained pursuant to Article 4.3 hereof as Seller shall have obtained as of the Closing Date. (All of the consents referred to in this Article 2.2(a)(iii), including the Material Consents,

shall be referred to herein collectively as the “Consents”);

(iv) A transfer of all rights, including causing the transfer of any registrations held by WCLR, Inc., the filing of affidavits of continuous use and the delivery of any other documents or filings in order to repose the Intangible Property in the Buyer;

(v) All of the other documents that are required to be delivered by Seller to Buyer pursuant to Article 8.2 hereof; and

(vi) Any other assignments or documents as are reasonably necessary in order to vest good and marketable title to the Assets in the name of Buyer or its permitted assigns, free and clear of any claims, liabilities, mortgages, liens, pledges, conditions, charges or encumbrances of any nature, except for Permitted Encumbrances (as hereinafter defined), or as may be otherwise permitted by this Agreement. “Permitted Encumbrances” shall mean (A) liens for current taxes in existence or of record as of the date hereof and not yet due and payable, (B) imperfections of title, encroachments, easements, covenants, zoning designations, violations of existing zoning or building codes, ordinances or laws, and restrictions of record or those in existence or as of the date hereof that affect any real or personal property, and do not have a material adverse effect on the use of such real or personal property in the conduct of the business or operations of the Station, and (C) any obligations arising under the Assumed Contracts.

(b) Buyer shall deliver, or shall cause to be delivered, to Seller:

(i) The Purchase Price pursuant to Article 1.3 hereof;

(ii) A good standing certificate issued by Buyer’s jurisdiction of formation;

(iii) A duly executed Assignment and Assumption Agreement, dated the Closing Date, pursuant to which Buyer shall assume and undertake to perform the Assumed Contract Obligations (the “Assumption Agreement”); and

(iv) The documents that are required to be delivered by Buyer to Seller pursuant to Article 9.2 hereof, and any other documents or instruments of assumption that may be necessary to assume the Assumed Contract Obligations;

(c) Buyer and Seller shall, upon request, on or after the Closing Date, cooperate with one another by furnishing any additional information, executing and delivering any additional documents and/or instruments, and doing any and all other acts as may be reasonably required by a party hereto or by its legal counsel in order to consummate or otherwise to implement the transaction contemplated by this Agreement.

2.3 Pro-Rated Amounts. Except as otherwise provided in this Agreement, the following items shall be pro-rated as of 12:01 a.m. on the Closing Date and paid as between Seller, on the one hand, and Buyer, on the other hand at the Closing (to the extent possible) in the following manner: all pre-paid and deferred expenses, taxes, FCC regulatory fees and all other expenses and obligations for which liability has accrued but

whose payment or satisfaction is not yet due as of the Closing Date related to the Assets shall be pro-rated and adjusted between Buyer and Seller in accordance with the principle that, except as otherwise provided in this Agreement, Seller shall be responsible for all expenses, costs, and liabilities allocable to the conduct of the business or operations of the Station up to 12:01 a.m. on the Closing Date and Buyer shall be responsible for all such expenses, costs and liabilities after 12:01 a.m. on the Closing Date. In addition, Seller shall receive all revenues allocable to the conduct of the business or operations of the Station up to 12:01 a.m. on the Closing Date and Buyer shall receive all revenues allocable to the conduct of the business or operations of the Station after 12:01 a.m. on the Closing Date. For purposes of determining pro-rated amounts under leases and other rental agreements, payments under such leases and agreements shall be deemed to be due in equal installments over the terms thereof. Seller shall provide to Buyer a reasonable credit at Closing for trade or barter agreements, entered into by Seller, in excess of \$1,000 in value to be assumed by Buyer.

III. FCC APPROVAL

3.1 FCC Approval. No later than one (1) business day after the date hereof, Buyer and Seller shall cooperate with each other in order to file with the FCC substantially complete application(s) (the "FCC Applications") requesting FCC consent to the voluntary assignment of the FCC Licenses from Seller to Buyer. Seller shall pay all FCC filing fees in connection with the FCC Applications on the same date that the FCC Applications are filed, and Buyer shall reimburse Seller for half of all such filing fees within five (5) business days. Buyer and Seller shall prosecute the FCC Applications, including opposing any petitions to deny, with all reasonable diligence, in order to obtain FCC consent to the assignment of the FCC Licenses (the "FCC Consents"), promptly and in order to carry out the provisions of this Agreement. Buyer and Seller shall notify each other of all documents filed with or received by any governmental agency with respect to this Agreement or the transaction contemplated hereby.

