

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (“Agreement”) is made as of this 14th day of July, 2011, by and between JOSE ANTONIO AGUILAR (“Buyer”) and KM COMMUNICATIONS, INC., an Illinois corporation (“Seller”).

WITNESSETH:

WHEREAS, Seller holds construction permits (the “Permits”) issued by the Federal Communications Commission (the “Commission” or “FCC”) for new FM radio stations (BNPH-20070502ADT), Facility ID No. 171016, authorized to serve Trent, Texas; (BNPH-20070502ABI), Facility ID No. 171010, authorized to serve Cotulla, Texas; (BNPH-20070502ABG), Facility ID No. 171009, authorized to serve Big Wells, Texas; (BNPH-20070501AHB), Facility ID No. 171015, authorized to serve Sabinal, Texas; and (BNPH-20070501AHA), Facility ID No. 171012, authorized to serve Hebbbronville, Texas (the “Stations”); and

WHEREAS, Buyer desires to purchase from Seller and Seller desires to sell to Buyer, the Stations’ Permits under the terms and conditions stated herein; and

WHEREAS, consummation of the transaction contemplated herein is subject to the prior approval of the FCC.

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants, agreements and conditions hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Purchase and Sale of Assets.

1.1 Assets to be Transferred. Subject to the terms and conditions of this Agreement, Seller, on the Closing Date, will sell, transfer, convey, assign and deliver to Buyer, free and clear of all liens, claims and encumbrances, and Buyer shall purchase and accept from Seller, the following assets (the “Station Assets”):

- (a) All of Seller’s rights and interests to the Permits for the Stations, as listed on Schedule 1.1 (a) hereof;
- (b) All of Seller’s rights, title and interest in and to any call letters for the Stations;
- (c) All documents in the Stations’ public inspection files.

1.2 No Assumption of Liabilities. Buyer is not agreeing to, and shall not assume any liability, obligation, undertaking, expense or agreements of Seller of any kind, absolute or contingent, known or unknown.

2. Purchase Price and Method of Payment.

2.1 Purchase Price. The purchase price for the Station Assets shall be NINETY-SIX THOUSAND FIVE HUNDRED DOLLARS (\$96,500.00) (the "Purchase Price"). The Purchase Price shall be paid by Buyer in the following manner:

(a) No later than concurrently with the execution of this Purchase Agreement, Buyer will send a deposit to Shainis & Peltzman, Chartered in the amount of TWENTY THOUSAND DOLLARS (\$20,000.00) (the "Deposit"). Payment of the Deposit shall be made in the form of wire transfer of immediately available funds to a Shainis & Peltzman, Chartered bank account. At Closing, the Deposit shall be applied against the Purchase Price. In the event of a failure to consummate the transaction contemplated by this Agreement because of a material breach by Buyer, the Deposit shall be forfeited to Seller as liquidated damages as Seller's sole and exclusive remedy for Buyer's failure to close.

(b) At Closing (as defined below), Buyer shall pay to Seller an additional SEVENTY-SIX THOUSAND FIVE HUNDRED DOLLARS (\$76,500.00), plus or minus any adjustments or prorations permitted under this Agreement. The payment at Closing shall be made by wire transfer of immediately available funds to a bank account designated by Seller.

2.2 Regulatory Fee Payment. Buyer and Seller agree that, after Closing, Buyer shall be solely responsible for payment of the FCC annual regulatory fees for the Permits which would become due and payable upon the next annual regulatory fee payment period imposed by the FCC.

3. FCC Assignment Application and FCC Consent.

3.1 Assignment Application. Buyer and Seller shall execute, file and vigorously prosecute an application with the FCC (the "Assignment Applications") requesting its consent to the assignment from Seller to Buyer of the Permits (the "FCC Consent") at a date no later than five (5) business days after execution of this Agreement. Buyer and Seller shall take all reasonable steps to coordinate with each other and with the FCC to secure such FCC Consent without delay, including providing any information to the FCC immediately upon FCC request. Buyer shall take all necessary actions to timely demonstrate its qualifications to the FCC. Each party shall be responsible for its own expenses incurred in the preparation, filing and prosecution of its respective portion of the Assignment Application; however, all filing fees imposed by the FCC shall be paid by Buyer. As permittee of the Stations, Seller shall be responsible for compliance with the public notice requirements of the FCC.

