

PURCHASE AGREEMENT

BY AND AMONG

NEW VISION GROUP, LLC

“BUYER”

**THE JOSEPH R. CLOUTIER TRUST, UNDER TRUST AGREEMENT
DATED OCTOBER 4, 1989, AS AMENDED, BY
JOSEPH A. CLOUTIER, AS TRUSTEE**

“SELLER”

AND

CORPORATION FOR GENERAL TRADE

“COMPANY”

Dated as of October 25, 2002

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- Exhibit B - Buyer's Opinion of Counsel
- Exhibit C - Escrow Reserve Agreement
- Exhibit D - Note
- Exhibit E - Seller's Closing Certificate
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PURCHASE AGREEMENT

This PURCHASE AGREEMENT is made and entered into as of the 25th day of October, 2002, by and among THE JOSEPH R. CLOUTIER TRUST, under Trust Agreement dated October 4, 1989, as amended, by Joseph A. Cloutier, as Trustee (the "Seller"), CORPORATION FOR GENERAL TRADE, an Indiana corporation (the "Company") and NEW VISION GROUP, LLC, a Delaware limited liability company (the "Buyer").

RECITALS:

WHEREAS, the Company is the licensee and operator of the television broadcast station WKJG-TV, Channel 33 in Fort Wayne, Indiana and its associated DTV Facility on Channel 19 (which DTV Facility has not yet been constructed) (the "Station") pursuant to certain authorizations issued by the FCC; and

WHEREAS, Seller owns all of the authorized, issued and outstanding shares of capital stock of the Company (the "Shares"); and

WHEREAS, Seller desires to sell, assign and transfer all of the Shares and Buyer desires to acquire the Shares, all on the terms and subject to the conditions described in this Agreement.

NOW, THEREFORE, in consideration of the Recitals and of the mutual covenants, conditions and agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it hereby is agreed as follows:

ARTICLE 1

DEFINITIONS

1.1 Definitions. When used in this Agreement, the following terms shall have the meanings specified:

"Accounting Firm" shall mean (a) KPMG LLP's offices located in Chicago, Illinois, (b) if KPMG LLP shall decline or is unable to act or is not, at the time of submission by Seller to Buyer of the Notice of Disagreement (as defined in Section 2.4), independent of Buyer and Seller, another independent certified public accounting firm in the United States of national recognition (other than a firm that then serves as the independent auditor for Buyer, Seller or any of their respective affiliates) mutually acceptable to Buyer and Seller or (c) if Buyer and Seller are unable to agree upon such a firm, then Buyer and Seller shall each select an independent certified public accounting firm, and those firms shall in turn mutually agree upon a third independent certified public accounting firm, in which event, "Accounting Firm" shall mean such third firm; provided, however, Buyer and Seller shall agree on the Accounting Firm no later than the date the Notice of Disagreement is delivered by Seller to Buyer.

"Accounts Receivable" shall mean all accounts receivable of the Company immediately prior to the Closing, as determined in accordance with generally accepted accounting principles, consistently applied.

"Agreement" shall mean this Purchase Agreement, together with the Schedules and the Exhibits attached hereto, as the same shall be amended from time to time in accordance with the terms hereof.

"Assumed Liabilities" shall mean: (i) the liabilities of the Company, if any, listed on SCHEDULE 1.1; (ii) the obligations of the Company under the Contracts and the Leases arising from and accruing with respect to the operation of the Station after the Closing Date; and (iii) the obligations of the Company set forth on the Closing Balance Sheet (specifically excluding any liabilities arising from or related to the Terre Haute Assets, any indebtedness for borrowed money, any amounts past due under any Financing Leases, Taxes due and payable or accrued for periods before Closing, all legal expenses of Company and Seller incurred in connection with the sale of the Company and the Shares, all amounts due to any affiliate of Seller and all other obligations not related to the day-to-day operations of the Company), provided all such trade payables are current and not more than 30 days past due. As used in this Agreement, not more than a specified number of days "past due" means not unpaid more than such specified number of days past the date of the associated invoice, or if there is no invoice, such specified number of days past the date such payment is due under the terms of the applicable agreement.

"Benefit Arrangements" shall mean a benefit program or practice, whether or not written, providing for bonuses, incentive compensation, vacation pay, severance pay, insurance, restricted stock, stock options, employee discounts, company cars, tuition reimbursement or any other perquisite or benefit (including, without limitation, any fringe benefit under Section 132 of the Code) to employees, officers or independent contractors that is not a Plan.

"Buyer" shall mean New Vision Group, LLC, a Delaware limited liability company or its permitted assignee.

"Buyer's Closing Certificate" shall mean a certificate of Buyer, substantially in the form of EXHIBIT A attached hereto.

"Buyer's Opinion of Counsel" shall mean a legal opinion of outside counsel to Buyer addressed to Seller, substantially in the form of EXHIBIT B attached hereto.

"Cable Act" shall mean the Cable Television Consumer Protection and Competition Act of 1992, Pub. L. No. 102-385, 106 Stat. 1460 (1992).

"Cash" shall mean all monies of the Company, whether in the form of cash, cash equivalents or cash deposits in bank or brokerage accounts of any kind.

"Closing" shall mean the conference to be held at 10:00 a.m., Atlanta, Georgia time on the Closing Date at the offices of Lord, Bissell & Brook, 1900 The Proscenium, 1170 Peachtree Street, N.E., Atlanta, Georgia 30309, or at such other time and place as may be

designated by counsel to Buyer's lender and as the parties may mutually agree to in writing, at which the transactions contemplated by this Agreement shall be consummated.

"Closing Date" shall mean: (a) the date designated by Buyer upon five (5) days prior written notice to Seller after the last to occur of the dates on which all requisite orders of the FCC consenting to the transactions as contemplated under this Agreement have become Final Orders; provided, however, that Buyer in its sole discretion and upon ten (10) days prior written notice may waive the requirement that the FCC Consent become a Final Order; or (b) such other date as Buyer and Seller may agree upon in writing; provided, however, that the Closing Date shall not be later than March 31, 2003, except as otherwise set forth in Section 13.1. The Closing shall be deemed effective as of 12:01 a.m. on the first day subsequent to the Closing Date, except that the cash portion of the payment of the Purchase Price shall be made to Seller at the Closing.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Contracts" shall mean those agreements (other than the Leases) under which the Company conducts its business, including all contractual obligations incurred by the Company for the Program Rights, all of which are listed on SCHEDULE 1.2.

"Customer Lists" shall mean all lists, documents, written information and computer tapes and programs and other computer readable media in the Company's possession concerning past, present and potential purchasers of services from the Company.

"DTV CP" shall have the meaning ascribed to it in Section 4.18.

"DTV Facility" shall have the meaning ascribed to it in Section 4.18.

"DTV STA" shall have the meaning ascribed to it in Section 8.13.

"Environmental Laws" shall mean the rules and regulations of the FCC, the Environmental Protection Agency and any other federal, state or local government authority pertaining to human exposure to RF radiation and all applicable rules and regulations of federal, state and local laws, including statutes, regulations, ordinances, codes, rules and policies, as amended, relating to the release of Hazardous Materials, emissions of air pollutants, discharge of water pollutants or the generation, treatment, storage or disposal of solid waste or otherwise relating to the environment or Hazardous Materials or toxic substances, including, but not limited to, the Federal Solid Waste Disposal Act, the Federal Clean Air Act, the Federal Clean Water Act, the Federal Resource Conservation and Recovery Act of 1976, the Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, regulations of the Environmental Protection Agency, the Toxic Substance Control Act, regulations of the Nuclear Regulatory Agency, and counterpart or similar regulations of any Indiana agency, departmental, district or board including but not limited to any state department of public health, natural resources or the environmental protection agency as now or at any time hereafter in effect.

"Equipment" shall mean all machinery, equipment, furniture, fixtures, furnishings, toolings, parts, tubes, blank films, tapes, microwaves, transponders, relays and other

items of tangible personal property used or useable in the operation of the Company, including, but not limited to, those items listed on SCHEDULE 1.3.

“ERISA” shall mean the Employee Retirement Income Security Act of 1974, as amended.

“Escrow Agent” shall mean Wachovia Bank, National Association in Atlanta, Georgia.

“Escrow Reserve” shall have the meaning ascribed to it in Section 2.5.

“Escrow Reserve Agreement” shall mean the Escrow Reserve Agreement, in the form of EXHIBIT C attached hereto among Escrow Agent, Buyer and Seller.

“Event of Loss” shall mean any loss, taking, condemnation, or destruction of, or damage to, any of the Station Assets or the Company.

“Excluded Liabilities” is defined in Section 2.6 hereof.

“FCC” shall mean the United States Federal Communications Commission or any successor agency.

“FCC Consent” shall mean action by the FCC granting its written consent to the transactions contemplated by this Agreement.

“Final Order” shall mean that action shall have been taken by the FCC (including action duly taken by the FCC’s staff, pursuant to delegated authority) which shall not have been reversed, stayed, enjoined, set aside, annulled or suspended, with respect to which no timely request for stay, petition for rehearing, appeal or certiorari or sua sponte action of the FCC with comparable effect shall be pending and as to which the time for filing any such petition, appeal, certiorari or for the taking of any such sua sponte action by the FCC shall have expired or otherwise terminated.

“Financial Statements” shall mean the audited financial statements of the Company described in Section 4.11(a).

“Financing Leases” shall mean any lease which is properly characterized as a capitalized lease obligation in accordance with generally accepted accounting principles.

“Hazardous Materials” shall mean any wastes, substances or materials (whether solids, liquids or gases) that are deemed hazardous, toxic, pollutants or contaminants under applicable Environmental Laws presently in effect or enacted after the date hereof but prior to the Closing Date, including, without limitation, substances defined as “solid or hazardous wastes,” “hazardous substances,” “toxic substances,” “radioactive materials,” or other similar designations in, or otherwise subject to regulation under, any Environmental Laws, including but not limited to hazardous substances defined in Ind. Code 13-11-2-99 or listed under the authority of Indiana Code Title 13, including only substances described in 329 IAC 3.1-6 et. seq. or any other environmental laws or regulations of the State of Indiana; 40 CFR Parts 302 and 313, and

RCRA characteristic and listed hazardous wastes. "Hazardous Materials" includes but is not limited to polychlorinated biphenyls (PCBs), asbestos, lead-based paints, infectious wastes, radioactive materials and wastes and petroleum and petroleum products (including, without limitation, crude oil or any fraction thereof).

"Intangible Property" shall mean: (a) all patents, trademarks, service marks, copyrights (whether or not registered) and registrations and applications therefor, trade names, trade secrets, confidential know-how, designs, inventions, software, formulae, jingles, slogans, logos and similar proprietary information owned or used by, or in any way relating to the Company, (b) all of the rights of the Company in and to the call letters "WKJG-TV" and any related Internet domain name, and (c) all goodwill associated therewith, a complete list of which (consisting of the items described in (a), (b) and (c) above) is set forth on SCHEDULE 1.4.

"Interim Financial Statements" shall mean the unaudited financial statements of the Company described in Section 4.11(b).

"Leases" shall mean those leases of real and personal property related to the Company as listed on SCHEDULE 1.5(a) and SCHEDULE 1.5(b), respectively.

"Licenses" shall mean all licenses, permits and authorizations issued by the FCC to the Company or with respect to the Station, including those issued for the construction of the DTV Facilities and the commencement of DTV service by the Station, all of which are listed on SCHEDULE 1.6, and including any renewals, extensions or modifications thereof and additions thereto between the date hereof and the Closing.

"Lien" shall mean any mortgage, deed of trust, pledge, hypothecation, security interest, encumbrance, claim, lien, lease (including any capitalized lease) or charge of any kind, whether voluntarily incurred or arising by operation of law or otherwise, affecting any assets or property, including any agreement to give or grant any of the foregoing, any conditional sale or other title retention agreement and the filing of or agreement to give any financing statement with respect to any assets or property under the Uniform Commercial Code of the State of Indiana or a comparable law of any jurisdiction.

"Market MVPD System" shall have the meaning ascribed to it in Section 4.19.

"Material Leases" and "Material Contracts" shall mean those Leases listed on SCHEDULE 1.5 and marked with an asterisk, and those Contracts listed on SCHEDULE 1.2 and marked with an asterisk.

"Miscellaneous Assets" shall mean all tangible and intangible assets used or useable in the operation of the Company and not otherwise specifically referred to in this Agreement, including any warranties relating to any of the Station Assets, excepting therefrom only the Terre Haute Assets.

"Motor Vehicle Title Certificates" shall mean the official evidences of title to the Motor Vehicles.

"Motor Vehicles" shall mean all motor vehicles owned by the Company, including, without limitation, those listed on SCHEDULE 1.7.

"MVPD" means multichannel video programming distributor.

"Note" shall mean that subordinated promissory note given by New Vision Broadcasting, LLC (or an affiliate similarly situated in the ownership structure of Buyer) to Seller in accordance with Section 2.2, substantially in the form of Exhibit D attached hereto.

"Person" shall mean any natural person, trust, general or limited partnership, corporation, limited liability company, firm, association or other legal entity.

"Plan" shall mean any plan, program or arrangement, whether or not written, that is or was: (a) an "employee benefit plan" as such term is defined in Section 3(3) of ERISA and (i) which was or is established or maintained by the Company, (ii) to which the Company contributed or is obligated to contribute, fund or provide benefits, or (iii) which provides or promises benefits to any Person who performs or who has performed services for the Company and because of those services is or has been (A) a participant therein or (B) entitled to benefits thereunder; (b) an "employee pension benefit plan" as such term is defined in Section 3(2) of ERISA, including, without limitation, any such plan that satisfies, or is intended by Company to satisfy, the requirements for tax qualification described in Section 401 of the Code; (c) a "multiemployer plan" as such term is defined in Section 3(37) of ERISA; or (d) an "employee welfare benefit plan" as such term is defined in Section 3(1) of ERISA.

"Principal" shall mean the beneficiaries of the Trust or any one or more of them.

"Program Rights" shall mean all rights presently existing and obtained prior to the Closing, in accordance with this Agreement, by the Company to broadcast television programs, shows or feature films as part of the Station's programming and for which the Company is or will be obligated to compensate the vendor of such Program Rights, including all film and program barter agreements.

"Purchase Price" shall mean Twenty Million and No/100 Dollars (\$20,000,000.00), as adjusted pursuant to Sections 2.2 and 2.4 hereof.

"Real Property" shall mean the Company's fee simple or leasehold interests in the real property described on SCHEDULE 1.8, and all buildings, improvements and fixtures thereon, together with all strips and gores, rights of way, easements, privileges and appurtenances pertaining thereto, including any right, title and interest of the Company in and to any street adjoining any portion of the Real Property.

"Receivables" shall mean all notes receivable of the Company immediately prior to the Closing and all Accounts Receivable.

"Records" shall mean files and records, including schematics, technical information and engineering data, programming information, correspondence, books of account, employment records, customer files, purchase and sales records and correspondence, advertising

records, files and literature, and FCC logs, files and records, and other written materials, of the Company.

"Schedules" shall mean those schedules referred to in this Agreement which have been bound in that separate volume executed by or on behalf of the parties, and delivered in accordance with Section 13.18 hereof, which volume is hereby incorporated herein and made a part hereof.

"Seller" shall mean the Joseph R. Cloutier Trust, under Trust Agreement dated October 4, 1989, as amended.

"Seller's Closing Certificate" shall mean a certificate of Seller, substantially in the form of EXHIBIT E attached hereto.

"Seller's Opinions of Counsel" shall mean legal opinions of outside counsel to Seller addressed to Buyer, substantially in the form of EXHIBITS F-1 and F-2 attached hereto.

"Station" shall mean commercial television broadcast station WKJG-TV Channel 33, Fort Wayne, Indiana and its associated DTV Facility on Channel 19, the latter to be constructed by Buyer, at Buyer's expense, after Closing.

"Station Assets" shall mean the right, title and interest of the Company in and to all assets owned or used by, or in any way relating to, the operation of the Company, other than the Terre Haute Assets, including but not limited to, (i) the Receivables, (ii) the Contracts, (iii) the Customer Lists, (iv) the Equipment, (v) the Intangible Property, (vi) the Leases, (vii) the Licenses, (viii) the Miscellaneous Assets, (ix) the Motor Vehicles, (x) the Real Property, (xi) the Records and (xii) those items listed in Section 2.3 hereof.

"Station Employee" shall mean an employee of the Company who spends substantially all of his or her time working for the Company as of the Closing Date.

"Station Employee Benefit Plans" shall mean any Plan or Benefit Arrangement in which any current, former or retired employee of the Company participates or has participated.

"Tax" means any federal, state, local, or foreign income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental (including taxes under Code §59A), customs duties, capital stock, franchise, profits, withholding, social security (or similar), unemployment, disability, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated, or other tax of any kind whatsoever, including any interest, penalty, or addition thereto, whether disputed or not.

"Tax Return" means any return, declaration, report, claim for refund, or information return or statement relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

"Terre Haute Assets" shall mean those certain assets owned by the Company listed on SCHEDULE 1.9, which assets have not been used in and are not related to the operation of the Station.

"Tradeout Agreement" shall mean any contract, agreement or commitment of the Company, oral or written, pursuant to which the Company has sold or traded commercial air time of the Station in consideration for property or services in lieu of or in addition to cash, excluding film and program barter agreements.

"Trust" shall mean the Joseph R. Cloutier Trust, under Trust Agreement dated October 4, 1989, as amended.