IV. COVENANTS OF SELLER

4.1 No Changes. From and after the date hereof to the Closing Date, Seller shall, except as contemplated or required by this Agreement, as set forth on Schedule 4.1, or as otherwise consented to in writing by Buyer:

(a) Operate the Station in the ordinary course of business and keep its books and accounts, records and files in the ordinary course, and use Seller's commercially reasonable efforts to preserve the business and goodwill of the Station and the Station Assets;

(b) Pay when due all obligations arising under the Assumed Contracts and use, operate, and maintain the Assets in a reasonable manner with inventories of spare parts and expendable supplies being maintained at levels reasonably consistent with past practices;

(c) Maintain insurance policies on the Assets in accordance with Seller's normal and prudent business practices;

(d) Operate the Station in material compliance with the terms of the FCC Licenses and the Communications Act, FCC rules, regulations and policies, and all other applicable laws, rules, and regulations, and maintain the FCC Licenses in full force and effect;

(e) Not sell, assign, lease, mortgage, pledge, or otherwise transfer, or dispose of the Station, any of the Assets, or any of the stock of Seller, or create, assume, or permit to exist any claim, liability, lien, condition, charge, or encumbrance upon the Station, except for (i) liens, charges, and encumbrances in favor of Buyer, (ii) Permitted Encumbrances and other liens, charges and encumbrances that will be discharged prior to the Closing Date; and (iii) immaterial items of personal property included in the Assets and sold, or otherwise disposed of in the ordinary and regular course of the operation of the Station where replaced with items of equivalent value or utility;

(f) Not enter into, nor become obligated under, any agreement or commitment which is or will become an Assumed Contract requiring the Station to make cash payments to third parties, except for normal commitments for personal property and services which are (i) entered into in the ordinary and regular course of the operation of the Station, consistent with the Station' past and present practices, and (ii) terminable by Seller and its successors and assigns on or prior to Closing, or to the extent not so terminable, do not provide for payments in the aggregate in excess of Five U.S. Dollars (\$5,000.00) during the full terms thereof, nor shall Seller materially change, amend, terminate, or otherwise modify any agreement or commitment other than in the ordinary course of business;

(g) Not waive or release any material right of Seller in the Assumed Contracts;

(h) Not transfer or grant any rights under any leases, licenses, agreements, trademarks, trade names, internal domain names, or copyrights included in the Assets, and respond substantively to any outstanding matters before the U.S. Patent and Trademark Office, and to the extent required, file continued use and incontestability affidavits; and

(i) Prior to the Closing Date, deliver to Buyer copies of all Assumed Contracts relating to the Station entered into by Seller between the date hereof and the Closing Date of the type required to be listed in Schedule 1.1(c) hereto.

4.2 Written Consents. Prior to the Closing Date, Seller shall proceed with all reasonable diligence and shall use commercially reasonable efforts to obtain (a) the written consents to the consummation of the transactions contemplated by this Agreement from all necessary persons, including without limitation the consents of parties to Assumed Contracts where required, and (b) for each parcel of real property included in the Assets and leased by Seller customary written certificates of estoppel from the respective landlords under such leases, in form and substance reasonably satisfactory to Buyer; provided, however, notwithstanding anything to the contrary contained in this Agreement, Seller shall have no obligation to make payments to third parties (other than payments otherwise due such parties) in order to obtain any such consents, certificates, or commitments.

V. SPECIAL COVENANTS AND AGREEMENTS

5.1 Cooperation. Buyer and Seller shall cooperate fully with each other and with their respective counsel and accountants in connection with any actions required to be taken as part of their respective obligations under this Agreement, and Buyer and Seller shall execute such other documents as may be necessary and reasonable for the implementation and consummation of the transactions contemplated by this Agreement, and otherwise use their reasonable best efforts to consummate the transactions contemplated hereby and to fulfill their obligations hereunder as promptly as practicable.

5.2 Notifications. Pending the Closing Date, Seller and Buyer shall promptly notify each other in writing of any developments, except for matters affecting the radio broadcasting industry generally, with respect to the ability of such notifying party to consummate the transactions contemplated hereby, and of any material change in any of the information contained in such party's representations and warranties contained in this Agreement, provided that such notification shall not relieve such party of any obligations under this Agreement.

5.3 Allocation of Purchase Price. The Purchase Price, as adjusted, shall be allocated among the Assets acquired in accordance with the respective fair market values of the Assets and goodwill being purchased as well as the provisions of Section 1060 of the Internal Revenue Code of 1986, as amended (the "Code"), and any Treasury Regulations promulgated thereunder ("Treasury Regulations"). Seller and Buyer each agree to report and file all tax returns (including amended tax returns and claims for refund) consistently with such allocation, and shall take no position contrary thereto or inconsistent therewith (including, without limitation, in any audits or examinations by any taxing authority or any other proceedings). Seller and Buyer shall cooperate in the filing of any forms (including Form 8594) with respect to such allocation, including any amendments to such forms, pursuant to this Agreement. In the event that such allocation is disputed by any taxing authority, the party receiving notice of the dispute shall promptly notify the other party hereto and shall forward to such other party copies of all correspondence with such taxing authority in respect of such disputed allocation. Notwithstanding any other provisions of this Agreement, this provision shall survive the Closing Date without limitation.