3.2 Minor Change Application. Seller agrees to provide any FCC-required consent to permit Buyer to file and prosecute minor change applications for the Permits with the FCC in the name of Buyer, pursuant to Section 73.3517(a) of the FCC's rules, provided such applications and the effectiveness of any modified permit is contingent upon consummation of the transaction contemplated hereby (the "Contingent Applications"). Notwithstanding Seller's agreement to provide such consent, the Closing shall not be contingent upon or otherwise delayed by the filing, failure to file, pending status, or grant of the Contingent Applications. Buyer shall be solely responsible for all costs, fees and expenses associated with the preparation and filing of the Contingent Applications and shall provide Seller with notice if one or more Contingent Applications are filed. If a Contingent Application becomes the subject of a filing, complaint, petition to deny, or informal objection to the Assignment Application, Buyer shall be solely responsible for all costs, fees and expenses associated with opposing such filing. Seller additionally agrees to cooperate with Buyer in obtaining call signs for the Stations.

3.3 Closing. The consummation of the transactions contemplated by this Agreement (the "Closing") shall occur in such place and on such date to be agreed to by Buyer and Seller, which shall occur not later than five (5) business days after the FCC Consent becomes final, meaning an action which is no longer subject to agency or judicial review under the Communications Act of 1934, as amended, and the rules of the Commission (the "Closing Date"). Nothing herein shall preclude the parties from mutually agreeing to waive this requirement of finality. All actions taken at the Closing will be considered to have been taken simultaneously and no such action will be considered to be completed until all such actions have been completed.

4. Representations and Warranties of Seller. Seller makes the following representations and warranties to Buyer, each of which is true and correct on the date hereof and shall remain true and correct through and including the Closing Date.

4.1 Seller holds the Stations' Permits listed on Schedule 1.1(a). The Permits are each in full force and effect and comply with the FCC's rules and have not been revoked, suspended, cancelled, rescinded or terminated and, as of the date of this Agreement, have not expired. There is not now pending or, to Seller's knowledge, threatened any action by or before the FCC to revoke, cancel, rescind, or modify any of the Permits, and Seller has not received any notice and has no knowledge of any pending, issued, or outstanding order by or before the FCC, or of any investigation, order to show cause, notice of violation, notice of apparent liability, notice of forfeiture or material complaint against any of the Permits or Seller. Seller makes no representations about the proposed antenna sites or technical facilities that will be constructed pursuant to the Permits.

4.2 Seller is a corporation duly organized, validly existing and in good standing under the laws of the State of Illinois. At present and on the Closing Date, (i) Seller will have full power and authority to enter into and perform this Agreement; (ii) the execution and delivery of this Agreement will not conflict with or result in a breach of the articles of incorporation, bylaws or similar organizational documents of Seller; (iii)

this Agreement will not violate or conflict with or constitute a default under (or give rise to any right of termination, cancellation or acceleration under) any material agreement, indenture, mortgage, lease, contract or other instrument to which Seller is a party or by which it is bound or affected; and (iv) this Agreement will constitute a valid and binding Agreement of the Seller, enforceable in accordance with its terms.

4.3 Except for the Assignment Application, the execution, delivery and performance of this Agreement by Seller (i) does not require the consent of, or notice or payment to, any governmental or administrative entity or third party, (ii) will not conflict with or violate any applicable law, or any judgment, order or ruling of any government authority having jurisdiction over Seller, (iii) will not, directly or indirectly, conflict with, or constitute a breach or default under any agreement, document, instrument, license or permit to which Seller is a party or by which it is subject or bound, and (iv) will not result in the creation of any lien on any of the Permits. No approval, authorization or consent of any other third party is required in connection with the execution and delivery by Seller of this Agreement and the consummation of the transactions contemplated hereby or thereby, except as may have been previously obtained by Seller.

4.4 There is no broker or other person who would have any valid claim for any commission or finder's fee through Seller against Buyer for a commission or brokerage fee or payment in connection with this Agreement or the transactions contemplated thereby as a result of any agreement, understanding or action by Seller.