"Trustee" shall mean Joseph A. Cloutier, or any successor trustee appointed pursuant to the terms of the Trust.

1.2 Terms Generally. (a) Words in the singular shall be held to include the plural and vice versa and words of one gender shall be held to include the other gender as the context requires, (b) the terms "hereof," "herein," and "herewith" and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole (including the ancillary agreements, disclosure schedules and exhibits hereto) and not to any particular provision of this Agreement, and Article, Section, paragraph, Exhibit and Schedule references are to the Articles, Sections, paragraphs, Exhibits and Schedules to this Agreement unless otherwise specified and (c) the word "including" and words of similar import when used in this Agreement means "including, without limitation," unless otherwise specified.

1.3 Other Defined Terms. The following terms have the meanings defined for such terms in the Sections set forth below:

<u>Term</u>	<u>Section</u>
Company	Preamble
Shares	Recitals
Terre Haute Transfer	2.1
NOL	2.1
Adjusted Purchase Price	2.2
Subordination Agreement	2.2(a)
Note Amount	2.2
FCC Licenses	2.3(i)
Estimated Closing Balance Sheet	2.4(a)
Estimated Current Assets	2.4(a)
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Estimated Total Liabilities	2.4(a)
Bank Debt	2.4(a)
Estimated Current Liabilities	2.4(a)
Closing Balance Sheet	2.4(b)
Closing Current Assets	2.4(b)
Closing Total Liabilities	2.4(b)

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Indemnitor	11.3(a)
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ARTICLE 2

PURCHASE AND SALE OF SHARES

2.1 Purchase and Sale.

(a) At the Closing on the Closing Date, and upon all of the terms and subject to all of the conditions of this Agreement, Seller shall sell, assign, convey, transfer and deliver to Buyer, and Buyer shall purchase all of the Shares, free and clear of all Liens. Notwithstanding any provision of this Agreement to the contrary, it is understood that on or prior to the Closing the Company shall transfer to Seller, or its designee, all of its right, title and interest in and to the Terre Haute Assets ("Terre Haute Transfer"), without adjustment to the Purchase Price.

(b) Subject to and not in any way in contradiction with Section 11.1(j), the parties agree that up to \$600,000 of the Company's net operating losses ("NOL") may be used to offset taxable income to the Company for periods prior to Closing, including but not limited to income arising out of the Terre Haute Transfer.

2.2 Payments. At the Closing on the Closing Date, Buyer shall pay to Seller, an amount equal to the Purchase Price less the Estimated Total Liabilities, plus Estimated Current Assets, as adjusted pursuant to Section 2.4, less the Escrow Reserve (which amount Buyer shall wire transfer in immediately available funds to the Escrow Agent) (the "Adjusted Purchase Price"), to be paid as follows:

(a) the Note Amount (as hereinafter defined) pursuant to a subordinated promissory note from New Vision Broadcasting, LLC or an affiliate similarly situated in the ownership structure of Buyer subordinated to Buyer's and its affiliated entities' indebtedness for borrowed money (the "Note") substantially in the form of EXHIBIT D attached hereto, which Note shall be subject to a subordination agreement (the "Subordination Agreement") substantially in the form of EXHIBIT I attached hereto, and

(b) the remaining portion of the Adjusted Purchase Price by wire transfer in immediately available funds.

For purposes of this Section 2.2, the "Note Amount" shall mean the sum of \$5,000,000.00 plus the adjustments provided for in Section 2.4 regarding the original Note Amount. Notwithstanding the foregoing, the parties agree that Buyer in its discretion may make payments out of the Purchase Price directly to lenders (other than the Bank Debt) of the Company or a Person who has a lien on the Shares in the amounts provided for in such parties' respective payoff letters.

2.3 Station Assets. At Closing, the Company shall own the following assets used or useful in the business or operation of the Company (except for the Terre Haute Assets) which include, without limitation, the following assets:

(a) All real property or interests in real property used in the operation of the Company, and all buildings, structures, fixtures, appurtenances and other improvements actually or constructively attached to the real property;

(b) All personal property of the Company;

(c) All of the Company's broadcast and other rights, if any, to films and programs, broadcasting facilities contracts, agreements or arrangements, programming and production materials, film libraries, inventories or programming items, materials or supplies, and contracts, agreements and writings with respect thereto, network affiliation agreements, and all amendments, extensions, renewals, substitutions and replacements of, and additions to, such contracts and other rights as may be entered into from the date hereof through the Closing Date in accordance with the terms hereof;

(d) All of the contracts or other rights listed on SCHEDULE 1.2;

(e) All warranties respecting any and all real property and personal property;

(f) All goodwill attributable to the Company, promotional and advertising material and lists, telephone and telex numbers, supplies, customer lists and records, and all engineering, business and other books, papers, logs, files and records and other documents of the Company;

(g) All motor vehicles owned by the Company;

(h) All of the service marks, copyrights, software, licenses, trademarks, trade names, jingles, slogans, logotypes and other similar intangible assets maintained, owned, used or held for use by the Company (including any and all applications, registrations, extensions and renewals relating thereto), and all of the rights, benefits and privileges associated therewith;

(i) All licenses, permits, and other authorizations issued by the FCC to the Company (the "FCC Licenses"), and all applications therefor, together with any renewals, extensions or modifications thereof and additions thereto; and

(j) All permits, approvals, orders, authorizations, consents, licenses, certificates, franchises, exemptions of, or filings or registrations with, any court or governmental authority in any jurisdiction, which have been issued or granted to or are owned by the Company, and all pending applications therefor.

2.4 Adjustments to Purchase Price.

(a) Not less than five (5) days prior to the Closing, Company shall, in consultation with the Buyer, prepare and deliver to Buyer a projected balance sheet which shall present a reasonable estimate of the Closing Balance Sheet (as hereinafter defined) (the "Estimated Closing Balance Sheet"), and in particular, the calculation of the Estimated Current Assets (as hereinafter defined), Estimated Total Liabilities (as hereinafter defined) and Estimated Current Liabilities (as hereinafter defined) of the Company as of the Closing. The Estimated Closing Balance Sheet and its accompanying schedules shall be made in accordance with generally accepted accounting principles, consistently applied and shall be in substantially the same form as the Interim Financial Statements as of August 31, 2002. The Purchase Price shall be adjusted at Closing, based on the Estimated Closing Balance Sheet, by adding to the Purchase Price an amount equal to the Estimated Current Assets and by deducting from the Purchase Price

an amount equal to the Estimated Total Liabilities. In addition, the original principal amount of the Note (which determination shall not affect the total amount of the Purchase Price) shall be determined by adding \$5,000,000 plus fifty percent (50%) of the amount by which Estimated Current Assets exceeds Estimated Current Liabilities, as further adjusted pursuant to Section 8.13 hereof. For purposes of this Section 2.4, "Estimated Current Assets" shall mean the Company's assets classified as current in accordance with generally accepted accounting principles, consistently applied, including but not limited to, Cash and Accounts Receivable (net of reasonable reserves), excluding the Terre Haute Assets and any Receivables from affiliates (including the "Accounts Receivable—Terre Haute" as reflected in the Financial Statements and the Interim Financial Statements), calculated by reference to the Estimated Closing Balance Sheet. For purposes of this Section 2.4, "Estimated Total Liabilities" shall mean any and all of the Company's liabilities, contingent or otherwise, classified as a Company liability in accordance with generally accepted accounting principles, consistently applied, including but not limited to, the amount of the Employee Bonuses (as defined in Section 12.3(c)) owing or accrued through the Closing Date, accrued expenses, accounts payable, trade obligations, appropriate reserves for medical claims, other benefit expenses, legal expenses, accrued salaries and wages, accrued interest, taxes, notes payable, the total outstanding balance due on the Company's existing loan and line of credit facility from Bank One, Indiana, N.A. (the "Bank Debt"), or any amounts due on any loan from a third party made to repay such amounts in full prior to Closing, calculated by reference to the Estimated Closing Balance Sheet, subject to the terms of any other agreement entered into among the parties, the subject of which is the treatment or refinancing of the Bank Debt. Notwithstanding anything to the contrary in this Agreement, the Bank Debt, or any amount due on any loan from Buyer or a third party to Company made to repay the Bank Debt, shall be treated as a long-term liability of the Company (and not an Estimated Current Liability) for all purposes in this Agreement. For purposes of this Section 2.4, "Estimated Current Liabilities" shall mean the Company's liabilities, contingent or otherwise, classified as current in accordance with generally accepted accounting principles, consistently applied, including but not limited to, accounts payable—general miscellaneous, accrued vacation, wages, trade obligations, appropriate reserves for medical claims, other benefit expenses, legal expenses, accrued employee bonuses (including the Employee Bonuses) and Taxes payable (including without limitation federal corporate tax payable), prepared by reference to the Estimated Closing Balance Sheet. For purposes of all calculations in this Section 2.4, "prepaid film contracts" as an asset and "film contracts payables" as liabilities shall not be included provided that the amount of "prepaid film contracts" as an asset exceeds the amount of "film contracts payables" as liabilities, and if the "prepaid film payables" as liabilities exceed "prepaid film contracts" as an asset, such difference shall be included in all such calculations as a reduction to the Purchase Price. The assets for Third Rock shall be written off in full prior to Closing for purposes of all calculations set forth in this Agreement.

(b) As promptly as practicable, but in any event within one hundred twenty (120) calendar days following the Closing Date, Buyer shall cause to be prepared and delivered to Seller a closing balance sheet, together with a statement setting forth Buyer's calculation of Closing Current Assets (as defined below) and Closing Total Liabilities (as defined below) (the "Closing Balance Sheet"). The Closing Balance Sheet shall fairly present the financial position of the Company as of the Closing Date in accordance with generally accepted accounting principles, consistently applied; provided, however, such Closing Balance Sheet shall be prepared without giving effect to purchase accounting adjustments in connection with the

transactions contemplated hereby. For purposes of this Section 2.4, "Closing Current Assets" shall mean the Company's assets classified as current in accordance with generally accepted accounting principles, consistently applied, including but not limited to, Cash and Accounts Receivable (net of reasonable reserves), excluding the Terre Haute Assets and any Receivables from affiliates (including the "Accounts Receivable—Terre Haute" as reflected in the Financial Statements and the Interim Financial Statements), prepared by reference to the Closing Balance Sheet. For purposes of this Section 2.4, "Closing Total Liabilities" shall mean any and all of the Company's liabilities, contingent or otherwise, classified as a Company liability in accordance with generally accepted accounting principles, consistently applied, including, but not limited to, the amount of the Employee Bonuses owing or accrued through the Closing Date, accrued expenses, accounts payable, trade obligations, appropriate reserves for medical claims, other benefit expenses, legal expenses, accrued salaries and wages, accrued interest, Taxes, the total amount outstanding on the Bank Debt or any amounts due on any loan from Buyer or a third party made to repay the Bank Debt, prepared by reference to the Closing Balance Sheet.

(c) During the thirty (30) calendar day period following Buyer's delivery of the Closing Balance Sheet to Seller: (A) Seller and its independent auditors, if any, at Seller's sole cost and expense, shall be permitted to review (i) the financial statements of Buyer relating to the Closing Balance Sheet, (ii) the books, records, working papers, trial balances and reports of Buyer and its independent auditors, if any, relating to the Closing Balance Sheet, and (iii) any supporting schedules, analyses and other documentation relating to the Closing Balance Sheet; and (B) Buyer shall provide or cause to be provided reasonable access upon reasonable advance notice and during normal business hours to such employees of Seller and its independent auditors, if any, as Seller reasonably believes is necessary or desirable in connection with its review of the Closing Balance Sheet.

(d) If Seller disagrees with the Closing Balance Sheet and Buyer's calculation of Closing Current Assets and/or Closing Total Liabilities as of the Closing Date, each as set forth on the Closing Balance Sheet, Seller may, within thirty (30) days after delivery of the Closing Balance Sheet, give written notice of its disagreement with the Closing Balance Sheet (the "Notice of Disagreement") to Buyer. If no Notice of Disagreement is delivered within such time period, the Closing Balance Sheet and, in particular, Buyer's calculation of Closing Current Assets and Closing Total Liabilities shall be deemed final and binding on the parties hereto. The Notice of Disagreement shall (i) specify in reasonable detail the nature of any disagreement so asserted, (ii) be accompanied by a signed certificate of Seller that it has complied with the covenants set forth in this Section 2.4, and (iii) if Seller's independent auditors are engaged by Seller in connection with the preparation of the Notice of Disagreement, be accompanied by a certificate of such auditors that they concur with each of the respective positions taken by Seller in the Notice of Disagreement. Seller shall be deemed to have agreed with all other items and amounts contained in the Closing Balance Sheet to the extent not affected by the items or amounts in dispute.

(e) During the thirty (30) calendar day period following the delivery of a Notice of Disagreement that complies with the preceding paragraph, Buyer and Seller shall seek in good faith and under a duty of fair dealing to resolve in writing any differences that they may have with respect to the matters specified in the Notice of Disagreement. During such period, (A) Buyer and its independent auditors, if any, at Buyer's sole cost and expense, shall be permitted to

review (i) the financial statements of Seller relating to the Notice of Disagreement, (ii) the books, records, working papers, trial balances and reports of Seller and its independent auditors, if any, relating to the Notice of Disagreement, and (iii) any supporting schedules, analyses and other documentation relating to the Notice of Disagreement; and (B) Seller shall provide or cause to be provided reasonable access, upon reasonable advance notice and during normal business hours to such employees of Buyer and its independent auditors, if any, as Buyer reasonably believes is necessary or desirable in connection with its review of the Notice of Disagreement.

(f) If, at the end of such thirty (30) calendar day period, Buyer and Seller shall not have resolved such differences or mutually agreed in writing to extend the resolution period, Buyer and Seller shall thereafter promptly submit to the Accounting Firm for review and resolution any and all matters that remain in dispute and that were properly included in the Notice of Disagreement. Buyer and Seller shall use reasonable efforts to cause the Accounting Firm to render a decision resolving the matters disputed within thirty (30) calendar days following submission of such matters to the Accounting Firm. Buyer and Seller agree that judgment may be entered upon the determination of the Accounting Firm in any court having jurisdiction over the party against which such determination is to be enforced. Except as specified in the following sentence, the cost of any arbitration (including fees and expenses of the Accounting Firm pursuant to this Section 2.4(f)) shall be borne by Buyer and Seller in inverse proportion as they may prevail on matters resolved by the Accounting Firm, which such proportional allocations shall also be determined by the Accounting Firm at the time the determination of the Accounting Firm is rendered on the matters submitted. The fees and expenses (if any) of Buyer's independent auditors and attorneys incurred in connection with their review of any Notice of Disagreement shall be borne by Buyer, and the fees and expenses (if any) of Seller's independent auditors and attorneys incurred in connection with their review of the Closing Balance Sheet and preparation and review of any Notice of Disagreement shall be borne by Seller.

(g) Based on the Final Closing Balance Sheet (as hereinafter defined), Buyer and Seller shall reconcile Final Current Assets and Final Total Liabilities (each as hereinafter defined) with Estimated Current Assets and Estimated Total Liabilities, and make the appropriate adjustment to the Purchase Price. The "Final Closing Balance Sheet" shall mean: (i) as shown in Buyer's calculation delivered pursuant to Section 2.4(b), if no Notice of Disagreement with respect thereto is duly delivered by Seller to Buyer pursuant to Section 2.4(d); or (ii) if a Notice of Disagreement is delivered, (A) as agreed by Buyer and Seller pursuant to Section 2.4(e) or (B) in the absence of such agreement, as determined by the Accounting Firm pursuant to Section 2.4(f). "Final Current Assets" and "Final Total Liabilities" shall mean the determination of Current Assets and Total Liabilities, respectively, as set forth on the Final Closing Balance Sheet, calculated in the same manner as Closing Current Assets and Closing Total Liabilities.

(h) (i) If the Final Total Liabilities (as a positive number) minus the Final Current Assets exceeds the Estimated Total Liabilities (as a positive number) minus the Estimated Current Assets, then the Seller shall pay to the Buyer as an adjustment to the Purchase Price, in the manner and with interest as provided in this Section 2.4, such excess. If the Estimated Total Liabilities (as a positive number) minus Estimated Current Assets exceeds Final Total Liabilities

(as a positive number) minus Final Current Assets, then Buyer shall pay to Seller, in the manner and with interest as provided in this Section 2.4, the amount of such excess.

(ii) Any payment owing from Buyer to Seller or Seller to Buyer pursuant to this Section 2.4 shall be made at a mutually convenient time and place within ten (10) calendar days (the "Final Adjustment Payment Date") after the Final Closing Balance Sheet has been determined. Except as provided in Section 2.4(j) below, any payment owing from Seller to Buyer shall be paid by Seller by wire transfer in immediately available funds to the account of Buyer, or its designee. Any payment owing from Buyer to Seller shall be paid by Buyer as follows: (I) fifty percent (50%) of the amount owing to Seller by wire transfer in immediately available funds to the account of Seller, or its designee, and (II) the remaining portion of any amount owing to Seller paid pursuant to a promissory note by Buyer to Seller, or its designee, on the same terms as the Note. Any payments owing hereunder to Buyer (or its designee) or to Seller (or its designee), as the case may be, shall be designated by such receiving party, by notice to the other, received no later than five (5) days prior to the Final Adjustment Payment Date. Any cash payments owing hereunder shall accrue interest thereon at the prime rate (as reported by *The Wall Street Journal* or, if not reported thereby, by another authoritative source) as in effect from time to time from the Closing Date to the date of actual payment. Such interest shall be calculated daily on the basis of a year of 365 days and the actual number of days elapsed.