5.4 Further Assurances. After the Closing Date, each party will take all action reasonably requested by the other to carry out the intent of this Agreement and to vest good and marketable title to the Assets in Buyer.

5.5 Control of the Station. Prior to Closing, Buyer shall not, directly or indirectly, control, supervise, direct, or attempt to control, supervise, or direct the operations of the Station; such operations, including complete control and supervision of all of the Station's programs, employees, and policies, shall be the sole responsibility of Seller until the Closing.

VI. REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants to Buyer as follows:

6.1 Good Standing. Seller holds all material rights, franchises, licenses, permits, authorizations, and approvals (governmental and otherwise) necessary to own and operate its properties and to carry on and conduct the operations of the Station as it is presently carried on and conducted. Seller is not a participant in any joint venture or partnership with any other person or entity with respect to any part of the Station' operations or the Assets.

6.2 Right, Power and Authority. Seller has the full power and authority to enter into, and to execute and deliver and to perform its obligations under, this Agreement and any other instruments contemplated hereby. Seller has taken all requisite action in order to authorize the execution, delivery, and performance of this Agreement and the consummation of the sale of the Assets and the other transactions contemplated hereby. This Agreement has been duly executed and delivered by Seller and is the legal, valid, and binding obligation of Seller enforceable against Seller in accordance with its terms, except to the extent limited by (i) bankruptcy, insolvency, moratorium, and other laws of general applicability relating to or affecting the enforcement of creditors' rights, (ii) principles of public policy, and (iii) court-applied general principles of equity.

6.3 No Conflicts or Defaults. Neither the execution, delivery, nor performance of this Agreement by Seller, nor the consummation of the sale and purchase of the Assets or any other transaction contemplated hereby, after the giving of notice, or the lapse of time, or both, (a) conflicts with, results in a breach of, or constitutes a default under any federal, state or local law, statute, ordinance, rule, or regulation, or any court or administrative order or process applicable to Seller; (b) conflicts with, constitutes grounds for termination of, results in a breach of, constitutes a default under, violates any right of first refusal or similar right granted to a third party under, or accelerates or permits the acceleration of any performance required by the terms of, any Assumed Contract to which Seller is a party or by which Seller or the Assets are bound and which relates to the ownership or operation of the Station or the Assets; provided, however, that certain Assumed Contracts listed in Schedule 1.1 (c) hereto are not assignable without the consent of another party; or (c) results in the creation of any mortgage, pledge, lien, claim, liability, charge, condition, or encumbrance upon any of the Assets utilized or required in connection with the operation of the Station, other than as expressly contemplated by this Agreement or any Permitted Encumbrance.

6.4 Title to Assets. Seller has good and marketable title to all of the Assets free and clear of any mortgages, pledges, liens, encumbrances, or other charges or rights of others of any kind, except for obligations listed on Schedule 6.4 hereto and for Permitted Encumbrances.

6.5 Real Estate. Schedule 1.1(e) describes all interests, including all leasehold interests in real estate included in the Assets, and the nature of the right, title, or interest that Seller has in such real estate, including a legal description of such real estate. All

leases included in the Assets are valid, binding, and enforceable against Seller, and to the knowledge of Seller, each other party thereto, in accordance with their terms, subject to applicable provisions of any subsequently-enacted landlord-tenant laws of the jurisdiction in which each such lease is to be performed, and subject to the qualifications set forth in clauses (i), (ii), and (iii) of Article 6.2 hereof. Seller is not in material breach, nor to the best of Seller's knowledge is any other party in material breach, of the terms of any such leases, or other instruments, except as disclosed in Schedule 6.5.

6.6 No Litigation Or Violations of Law. Except as set forth on Schedule 6.6 hereto:

(a) There is no litigation at law or in equity, no arbitration proceeding, and no proceeding before or by any court, commission, agency, or other administrative or regulatory body or authority, pending or, to the knowledge of Seller, threatened, with respect to Seller or the Station that could reasonably be expected to have a material adverse effect upon the Assets; and

(b) Seller owns and operates its properties and assets, and has not taken any action related to the conduct of the business and affairs of the Station that is not in compliance with all federal, state, and local laws, statutes, ordinances, rules, and regulations. To Seller's knowledge, neither the ownership or use of its properties, nor the conduct of the business or operations of the Station, conflicts in any material way with the rights of any other person, firm, corporation or entity.

6.7 Intellectual Property. All patent, trademark, trade name, service mark, or brand name registrations and copyright registrations, licenses, permits, jingles, privileges, and other similar intangible property rights and internal domain names, and interests and all pending applications or applications to be filed, if any, therefor, used or useful to the operation of the Station as currently operated are disclosed in Schedule 1.1(d) hereto. Seller has delivered to Buyer copies of all documents, establishing or supporting Seller's claim to such rights, licenses, or other authority. To the knowledge of Seller, the ownership and operation of the Station and the Assets, as presently owned and operated, does not infringe upon nor conflict in any material respect with any patent, trademark, trade name, service mark, brand name, internal domain name or copyright of any other person, firm, corporation, or entity.