4.5 No statement, representation or warranty made by Seller to Buyer in this Agreement or in any document to be delivered hereunder shall be false or misleading in any material respect, or fail to include any matter if such omission would render any statement, representation or warranty materially false or misleading. Seller shall promptly report to Buyer any matter which occurs or which Seller learns that is inconsistent with or conflicts with any statement, representation or warranty made herein.

5. Representations and Warranties of Buyer. Buyer makes the following representations and warranties to Seller, each of which is true and correct on the date hereof and shall remain true and correct through and including the Closing Date.

5.1 Buyer is an individual residing in the State of Indiana. At present and on the Closing Date, (i) Buyer will have full power and authority to enter into and perform this Agreement; (ii) this Agreement will not violate or conflict with or constitute a default under (or give rise to any right of termination, cancellation or acceleration under) any material agreement, indenture, mortgage, lease, contract or other instrument to which Buyer is a party or by which it is bound or affected; and (iii) this Agreement will constitute a valid and binding Agreement of the Buyer, enforceable in accordance with its terms.

5.2 Buyer is legally, financially and otherwise qualified to be a Commission licensee under the rules and policies of the FCC and ownership of the Permits by Buyer will on the Closing Date comply with the Commission's multiple ownership rules. Grant

of an application to assign the Permits to Buyer will not result in any unjust enrichment penalty.

5.3 The execution, delivery and performance of this Agreement by Buyer (i) will not conflict with or violate any applicable law, or any judgment, order or ruling of any governmental authority having jurisdiction over Buyer, and (ii) will not, directly or indirectly, conflict with, or constitute a breach or default under any agreement, document, instrument, license or permit to which Seller is a party or by which it is subject or bound.

5.4 There is no broker or other person who would have any valid claim for any commission or finder's fee through Buyer against Seller for a commission or brokerage fee or payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement, understanding or action by Buyer.

5.5 No statement, representation or warranty made by Buyer to Seller in this Agreement or in any document to be delivered hereunder shall be false or misleading in any material respect, or fail to include any matter if such omission would render any statement, representation or warranty materially false or misleading. Buyer shall promptly report to Seller any matter which occurs or which Buyer learns that is inconsistent with or conflicts with any statement, representation or warranty made herein.

6. Conditions Precedent to Obligation to Closing.

6.1 The performance of the obligations of Seller hereunder is subject to the satisfaction of each of the following express conditions precedent, unless waived in writing by Seller:

(a) Buyer shall have performed and complied in all material respects with all covenants, agreements and obligations required by this Agreement to be performed or complied with by Buyer prior to or as of the Closing Date.

(b) The representations and warranties of Buyer set forth in this Agreement shall be true and correct in all material aspects on and as of the Closing Date with the same effect as if made on and as of the Closing Date;

(c) The FCC Consent contemplated by this Agreement shall have been granted;

(d) Buyer shall have delivered to Seller, on the Closing Date, the documents required to be delivered pursuant to Section 9.2.

6.2 The performance of the obligations of Buyer hereunder is subject to the satisfaction of each of the following express conditions precedent, unless waived in writing by Buyer:

(a) Seller shall have performed and complied in all material respects with all covenants, agreements and obligations required by this Agreement to be performed or complied with by Seller prior to or as of the Closing Date;

(b) The representations and warranties of Seller set forth in this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same effect as if made on and as of the Closing Date;

(c) The FCC Consent contemplated by this Agreement shall have been granted and become final;

(d) The Permits shall all be in full force and effect and there shall be no proceedings pending before the FCC to revoke, cancel, rescind, or modify any of the Permits other than conditions applicable generally to the broadcasting industry for stations of the same type and class as authorized by the Permits;

(e) Seller shall have delivered to Buyer, on the Closing Date, the documents required to be delivered pursuant to Section 9.1.

7. Seller's Covenants. Seller covenants with Buyer that, between the date hereof and the Closing Date, Seller shall act in accordance with the following:

7.1 Seller will not take any action prior to the Closing which would interfere with, impede or delay the grant of the Assignment Application or which would be inconsistent with Seller's representations, warranties and/or obligations under this Agreement.