(i) Notwithstanding the foregoing, in the event that Seller delivers a Notice of Disagreement and either Seller or Buyer shall be required to make a payment of any undisputed amount to the other regardless of the resolution of the items contained in the Notice of Disagreement, then Seller or Buyer, as applicable, shall within ten (10) days of the receipt of the Notice of Disagreement make payment to the other, in the manner described in Section 2.4(h) above, of such undisputed amount owed by Seller or Buyer to the other, as the case may be, pending resolution of the Notice of Disagreement together with interest thereon at the prime rate (as reported by *The Wall Street Journal* or, if not reported thereby, by another authoritative source) as in effect from time to time from the Closing Date to the date of actual payment. Such interest shall be calculated daily on the basis of a year of 365 days and the actual number of days elapsed.

(j) In the event of a downward adjustment to the Purchase Price pursuant to Section 2.4(g), Buyer shall deliver written notice to the Escrow Agent and Seller specifying the amount of such downward adjustment of the Purchase Price, and the Escrow Agent shall, in accordance with the terms of the Escrow Reserve Agreement, pay such amount to Buyer out of the Escrow Reserve by wire transfer in immediately available funds. In the event that the Escrow Reserve is insufficient to cover the amount of such downward adjustment, then the Escrow Agent shall distribute the entire Escrow Reserve to Buyer as provided above and Seller shall pay, on or prior to the same date as the Escrow Agent distributes the Escrow Reserve to Buyer, an amount to Buyer, by wire transfer in immediately available funds, equal to the amount of such deficiency.

2.5 Escrow Reserve. Subject to the terms and conditions of the Escrow Reserve Agreement, \$1,500,000 of the Purchase Price (the "Escrow Reserve") shall be retained by the Escrow Agent for a period of twelve (12) months following the Closing Date and not disbursed to Seller at the Closing, in order to secure the indemnification obligations of Seller pursuant to

Article 11 and for the Purchase Price Adjustment pursuant to Section 2.4 hereof, provided that \$500,000 less any amounts paid by Seller to Company pursuant to Section 2.4 from the Escrow Reserve, shall be released to Seller within ten (10) days after the Final Adjustment Payment Date and payment to Buyer of all amounts owed by Seller. Any amounts of the Escrow Reserve remaining after satisfaction of the indemnification obligations and the Purchase Price Adjustment pursuant to Section 2.4 hereof shall be disbursed to Seller at the end of such twelve (12) month period in accordance with and subject to the Escrow Reserve Agreement.

2.6 Liabilities Not Assumed by Buyer. Buyer shall not be deemed by anything contained in this Agreement to have assumed, and does not assume, and the Seller shall pay and discharge and indemnify the Buyer and hold the Buyer harmless for, any responsibility for any liabilities of the Company or obligations of the Company of any kind or description (which amounts shall not be included in Assumed Liabilities):

- (a) arising out of or related to the Terre Haute Assets;
- (b) owed to Seller or a Principal, or any affiliate of Seller or a Principal, or any corporation, limited liability company, or other entity that controls or is under common control with the Company;
- (c) owed to any employee or former employee of the Company pursuant to any retention or stay bonus agreement or arrangement, salary continuation arrangement, or other similar arrangement, including but not limited to those disclosed in SCHEDULE 4.23 hereof;
- (d) debts, obligations or liabilities which arise or exist in violation of any of the representations, warranties, covenants or agreements of Seller or the Company contained in this Agreement or in any statement or certificate delivered to Buyer by or on behalf of the Seller or the Company on or before the Closing Date pursuant to this Agreement or in connection with the transactions contemplated hereby;
- (e) debts, obligations or liabilities of any kind or nature, whether absolute, accrued, contingent or otherwise, required by this Agreement to be disclosed to Buyer, if not so disclosed in writing;
- (f) contingent liabilities of the Company or the Seller of any kind arising or existing on or prior to the Closing Date, including, but not limited to, claims, proceedings or causes of action which are currently or hereafter become, the subject of claims, assertions, litigation or arbitration;
- (g) debts, obligations or liabilities of the Company or the Seller for federal, state, county, local, foreign or other income, sales, or use taxes or assessments (including interest and penalties thereon, if any) of any kind whatsoever arising from, based upon or related to the sale, transfer or delivery of the Shares pursuant to this Agreement;
- (h) debts, obligations or liabilities under any Station Employee Benefit Plan, policies, handbooks, customs or practices, employment agreements whether express or implied, applicable to any of the Station Employees at any time prior to and including the Closing Date;

(i) debts, obligations or liabilities arising out of claims alleging damage to the environment or similar claims with respect to the operation of the Company, or the ownership or lease by the Company of real property, in each case on or before the Closing Date;

(j) any liability or obligation of arising out of any wrongful or unlawful violation or infringement of any proprietary rights of any Person occurring prior to Closing;

The items described in (a) through (j) above are referred to in this Agreement as "Excluded Liabilities."

2.7 Taxes. All federal, state, local and other transfer sales and use taxes applicable to, imposed upon or arising out of the transaction contemplated by this Agreement shall be paid by Seller.

2.8 Risk of Loss. Subject to Sections 9.5 and 12.1 hereof, the risk of all Events of Loss prior to the Closing shall be upon Seller and the risk of all Events of Loss at or subsequent to the Closing shall be upon Buyer.

ARTICLE 3

GOVERNMENTAL APPROVALS AND CONTROL OF COMPANY

3.1 FCC Consent. It specifically is understood and agreed by Buyer and Seller that the Closing shall be in all respects subject to the receipt of prior FCC Consent. Buyer and Seller shall prepare and file with the FCC as soon as practicable but in no event later than ten (10) business days after the date of this Agreement, the requisite applications and other necessary instruments or documents requesting the FCC Consent. After the aforesaid applications and documents have been filed with the FCC, Buyer and Seller shall prosecute such applications with all reasonable diligence to obtain the requisite FCC Consent. Company and Buyer shall each pay prior to the Closing Date one-half (1/2) of all FCC filing or transfer fees relating to the transactions contemplated hereby. Buyer agrees that it will not file any assignment or transfer application for FCC approval to acquire the licenses for any other broadcast station if the filing of such application(s) would result in a material delay in obtaining the FCC Consent or require a waiver of the FCC's rules and policies.

3.2 Control Prior to Closing. Between the date hereof and the Closing Date, Buyer shall not directly or indirectly control, supervise or direct, or attempt to control, supervise or direct, the Company. Such operation, including complete control and supervision of all programs, employees and policies, shall be the sole responsibility of the Company. Neither title nor right to possession shall pass to Buyer until the Closing, but Buyer shall, however, be entitled to reasonable inspection of the Company, including but not limited to the Station and the Station Assets (upon reasonable prior notice and approval of Seller which shall not be unreasonably withheld) during normal business hours with the purpose that an uninterrupted and efficient transfer of the assets and business of the Company may be accomplished. After the Closing, Seller shall have no right to control the Company, and Seller shall have no reversionary rights in the Company or the Shares.

3.3 Other Governmental Approvals. Promptly following the execution of this Agreement, Buyer and Seller shall prepare and file with the appropriate governmental authorities any other requests for approval or waiver, if any, that are required from other governmental authorities in connection with the Closing, and shall diligently and expeditiously prosecute, and shall cooperate fully with each other in the prosecution of, such requests for approval or waiver and all proceedings necessary to secure such approvals and waivers.

ARTICLE 4

REPRESENTATIONS AND WARRANTIES OF SELLER AND COMPANY

Seller and the Company, jointly and severally, represent, warrant and covenant to Buyer as follows:

4.1 Organization. The Company is a corporation duly formed and validly existing under the laws of the State of Indiana. There is no other jurisdiction in which the Company is required to be qualified or registered to transact business. The Company has the power and authority to own, lease and operate its property and to carry on its business in the place(s) where such property is now owned, leased or operated as such business is now conducted. The Company has no subsidiaries and owns no other interests and has no investments in any corporations, limited partnerships, general partnerships, or other entities.

4.2 Authorization; Enforceability. The execution, delivery and performance of this Agreement and all of the documents and instruments required hereby by the Company and the consummation by the Company of the transactions contemplated hereby and thereby, are within the power of the Company and have been duly authorized by all necessary action by the Company. This Agreement is, and the other documents and instruments required hereby will be, when executed and delivered by the Company, the valid and binding obligations of the Company, enforceable against it in accordance with its respective terms, subject only to bankruptcy, insolvency, reorganization, moratoriums or similar laws at the time in effect affecting the enforceability or rights of creditors generally and by general equitable principles which may limit the right to obtain equitable remedies.

4.3 Absence of Conflicting Agreements. Except as set forth on SCHEDULE 4.3, neither the execution, delivery or performance of this Agreement by the Company, or any other transaction contemplated by this Agreement, does or will, after the giving of notice, or the lapse of time or both, or otherwise:

(a) conflict with, result in a breach of, or constitute a default under the articles of incorporation, corporate charter, by-laws, or other organizational or governance documents of the Company, or any federal, state or local law, statute, ordinance, rule or regulation, or any judgment, decree or court or administrative order or process, or any material contract, agreement, arrangement, commitment or plan to which the Company is a party or by which the Company is bound;

(b) result in the creation of any Lien upon any of the Company, any of the Station Assets or the Shares;

(c) terminate, amend or modify, or give any party the right to terminate, amend, modify, abandon or refuse to perform any contract, or any other material agreement, arrangement, commitment or plan to which the Company is a party;

(d) accelerate or modify, or give any party the right to accelerate or modify, the time within which, or the terms under which, any duties or obligations are to be performed, or any rights or benefits are to be received, under any contract, agreement, arrangement, commitment or plan to which the Company is a party;

(e) require the consent, waiver, approval, permit, license, clearance or authorization of, or any declaration or filing with, any court or public agency or other authority other than the FCC Consent; or

(f) require the consent of any Person under any agreement, arrangement or commitment of any nature to which the Company is a party or the Station Assets are subject or by which the Station Assets are bound.

4.4 Station Assets. The Station Assets include all of the assets, properties and rights of every type and description, real, personal and mixed, tangible and intangible, that are necessary for, used or useable in the conduct of the business of owning and operating the Company in the manner in which that business has been and is now conducted. All inventories of supplies, tubes and spare parts necessary or appropriate for the operation of the Company are at levels consistent with past operations of the Company. The Company's business consists solely of the operation of the Station and the ownership of the Terre Haute Assets (which are not a part of the Station Assets).

4.5 Title to Station Assets; Capitalization.

(a) Except as set forth on SCHEDULE 4.5(a), the Company owns good and marketable title to or has valid leasehold interests in all of the Station Assets (other than the Real Property as to which the provisions of Section 4.9 apply) free and clear of any and all Liens except for current taxes not yet due and payable.

(b) (i) The authorized capital stock of the Company consists of 1,000 shares of common stock, no par value; (ii) 580 shares of common stock (excluding treasury shares) are issued and outstanding, all of which have been validly issued and are fully paid and nonassessable; 420 shares of common stock of the Company are held in the treasury of the Company; no shares of common stock of the Company were reserved for future issuance pursuant to stock options or stock incentive rights pursuant to the Company's stock option plans and arrangements or pursuant to the Company's 401(k) Plan; (iii) during the period of time from August 16, 1996 to the date of this Agreement, except as set forth on SCHEDULE 4.5(b), there have been no issuances by the Company of shares of capital stock of, or other equity or voting interests in the Company; (iv) except as set forth on SCHEDULE 4.5(b) or as otherwise contemplated or specified in this Agreement, there are no options, warrants or other rights, agreements, arrangements or commitments of any character relating to the issued or unissued capital stock of the Company or obligating the Company to issue or sell any shares of capital stock of, or other equity interests in the Company; (v) all shares of capital stock of the Company

subject to issuance as aforesaid, upon issuance on the terms and conditions specified in the instruments pursuant to which they are issuable, will be duly authorized, validly issued, fully paid and nonassessable; and (vi) except as set forth on SCHEDULE 4.5(b), there are no outstanding contractual obligations of the Company to repurchase, redeem or otherwise acquire any shares of capital stock of the Company or to provide funds to, or make any investment (in the form of a loan, capital contribution or otherwise) in, any Person. All shares of the capital stock of the Company were issued in accordance with the Securities Act of 1933, as amended and the rules and regulations promulgated thereunder.

4.6 Condition of Equipment. Except as set forth on SCHEDULE 4.6:

(a) each item of Equipment is in good condition and repair, ordinary wear and tear excepted, and is not in need of imminent repair or replacement;

(b) the Equipment includes all items of tangible personal property utilized by the Company in its operations;

(c) the list of Equipment on SCHEDULE 1.3 is a true and correct list of all items of tangible personal property necessary for or used in the operation of the Company in the manner in which it has been and is now operated;

(d) those items of Equipment constituting transmitting and studio equipment are operating in accordance with the standards of good engineering practice; and

(e) no Equipment has been removed since December 31, 2001 except for removal of obsolete or non-operational equipment which has been replaced.

4.7 Contracts. Except as set forth on SCHEDULE 4.7:

(a) All of the Contracts constitute legal, valid and binding obligations of the respective parties thereto, are in full force and effect, and neither the Company nor any other party thereto has violated any provision of, or committed or failed to perform any act which, with notice, lapse of time or both, could constitute a default under the provisions of any of the Contracts that would allow the other party to terminate such Contract or bring a claim for damages;

(b) The Contracts described on SCHEDULE 1.2 constitute all of the agreements, undertakings, commitments or understandings, whether written or oral, relating to the Company (and including all employment agreements of Station Employees) other than (i) each contract (other than Tradeout Agreements) for the sale of time on the Station that involves the purchase in the aggregate of less than \$5,000 in advertising time and requires performance over a period of less than thirty (30) days, and (ii) each contract that is cancelable by the Company or its assignee without breach or penalty on not more than thirty (30) days notice and which involves average annual payments or receipts by the Company of less than \$5,000 in the case of any single contract and \$25,000 in the aggregate;

(c) Company has furnished true and complete copies of all Contracts, including all amendments, modifications and supplements thereto, and SCHEDULE 1.2 contains true, accurate and complete summaries of the provisions of all oral contracts;

(d) SCHEDULE 1.2 sets forth an accurate and complete list and description of all Tradeout Agreements, and sets forth with respect to each Tradeout Agreement the parties thereto, the value of broadcast time required to be provided on the Station from and after the date shown on such Schedule and the value of goods and services provided to or to be provided to the Station from and after such date;

(e) The acquisition of the Shares does not require the consent, approval or waiver of any party to the Contracts, and the consummation of the transactions contemplated hereby will give no party the right to terminate such Contract;

(f) None of the Contracts provides for delayed or deferred payments;

(g) The Company is current on all of its payment obligations under the Contracts;
and

(h) The Company is not a party to any agreement for the purchase or sale of any property or services from or to or with any director, officer, manager, member, trustee, beneficiary or other affiliate of Seller or the Company.

4.8 Intangible Property. Except as set forth on SCHEDULE 4.8:

(a) there are no claims, demands or proceedings instituted, or to the Company's or Seller's knowledge, pending or threatened, by any third party pertaining to or challenging the Company's right to use any of the Intangible Property;

(b) there are no facts which could render any of the Intangible Property invalid or unenforceable;

(c) there is no Intangible Property owned by a third party which the Company is using without proper license to do so (which licenses, if any, constitute part of the Contracts);

(d) there are no royalty agreements between the Company and any third party relating to any of the Intangible Property;

(e) the Intangible Property constitutes all of the intangible property of the Company and SCHEDULE 1.4 lists and identifies all of the Intangible Property of the Company;
and

(f) The Company owns or has the right to use the Intangible Property, all of which Intangible Property will continue to be owned or used by the Company following the Closing without the consent, approval or waiver of any other Person.

4.9 Real Property. Except as disclosed on SCHEDULE 4.9:

(a) The Company has good, valid, marketable and insurable fee simple absolute interest in the Real Property which it owns and has a valid and enforceable Lease for all Real Property which is leased, and such Real Property includes all real property necessary or appropriate for or used or useable by the Company. Attached to SCHEDULE 4.9 are true and complete copies of all policies of title insurance currently existing in favor of the Company with respect to the Real Property. Except for current taxes not yet due and the items set forth on SCHEDULE 4.9 and except for any Liens related to the Bank Debt, there are no Liens, restrictions or encumbrances to title to any portion of the Real Property. The Company has not subjected the Real Property, to any easements, rights, duties, obligations, covenants, conditions, restrictions, limitations or agreements not of record.

(b) There is no pending condemnation or similar proceeding affecting the Real Property or any portion thereof and, to the Company's or Seller's knowledge, no such action is presently contemplated or threatened.

(c) The Company has not received any notice from any insurance company of any defects or inadequacies in the Real Property or any part thereof which could adversely affect the insurability of the Real Property or the premiums for the insurance thereof. The Company has not received any notice from any insurance company which has issued or refused to issue a policy with respect to any portion of the Real Property or by any board of fire underwriters (or other body exercising similar functions) requesting the performance of any repairs, alterations or other work with which full compliance has not been made.

(d) There are no parties in possession of any portion of the Real Property other than the Company, whether as lessees, tenants at will, trespassers or otherwise.

(e) No zoning, building, environmental, land-use, fire or other federal, state or municipal law, ordinance, regulation or restriction is violated by the continued maintenance, operation or use of the Real Property or any tract or portion thereof or interest therein in its present manner except for such violations which would not have an adverse effect on the Company. The current use of the Real Property and all parts thereof as aforesaid does not violate any restrictive covenants affecting the Real Property.