6.8 Contracts. Schedule 1.1(c) hereto sets forth all personal property leases, and other contracts, agreements, and commitments, except those terminable upon thirty (30) days notice or less or which, in the aggregate, represent obligations of less than Five Thousand U.S. Dollars (\$5,000), to which Seller or the Station is a party as of the date hereof and which are included in the Assets. Where Seller has made available to Buyer copies of such written contracts, leases, agreements, and commitments (including any and all amendments and other modifications to such contracts), such copies are true and complete. Except as otherwise disclosed in Schedule 1.1(c) hereto, all of the Assumed Contracts are in full force and effect, and are valid, binding, and enforceable against Seller, and to the knowledge of Seller each other party thereto, in accordance with their terms, subject to the qualifications set forth in clauses (i), (ii), and (iii) of Article 6.2 hereof, and

all entered into in the ordinary course of Seller's business with respect to the Station. Seller is not in material breach, nor to Seller's knowledge, is any other party in material breach, of the terms of any of the Assumed Contracts. Except as expressly set forth in Schedule 1.1(c), the Seller has not received written notice from any party to any Assumed Contract indicating that such party intends (i) to terminate such Assumed Contract, or to amend the terms thereof, (ii) to refuse to renew the same upon expiration of its term, or (iii) to renew the same upon its expiration only upon terms and conditions which are more onerous than those pertaining to such existing Assumed Contract. Except as disclosed on Schedule 1.1(c), all oral contracts set forth thereon are terminable by the Seller at will or upon no more than 30 days notice. Schedule 1.1(c) denotes those Assumed Contracts which require third party consent to assignment.

6.9 Insurance. Seller has in full force and effect insurance insuring the properties and assets of the Station included in the Assets. Seller shall continue to insure the assets that are subject to this Agreement until the Closing Date.

6.10 Operational Assets. The Assets, as listed in Schedule 1.1(b), are in good operating condition and repair (ordinary wear and tear excepted), and are available for immediate use in the business or operations of the Station.

6.11 Required Consents. Except for the FCC Consents and the Consents described in Schedule 6.11 and Schedule 1.1(c) hereto, to Seller's knowledge no consent, approval, permit, or authorization of, or declaration to, or filing with, any governmental or regulatory authority or any other third party is required to be obtained by Seller in order (i) to consummate the transactions contemplated by this Agreement, or (ii) to permit Seller to assign or transfer the Assets to Buyer.

6.12 Taxes. Seller has filed all foreign, federal, state, county and local income, excise, property, sales, use, franchise and other tax returns and reports which are required to be filed by it under applicable law in connection with the Station's business, and has paid all taxes which have become due pursuant to such returns or pursuant to any assessments which have become payable.

6.13 Reports. Except as stated in Schedule 6.13, all returns, reports, and statements which Seller is currently required to have filed with the FCC or with any other governmental agency or placed in its local public inspection file have been timely filed, and all reporting requirements of the FCC and other governmental authorities having jurisdiction over Seller have been complied with. All of such reports, returns, and statements are substantially complete and correct as filed.

6.14 FCC Licenses. Schedule 1.1(a) includes a true and complete list of all FCC Licenses, except as otherwise noted therein. Seller has delivered to Buyer true and complete copies of the FCC Licenses (including any and all amendments and other modifications thereto). The FCC Licenses were validly issued to Seller and are in full force and effect. Other than the FCC Licenses, and the other License Assets, to Seller's knowledge, except for non-assignable local permits, no franchises, licenses, permits, approvals, or authorizations are required in order for Seller to legally own and operate the

Station in the manner and to the full extent that it is operated on the date hereof, and the FCC Licenses are not subject to any restriction or condition that would limit the full operation of the Station as required by the FCC and as presently operated, other than restrictions of general applicability to the radio broadcasting industry as a whole. Seller and the Station are in compliance in all material respects with the FCC Licenses, the Communications Act of 1934, as amended, and the requirements of the FCC which are applicable to the Station or the Assets. Except as noted on Schedule 6.14, to knowledge of Seller, (a) no action or proceeding is pending or threatened by or before the FCC or before any other governmental body to revoke, refuse to renew, or modify the FCC Licenses, other than proceedings of general applicability affecting or purporting to affect all similarly situated radio broadcasting stations, (b) there is no pending FCC inquiry, investigation, order to show cause, notice of violation, notice of apparent liability, notice of forfeiture, complaint, or request for information against Seller, with respect to any of the Station, or Seller's qualification to serve as a broadcast licensee, and (c) no applications are currently pending before the FCC with respect to the Station.