7.2 Seller will not permit the Permits to be surrendered or voluntarily modified or take any action (or fail to take action) which could cause the FCC or any other governmental authority to institute proceedings for the suspension, revocation or limitation of rights under the Permits apart from actions by the FCC generally applicable to the broadcasting industry.

8. Buyer's Covenants. Buyer covenants with Seller that, between the date hereof and the Closing Date, Buyer shall act in accordance with the following:

8.1 Buyer will not take any action prior to the Closing which would interfere with, impede or delay the grant of the Assignment Application or which would be inconsistent with Buyer's representations, warranties and/or obligations under this Agreement.

9. Closing Deliveries.

9.1 At the Closing, Seller will deliver to Buyer the following:

(a) An assignment of the Permits;

(b) Such bills of sale, assignment and other good and sufficient documents, instruments of conveyance and agreements necessary to consummate the transactions contemplated by this Agreement, as Buyer or its counsel may reasonably request in order to vest in Buyer or its permitted assignee, good and marketable title in and to the Station Assets;

(c) A certificate, dated the Closing Date, executed by Seller, certifying the fulfillment of the conditions set forth in Section 6.2(a) and (b) hereof;

(d) Originals or copies of all records required to be maintained by the FCC with respect to the Stations' public files shall be delivered to Seller by Buyer.

9.2 At the Closing, Buyer will deliver to Seller the following:

(a) The Purchase Price, less the Deposit, in the manner contemplated by Section 2.1 hereof;

(b) A certificate, dated the Closing Date, executed by Buyer, certifying the fulfillment of the conditions set forth in Section 6.1(a) and (b) hereof;

(c) Such other documents, instruments of conveyance and agreements necessary to consummate the transactions contemplated by this Agreement, as Seller or its counsel may reasonably request in order to convey and transfer the Station Assets to Buyer or its permitted assignee.

10. Post-Closing Remedies.

10.1 Seller's Indemnities. Seller shall indemnify, defend and hold Buyer harmless from and against any and all losses, costs, liabilities, claims, actions, damages and expenses (including reasonable legal fees and other expenses incident thereto) of every kind, nature or description, arising out of or in connection with (a) the breach of any representation, warranty, covenant or agreement of Seller set forth in this Agreement or in any other document delivered to Buyer pursuant hereto; (b) any liability of Seller or (c) a claim relating to the conduct or ownership of the business and operation of the Stations and the Station Assets prior to the Closing Date.

10.2 Buyer's Indemnities. Buyer shall indemnify, defend and hold Seller harmless from and against any and all losses, costs, liabilities, claims, actions, damages and expenses (including reasonable legal fees and other expenses incident thereto) of every kind, nature or description arising out of, or in connection with (a) the breach of any representation, warranty, covenant or agreement of Buyer set forth in this Agreement or in any other document delivered to Seller pursuant hereto or (b) a claim relating to the conduct or ownership of the business and the operations of the Stations and the Station Assets by Buyer on or after the Closing Date.

10.3 Notice of Claim. If any action, suit or proceeding shall be commenced by a third party against Buyer or Seller, as the case may be, in respect of which Buyer or

Seller proposes to seek indemnification from the other under this Section 10 (a “Third-Party Claim”), then such party shall promptly notify the party from whom indemnification is sought (hereinafter the “Indemnifying Party”) to that effect. The Indemnifying Party shall have the right, at its own expense, to participate in or assume control of the defense of such Third-Party Claim, and the other party shall cooperate with all reasonable requests of the Indemnifying Party, subject to reimbursement for actual out-of-pocket expenses incurred as the result of a request by the Indemnifying Party. If the Indemnifying Party elects to assume control of the defense of a Third Party Claim, then the other party shall have the right to participate in the defense of such claim at its own expense. If a Third-Party Claim requires immediate action, then the parties will make every effort to reach a decision with respect thereto as expeditiously as possible. If the Indemnifying Party does not elect to assume control or otherwise participate in the defense of any Third-Party Claim, then it shall be bound by the results obtained by the other party with respect to such Third-Party Claim, but no settlement of a Third-Party Claim may be made by the Indemnifying Party without the written consent of the party being indemnified.