(f) There is no law, ordinance, order, regulation or requirement now in existence, including, without limitation, any Environmental Law which would require any expenditure to modify or improve any of the Real Property in order to bring it into compliance therewith.

(g) The Real Property has adequate access to and from completed, dedicated and accepted public roads, and there is no pending, or to the Company's or Seller's knowledge, threatened, governmental proceeding which could impair or curtail such access.

(h) There are presently in existence water, sewer, gas and/or electrical lines or private systems on the Real Property which have been completed, installed and paid for and which are sufficient to service adequately the current operations of each building or facility located on the Real Property.

(i) To Seller's and Company's knowledge, there are no structural, electrical, mechanical, plumbing, air conditioning, heating or other defects in the buildings located on the Real Property and the roofs of the building located on the Real Property are free from structural defects, leaks and are in good condition.

4.10 Leases. Except as set forth on SCHEDULE 4.10:

(a) the Company has performed each material term, covenant and condition of each of the Leases which is to be performed by the Company at or before the date hereof, and no default on the part of the Company, or to the Company's or Seller's knowledge, on the part of any other party thereto, exists under any Lease that would allow the other party to terminate such Lease or bring a claim for damages;

(b) the Leases constitute all of the lease agreements between the Company and third parties;

(c) each of the Leases is in full force and effect, unimpaired by any acts or omissions of the Company, constitutes the legal and binding obligation of the Company, and to the knowledge of the Seller, Company and any other party thereto, in accordance with its terms;

(d) Company has furnished true and complete copies of the Leases to Buyer, including any and all amendments, modifications and supplements thereto;

(e) there are no leasing commissions or similar payments due, arising out of, resulting from or with respect to any Lease which are owed by the Company;

(f) the sale of the Shares to the Buyer does not require the consent, waiver or approval of any Person under any Lease and will not give any party thereto the right to terminate the Lease; and

(g) each of Company's Financing Leases is listed as such on SCHEDULE 1.2.

4.11 Financial Statements and Interim Financial Statements.

(a) Attached as SCHEDULE 4.11(a) are true and complete copies of the audited balance sheet of the Company, as at December 31, 2001 and December 31, 2000, and the related statements of income and changes in cash flow for the fiscal years then ended (collectively, the "Financial Statements"). The Financial Statements (i) were prepared in good faith and in accordance with the books of account and other financial records of the Company, which are accurate and complete in all material respects, (ii) fairly and accurately present the assets, liabilities and financial condition of the Company as of the respective dates thereof, and the results of operation and cash flows for the periods then ended, (iii) have been prepared, unless otherwise expressly stated therein, in accordance with GAAP applied on a consistent basis with the Company's past practices, and (iv) include all adjustments (consisting only of normally recurring accruals) that are necessary for a fair presentation of the financial condition and results of operation of the business of the Company as of the dates thereof and for the periods covered thereby.

(b) Attached as SCHEDULE 4.11(b) are true and complete copies of the unaudited balance sheet of the Company as at the month ended August 31, 2002, and the related statement of income and change in cash flows for the period then ended (the "Interim Financial Statements"). The Interim Financial Statements, which were prepared in good faith and in accordance with the books of account and other financial records of the Company which are accurate and complete in all material respects, have been prepared in accordance with generally accepted accounting principles applied on a basis consistent with the Financial Statements and the Company's past practices and fairly and accurately present the financial condition of the Company as at each of the dates indicated and the results of its operations and changes in financial position for each of the periods then ended; subject, however, to year-end adjustments which, in the aggregate, are not materially adverse.

(c) The Receivables of the Company are collectible in amounts not less than the amounts thereof carried on the books of the Company, are not subject to any right of recourse, defense, deduction, counterclaim, offset or setoff on the part of the obligor, and reasonably can be expected to be collected within a reasonable time from the date incurred, except to the extent of the allowance for doubtful accounts shown on the balance sheets of the Financial Statements or Interim Financial Statements.

(d) All monies to be required to be withheld by the Company from its employees for income taxes, social security and unemployment insurance taxes or other similar charges or assessments have been collected or withheld and either paid to the respective governmental agencies or set aside in accounts for such purpose.

(e) The values used and the depreciation taken for the assets of the Company on the Financial Statements and the Interim Financial Statements are in accordance with generally accepted accounting principles and have not been challenged by the Internal Revenue Service or any other Federal, state or local agencies and would not if so challenged result in the imposition of a material liability or expense to the Company.

(f) All the indebtedness of the Company is clearly and accurately reflected in the Financial Statements and the Interim Financial Statements and is prepayable at any time at the option of the Company without penalty or premium. Except for the Bank Debt, all of the indebtedness of the Company may be assumed by the Buyer by virtue of its acquisition of the Shares without the payment of any penalty or the incurring of any additional obligation or change in the terms or conditions of such indebtedness.

4.12 No Changes. Except for the disposition of the Terre Haute Assets to Seller and except as set forth on SCHEDULE 4.12, since December 31, 2001, there has not been any:

(a) transaction by the Company except in the ordinary course of business conducted as of that date;

(b) material adverse change in the financial condition, liabilities, assets or results of the Company;

(c) default under any indebtedness of the Company, or any event which, with the lapse of time, giving of notice or both, could constitute such a default;

(d) amendment or termination of any Contract, Lease or License to which the Company is a party, except in the ordinary course of business;

(e) increase in compensation paid, payable or to become payable to a Station Employee, except customary increases not in excess of 5% in connection with annual employee reviews, and the Employee Bonuses;

(f) extraordinary losses (whether or not covered by insurance) or waiver by the Company of any extraordinary rights of value;

(g) commitment to or liability to any labor organization which represents, or proposes to represent, employees of the Company;

(h) lowering of the advertising rates of the Company in a manner not consistent with past practices or reflective of current market conditions;

(i) notice from any sponsor or customer as to that sponsor's or customer's intention not to conduct business with the Company, the result of which loss or losses of business, individually or in the aggregate, has had, or could reasonably be expected to have, a material adverse effect on the Company;

(j) change in the Station's carriage or channel position on any Market MVPD System that has occurred since January 1, 1998;

(k) notification to the Company or the Station since January 1, 1998, that the Station may not be entitled to carriage on any Market MVPD System either because the Station fails to meet the requisite signal strength for such status or the Station would be considered a distant signal under the cable compulsory copyright license, 17 U.S.C. § 111;

(l) write down of the value of any assets or write off as uncollectible of any Receivable except in the ordinary course of business, none of which, individually or in the aggregate, has or might reasonably have a material adverse effect on the Company's or the Station's financial condition;

(m) change in the Company's method of accounting;

(n) other event or condition of any character that has or might reasonably be expected to have a material adverse effect on the Company's or the Station's financial condition, business or assets;

(o) sale, assignment, lease or other transfer or disposition of any of the assets or properties of the Company except in the ordinary course of business;

(p) distribution, transfer, sale, exchange, loan or disposition to a related or affiliated Person;

(q) declaration, setting aside, or payment of any dividend or any other distribution in respect of the Company's capital stock, or any redemption, purchase or other acquisition by the Company of any capital stock of the Company or any security relating thereto, or any other payment to any shareholder of the Company as such a shareholder;

(r) entering into or financing any indebtedness of the Company, except for a possible refinancing of the Bank Debt; or

(s) agreement by Seller, the Company or a Principal to do any of the foregoing.

4.13 Undisclosed Liabilities.

(a) The Company has no debt, liability or obligation of any kind, whether accrued, absolute, contingent or otherwise, including, without limitation, any liability or obligation on account of Taxes or any governmental charges or penalty, interest or fines, except: (i) those liabilities reflected in the Financial Statements and Interim Financial Statements; (ii) liabilities disclosed on SCHEDULE 4.13; (iii) liabilities incurred in the ordinary course of business (other than contingent liabilities) since August 31, 2002; and (iv) liabilities incurred in connection with the transactions provided for in this Agreement.

(b) As of this date and as of the Closing Date, there is, and will be, no basis for the assertion against the Company of any liability or obligation of any nature or in any amount, whether or not constituting liabilities to be assumed by the Buyer hereunder, and whether accrued, absolute, contingent, due, to become due or otherwise not fully reflected or reserved against in the Closing Balance Sheet, when prepared, or disclosed in this Agreement, except for ordinary and customary obligations arising in the ordinary course of business.

4.14 No Litigation; Labor Disputes; Compliance with Laws. Except as set forth on SCHEDULE 4.14:

(a) There is no decree, judgment, order, litigation at law or in equity, arbitration proceeding or proceeding before or by any commission, agency or other administrative or regulatory body or authority pending or to the Seller's or Company's knowledge threatened, to which the Company is a party or to which the Company is subject or which could have an adverse effect on the Company, and there is no basis for any other claim, litigation or proceeding. There is no investigation by any commission, agency or other administrative or regulatory body or authority pending, or to the Seller's or Company's knowledge threatened, which is concerned with the operations, business or affairs of the Company, the Station or the Station Assets, nor is there any basis for any such investigation.

(b) The Company is not subject to nor bound by any labor agreement or collective bargaining agreement; there is no labor dispute, grievance, controversy, strike or request for union representation pending or to the Seller's or Company's knowledge threatened against the Company; and there has been no occurrence of any events which could give rise to any such labor dispute, controversy, strike or request for representation.

(c) The Company owns and operates, and has owned and operated, its properties and assets, and carried on and conducted, and has carried on and conducted its business and affairs in compliance in all material respects with all federal, foreign, state and local laws, statutes, ordinances, rules and regulations, and all court or administrative orders or processes, including, but not limited to, FCC, Occupational Safety and Health Administration, Equal Employment Opportunity Commission, National Labor Relations Board and environmental matters. The Company complies in all material respects with all applicable statutes, rules and regulations pertaining to equal employment opportunity, including, without limitation, those of the FCC.

4.15 Taxes. Except as disclosed on SCHEDULE 4.15:

(a) The Company has filed all Tax Returns for all years and periods (and portions thereof) for which any such Tax Returns were due, and any and all amounts due and payable have been paid in full. All of such Tax Returns are true and complete in all respects. All Taxes owed by the Company (whether or not shown on any Tax Return) have been paid. The Company is not currently the beneficiary of any extension of time within which to file any Tax Return. No claim has ever been made by an authority in a jurisdiction where the Company does not file Tax Returns that it is or may be subject to taxation by that jurisdiction. The Company has withheld all tax required to be withheld under applicable law and regulations, and such withholdings have either been paid to the proper governmental agency or set aside in accounts for such purpose, or accrued, reserved against and entered upon the books of the Company, as the case may be.

(b) There are, and after the date of this Agreement will be, no tax deficiencies (including penalties and interest) of any kind assessed against or relating to the Company with respect to any taxable periods ending on or before, or including, the Closing Date of a character or nature that could result in Liens or claims on or against the Company or any of the Station Assets or use of the Station Assets or on Buyer's title to the Shares or that could result in any claim against Buyer or the Company.

(c) The Company has not waived any statute of limitations in respect of Taxes or agreed to any extension of time with respect to a Tax assessment or deficiency. The Company has not made any payments, is not obligated to make any payments, and is not a party to any agreement that under certain circumstances could obligate it to make any payments that will not be deductible under Code §280G. The Company has not been a United States real property holding corporation within the meaning of Code §897(c)(2) during the applicable period specified in Code §897(c)(1)(A)(ii). The Company has disclosed on its federal income Tax Returns all positions taken therein that could give rise to a substantial understatement of federal income Tax within the meaning of Code §6662. The unpaid Taxes of the Company (A) did not, as of August 31, 2002, exceed the reserve for Tax Liability (rather than any reserve for deferred Taxes established to reflect timing differences between book and Tax income) set forth on the face of the balance sheet for August 31, 2002 (rather than in any notes thereto) and (B) do not exceed that reserve as adjusted for the passage of time through the Closing Date in accordance with the past custom and practice of the Company in filing its Tax Returns. The net operating loss carryovers of the Company (within the meaning of section 172 of the Code), prior to the Closing Date (and excluding, for the avoidance of doubt, the purchase of the Shares by Buyer contemplated by this Agreement), are not subject to any restrictions or limitations under section 382 of the Code or any comparable provision of state or local law.

(d) The Company will not be required to include any item of income in, nor will the Company exclude any item of deduction from, taxable income for any taxable period (or portion thereof) ending on or after the Closing Date as a result of any: (A) change in method of accounting for a taxable period ending on or prior to the Closing Date under Code §481(c) (or any corresponding or similar provision of state, local or foreign income Tax law); (B) "closing agreement" as described in Code §7121 (or any corresponding or similar provision of state, local or foreign income Tax law) executed on or prior to the Closing Date; (C) installment sale or open transaction disposition made on or prior to the Closing Date; or (D) prepaid amount received on or prior to the Closing Date.

4.16 Governmental Authorizations. The Company holds, and on the Closing Date the Company will hold, the regular and valid Licenses from the FCC to operate the Station as a television broadcast station with the power disclosed on SCHEDULE 4.16. Except as set forth on SCHEDULE 4.16, no qualifications, registrations, filings, privileges, franchises, licenses, permits, approvals or authorizations, other than the Licenses and those as set forth on SCHEDULE 4.16, are required in order for the Company to own and operate the Station in the manner operated on the date hereof. Except for an application to extend the DTV CP, as of the date hereof, no action or proceeding is pending or to the Seller's or Company's knowledge threatened before the FCC or any other governmental body to revoke, refuse to renew or modify such Licenses or other authorizations of the Company. Except as set forth on SCHEDULE 4.16, the Company has complied with the FCC rules, regulations and policies in all material respects concerning limits on the duration of advertising in children's programming, satisfaction of obligations with respect to children's programming responsive to the educational and informational needs of children, and the record keeping obligations related thereto.

4.17 Compliance with FCC Requirements. Except as set forth on SCHEDULE 4.17, the Company, its physical facilities, electrical and mechanical systems and transmitting and studio equipment are being and have been operated in all material respects in accordance with

the specifications of the Licenses and with each document submitted in support of such Licenses, and the Company and the Station are in compliance in all material respects with all requirements, rules and regulations of the FCC. The Company has complied in all material respects with all requirements of the FCC and the Federal Aviation Administration with respect to the construction and/or alteration of the Company's antenna structures, and, where required, "no hazard" determinations for each antenna structure have been obtained, and where required, each antenna structure has been registered with the FCC. Except as set forth on SCHEDULE 4.17, all obligations, reports and other filings required by the FCC with respect to the Company, including, without limitation, all regulatory fee payments and all materials required to be placed in the Company's public inspection file, have been duly and currently filed as of the date hereof, and are true and complete in all material respects, and after the Closing Date, the Company shall furnish to Buyer all information required by the FCC relating to the operation of the Company prior to the Closing Date. Except as set forth on SCHEDULE 4.17, there is not now issued or outstanding, or pending or to the Seller's or Company's knowledge threatened, by or before the FCC, any order to show cause, notice of violation, notice of apparent liability, or notice of forfeiture or complaint relating to the Company or the Station. No cable system has notified Seller or the Company of any signal quality deficiency and no cable system has declined or threatened to decline carriage of the Company's signals or failed to respond to a request for carriage or sought any form of relief from carriage from the FCC.

4.18 Digital Television. The Station has been assigned Channel 19 by the FCC for the provision of digital television ("DTV") service. The Licenses listed in SCHEDULE 4.16 include a construction permit (the "DTV CP") and all other authorizations necessary to permit the construction of a DTV station on such channel (the "DTV Facility"). The DTV CP is in full force and effect, and, subject to favorable action by the FCC on the pending application to extend the DTV CP, the FCC has not taken any adverse action with respect thereto. The Company has timely filed all necessary requests to extend the DTV CP.

4.19 MVPD Matters. The attached SCHEDULE 4.19 sets forth (or has appended to it) the items described in clauses (a) through (h) below:

(a) a list of all U.S. cable television systems, wireless cable television systems, direct broadcast satellite ("DBS") systems and satellite master antenna ("SMATV") systems which Seller or Company knows carry the Station's signal and in what Designated Market Area ("DMA") each MVPD carries the Station's signal;

(b) a list of all Market MVPD Systems to which the Company has provided a must-carry notice or retransmission consent notice in accordance with the provisions of the Cable Television Consumer Protection and Competition Act of 1992 and the Satellite Home Viewers Improvement Act of 1999, as amended, and FCC regulations implementing such statutes (collectively, the "MVPD Act Requirements"), and a list of all Market MVPD Systems known to Seller or the Company to which the Company has not provided any such must-carry or retransmission consent notice;

(c) a list of all retransmission consent and/or copyright indemnification agreements, if any, entered into by the Company;

(d) a list of all retransmission consent notices referred to in clause (b) above, if any, which were not delivered to the Market MVPD System in question on or before the date required under the MVPD Act Requirements for such notices to be effective for the three-year period ending on December 31, 2002 for cable, or the election cycle ending on December 31, 2006 for DBS;

(e) a list of all Market MVPD Systems, if any, which are carrying the Company's signal and which have given notice of such Market MVPD System's intention to delete the Company from carriage or to change the Company's channel position on such MVPD system, other than pursuant to any agreement described in clause (c) above;

(f) a list of all notices, if any, received from any Market MVPD System alleging that the Company does not deliver an adequate signal level, as defined in 47 C.F.R. § 76.55(c)(3), to such Market MVPD System's principal headend or local receive facility (other than any such notice as to which such failure has been remedied or been determined not to exist), and all further correspondence with or from any such Market MVPD System relating to such notice;

(g) a list of all pending petitions for special relief filed by the Company to include any additional community or area as part of the Company's television market, as defined in 47 C.F.R. § 76.55(e), if any; and

(h) a list of all pending petitions for special relief requesting the deletion of any community or area from the Company's television market which have appeared on FCC Public Notice, if any.