6.15 Environmental Matters.

(a) As used herein, (i) the term "Environmental Laws" shall mean any and all state, federal, and local statutes, regulations and ordinances, and common law relating to the protection of human health and safety and the environment, and (ii) the term "Hazardous Material" shall mean any hazardous or toxic substance, material, or waste, including, but not limited to those substances, materials, pollutants, contaminants and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 C.F.R. § 172.101) or by the United States Environmental Protection Agency as hazardous substances (40 C.F.R. Part 302 and amendments thereto), petroleum products (as defined in Title I to the Resource Conservation and Recovery Act, 42 U.S.C. § 6991-6991(i)) and their derivatives, and such other substances, materials, pollutants, contaminants and wastes as become regulated or subject to cleanup authority under any Environmental Laws.

(b) Seller represents and warrants that to its knowledge: (i) all activities of the Station and of Seller with respect to the Station and the Real Property have been and are being conducted in material compliance with all Environmental Laws; (ii) no Hazardous Material has been generated, stored, transported, or released on, in, from or to the Real Property; (iii) Seller has not received any notice of any violation of any Environmental Laws; and (iv) no action, proceeding, or investigation has been commenced or threatened regarding Seller's compliance with any Environmental Laws, or the presence of any Hazardous Material on or about the Real Property.

6.16 No Finder. Seller represents and warrants that the negotiations relative to this Agreement and the transactions contemplated hereby have been carried out by each of the parties directly with each other in such manner as not to give rise to any valid claim against the other for a brokerage commission, finder's fee or other like payment.

VII. Representations and Warranties of Buyer

Buyer represents and warrants to Seller as follows:

7.1 Good Standing. Buyer is a trust, validly organized and in good standing under the laws of the State of Illinois.

7.2 Right, Power and Authority. Buyer has the full power and authority to enter into, to execute and deliver, and to perform its obligations under, this Agreement and any other instruments contemplated hereby, and Buyer has taken all requisite action in order to authorize the execution, delivery, and performance of this Agreement and the consummation of the purchase of the Assets and the other transactions contemplated hereby and thereby. This Agreement has been duly executed and delivered by Buyer and are the legal, valid, and binding obligations of Buyer, enforceable against Buyer in accordance with their terms, except to the extent limited by (i) bankruptcy, insolvency, moratorium, and other laws of general applicability relating to or affecting the enforcement of creditors' rights, (ii) principles of public policy, and (iii) court-applied general principles of equity.

7.3 Buyer's Qualifications. Buyer is now and on the Closing Date will be legally and financially qualified to purchase, own and operate the Station under the Communications Act of 1934, as amended, and the rules, regulations and policies of the FCC.

7.4 No Conflicts or Defaults. Neither the execution, delivery, nor performance of this Agreement by Buyer, nor the consummation of the sale and purchase of the Assets or any other transaction contemplated hereby or thereby, after the giving of notice, or the lapse of time, or both, (a) conflicts with, results in a breach of, or constitutes a default under any Federal, state, or local law, statute, ordinance, rule, or regulation, or any court or administrative order or process applicable to Buyer, (b) conflicts with, constitutes grounds for termination of, results in a breach of, constitutes a default under, or accelerates or permits the acceleration of any performance required by the terms of any material contract, agreement, arrangement, commitment plan, instrument, license, or permit to which Buyer is a party or by which Buyer is bound and which might materially affect Buyer's ability to perform its obligations under this Agreement, or (c) conflicts with the organizational documents of Buyer.

7.5 Required Consents. Except for the FCC Consents, no consent, approval, permit, or authorization of, or declaration to, or filing with, any governmental or regulatory authority or any other third party is required to be obtained by Buyer in order (i) to consummate the transactions contemplated by this Agreement, or (ii) to permit Buyer to acquire the Assets from Seller.

7.6 Station Employees. Buyer shall make reasonable best efforts to make its employees available to Seller for compensated positions with Seller's business, in the sole discretion of Seller and such employees.

7.7 Brokerage Fee. Buyer represents and warrants that the negotiations relative to this Agreement and the transactions contemplated hereby have been carried out by each of the parties directly with each other in such manner as not to give rise to any valid claim against the other for a brokerage commission, finder's fee or other like payment.

VIII. CONDITIONS PRECEDENT TO THE OBLIGATIONS OF BUYER

The obligations of Buyer hereunder to close the transactions herein contemplated are subject to the following conditions precedent (unless any such conditions are waived in writing by Buyer, in Buyer's sole discretion):

8.1 Conditions.

(a) All representations and warranties made by Seller herein to Buyer (except for any such representation or warranty that expressly relates solely to a date prior to the Closing Date) shall be true and correct on and as of the Closing Date, with the same effect as if such warranties and representations had been made by Seller to Buyer on and as of the Closing Date;

(b) Seller shall have performed and complied in all material respects with all agreements, covenants, and conditions herein required to be performed or complied with on Seller's part on or prior to the Closing Date;

(c) Seller shall be the holder of all of the FCC Licenses and there shall not have been any modification with respect to any of the FCC Licenses which has a material adverse effect on the Station or the conduct of its business or operations;