11. Termination.

11.1 This Agreement may be terminated by mutual written consent of Buyer and Seller at any time, or by either Buyer or Seller (i) if, on or prior to the Closing Date, the other party breaches any of its material obligations contained herein, and such breach is not cured by the earlier of the Closing Date or ten (10) business days after receipt of the notice of breach from the non-breaching party; (ii) if the Assignment Application is denied by the FCC and such denial shall have become a Final Order; or (iii) if there shall be in effect any judgment, final decree or order that would prevent or make unlawful the Closing of this Agreement. In the event that the transaction does not close on or prior to one year from the filing of the Assignment Application, due to issues unrelated to Buyer or Seller, either party, not then in material breach of any of the terms of this Agreement, may elect to terminate this Agreement and Buyer shall receive a refund of the Deposit. In the event that the transaction does not close on or prior to two hundred (200) days from the filing of the Assignment Application, due to any issue related to Seller, or if FCC Consent is unreasonably and materially delayed due to Seller’s actions or inaction, Seller agrees to undertake reasonable actions to satisfy any problems or issues with the FCC, or, alternatively, Buyer may elect to terminate this Agreement and Buyer shall receive a refund of the Deposit. In the event that the transaction does not close on or prior to two hundred (200) days from the filing of the Assignment Application, due to any issue related to Buyer, or if FCC Consent is unreasonably and materially delayed due to Buyer’s actions or inaction, Buyer agrees to undertake reasonable actions necessary to satisfy any problems or issues with the FCC, or, alternatively, Seller may elect to cancel this Agreement and Seller shall immediately receive the Deposit as liquidated damages without any further obligation to Buyer.

11.2 Seller agrees and acknowledges that in the event of Seller’s failure to perform its obligation to consummate the transaction contemplated hereby, Buyer shall be entitled to injunctive relief and/or specific performance of the terms of this Agreement

and of Seller's obligation to consummate the transaction contemplated hereby without being requested to prove actual damages, post bond or furnish any security, any requirement for which is hereby expressly waived. Such rights shall be cumulative and not alternatives to Buyer's right to seek such damages at law. The parties agree that Seller's default or failure to perform its obligation to consummate the transactions will cause substantial and irreparable injury to Buyer. Seller agrees to waive any defense as to the adequacy of Buyer's remedies at law and to interpose no objection to the propriety of injunctive relief or specific performance as a remedy.

11.3 Buyer recognizes that, if the transaction contemplated by this Agreement is not consummated as a result of Buyer's breach of any of its obligations under this Agreement, Seller would be entitled to compensation, the extent of which is extremely difficult and impractical to ascertain. To avoid this problem, the parties agree that, in the event of a breach of any of Buyer's obligations under this Agreement, Seller's sole remedy shall be the right to receive, as liquidated damages, the Deposit. The parties agree that such amount shall be in lieu of any other remedies to which Seller might otherwise be entitled due to Buyer's breach.

12. Notices. All notices, elections and other communications permitted or required under this Agreement shall be in writing and shall be deemed effectively given or delivered upon personal delivery (or refusal thereof), four (4) days after being mailed by registered or certified mail, return receipt requested, or twenty-four (24) hours after delivery to a courier service which guarantees overnight delivery, and, in the case of courier delivery, addressed as follows (or at such other address for a party as shall be specified by like notice to the other party):

If to Seller, to:

KM Communications, Inc.
3654 West Jarvis Avenue
Skokie, IL 60076
Attn: Myoung Hwa Bae

With a copy (which shall not constitute notice) to:

Kevin Joel Bae
1113 Pfingsten Road
Glenview, IL 60025

If to Buyer, to:

Jose Antonio Aguilar
c/o Shainis & Peltzman, Chartered
1850 M Street NW, Suite 240
Washington, DC 20036

13. Governing Law. This Agreement will be governed by and construed, interpreted and enforced in accordance with, the internal laws of the State of Texas, without regard to conflict of law provisions.

14. Counterparts. This Agreement may be executed in counterparts, each of which will be deemed to be an original but all of which together will constitute one and the same instrument. This Agreement may be executed and exchanged by facsimile with the same legal effect as if the signatures had appeared in original handwriting on the same physical document.