For purposes of this Section 4.19, "Market MVPD System" means any U.S. cable television system, wireless cable system, DBS operator or SMATV system operating within the Company's market, as defined in 47 C.F.R. §§ 76.55(e) and 76.66(e).

The Company has furnished to Buyer true and correct copies of all notices, agreements, correspondence, petitions and other items described in clauses (a) through (h) of this Section 4.19.

4.20 Insurance. SCHEDULE 4.20 provides a list of, and true and complete copies of, all insurance policies and fidelity bonds relating to the Station Assets, the business, operations, employees, officers or directors of Seller or the Company. There is no claim by or on behalf of the Seller or the Company pending under any such policies or bonds as to which coverage has been questioned, denied or disputed by the underwriters of such policies or bonds or in respect of which such underwriters have reserved their rights. All premiums payable under all such policies and bonds have been timely paid and the Seller and the Company have otherwise complied fully with the terms and conditions of all such policies and bonds in all respects. Such policies of insurance and bonds (or other policies and bonds providing substantially similar insurance coverage) have been in effect since January 1, 1996 and remain in full force and effect. Such policies and bonds are of the type and in the amounts customarily carried by Persons conducting businesses similar to the Company. There are no threatened terminations of, premium increases in excess of customary increases with respect to, or material alterations of

coverage under, any of such policies or bonds. Except as disclosed on SCHEDULE 4.20, after the Closing, Seller and the Company shall continue to have coverage under such policies and bonds with respect to events occurring prior to the Closing.

4.21 Brokers and Accountants. Neither this Agreement nor the sale and purchase of the Shares or any other transaction contemplated by this Agreement was induced or procured through any Person acting on behalf of or representing the Company as broker, finder, investment banker, financial advisor or in any similar capacity, other than Blackburn & Company Incorporated whose fees shall be paid by the Seller. The Accounting Firm has had no material relationship within the past two (2) years with Company or any of its affiliates.

4.22 Powers of Attorney. Except as set forth on SCHEDULE 4.22, there are no Persons holding a power of attorney on behalf of the Company.

4.23 Employees. SCHEDULE 4.23 lists the names and current annual salary rate or hourly rate of all employees of the Company, which list includes for each such Person the amounts paid or payable as base salary and describes any other compensation arrangements for employees for the years 2001 and 2002, including bonuses, vehicle usage, severance or other perquisites. Except as set forth on SCHEDULE 4.23 hereto, there are no collective bargaining agreements, employment agreements between the Company and their employees or professional service Contracts not terminable at will. Except as set forth on SCHEDULE 4.23 hereto, the Company has no liability to any Station Employee for any stay bonus, retention bonus, or salary continuation arrangement or agreement or any similar arrangements. Except as set forth on SCHEDULE 4.23, The consummation of the transactions contemplated hereby will not cause: (a) Buyer or the Company to incur or suffer any liability relating to, or obligation to pay, severance, termination or other payments to any Person or any liability or obligation to pay with respect to any Station Employee Benefit Plan or (b) accelerate the time of payment or vesting, or increase the amount of compensation due any such employee, director or officer, or trigger the funding (through a grantor trust or otherwise) of compensation or benefits under, increase the amount payable or trigger any other material obligation pursuant to, any Station Employee Benefit Plan or any other agreement.

4.24 Employee Benefit Plans. Except as set forth on SCHEDULE 4.24:

(a) The Company has not at any time maintained or been a party to or made contributions to any Station Employee Benefit Plan. All Station Employee Benefit Plans maintained by the Company or to which the Company is obligated to contribute, are, and have in the past been, in all respects maintained, funded and administered in compliance in every material respect with ERISA and the Code, and other applicable law; no such plan subject to Title IV of ERISA has been terminated; no proceedings to terminate any such plan have been instituted under Subtitle C of Title IV of ERISA; no reportable event within the meaning of Section 4043 of Subtitle C of ERISA has occurred for any such plan maintained by the Company; the Company has not withdrawn from a multiemployer plan (as defined in Section 4001(a) of ERISA); the consummation of the transactions contemplated hereby will not result in any withdrawal liability on the part of the Company under a multiemployer plan; no Plan or Benefit Arrangement established or maintained by the Company or to which the Company is obligated to contribute has any "accumulated funding deficiency," as defined in ERISA, or any

other unfunded liability or funding deficit; no Plan or Benefit Arrangement established or maintained by the Company or to which the Company is obligated to contribute is a multiple employer plan within the meaning of Code Section 413(c) or a multiemployer employer welfare arrangement within the meaning of ERISA Section 3(40); and the Company has not incurred any liability to the Pension Benefit Guaranty Corporation with respect to any such plan. There have been no "prohibited transactions," as defined in Section 406 of ERISA, or in Section 4975 of the Code with respect to any Plan. No fiduciary with respect to any Station Employee Benefit Plan has any liability for breach of fiduciary duty or any other failure to act or comply in connection with the administration or investment of the assets of such plan.

(b) The Company has: (a) filed or caused to be filed all returns and reports on the Station Employee Benefit Plans that are required to be filed and (b) paid or made adequate provision for all fees, interest, penalties, assessments or deficiencies that have become due pursuant to those returns or reports or pursuant to any assessment or adjustment that has been made relating to those returns or reports. All other fees, interest, penalties and assessments that are payable by or for the Company have been timely reported, fully paid and discharged. There are no unpaid fees, penalties, interest or assessments due from the Company or from any other Person that are or could become a Lien on the Shares, the Station Assets or the Company or could otherwise adversely affect the Station or Station Assets. The Company has collected or withheld all amounts that are required to be collected or withheld by it to discharge its obligations, and all of those amounts have been paid to the appropriate governmental authority or set aside in appropriate accounts for future payment when due. The Company has furnished to Buyer true and complete copies of all documents setting forth the terms of each Station Employee Benefit Plan.

(c) SCHEDULE 4.24 includes (i) a list of all Station Employee Benefit Plans and (ii) a list of all reports, returns or other filings with the Internal Revenue Service for the last six (6) years and a copy of all audits or reviews for all Station Employee Benefit Plans, as well as with respect to each such Station Employee Benefit Plan, a correct and complete copy of each Station Employee Benefit Plan document and summary plan description (with all applicable attachments). Copies of all related trust agreements, insurance contracts, and other funding arrangements which implement each such Station Employee Benefit Plan are available for review at the Station. Notwithstanding the foregoing sentence, Seller shall make available to Buyer (or its designee) a summary of the material terms of each such Station Employee Benefit Plan that has not been reduced to writing.

(d) All contributions or premiums for any period ending on or before the Closing Date that are not yet due have been made to or for each such Station Employee Benefit Plan or accrued in accordance with the past custom and practice of the Company.

(e) No other entity which together with the Company would be considered to be a single employer within the meaning of Section 4001(b) of ERISA has ever been required to contribute to any "multiemployer plan" as such term is defined in Section 3(37) of ERISA.

(f) Each Station Employee Benefit Plan that is intended to be qualified under Section 401(a) of the Code has received a favorable determination letter from the Internal Revenue Service as to its qualification under the Code and to the effect that each such trust is

exempt from taxation under Section 501(a) of the Code, and nothing has occurred with respect to such plan since the date of such determination letter that could reasonably be expected to result in the revocation of such determination letter, and each such plan that is intended to be qualified under Section 401(a) of the Code has been amended to comply with the Retirement Protection Act of 1994, Uniformed Services Employment and Reemployment Rights Act of 1994, Small Business Job Protection Act of 1996, Taxpayer Relief Act of 1997 and IRS Restructuring and Reform Act of 1998 (collectively referred to as the "GUST Amendments") and is the subject of a determination application submitted to the Internal Revenue Service on a timely basis, requesting a ruling that such plan, as amended by the GUST Amendments, continues to be a "qualified plan" under Code Section 401(a).

(g) The Company is not obligated to provide, either directly or through a Station Employee Benefit Plan, any post-employment or retirement medical benefits or any other unfunded welfare benefits to or on behalf of any person after he ceases to be an employee of the Company except for health continuation coverage as required by Code Section 4980B or part 6 of Title I of ERISA.

(h) As of the Closing Date, the current market value of assets under each Station Employee Benefit Plan that is a defined benefit pension plan equals or exceeds the present value of all vested and nonvested liabilities thereunder determined in accordance with PBGC methods, factors, and assumptions applicable to a pension plan terminating on such date.

4.25 Environmental Compliance. Except as set forth on SCHEDULE 4.25:

(a) The business of the Company has complied and is in material compliance with, and the Real Property and all improvements thereon are in material compliance with, all Environmental Laws.

(b) The Company is not a party to any litigation or administrative proceeding, nor is any litigation or administrative proceeding threatened against it, which in either case: (i) asserts or alleges the Company violated any Environmental Laws; (ii) asserts or alleges that the Company is required to clean up, remove or take remedial or other response action due to the disposal, depositing, discharge, leaking or other release of any Hazardous Materials; or (iii) asserts or alleges that the Company is required to pay all or a portion of the cost of any past, present or future cleanup, removal or remedial or other response action arising out of or relating to the disposal, depositing, discharge, leaking or other release of any Hazardous Materials.

(c) With respect to the period during which the Company owned or occupied the Real Property, and to Seller's or the Company's knowledge, with respect to the period before the Company owned or occupied the Real Property, no Person has caused or permitted Hazardous Materials to be generated, treated, stored, or disposed of, released, recycled on, under or at any Real Property owned, leased, used or occupied by the Company, which Hazardous Materials, if known to be present, would require response remediation or cleanup, removal or some other remedial action under any Environmental Laws.

(d) There are not now nor to Seller's or the Company's knowledge have there been previously, tanks, disposal areas, landfills, surface impoundments or other facilities on,

under or at the Real Property which contained any Hazardous Materials which, if known to be present in soils or groundwater or surface water, could require response remediation, removal or some other remedial action under Environmental Laws.

(e) There are no conditions existing currently which would subject the Company to damages (including notice of resources damages), penalties, injunctive relief or response remediation or removal costs under any Environmental Laws or which require or are likely to require response, remediation or removal or such other remedial action pursuant to Environmental Laws.

(f) The Company is not subject to any judgment, order or citation related to or arising out of any Environmental Laws and has not been named or listed as a potentially responsible party by any governmental body or agency in a matter related to or arising out of any Environmental Laws.

(g) The operation of the Company does not exceed the permissible levels of exposure to RF radiation specified in the FCC's current or any officially-released proposed rules, regulations and policies, as the same may be amended and officially released through the Closing Date concerning RF radiation.

(h) The Company has been duly issued, and currently has and will maintain through the Closing Date, all permits, licenses, certificates and approvals required under any Environmental Law. A true and complete list of such permits, licenses, certificates and approvals, all of which are valid and in full force and effect, is set out on SCHEDULE 4.25(h). Except in accordance with such permits, licenses, certificates and approvals or in accordance with Environmental Laws, there has been no discharge of any Hazardous Materials or any other material regulated by such permits, licenses, certificates or approvals on the Real Property.

4.26 Bank Accounts. SCHEDULE 4.26 sets forth the names and locations of all banks, trust companies and other financial institutions at which the Company maintains a safe deposit box, lock box or checking, savings, custodial or other account of any nature (collectively, "Bank Accounts"), the type and number of each Bank Account and the signatories therefore, a description of any compensating balance arrangements, and the names of all persons authorized to draw thereon, make withdrawals therefrom or have access thereto.

4.27 Transactions or Arrangements with Affiliates and Shareholders. SCHEDULE 4.27 attached hereto, contains a true, complete and accurate list of all the transactions and arrangements between the Company and its officers, directors, shareholders or any affiliates thereof.

4.28 Representations as of the Closing Date. Each of the representations and warranties of the Seller and the Company set forth in this Article 4 shall be true and correct on and as of the Closing Date, as though such representations and warranties were made on and as of such time.

4.29 Records. The Records of the Company have been fully, properly and accurately maintained in all material respects, and there are no material inaccuracies or discrepancies of any kind effected herein, and true and accurate copies thereof have been made available to Buyer.

4.30 Disclosure. No statement of fact by the Seller or the Company contained in this Agreement and no written statement of fact furnished or to be furnished by the Seller or the Company to Buyer pursuant to or in connection with this Agreement contains or will contain any untrue statement of a fact, or omits or will omit to state a material fact necessary in order to make the statements herein or therein contained not misleading.

ARTICLE 5

REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents, warrants and covenants to Buyer as follows:

5.1 Organization of Seller. The Seller is an irrevocable trust organized under Trust Agreement dated October 4, 1989, as amended, and is validly existing under the laws of the State of Indiana. Seller has the power and authority to own, lease and operate its property and to carry on its businesses, if any, in the place(s) where such property is now owned, leased or operated as such business is now conducted. Trustee is the duly appointed trustee of Seller. Jon F. Spadorcia, is a Co-Trustee of the Trust under Section 1.2 of the Trust Agreement who has limited powers thereunder.

5.2 Authorization; Enforceability. The execution, delivery and performance of this Agreement and all of the documents and instruments required hereby by the Seller and the Trustee and the consummation by Seller and the Trustee of the transactions contemplated hereby and thereby, are within the power of the Seller and the Trustee and have been duly authorized by all necessary action by the Seller and the Trustee. This Agreement is, and the other documents and instruments required hereby will be, when executed and delivered by the Seller and the Trustee the valid and binding obligations of the Seller and the Trustee, enforceable against them in accordance with their respective terms, subject only to bankruptcy, insolvency, reorganization, moratoriums or similar laws at the time in effect affecting the enforceability or rights of creditors generally and by general equitable principles which may limit the right to obtain equitable remedies. The Trustee has full power and authority to sell the Shares and to perform its obligations hereunder and no other approvals or consents are required from any Person.

5.3 Title. Except as set forth on SCHEDULE 5.3, Seller has good and marketable title to the Shares, which represent 100% of the outstanding capital stock of the Company, and owns beneficially and of record, and, except for a pledge of the Shares to secure the Bank Debt, at Closing will own all of the Shares in the Company free and clear of any mortgages, liens, claims, charges, encumbrances, assessments, options, calls, commitments, contracts or security or adverse interests of any kind or nature whatsoever ("Encumbrances"). At Closing, upon payment for the Shares in accordance with all terms hereof, the Buyer will obtain good and marketable title to the Shares from the Seller free and clear of all Encumbrances.

5.4 Absence of Conflicting Agreements. Except as set forth on SCHEDULE 5.4, neither the execution, delivery or performance of this Agreement by the Seller, nor the consummation of the sale and purchase of the Shares or any other transaction contemplated by this Agreement, does or will, after the giving of notice, or the lapse of time or both, or otherwise: (i) conflict with, result in a breach of, or constitute a default under the Trust or any other organizational or

governance documents of Seller, or any federal, state or local law, statute, ordinance, rule or regulation, or any judgment, decree or court or administrative order or process, or any material contract, agreement, arrangement, commitment or plan to which the Seller is a party; (ii) result in the creation of any Lien upon the Shares or Seller, or (iii) require the consent of any other Person.

5.5 No Litigation; Compliance with Laws. Except as set forth on SCHEDULE 5.5, there is no decree, judgment, order, litigation at law or in equity, arbitration proceeding or proceeding before or by any commission, agency or other administrative or regulatory body or authority pending or threatened, to which the Seller is a party or is subject or which could have an adverse effect on the Seller, or the Shares, and there is no basis for any other claim, litigation or proceeding.

5.6 Taxes. Except as disclosed on SCHEDULE 5.6, (i) Seller has filed all of its federal, state and local tax returns, reports and estimates for all years and periods (and portions thereof) for which any such returns, reports and estimates were due, and any and all amounts due and payable have been paid in full except to the extent such amounts have been contested in good faith and an adequate reserve established therefor; (ii) all of such returns, reports and estimates are true and complete in all respects, and (iii) there are, and after the date of this Agreement will be, no tax deficiencies (including penalties and interest) of any kind assessed against or relating to the Seller, with respect to any taxable periods ending on or before, or including, the Closing Date of a character or nature that could result in any liens or claims on or against the Seller, or any of the Shares or on Buyer's title to the Shares that could result in any claim against Buyer or the Company. True and complete copies of all tax returns or reports filed by the Seller for each of its two (2) most recent fiscal years have been delivered to Buyer.

5.7 Brokers and Accountants. Neither this Agreement nor the sale and purchase of the Shares or any other transaction contemplated by this Agreement was induced or procured through any Person acting on behalf of or representing the Seller as broker, finder, investment banker, financial advisor or in any similar capacity, other than Blackburn & Company Incorporated whose fees shall be paid by the Seller. The Accounting Firm has had no material relationship within the past two (2) years with Seller, a Principal or any of their affiliates.

5.8 Undisclosed Liabilities.

(a) The Seller has no debt, liability or obligation of any kind, whether accrued, absolute, contingent or otherwise, including, without limitation, any liability or obligation on account of estate or other taxes or any governmental charges or penalty, interest or fines, except: (i) liabilities disclosed on SCHEDULE 5.8; (ii) liabilities incurred in the ordinary course of business (other than contingent liabilities) and not in excess of \$30,000.00 since December 31, 2001; and (iii) liabilities incurred in connection with the transactions provided for in this Agreement, including legal and accounting fees. On or before Closing, Seller shall have delivered to Buyer true, correct and complete copies of the Seller's federal and Indiana estate tax closing letters.