(d) Seller shall have made, or shall stand willing and able to make, all deliveries to Buyer required to be made pursuant to this Agreement; and

(e) Subject to Article 2.1, all of the FCC Consents shall have been granted without any condition materially adverse to Buyer. To the extent any FCC Consent is not a Final Order, as defined below, Seller and Buyer shall agree to the Unwind Agreement set forth in Article 2.1. For the purpose of this Agreement, an action or order of the FCC granting the FCC's Consent shall be deemed to have become a "Final Order" when such action or order shall have been issued by the FCC in writing, setting forth the FCC Consent, and (A) so long as such action or order shall not have been reversed, stayed, enjoined, set aside, annulled or suspended, and (B) so long as no protest, request for stay, reconsideration or review by the FCC on its own motion or by any third party, petition for FCC reconsideration or for rehearing, application for FCC review, or judicial appeal or review of such action or order shall be pending, when the period provided by law for initiating such protest, request for stay, reconsideration or review by the FCC on its own motion, petition for FCC reconsideration or for rehearing, application for FCC review, or judicial appeal or review of such action or order shall have expired

8.2 Deliveries to Buyer. At the Closing, Seller shall deliver or cause to be delivered to Buyer:

(a) Certificates dated as of the Closing Date, executed by an officer of Seller certifying that the conditions specified in Articles 8.1(a) and (b) have been satisfied;

(b) Copies of all books, files, and records required to be delivered pursuant to Article 1.1(f) hereof, provided that all such files and records shall be deemed to have been delivered to Buyer if the same shall be located at the premises of the Station on the Closing Date;

(c) The documents and instruments required to be delivered by Seller to Buyer at the Closing under Articles 2.1 and 2.2(a) hereof; and

(d) To the extent any FCC Consent is not a Final Order, as defined in Article 8.1, Seller shall agree to the Unwind Agreement set forth in Article 2.1.

8.3 No Challenges. Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated by this Agreement.

9.4 Organizational Documents. Buyer shall have received from Seller a certified copy (or certified copies) of the resolutions of the officers of Seller authorizing its execution and delivery of this Agreement and its performance of its obligations hereunder, such certification to be reasonably satisfactory to Seller.

IX. CONDITIONS PRECEDENT TO THE OBLIGATIONS OF SELLER

The obligations of Seller hereunder to close the transactions herein contemplated are subject to the following conditions precedent (unless any such conditions are waived in writing by Seller, in Seller's sole discretion):

9.1 Conditions.

(a) All representations and warranties made by Buyer herein to Seller (except for any such representation or warranty that expressly relates solely to a date prior to the Closing Date), shall be true and correct in all material respects on and as of the Closing Date, with the same effect as if such warranties and representations had been made by Buyer to Seller on and as of the Closing Date;

(b) Buyer shall have performed and complied in all material respects with all agreements, covenants, and conditions herein required to be performed or complied with on Buyer's part on or prior to the Closing Date;

(c) Buyer shall have made, or shall stand willing and able to make, all deliveries to Seller required to be made pursuant to this Agreement; and

(d) Subject to Article 2.1, the FCC Consents shall have been granted, have become effective and shall be in full force and effect. To the extent any FCC Consent is not a Final Order, as defined in Article 8.1, Buyer shall agree to the Unwind Agreement set forth in Article 2.1.

9.2 Deliveries to Seller. At the Closing there shall be delivered to Seller:

(a) A certificate, dated as of the Closing Date, executed by, an officer of Buyer, certifying that the conditions specified in Articles 9.1(a) and (b) shall have been satisfied;

(b) The documents and instruments and Purchase Price required to be delivered by Buyer to Seller at the Closing under Articles 2.1 and 2.2(b) hereof; and

(c) The FCC Consents shall have been granted, have become effective and shall be in full force and effect. To the extent any FCC Consent is not a Final Order, as defined in Article 8.1, Buyer shall agree to the Unwind Agreement set forth in Article 2.1.

9.3 No Challenges. Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated by this Agreement.

9.4 Organizational Documents. Seller shall have received from Buyer a certified copy (or certified copies) of the resolutions of the officers of Buyer authorizing its execution and delivery of this Agreement and its performance of its obligations hereunder, such certification to be reasonably satisfactory to Seller.

X. RIGHTS OF BUYER AND SELLER UPON TERMINATION OR BREACH

10.1 Termination. This Agreement may be terminated by either Buyer or Seller, as appropriate (if the terminating party is not then in breach of any material provision of this Agreement), upon written notice to the other party, upon the occurrence of any of the following:

(a) If at any time prior to the Closing Date, there shall have occurred a material breach of a representation or warranty of the non-terminating party contained herein, or a material default in the performance by the non-terminating party of a covenant or obligation of such non-terminating party contained herein, and if such breach or default shall not have been cured within thirty (30) days, with curative steps having been commenced within fifteen (15) days, from and after the date upon which written notice thereof shall have been given to the non-terminating party by the terminating party;

(b) By either party if the FCC denies any of the FCC Applications by Final Order;

(c) By a party if the other party has failed or refused to close on the Closing Date in accordance with this Agreement;

(d) By mutual written agreement of Seller and Buyer; and

(e) By either party if the Closing, for whatever reason, has not occurred by the date which is twelve (12) months after the date of this Agreement; provided, however, that this Agreement may not be terminated pursuant to this Article 10.1(v) by a party then in material breach of any of its representations or warranties contained herein, or in material default of any of its covenants or obligations herein.