15. Expenses. Except as otherwise set forth in this Agreement, each party hereto shall be solely responsible for all costs and expenses incurred by it in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement. Notwithstanding the foregoing, Buyer shall pay any FCC filing fees and shall be responsible for any and all bulk transfer fees, transfer taxes, sales taxes or other assessments associated with the purchase of the Permits.

16. Assignment. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. No party may voluntarily or involuntarily assign its interest or delegate its duties under this Agreement without the prior written consent of the other party, such consent not to be unreasonably withheld. Notwithstanding the above, Buyer may freely assign or otherwise transfer its rights and obligations under this Agreement to an entity under Buyer's control without the prior written consent of Seller.

17. Entire Agreement. This Agreement, and the schedules attached hereto, supersede all prior agreements and understandings between the parties with respect to the subject matter hereof and may not be changed or terminated orally, and no attempted change, amendment, or waiver of any of the provisions hereof shall be binding unless in writing and signed by both parties.

18. Construction. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent. In the event an ambiguity or question of intent or interpretation arises, this Agreement will be construed as if drafted jointly by the parties, and no presumption or burden of proof will arise favoring or disfavoring any person or entity by virtue of the authorship of any of the provisions of this Agreement.

19. Waiver. Except as otherwise provided in this Agreement, any failure of any of the parties to comply with any obligation, representation, warranty, covenant, agreement or condition herein may be waived by the party entitled to the benefits thereof only by a written instrument signed by the party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, representation, warranty, covenant, agreement or condition shall not operate as a waiver of or estoppel with respect to any subsequent or other failure.

20. Severability and Independent Covenants. If any covenant or other provision of this Agreement is invalid, illegal or incapable of being enforced by reason of any result of law, administrative order, judicial decision or public policy, all other conditions and provisions shall remain in full force and effect. No covenant shall be deemed dependent upon any other covenant or provision unless so expressed in this Agreement.

21. Section 73.1150 Statement. Both the Seller and Buyer agree that the Seller has retained no rights of reversion in the Permits of the Stations, no right to the reassignment of the Station licenses in the future, and has not reserved the right to use the facilities of the Stations in the future for any reason whatsoever.

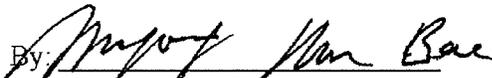
22. Miscellaneous. Each party agrees that it will keep confidential all information obtained from the other party in connection with the transactions contemplated by this Agreement, except to the extent that disclosure is required by law. The headings of the sections of this Agreement are for convenience and reference only, and do not form a part thereof, and do not in any way modify, interpret or construe the meaning of the sections themselves or the intentions of the parties. In the event any action is instituted by a party to enforce any of the terms and provisions contained herein, the prevailing party in such action shall be entitled to such court costs and reasonable attorney's fees, costs and expenses as may be fixed by the Court.

[THE FOLLOWING PAGE IS THE SIGNATURE PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Purchase Agreement as of the day and year first written above.

Seller:

KM COMMUNICATIONS, INC.

By: 
Myoung Hwa Bae
President

Buyer:

JOSE ANTONIO AGUILAR

By: _____
Jose Antonio Aguilar

IN WITNESS WHEREOF, the parties hereto have executed this Purchase Agreement as of the day and year first written above.

Seller:

KM COMMUNICATIONS, INC.

By: _____
Myoung Hwa Bae
President

Buyer:

JOSE ANTONIO AGUILAR

By: _____
Jose Antonio Aguilar

SCHEDULE 1.1

STATION PERMITS

<u>Application</u>	<u>File Number</u>	<u>FCC ID No.</u>	<u>Expiration Date</u>
Trent, Texas Construction Permit	BNPH-20070502ADT	171016	3/17/2012
Big Wells, Texas Construction Permit	BNPH-20070502ABG	171009	2/09/2012
Hebbronville, Texas Construction Permit	BNPH-20070501AHA	171012	2/28/2014
Cotulla, Texas Construction Permit	BNPH-20070502ABI	171010	2/09/2012
Sabinal, Texas Construction Permit	BNPH-20070501AHB	171015	2/28/2014