(b) As of this date and as of the Closing Date, there is, and will be, no basis for the assertion against the Seller of any liability or obligation of any nature or in any amount,

whether accrued, absolute, contingent, due, to become due, or disclosed in this Agreement, except for ordinary and customary obligations arising in the ordinary course of the business or operations of the Seller.

5.9 Representations as of the Closing Date. Each of the representations and warranties of the Seller set forth in this Article 5 shall be true and correct on and as of the Closing Date, as though such representations and warranties were made on and as of such time.

5.10 Disclosure. No statement of fact by Seller contained in this Agreement and no written statement of fact furnished or to be furnished by Seller to Buyer pursuant to or in connection with this Agreement contains or will contain any untrue statement of a fact, or omits or will omit to state a material fact necessary in order to make the statements herein or therein contained not misleading.

ARTICLE 6

[INTENTIONALLY OMITTED]

ARTICLE 7

REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents, warrants and covenants to Seller as follows:

7.1 Organization. Buyer is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware, and on the Closing Date Buyer will be duly qualified to do business in Indiana. Buyer has full limited liability company power to purchase the Shares pursuant to this Agreement. On the Closing Date, Buyer will be qualified to be a licensee of the FCC. The FCC application to be filed pursuant to Section 3.1 hereof will disclose the ownership structure of Buyer and its affiliated entities as required by the rules and policies of the FCC.

7.2 Authorization; Enforceability. The execution, delivery and performance of this Agreement and all of the documents and instruments required hereby by Buyer and the consummation by Buyer of the transactions contemplated hereby and thereby are within the limited liability company power of Buyer and have been duly authorized by all necessary limited liability company action by Buyer. This Agreement is, and the other documents and instruments required hereby will be, when executed and delivered by Buyer, the valid and binding obligations of Buyer, enforceable against Buyer in accordance with their respective terms, subject only to bankruptcy, insolvency, reorganization, moratoriums or similar laws at the time in effect affecting the enforceability or right of creditors generally and by general equitable principles which may limit the right to obtain equitable remedies.

7.3 Absence of Conflicting Agreements. Neither the execution, delivery or performance of this Agreement by Buyer nor the consummation of the sale and purchase of the Shares or any other transaction contemplated by this Agreement, does or will, after the giving of notice, or the lapse of time or otherwise, conflict with, result in a breach of, or constitute a default under, the Certificate of Formation, Operating Agreement or other organizational or governance documents

of Buyer, or any federal, state or local law, statute, ordinance, rule or regulation, or any court or administrative order or process, or any material contract, agreement, arrangement, commitment or plan to which Buyer is a party or by which Buyer or its assets is bound.

7.4 Brokers and Accountants. Neither this Agreement nor the sale and purchase of the Shares or any other transaction contemplated by this Agreement was induced or procured through any Person acting on behalf of or representing Buyer as broker, finder, investment banker, financial advisor or in any similar capacity. The Accounting Firm has had no material relationship within the past two (2) years with Buyer, Arlington Capital Partners or any of their affiliates.

7.5 Litigation. There is no claim, litigation, proceeding or governmental investigation pending against Buyer or, to the Buyer's knowledge, threatened, or any order, injunction or decree outstanding relating to Buyer that would prevent the consummation of the transactions contemplated by this Agreement.

7.6 Representations as of the Closing Date. The representations and warranties of Buyer set forth in this Agreement shall be true and correct on and as of the Closing Date, as though such representations and warranties were made on and as of such time.

7.7 Disclosure. No statement of fact by Buyer contained in this Agreement and no written statement of fact furnished or to be furnished by Buyer to Seller pursuant to or in connection with this Agreement contains or will contain any untrue statement of a fact or omits or will omit to state a material fact necessary in order to make the statements herein or therein contained not misleading.

7.8 Financial Ability. At the Closing, Buyer will have the financial wherewithal or ability to purchase the Shares for the Purchase Price, less the Note Amount, and is legally qualified within the meaning of the FCC's rules and policies to consummate the transactions contemplated by this Agreement and to certify to its financial and legal qualifications on FCC Form 315, and Buyer shall and does so certify.

ARTICLE 8

COVENANTS

From and after the date of this Agreement and until the Closing:

8.1 Access. Buyer and its authorized agents, officers and representatives shall have access, upon reasonable prior notice, to the business of the Company, the Station and the Station Assets to conduct such examination and investigation of the business of the Company, the Station and the Station Assets as it deems necessary (including meeting with Station Employees), provided that such examinations shall be during the Company's normal business hours, shall not unreasonably interfere with the Company's operations and activities and shall not be in violation of Section 3.2 hereof concerning "control."

8.2 Title Insurance; Surveys and Lien Search. Seller shall cooperate fully with Buyer and Buyer will use its good faith commercially reasonable efforts so that as soon as practicable, but

in no event later than sixty (60) days after the date hereof with respect to the items set forth in Section 8.2(a), ninety (90) days with respect to the item set forth in Sections 8.2(b) and 8.2(d), and with respect to the item set forth in Section 8.2(c) within ten (10) days prior to the Closing, the following shall have been obtained by Buyer (except for the Phase I reports in Section 8.2(d) which shall be obtained by Seller):

(a) With respect to the Real Property, preliminary reports on title covering a date subsequent to the date hereof, issued by the Title Company, which preliminary reports shall contain a commitment of the Title Company to issue an owner's or lessee's title insurance policy on ALTA Owners or Lessees Policy (and corresponding mortgagee's policies) insuring the fee simple or leasehold interest of Seller in such parcels of Real Property (collectively, the "Title Commitment"). The Title Commitment shall be subject only to: (i) liens of current state and local property taxes which are not delinquent or subject to penalty; (ii) zoning regulations and restrictive covenants and easements of record which do not detract in any material respect from the value of the Real Property and do not materially adversely affect, impair or interfere with the use of any property affected thereby as heretofore used by Seller or the Company; (iii) those exceptions listed on SCHEDULE 4.9 and Leases listed in SCHEDULE 1.5 Leases where Seller is the lessor of a transmission tower; and (iv) such other Liens or other defects to title that will be released or removed at or prior to Closing; provided, however, if Buyer has a reasonable objection to title it shall notify Seller of such objection or defect within seventy (70) days from the date hereof and Seller shall have until the Closing Date to cure such objection or defect. All standard exceptions shall be removed from the title commitments at Closing if permitted under applicable laws and provided each party complies with the requirements set forth in this Agreement and in such title commitments. The ALTA Leasehold title commitment shall insure those Leases listed in SCHEDULE 1.5. Any mortgage, security deed, deed of trust, lien, judgment, or other claim in liquidated amount which constitutes an exception to the title to the Real Property (whether or not the same is disclosed by the Title Binder or listed in the Notice of Defect) shall not in any event be a "Permitted Title Exception" hereunder, but such claim shall be paid or satisfied out of the sums payable by Buyer at Closing, and the proceeds of sale payable to Seller shall be reduced accordingly. At any time prior to Closing, Buyer shall have the right to notify Seller of any additional title exception which first appears of record after the effective date of the Title Commitment, is disclosed by any survey obtained by Buyer, or otherwise becomes known to Buyer, it being understood and agreed that no such additional title exception shall constitute a Permitted Title Exception hereunder unless Buyer shall expressly approve the same.

(b) ALTA-ASCM Surveys of the Real Property as of a date subsequent to the date hereof which shall: (i) be prepared by a registered land surveyor; (ii) be certified to the Title Company, Buyer's lender and Buyer; and (iii) show with respect to such Real Property: (A) the legal description of such parcel of Real Property (which shall be the same as the Title Policy pertaining thereto); (B) all buildings, structures and improvements thereon and all restrictions of record and other restrictions that have been established by an applicable zoning or building code or ordinance and all easements or rights of way; (C) no encroachments upon such parcel or adjoining parcels by buildings, structures or improvements; and (D) access to a public street from such parcel, if applicable.

(c) With regard to the Station Assets other than the Real Property, a report in form and substance satisfactory to Buyer, to the effect that: (i) none of the assets of the Company are subject to any record Lien for federal, state or local taxes or assessments, excepting only a lien related to the Bank Debt or Lien(s) for property taxes not yet due and payable; and (ii) there are no then-effective financing statements pertaining to any of the assets of the Company, except for financing statements related to the Bank Debt and those that will be released at or before the Closing.

(d) Company, at its cost and expense, shall have obtained a Phase I Environmental Survey concerning all Real Property owned by the Company from an environmental engineering firm acceptable to Buyer which shall confirm, in a manner satisfactory to Buyer, the non-existence of any Hazardous Materials on or about the Station and the accuracy of Seller's and Company's representations set forth in Section 4.25. Buyer, at its expense, may also obtain Phase I Environmental Surveys on the Real Property leased by the Company which shall confirm, in a manner satisfactory to Buyer, the non-existence of any Hazardous Materials on or about such properties and the accuracy of Seller's and Company's representations set forth in Section 4.25. In the event any of the foregoing Phase I reports recommends further analysis of the subject property with a Phase II analysis, Buyer may elect either (i) to terminate this Agreement or (ii) at its cost and expense, to obtain a Phase II report. Buyer shall have an additional sixty (60) days after receipt of the Phase I report to obtain the Phase II report, and Buyer shall have thirty (30) days after receipt of the same to provide objections to said Phase II report, and the parties hereto hereby agree to extend the Closing Date as necessary to accommodate this requirement. In the event the Buyer is dissatisfied with the results of the Phase II report, Buyer may terminate this Agreement upon ten (10) days notice to Seller, and thereafter neither party shall have any obligation to the other, except as specifically stated in this Agreement.

(e) The expenses incurred relating to Sections 8.2(a), 8.2(b) and 8.2(c) shall be paid by Buyer.

8.3 Notice of Adverse Changes. Pending the Closing Date, the Company shall give Buyer prompt written notice of the occurrence of any of the following:

(a) an Event of Loss;

(b) the commencement of any proceeding or litigation at law or in equity or before the FCC or any other commission, agency or administrative or regulatory body or authority involving any of the Licenses or which could have an adverse effect on the Company or the assets utilized in the operation thereof, other than proceedings or litigation of general applicability to the television broadcasting industry that do not have a disproportionate impact on the Company;

(c) any labor grievance, controversy, strike or dispute affecting the business or operation of the Company;

(d) any violation by the Company or the Station of any federal, state or local law, statute, ordinance, rule or regulation which may reasonably be expected to have a material adverse effect on the business or operation of the Company;

(e) any notice of breach, default, claimed default or termination of any Contract or Lease; or

(f) any other unusual or material adverse developments with respect to the business or operations of the Company, including without limitation any of the items described in Sections 4.12 or 4.19 and including the loss of carriage or change in channel position on any Market MVPD System and the cessation of broadcasting by the Company of its authorized power for more than twenty-four (24) consecutive hours.

8.4 Operations Pending Closing. Subject to the provisions of Section 3.2 regarding control of the Company, pending the Closing, the Company covenants to:

(a) operate the Company in the ordinary course of business in accordance with past practices consistently applied;

(b) operate the Company in accordance with applicable FCC requirements, rules and regulations;

(c) maintain the Equipment in good operating condition, wear and tear due to ordinary usage excepted, and replace any of the Equipment which shall be worn out, lost, stolen or destroyed;

(d) not remove from the Company, sell, lease, mortgage, pledge, encumber or otherwise dispose of any of the Shares or any assets or properties of the Company other than the transfer of the Terre Haute Assets in accordance with Section 2.1 hereof;

(e) not modify in any manner any employment, consulting or other contract or arrangement with respect to the performance of personal services, including but not limited to severance agreements of Station Employees;

(f) not increase or otherwise change the rate or nature of the compensation (including wages, salaries and bonuses) or severance paid or payable to any Person, except pursuant to existing compensation and fringe benefit plans, practices and arrangements which have been disclosed to Buyer and not enter into, renew or allow the renewal of, any employment or consulting agreement or other contract or arrangement with respect to the performance of personal services;

(g) except with Buyer's prior written consent, not enter into, or become obligated under, any agreement or commitment affecting the Company or its operations including any Program Rights agreement, except for commitments for advertising time on the Station at currently prevailing rates to be paid in cash and entered into in the ordinary and regular course of the operation of its business, or change, amend, terminate or otherwise modify in any material respect any Contract, Lease, agreement or commitment except for those which terminate or expire by their own terms; provided, however, that the Company will not enter into any

agreements for Program Rights or any agreements with affiliates of the Company without Buyer's prior written consent; and provided, further, that the Company shall continue to make such expenditures and commitments as is consistent with past practices of the Company;

(h) keep Buyer apprised of negotiations for Program Rights agreements and promptly provide Buyer with copies of all Program Rights agreements entered into by the Company;

(i) maintain in full force and effect policies of liability and casualty insurance of the same type, character and coverage as the policies currently carried with respect to the business, operations and assets of the Company;

(j) not enter into any Tradeout Agreements relating to the Company that creates obligations or liabilities of the Company extending to or beyond the Closing Date, without the prior written consent of Buyer;

(k) not enter into any agreement providing for a delayed or deferred payment that the Company would be obligated to pay after the Closing Date;

(l) stay current on all of its payment obligations under the Contracts and Leases and trade payables;

(m) proceed with all reasonable diligence to satisfy its obligations pursuant to Tradeout Agreements in the ordinary course of business of the Company;

(n) utilize the Program Rights of the Company only in the ordinary course of business and not sell or otherwise dispose of any such Program Rights; and make all payments on Program Rights and agreements on a current basis;

(o) take all appropriate, reasonable action to protect the present service areas of the Company from increased electrical interference from other stations, existing or proposed, and exercise best efforts to maintain carriage of the Company's signals on all Market MVPD Systems;

(p) not adopt, or commit to adopt, any pension, profit sharing, deferred compensation or similar plan, program or trust on behalf of personnel of the Company, other than any such plan, program or trust currently maintained by the Company;

(q) not voluntarily agree to enter into any collective bargaining agreement applicable to any Station Employees or otherwise recognize any union as the bargaining representative of any such employees of the Company; and promptly notify Buyer of any attempted or actual collective bargaining organizing activity with respect to any Station Employees;

(r) follow the Company's usual and customary policy with respect to extending credit for sales of broadcast time on the Station and with respect to collecting Receivables arising from such extension of credit;

(s) promote and advertise the Company and its programs and make expenditures therefor in accordance with past practices consistently applied;

(t) collect the Accounts Receivable in accordance with the Company's past practices consistently applied and not engage in any activity with the purpose or effect of accelerating the collection of the Accounts Receivable;

(u) promptly provide Buyer with copies of all correspondence with cable systems concerning must carry status, retransmission consent and other matters arising under the Cable Act, and keep Buyer advised of the status of all negotiations with cable systems concerning such matters;

(v) not change its accounting practices or principles or in any way to accelerate the collection of Receivables or delay the payment of trade payables;

(w) not take or agree to take any action inconsistent with consummation of the Closing as contemplated by this Agreement; nor take any other actions with respect to the Company or the Station except as specifically contemplated by this Agreement;

(x) not take any action that results in a breach of any material Contract;

(y) not incur any additional indebtedness or obligations outside the ordinary course of business of the Company;

(z) preserve and maintain the Company's goodwill, business and customer relationships, licenses and franchises;

(aa) diligently conduct its business in substantially the same manner as theretofore conducted and has used its best efforts to preserve intact, its goodwill, reputation and business organization and to preserve its relationship with its officers, employees, suppliers, customers, and others having business relations with the Company;

(bb) not (i) issue, sell, or otherwise dispose of any of the Shares, (ii) acquire (through redemption or otherwise) any of the Shares, (iii) grant any options, warrants, or other rights to acquire any of Shares or (iv) issue, sell, or otherwise dispose of any options, bonds, notes, or other securities with respect to the Company;

(cc) not declare, set aside, or pay any dividend, or redeem any capital stock or any other distribution or payment in respect of the Company's capital stock; and

(dd) not agree to or authorize any of the foregoing.

8.5 Financial and FCC Reports. Within thirty (30) days after the end of each month ending after the date hereof, the Company will furnish Buyer with a copy of the Company's monthly financial reports prepared after the date of the Interim Financial Statement (including balance sheet and operating statement) for each such month and the fiscal year to the end of such month; and will furnish all reports filed with the FCC with respect to the Company after the date hereof within ten (10) days after each such report has been filed. All of the foregoing financial

statements shall comply with the requirements concerning financial statements set forth in Section 4.11 and shall be accompanied by a certificate of the Company certifying to such effect. In addition, upon Buyer's request, the Company will furnish Buyer with copies of regular management reports, if any, concerning the operation of the Company within ten (10) days after such reports are prepared.

8.6 Consents. The Company will, at its sole expense, use its good faith best efforts to obtain Estoppel Certificates from lessors under the Leases and all consents required from third Persons whose consent or approval is required pursuant to any Contract or Lease, prior to the Closing Date. The Company agrees to attempt to obtain Estoppel Certificates from the lessors under the Leases in the form requested by Buyer or Buyer's financing sources. The Company shall advise Buyer of any difficulties experienced in obtaining such consents and estoppel certificates and of any conditions requested for any of such consents. To the extent that any Contract or Lease requires the consent of any third party, and such consent is not obtained prior to Closing, Buyer and the Company shall cooperate to use commercially reasonable efforts after Closing to obtain consents under such Contracts or Leases. Notwithstanding the foregoing, it is understood and agreed that Buyer may elect to terminate this Agreement in the event the Company fails to obtain written consents with respect to the Material Contracts and Material Leases.