10.2 Effect of Breach. The parties agree that they shall each have the rights and remedies set forth in this Agreement for any breach hereof and expressly waive any and all other rights and remedies at law or in equity.

XI. INDEMNIFICATION

11.1 Continuing Effect. The covenants contained in this Agreement shall survive the Closing of the transactions herein contemplated. The representations and warranties contained in this Agreement shall survive for a period of one (1) year, including under Article 11, unless otherwise specified. Any investigations by or on behalf of any party hereto shall not constitute a waiver as to the enforcement of any representation, warranty, or covenant contained herein.

11.2 Indemnification by Seller. Notwithstanding the Closing, and regardless of any investigation made at any time by or on behalf of Buyer, or any information that Buyer may have, Seller shall indemnify Buyer and hold Buyer harmless from and against, and shall reimburse Buyer for any and all losses, liabilities, obligations, judgments, damages, deficiencies, costs, penalties and expenses (including, without limitation, reasonable attorneys' fees and expenses) (collectively, "Losses") based upon, attributable to or resulting from:

(a) Any materially untrue representation, breach of warranty, or nonfulfillment of any covenant by Seller contained herein or in any certificate, document, or instrument delivered or to be delivered to Buyer under this Agreement;

(b) Any and all obligations of Seller not included in the Assumed Contract Obligations;

(c) Seller's operation or ownership of the Station and/or the Assets prior to the Closing Date, including any and all liabilities arising under the FCC Authorizations or the Assumed Contracts which relate to events occurring prior to the Closing Date, except to the extent otherwise provided in this Agreement; and

(d) Seller's obligation to reimburse Buyer for Losses shall not exceed a total of One Hundred Thousand U.S. Dollars (\$100,000.00), exclusive of third-party claims.

11.3 Indemnification by Buyer. Notwithstanding the Closing, and regardless of any investigation made at any time by or on behalf of Seller or any information that Seller may have, Buyer shall indemnify Seller and hold Seller harmless from and against, and shall reimburse Seller for Losses based upon, attributable to or resulting from:

(a) Any materially untrue representation, breach of warranty, or nonfulfillment of any covenant by Buyer contained herein or in any certificate, document, or instrument delivered or to be delivered to Seller under this Agreement;

(b) Any and all obligations assumed by Buyer under this Agreement;

(c) Buyer's operation or ownership of the Station on and after the Closing Date, including any and all liabilities arising under the FCC Licenses and the Assumed Contracts which relate to events occurring on or after the Closing Date; and

(d) Buyer's obligation to reimburse Seller for Losses shall not exceed a total of One Hundred Thousand U.S. Dollars (\$100,000.00), exclusive of third-party claims.

11.4 Indemnification Procedures. The procedure for indemnification pursuant to Articles 11.2 and 11.3 hereof shall be consistent with the procedures outlined in Exhibit 11.4 attached hereto.

XII. MISCELLANEOUS

12.1 Respective Costs. Except as otherwise specifically provided herein, Buyer on the one hand, and Seller on the other, will each pay its own costs and expenses (including attorneys' fees, accountants' fees, and other professional fees and expenses) in connection with the negotiation, preparation, execution, delivery, and performance of this Agreement and the consummation of the purchase and sale of the Assets and the other transactions contemplated by this Agreement.

12.2 Entire Understanding. This Agreement, including the Schedules and Exhibits hereto (and all undertakings set forth therein), and the agreements and other documents contemplated hereby, contain the entire understanding among the parties hereto with respect to the transactions contemplated herein and therein, and supersede all negotiations, representations, warranties, commitments, offers, letters of intent, contracts, agreements, understandings, and writings not set forth herein or therein, including any letter of intent executed prior to this Agreement. No waiver and no modification or amendment of any provision of this Agreement shall be effective unless specifically made in writing and duly signed by all parties hereto.

12.3 Confidentiality.

(a) Except as necessary for the consummation of the transactions contemplated by this Agreement, and except as and to the extent required by law, including, without limitation, the FCC Applications, each party will keep confidential, and shall cause its representatives, advisors, attorneys and financing sources to keep confidential, any information obtained from the other party in connection with the transactions contemplated by this Agreement. If this Agreement is terminated, each party will return to any other party that furnished it with information in connection with the transactions contemplated by this Agreement all such information.