8.7 Cooperation. Buyer and the Company will cooperate in all respects in connection with: (a) securing any nongovernmental approvals, consents and waivers of third parties referenced in Section 8.6 or consents of third parties necessary for the transfer of the Shares from Seller to Buyer; and (b) giving notices to any governmental authority, or securing the permission, approval, determination, consent or waiver of any governmental authority required by law in connection with the transfer of the Shares from Seller to Buyer.

8.8 Tax Returns and Payments.

(a) All tax returns, estimates and reports required to be filed by the Company prior to the Closing Date or relating to periods prior to the Closing Date will be timely filed by the Company with the appropriate governmental agencies; and

(b) All taxes pertaining to ownership or operation of the Company prior to the Closing Date will be paid when due and payable.

8.9 Updating of Information; Cure. Between the date of this Agreement and the Closing Date, the Seller and the Company, as appropriate, will deliver to Buyer: (a) information necessary to update the representations and warranties and the Schedules hereto and the lists, documents and other information furnished by the Seller and the Company, as contemplated by this Agreement; and (b) updated copies of documents relating to or included as a part of such Schedules, in order that all such Schedules, lists, documents and other information and items shall be complete and accurate in all respects as of the Closing Date. Such delivery shall be made promptly as such information becomes available until the Closing Date, on which date a final delivery shall be made. No such updating of the representations and warranties or the Schedules shall be deemed to cure any breach of a representation or warranty made hereunder which was not true and correct as of the time made.

8.10 Conveyance Free and Clear of Liens. Except for liens relating to the Bank Debt and except for the Liens disclosed on SCHEDULE 8.10, at or prior to the Closing, the Company and the Seller shall obtain the release of all Liens disclosed in the Schedules hereto and any other Liens on the Shares, the Company or the Station Assets, and shall duly file releases of all such Liens in each governmental agency or office in which any such Lien or evidence thereof shall have been previously filed, and Seller shall transfer and convey, or cause to be transferred and conveyed, to Buyer at Closing good and marketable title to all of the Shares, and the Company shall have good and marketable title to the Station Assets, in each case free and clear of all Liens, except for liens relating to the Bank Debt if the Bank Debt is included in Final Total Liabilities and except for those Liens disclosed on SCHEDULE 8.10.

8.11 Financing Leases. At or prior to the Closing, the Company shall become current on all obligations under any Financing Leases.

8.12 Public Announcement. The Company shall publish and broadcast a public notice concerning the filing of the application for assignment of the Licenses in accordance with the requirements of Section 73.3580 of the FCC's Rules. As to any other announcements, neither party hereto shall issue any press release or public announcement or otherwise divulge the existence of this Agreement or the transactions contemplated hereby without prior approval of the other party hereto, except as and to the extent that such party shall be obligated by law or regulation, in which case the other party shall be so advised and the parties shall use their best efforts to cause a mutually agreeable release or announcement to be issued.

8.13 Failure to Receive DTV CP Extension. Buyer agrees that if the Company does not receive an extension of its DTV CP to a date which is after the anticipated Closing Date, the Company shall have the right to modify the existing Equipment in such a manner so as to construct its facilities as presently authorized in its DTV CP or to obtain special temporary authority to authorize construction and operation of reduced power digital facilities (a "DTV STA"); provided, however, that Buyer must approve such modification and the new Equipment utilized by the Company (which must be compatible with Buyer's plans for engineering upgrades to the Station), provided that such approval shall not be unreasonably withheld, conditioned or delayed. Any indebtedness incurred by Company to finance such construction shall not reduce the Purchase Price otherwise payable under this Agreement, and any principal repayments on such indebtedness, or if such construction is paid out of cash of the Company, such principal or cash amount shall be added back to "Current Assets" as set forth in Section 2.4 and such amount shall be paid by allocation of 50% to the cash payment at Closing and 50% to the Note as set forth in Sections 2.2 and 2.4 hereof. In addition, the Company shall undertake such additional modifications to the Equipment as reasonably requested by Buyer, subject to the costs being added to the Purchase Price in the same manner as set forth above.

ARTICLE 9

CONDITIONS PRECEDENT TO THE OBLIGATIONS OF BUYER

Each and every obligation of Buyer to be performed on the Closing Date shall be subject to the satisfaction prior to or at the Closing of the following express conditions precedent:

9.1 Compliance with Agreement. Seller and the Company shall have performed and complied with all of their respective obligations under this Agreement which are to be performed or complied with by them prior to or at the Closing.

9.2 Proceedings and Instruments Satisfactory. All proceedings, corporate or other, to be taken by Seller or the Company in connection with the performance of this Agreement, and all documents incident thereto, shall be complete to the reasonable satisfaction of Buyer and Buyer's counsel and Seller and the Company shall have made available to Buyer for examination the originals or true and correct copies of all documents which Buyer may reasonably request in connection with the transactions contemplated by this Agreement.

9.3 Representations and Warranties. The representations and warranties made by Seller and the Company in this Agreement shall be true and correct in all material respects as of the Closing Date with the same force and effect as though such representations and warranties had been made on the Closing Date, except for changes permitted or contemplated by this Agreement.

9.4 No Material Adverse Change. Between the date of this Agreement and the Closing, there shall have been no material adverse change in the financial condition, liabilities, assets, or results of operation of the Company or the Station nor any material adverse change in the condition of the Company or the Station Assets, including, without limitation, a default under the terms of any of the Contracts or Leases (unless expressly consented to or waived in writing) which could permit the acceleration of any material amounts due thereunder or termination thereof.

9.5 Event of Loss. Between the date of this Agreement and the Closing, neither the Company, the Station nor the Station Assets shall have sustained an Event of Loss which has not been remedied subject to and in accordance with the provisions of Section 12.1 hereof. If such an Event of Loss has occurred, Buyer may elect to extend the Closing Date for a period reasonably necessary for Seller to complete such repairs, not to exceed thirty (30) days. If Buyer waives this condition, the provisions of Section 12.1 shall be applicable.

9.6 Deliveries at Closing. Seller shall have delivered or caused to be delivered to Buyer the following documents, each properly executed and dated as of the Closing Date:

- (a) A stock certificate or stock certificates representing the Shares, duly endorsed for transfer or accompanied by duly executed stock powers;
- (b) Seller's Closing Certificate;
- (c) Seller's Opinions of Counsel;
- (d) Escrow Reserve Agreement;
- (e) Subordination Agreement;

(f) Estoppel Certificates from the lessors under the Material Leases and under the ground leases in which the Company is ground lessee in substantially the form attached hereto as EXHIBIT G;

(g) Consents from third parties under the Material Contracts;

(h) Copies of the Trust and all amendments thereto certified by the Trustee as being true, correct and complete as of the Closing Date;

(i) Evidence satisfactory to Buyer of Seller's full and complete discharge of its obligations pursuant to Section 2.6 hereof;

(j) A general release by Joseph A. Cloutier, substantially in the form of EXHIBIT H attached hereto, providing among other things, the release of the Company and its directors, officers, agents and employees from any and all claims against the Company through the Closing Date;

(k) The resignations of all officers of the Company, and the resignations of all directors of the Company, effective as of the Closing Date and in form satisfactory to Buyer's counsel;

(l) A waiver by the Company in form satisfactory to Buyer's counsel waiving the Company's right of first refusal to purchase the Shares under Section 5 of the Company's Bylaws; and

(m) Such other documents as the Buyer may reasonably request.

9.7 Approvals and Consent. There shall have been secured such permissions, approvals, determinations, consents, Estoppel Certificates and waivers, if any, in form and substance satisfactory to Buyer, as may be required by law, regulatory authorities, the Material Leases or the Material Contracts.

9.8 Survey; Lien Search Report and Environmental Report. Buyer shall have obtained or received the items described in Section 8.2 at the time such items are required to be obtained or received as described therein. If the reports Buyer receives pursuant to Section 8.2 do not meet the requirements of Section 8.2, Buyer shall notify the Company within ten (10) business days after the respective time periods set forth above. If Buyer provides such notice, Buyer shall be entitled to terminate this Agreement in accordance with Section 13.1 if Seller does not cure any such defect(s) on or before the Closing; provided, however, that Seller shall have at least thirty (30) days to cure any such defect(s) if such defect is subject to cure and does not extend past the date set forth in Section 13.1(a) hereof. The environmental reports shall evidence no material violation of any Environmental Law that the Company has not cured or agreed to cure in a manner reasonably satisfactory to Buyer or any response, remediation or removal, or some other remedial action under the Environmental Laws ("Remedial Action").

9.9 Absence of Investigations and Proceedings. There shall be no decree, judgment, order or litigation at law or in equity, no arbitration proceedings, and no proceeding before or by any commission, agency or other administrative or regulatory body or authority pending to

which Seller or Company is a party or to which the Company, the Station, the Station Assets or the Shares are subject, including any with respect to condemnation, zoning, use or occupancy, which could affect the ability of Buyer or the Company to operate the Station or to use or acquire the Shares or the Station Assets in the same manner as operated and used by the Company or as currently proposed to be used or which could reasonably be expected to have a material adverse effect on the Buyer.

Without limiting the generality of the foregoing, no action, proceeding or formal investigation by any Person or governmental agency shall be pending with the object of challenging or preventing the Closing and no other proceedings shall be pending with such object or to collect damages from Buyer on account thereof. No action or proceeding shall be pending before the FCC or any governmental body to revoke, modify in any material respect or refuse to renew any of the Licenses. No suit, action or other proceeding shall be pending before any court or governmental agency in which it is sought to restrain or prohibit, or obtain damages or other relief in connection with, this Agreement or the consummation of the transactions contemplated hereby.

9.10 Governmental Consents. The FCC Consent shall have been issued, and shall, at Closing, be a Final Order and in full force and effect and shall contain no provision that could have a material adverse effect on the Buyer or the Company. All other material authorizations, consents or approvals of any and all governmental regulatory authorities necessary in connection with the consummation of the transactions contemplated by this Agreement shall have been obtained on terms and conditions reasonably acceptable to Buyer and be in full force and effect.

9.11 Licenses. The Company shall be the holder of the Licenses and there shall not have been any modification of any of such Licenses which could have a material adverse effect on the Company or the Station or the conduct of its business operations. The Company shall be operating in material compliance with all FCC requirements, rules and regulations and no proceeding shall be pending or threatened, the effect of which could be to revoke, cancel, fail to renew, suspend or modify materially and adversely any of the Licenses.

9.12 Absence of Liens; Payoff Letters. On the Closing Date and simultaneously with the Closing, there shall not be any Liens on the Company, the Shares or the Station Assets except for liens for current taxes not yet due and payable and except for liens relating to the Bank Debt if the Bank Debt is included in Final Total Liabilities and for the items set forth on SCHEDULE 8.10. Seller shall deliver to Buyer copies of payoff letters for all existing indebtedness of the Company.

9.13 Network Affiliation Agreements. All network affiliation agreements shall be in full force and effect. NBC shall have consented to the assignment to Buyer of its network affiliation agreement and extended the term of the affiliation agreement for at least six (6) years from the expiration date thereof, on terms and conditions reasonably acceptable to Buyer, or Buyer shall have entered into a new affiliation agreement with NBC on terms and conditions reasonably acceptable to Buyer.

9.14 Signature Cards on Bank Accounts. As of the Closing Date, the signature cards for the Bank Accounts shall have been modified by Seller in accordance with the direction of Buyer.

9.15 Termination of Emmis Agreements. Except as otherwise agreed by the parties, as of the Closing Date, Seller and the Company shall have terminated any and all agreements or arrangements, whether oral or written, with Emmis Operating Company, as assignee of Emmis Communications Corporation ("Emmis"), including but not limited to, that certain Consulting Agreement dated as of June 15, 2000 by and between the Company and Emmis, that certain Option Agreement dated as of June 15, 2000 by and among Seller, the Company and Emmis, that certain letter agreement dated as of August 6, 2002 by and among Seller, Company and Emmis and that certain Letter of Credit issued by Toronto Dominion Bank to Emmis on or about June 15, 2000 in support of that certain Limited Continuing Guaranty dated as of June 15, 2000 by Emmis to Bank One, Indiana, N.A. For purposes of clarification, the parties agree that any and all fees and expenses owing from Seller, Company or Buyer to Emmis or Bank One, Indiana, N.A. shall only be owed for the period of time up to Closing.

If any of the conditions set forth in this Article 9 have not been satisfied, the Buyer may nevertheless waive such condition, but only in writing, and proceed with the consummation of the transactions contemplated hereby but such waiver shall not relieve the Company or Seller of any of their obligations under Article 11 hereof.

ARTICLE 10

CONDITIONS PRECEDENT TO THE OBLIGATIONS OF SELLER

Each and every obligation of Seller and Company to be performed on the Closing Date shall be subject to the satisfaction prior to or at the Closing of the following express conditions precedent:

10.1 Compliance with Agreement. Buyer shall have performed and complied with all of its obligations under this Agreement which are to be performed or complied with by it prior to or at the Closing.

10.2 Proceedings and Instruments Satisfactory. All proceedings, limited liability company or other, to be taken by Buyer in connection with the transactions contemplated by this Agreement, and all documents incident thereto, shall be complete to the reasonable satisfaction of Seller and Seller's counsel, and Buyer shall have made available to Seller for examination the originals or true and correct copies of all documents which Seller may reasonably request in connection with the transactions contemplated by this Agreement.

10.3 Representations and Warranties. The representations and warranties made by Buyer shall be true and correct in all material respects as of the Closing Date with the same force and effect as though such representations and warranties had been made on the Closing Date.

10.4 Deliveries at Closing. Buyer shall have made the payments described in Section 2.2 and shall have delivered or caused to be delivered to Seller the following documents, each properly executed and dated as of the Closing Date:

(a) Copies, certified by an officer of the Buyer, of the resolutions of Buyer and any other documentation authorizing the execution and delivery of this Agreement and all other agreements, documents or instruments relating hereto and the consummation of the transactions

contemplated hereby; and a copy of the Certificate of Formation for the Buyer, certified by an officer of the Buyer as being true, correct and complete as of the Closing Date;

(b) Instruments executed by the Buyer, in form and substance reasonably satisfactory to counsel for the Seller, pursuant to which the Buyer assumes the Shares pursuant to the terms hereof;

(c) Escrow Reserve Agreement;

(d) The Note and the Subordination Agreement;

(e) Buyer's Closing Certificate;

(f) Buyer's Opinion of Counsel; and

(g) Such other documents as the Seller may reasonably request.

10.5 Absence of Investigations and Proceedings. No action, proceeding or formal investigation by any Person or governmental agency shall be pending with the object of challenging or preventing the Closing and no other proceedings shall be pending with such object or to collect damages from Seller on account thereof.

10.6 Governmental Consents. The FCC Consent shall have been issued, and be a Final Order and in full force and effect and shall contain no provision that could have a material adverse effect on the Seller. All other material authorizations, consents or approvals and all governmental regulatory authorities necessary in connection with the Closing shall have been obtained and be in full force and effect.

If any of the conditions set forth in this Article 10 have not been satisfied, Seller may nevertheless waive such condition, but only in writing, and proceed with the consummation of the transactions contemplated hereby but such waiver shall not relieve Buyer of any of its obligations under Article 11 hereof.

ARTICLE 11

INDEMNIFICATION

From and after the Closing, the parties shall be indemnified as set forth below.