(b) No party shall publish any press release or make any other public announcement concerning this Agreement or the transactions contemplated hereby without the prior written consent of each other party, which shall not be withheld unreasonably; provided, however, that nothing contained in this Agreement shall prevent any party, after notification to and consultation with the other party, from making any filings with governmental authorities that, in its reasonable judgment, may be required or advisable in

connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby.

12.4 Headings. The headings contained herein are for convenience and for reference purposes only, and shall not in any way affect the meaning or interpretation of this Agreement.

12.5 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

12.6 Choice of Law. This Agreement shall be governed by, and shall be construed in accordance with, the internal laws of the State of Illinois governing contracts made and to be performed entirely within such State, without reference to any choice-of-law principles of the laws of such State. If any provision herein shall be held to be invalid or unenforceable by any court of competent jurisdiction or as a result of future legislative or administrative action, such holding or action shall be strictly construed and shall not affect the validity or the enforceability of any other provision herein.

12.7 No Third Party Beneficiaries. Except with respect to the terms of Article 1.4, the terms and provisions of this Agreement are intended solely for the benefit of Seller, Buyer, and their respective successors and permitted assigns, and it is not the intention of the parties to confer third party beneficiary rights upon any other person or entity.

12.8 Benefit and Binding Effect. This Agreement shall be binding upon, and shall inure to the benefit of, the successors and permitted assigns of the parties hereto. No party may assign any of its rights, interests or obligations under this Agreement without the prior written consent of the other party hereto, except that without the consent of Seller, Buyer may, following reasonable notice to Seller, assign its rights, interests and obligations under this Agreement, in whole or in part, to any entity controlled by, controlling or under common control with, the Buyer at any time prior to filing the FCC Applications, or any other required applications, to assign the FCC Licenses or thereafter provided that any such assignment does not delay the Closing.

12.9 Accounts Receivable. Upon Closing, or entry into the TBA, whichever occurs first, Seller shall turn over to Buyer for collection only all accounts receivable of Seller relating to the Station existing as of the Closing Date or the date that the TBA goes into effect (the "Accounts Receivable") and shall deliver to Buyer a list of the Accounts Receivable. During the ninety (90) day period following Closing, or implementation of the TBA, as the case may be (such period, as it may be extended as provided below, the "Collection Period"), Buyer shall use reasonable best efforts, consistent with its usual collection practices (but without obligation to institute proceedings or use any other extraordinary means of collection) to collect the Accounts Receivable. Buyer shall provide Seller a monthly schedule of such collections during the Collection Period and shall remit such collections to Seller on the 30th day of each month during the Collection Period and at the end of the Collection Period. Buyer shall not compromise, settle or adjust the amount of any Accounts Receivable without Seller's prior written consent. Seller shall not attempt

to collect any of the Accounts Receivable during the Collection Period. If Seller receives a payment from an account debtor of the Station, Seller shall promptly notify Buyer thereof. At the end of the Collection Period, Buyer shall convey to Seller any uncollected Accounts Receivable (such conveyance shall be effective at such time without need for further action by the parties), and Buyer shall have no further obligation with respect to the Accounts Receivable. All payments received by Buyer during the Collection Period from an account debtor included in the Accounts Receivable shall be applied to the oldest invoice of the relevant account debtor.

12.10 Notices. All notices, requests, demands, and other communications under this Agreement shall be in writing and shall be delivered in person or sent by overnight private commercial delivery service or by certified or registered United States mail, postage prepaid, or by fax transmission, receipt confirmed, and addressed as follows: To Seller:

Charles F. Gross, President
WKIF, Inc.
1645 West Fullerton Avenue
Chicago, IL 60614
Fax: (773) 975-1301

with copies to (which shall not constitute notice to Seller):

Charles R. Naftalin, Esq.
Holland & Knight LLP
2099 Pennsylvania Avenue, NW
Suite 100
Washington, DC 20006
Fax: (202) 955-5564

to Buyer:

Jacqueline Milner
Trustee
Trust B of the Lorin E. Milner Revocable Trust
c/o Milner Broadcasting Enterprises, LLC
292 North Convent
Bourbonnais, IL 60914
Fax (815) 933-8696

with copies to (which shall not constitute notice to Buyer):

John F. Garziglia
Womble Carlyle Sandridge & Rice, LLP
1200 19th Street, N.W., Suite 500
Washington, DC 20036
Facsimile No. (202) 261-0055

All notices and other communications required or permitted under this Agreement which are addressed, as provided in this Article 12.9, shall be effective upon such delivery. Either party may from time to time change its address for the purpose of the giving of notices to that party, by giving to the other party a notice specifying a new address in compliance with the provisions of this Article 12.9.

(signatures on following page)

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

IN WITNESS WHEREOF the parties hereto have caused their hands and seals to be affixed herein below on the date and year first above written.

WKIF, INC.

SELLER

By: 
Its:
 President

TRUST B OF THE LORIN E. MILNER REVOCABLE TRUST

BUYER

By: 
Its:
 Co-Trustee