11.1 Indemnification of Buyer. Seller covenants and agrees with Buyer that it shall reimburse and indemnify and hold Buyer, the Company and their respective stockholders, general partners, limited partners, members, managers, directors, officers, employees, agents, affiliates and subsidiaries (the "Buyer Indemnified Parties") harmless from, against and in respect of any and all actions, suits, claims, interest, penalties, proceedings, investigations, audits, demands, losses (direct or indirect), lost profits, Taxes, diminution in value, liabilities, damages, interest, penalties, assessments, fines, judgments, costs and expenses, (including, without limitation, reasonable attorneys' fees) (collectively, "Claims") incurred by any of the Buyer Indemnified Parties that result from:

(a) any inaccuracy in or breach of any representations or warranties made by Seller or the Company in this Agreement, the Schedules or any other written statement, list, certificate, document or other instrument furnished to Buyer by or on behalf of the Seller or Company pursuant to this Agreement (ignoring for this purpose any materiality qualifiers set forth therein);

(b) any nonfulfillment of any covenant or agreement of Seller or Company under this Agreement or the agreements and instruments contemplated herein;

(c) any liabilities or obligations that are not Assumed Liabilities, including but not limited to the Excluded Liabilities;

(d) the operation or ownership of the Company prior to the Closing other than the Assumed Liabilities;

(e) any fees, expenses or other payments incurred or owed by Seller or Company to any brokers or comparable third parties retained or employed by them or their affiliates in connection with the transactions contemplated by this Agreement;

(f) any claims made by a third party alleging facts which, if true, would entitle Buyer to indemnification pursuant to (a) through (e) above;

(g) any failure of Seller to comply with its obligations under this Section 11.1;

(h) any fees or expenses (including without limitation, reasonable attorneys' fees) incurred by Buyer in enforcing its rights hereunder, and including interest on any judgments obtained by Buyer for reimbursement of Claims from the date of occurrence until the date of reimbursement by Seller;

(i) except to the extent that the amount of liability for Taxes is actually included in "Closing Total Liabilities" for purposes of the adjustments to Purchase Price set forth in Section 2.4, Seller shall reimburse and indemnify and hold the Buyer Indemnified Parties harmless for Taxes of the Company (or any subsidiary or affiliate of the Company) or of Seller with respect to any (a) Tax year or portion thereof ending on or before the date immediately prior to Closing Date; (b) liability for any Taxes of the Company or Seller (or any subsidiary or affiliate of the Company) for the "Pre-Closing Period" in a "Straddle Year" based on the provisions set forth below; or (c) liability for all Taxes of any person relating to the Terre Haute Assets. For purposes of this subsection (i), with respect to any Tax year beginning before and ending after the Closing Date (a "Straddle Year"), the portion of such Tax related to the period ending on or before the date immediately prior to the Closing Date (the "Pre-Closing Period") shall be deemed to be: (a) in the case of Taxes other than income Taxes, franchise Taxes (as determined by reference to income) and sales and use Taxes, equal to the amount of such Taxes for the entire Straddle Period multiplied by a fraction the numerator of which is the number of days during the Straddle Period that are in the Pre-Closing Period and the denominator of which is the number of days in the Straddle Period; and (b) in the case of income Taxes, franchise Taxes (as determined by reference to income) and sales and use Taxes, as determined from the books and records of the Company as though the taxable year of the Company terminated at the close of business on the date immediately prior to the Closing Date and based on accounting

methods, elections and conventions permissible under generally accepted accounting principles and consistent with such methods, elections, and conventions previously used by the Company; or

(j) the amount of "Available NOLs" as of the Closing Date being less than the "Target NOL Amount." For this purpose, the "Available NOLs" as of the Closing Date means the aggregate amount of net operating loss carryovers of the Company within the meaning of section 172 of the Code calculated as of the Closing Date by assuming, hypothetically, that the taxable year of the Company terminated at the close of business on the date immediately prior to the Closing Date and any income for that Pre-Closing Period reduced the amount of Available NOLs as of the Closing Date. In making this calculation, any income relating to or incurred with respect to the Terre Haute Assets (including any income recognized by the Company upon a distribution of the Terre Haute Assets to any party) shall be deemed to be included in the Pre-Closing Period, thereby reducing the amount of Available NOLs as of the Closing Date. To the extent that the amount of Available NOLs as of the Closing Date are less than the Target NOL Amount (the amount of any such shortfall defined herein as an "NOL Loss"), then the amount of Claims for which the Buyer Indemnified Parties shall be reimbursed, indemnified and held harmless by the Seller under this Section 11.1(j) shall be equal to the amount of such NOL Loss multiplied by .40 (i.e., 40 percent). The "Target NOL Amount" means the aggregate amount of net operating loss carryovers of the Company within the meaning of section 172 of the Code, as of the beginning of January 1, 2002, reduced by \$600,000.

The amounts for which Seller shall be liable under this Section 11.1 shall be net of any insurance proceeds paid to Buyer Indemnified Parties in connection with the facts giving rise to the right of indemnification.

11.2 Indemnification of Seller. Buyer covenants and agrees with Seller that it shall reimburse and indemnify and hold Seller, and its trustees and agents (the "Seller Indemnified Parties") harmless from, against and in respect of any and all Claims incurred by any of Seller Indemnified Parties that result from:

(a) any inaccuracy in or breach of any representations or warranties made by Buyer in this Agreement, the Schedules or any other written statement, list, certificate or other instrument furnished to Seller by or on behalf of Buyer pursuant to this Agreement (ignoring for this purpose any materiality qualifiers set forth therein);

(b) any nonfulfillment of any covenant or agreement of Buyer under this Agreement;

(c) any fees, expenses or other payments incurred or owed by Buyer to any brokers or comparable third parties retained or employed by them or their affiliates in connection with the transactions contemplated by this Agreement;

(d) any claims made by a third party alleging facts which, if true, would entitle Seller to indemnification pursuant to (a) through (c) above;

(e) any failure of Buyer to comply with its obligations under this Section 11.2;

(f) any fees or expenses (including without limitation, reasonable attorneys' fees) incurred by Seller in enforcing its rights hereunder, and including interest on any judgments obtained by Seller for reimbursement of Claims from the date of occurrence until the date of reimbursement by Buyer; or

(g) any claim, liability or obligation incurred or owed by Buyer relating to the operation of the Company by Buyer after the Closing Date.

The amounts for which Buyer shall be liable under this Section 11.2 shall be net of any insurance proceeds paid to Seller Indemnified Parties in connection with the facts giving rise to the right of indemnification.

11.3 Method of Asserting Claims.

(a) The party seeking indemnification (the "Indemnitee") will give prompt written notice to the other party or parties (the "Indemnitor") of any Claim, whether solely between the parties or brought by a third party, which it discovers or of which it receives notice after the Closing and which might give rise to a claim by it against Indemnitor under Section 11 hereof, stating the nature, basis and (to the extent known) amount thereof; provided that failure to give prompt notice shall not jeopardize the right of any Indemnitee to indemnification except to the extent such failure shall have materially prejudiced the ability of the Indemnitor to defend such Claim. Subject to the Indemnitor's right to defend in good faith third party claims as hereinafter provided, the Indemnitor shall satisfy its obligations and this Article 11 within thirty (30) days after receipt of written notice thereof from the Indemnitee.

(b) In case of any Claim or suit by a third party or by any governmental body, or any legal, administrative or arbitration proceeding with respect to which Indemnitor may have liability under the indemnity agreement contained in this Section 11, Indemnitor shall be entitled to participate therein, and, to the extent desired by it, to assume the defense thereof, and after notice from Indemnitor to Indemnitee of the election so to assume the defense thereof, Indemnitor will not be liable to Indemnitee for any legal or other expenses subsequently incurred by Indemnitee in connection with the defense thereof, other than reasonable costs of investigation, unless Indemnitor does not actually assume the defense thereof following notice of such election. Indemnitee and Indemnitor will render to each other such assistance as may reasonably be required of each other in order to insure proper and adequate defense of any such suit, Claim or proceeding. If the Indemnitor actually assumes the defense of the Indemnitee, the Indemnitee will not make any settlement of any Claim which might give rise to liability of Indemnitor under the indemnity agreements contained in this Section without the written consent of Indemnitor, which consent shall not be unreasonably withheld, and the Indemnitor shall not agree to make any settlement of any Claim which would not include the unconditional release of the Indemnitee without the written consent of Indemnitee, which consent shall not be unreasonably withheld.

(c) If the Indemnitee shall notify the Indemnitor of any claim or demand pursuant to Section 11.3(a), and if such claim or demand relates to a claim or demand asserted by a third party against the Indemnitee which the Indemnitor acknowledges is a claim or demand for which it must indemnify or hold harmless the Indemnitee under Sections 11.1 or 11.2, the Indemnitor

shall have the right to employ counsel acceptable to the Indemnitee to defend any such claim or demand asserted against the Indemnitee. The Indemnitee shall have the right to participate in the defense of any such claim or demand. The Indemnitor shall notify the Indemnitee in writing, as promptly as possible (but in any case before the due date for the answer or response to a claim) after the date of the notice of claim given by the Indemnitee to the Indemnitor under Section 11.3(a) of its election to defend in good faith any such third party claim or demand. So long as the Indemnitor is defending in good faith any such claim or demand asserted by a third party against the Indemnitee, the Indemnitee shall not settle or compromise such claim or demand. The Indemnitee shall make available to the Indemnitor or its agents all records and other materials in the Indemnitee's possession reasonably required by it for its use in contesting any third party claim or demand. Whether or not the Indemnitor elects to defend any such claim or demand, the Indemnitee shall have no obligations to do so.

11.4 Payment of Claims. Buyer shall have the right to cause any Claims it may have against Seller, whether under this Agreement or otherwise, to be paid as of the date notice of Claim is given to Seller by reduction or offset of such Claims against any amounts payable by Buyer pursuant to this Agreement. The rights contained herein shall not be exclusive, but shall be in addition to any other rights and remedies available to Buyer.

11.5 Nature and Survival of Representations. All statements made by or on behalf of Seller or Company herein or in the Schedules, shall be deemed representations and warranties of Seller or Company, respectively, regardless of any investigation, audit or inspection made by or on behalf of Buyer. Except for claims involving fraud, the representations and warranties made by Seller or Company, on the one hand, and by Buyer, on the other hand, under this Agreement shall survive for a period of twenty-four (24) months following the Closing (whereupon they shall expire unless written notice of a claim is given by the indemnified party to the indemnifying party prior to expiration, which shall then survive until resolved), except that (i) the representations and warranties set forth in Section 4.15 (Taxes), Section 4.24 (Employee Benefit Plans), Section 4.25 (Environmental Compliance), Section 5.6 (Taxes), Section 5.7 (Brokers) and Section 7.4 (Brokers) shall survive the Closing until one hundred twenty (120) days after the expiration of the applicable statute of limitations, and (ii) the representations and warranties set forth in Section 5.3 (Title to Shares) shall survive indefinitely. The parties' obligations under Sections 2.4 (Adjustments to Purchase Price), and 13.8 (Expenses) and indemnification obligations with respect to such provisions shall survive until performed.

11.6 Limitation on Aggregate Claims. No Claims may be asserted by a party pursuant to Sections 11.1(a) or 11.1(f) (as it relates to 11.1(a)) or 11.2(a) or 11.2(d) (as it relates to 11.2(a)) of this Agreement until the aggregate amount of all such Claims of such party shall exceed Twenty-five Thousand and No/100 Dollars (\$25,000.00) (the "Threshold Amount"), at which time the party seeking indemnification shall be entitled to recover the full Threshold Amount from dollar one plus all amounts in excess thereof. Except for any Claims involving fraud, the liability of Seller or Buyer, as the case may be, for Claims asserted pursuant to Sections 11.1(a) or 11.1(f) (as it relates to 11.1(a)) or 11.2(a) or 11.2(d) (as it relates to 11.2(a)) shall not exceed \$10,000,000.00. Except for any such Claims involving fraud, the liability of Seller or Buyer, as the case may be, for any other Claims made pursuant to this Agreement shall not exceed the Purchase Price.

11.7 No Indemnification by Company After Closing; No Contribution or Subrogation. Notwithstanding anything to the contrary contained in this Article 11, after the Closing Date the Company shall not be liable for any breaches of the representations, warranties or covenants contained in this Agreement, and Seller shall not have any right of subrogation against or contribution from the Company.

ARTICLE 12

FURTHER AGREEMENTS

12.1 Event of Loss. The risk of all Events of Loss at all times up to 12:01 a.m. local time on the day following the Closing Date shall be borne by Seller and the risk of all Events of Loss subsequent to 12:01 a.m. local time on the day following the Closing Date shall be borne by Buyer. Upon the occurrence of an Event of Loss prior to 12:01 a.m. on the day following the Closing Date, Seller shall take reasonable steps to repair, replace and restore damaged, destroyed or lost property to its condition prior to any such loss, damage, or destruction. 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 subject to the conditions stated below. In the event of any loss or damage to the Company, the Station or any of the Station Assets, Seller shall notify Buyer thereof in writing immediately. Such notice shall specify with particularity the loss or damage incurred, the cause thereof (if known or reasonably ascertainable), and the insurance coverage. In the event that the property is not completely repaired, replaced or restored on or before the scheduled Closing Date, Buyer at its option: (a) may elect to postpone Closing until such time as the property has been completely repaired, replaced or restored (and, if necessary, Seller shall join Buyer in requesting from the FCC any extensions of time in which to consummate the Closing that may be required in order to complete such repairs); or (b) may elect to consummate the Closing and accept the property in its then condition, in which event Seller shall pay to Buyer all proceeds of insurance and assign to Buyer the right to any unpaid proceeds; or (c) may elect to terminate this Agreement.

12.2 Taxes. The Buyer shall cause the Company (at Seller's sole and reasonable cost and expense) to file with the appropriate governmental authorities all Tax Returns, if any, required to be filed by it for any taxable period ending prior to the Closing Date, and Seller shall promptly remit any Taxes due in respect of such Tax Returns (but only to the extent such Taxes are in excess of the amount equal to the (i) amount of liability for Taxes actually included in "Closing Total Liabilities" for purposes of the "Adjustments to Purchase Price" set forth in section 2.4, less (ii) the cumulative amount, if any, that Buyer has already paid with respect to Taxes described in clauses (a), (b), or (c) of Section 11.1(i). Seller agrees to cooperate fully with Buyer in connection therewith.

12.3 Station Employees.

(a) Nothing herein shall restrict Buyer's ability to change or terminate the benefits or benefit plans provided to employees of the Company nor shall Buyer be required to provide to any Station Employee any of the terms and conditions of employment provided to such employees prior to Closing, subject to, however, the requirements of employment agreements of the Company which Buyer assumes. This Section 12.3 shall operate exclusively for the benefit of the parties to this Agreement and not for the benefit of any other Person or entity, including, without limitation, any current, former or retired employee of the Company or Buyer.

(b) The Company agrees that it shall be solely responsible and liable for COBRA and for any medical, disability, or other benefits owed to Station Employees under the Company's benefit plans prior to Closing, including, without limitation, any expenses for health or dental benefits incurred but not submitted for reimbursement prior to the Closing that are covered under the Company's benefit plans. The Company will be solely responsible for providing, at its cost, all medical, COBRA, life and other insurance coverage and benefits, and disability benefits to which any Station Employee who retired or was terminated from service with the Company on or prior to the Closing Date or who was disabled prior to the Closing Date.

(c) As of the Closing Date, the Company shall have reserved up to \$630,000.00 of cash for the payment of bonuses to Station Employees whether pursuant to an employment agreement or any other bonus arrangement with the Company ("Employee Bonuses"). SCHEDULE 12.3 sets forth a list of the employees of the Company and the amount of bonuses to be paid to each such employee. On or immediately before the Closing Date, the Company shall pay to the Station Employees all Employee Bonuses owing or accrued for the period through the Closing Date.

12.4 Postponement of Trust Distributions.

(a) Except as hereinafter provided, no part of the Purchase Price or any other amounts received by Seller upon the sale of the Shares or the transactions contemplated herein ("Acquisition Proceeds") shall be allocated, applied, or characterized as Trust Property (as hereinafter defined), which would otherwise be payable to beneficiaries or other third parties under any provision or terms of the Trust. For purposes of this Section 12.4, "Trust Property" shall have the same meaning as set forth in Section 4.03(c) of the Trust Agreement dated October 4, 1989.

(b) For a period of twenty-four (24) months following the Closing ("Postponement Term"), neither the Trustee nor Jon Spadorcia, as Co-Trustee of the Trust or his duly appointed successor(s) ("Special Trustee"), shall make any distributions of the Acquisition Proceeds from the Trust, including but not limited to, distributions to beneficiaries or any other third parties, provided, however, that: (i) Trustee and Special Trustee shall have the authority to make income distributions arising from the Acquisition Proceeds and any other Trust assets in accordance with the terms of the Trust, (ii) Trustee may pay any Taxes relating to this Transaction, (iii) Trustee may pay any commissions or other compensation owing to Blackburn and Company, Incorporated as a broker in connection with this transaction, (iv) Trustee may pay all legal and accounting expenses relating to the transactions contemplated by this Agreement, (v) Trustee may pay to Buyer (or its designee) any amounts to be paid to Buyer with respect to this Agreement, including without limitation, payments to Buyer with respect to Claims arising under Section 11.1, (vi) Trustee may make payments required in order to release existing Liens on the Shares in connection with the repayment of the Bank Debt and (vii) in addition to the distributions of income and other amounts listed in subparts (i), (ii), (iii), (iv), (v) and (vi), the Trustee and the Special Trustee may distribute up to \$500,000 per year for other Trust purposes from the Acquisition Proceeds.

(c) During the Postponement Term, Trustee and Special Trustee shall not commingle the Acquisition Proceeds with any other Trust Property. During the Postponement Term, the parties agree that the Acquisition Proceeds and any income derived therefrom shall be held in the Trust in one or more designated accounts separate from other Trust Property (the "Acquisition Proceeds Account"). Trustee shall provide to Buyer (or its designee) (i) a monthly accounting, certified by Trustee, of the Acquisition Proceeds Account, including but not limited to any distributions from the

Acquisition Proceeds and (ii) copies of all of the Trust's monthly bank statements relating to the Acquisition Proceeds.

(d) Except as otherwise provided herein, the Postponement Term will expire upon the earlier of (i) the expiration of the term of twenty-four (24) months, or (ii) the delivery of a written release of the Postponement Term by Buyer to the Trustee; and thereafter the terms of this Section 12.4 shall terminate and be of no further force and effect. Notwithstanding anything to the contrary set forth in this Section 12.4, this Section 12.4 shall continue, such that the obligations and restrictions set forth in this Section 12.4 shall be in full force and effect, including without limitation the restrictions as to distributions from the Trust in the event a Claim is made by the Buyer against the Seller during the Postponement Term which is not resolved within the twenty-four (24) month Postponement Term time period.

12.5 Accounts Receivable. For a period of time starting at Closing and ending one (1) year after Closing, Buyer shall cause Company to use its commercially reasonable best efforts to collect any outstanding Accounts Receivable in accordance with its regular practices.

12.6 Special Trustee. Seller represents and warrants that Jon F. Spadorcia, Co-Trustee of the Trust designated under Section 1.2 of the Trust Agreement, (i) has no control, duties or obligations other than as set forth in Section 1.2 of the Trust Agreement with respect to the distribution of income to Joseph A. Cloutier, (ii) is not required to be a party to this Agreement and (iii) will acknowledge and agree to the restrictions set forth in Section 12.4 above.

ARTICLE 13

TERMINATION; MISCELLANEOUS

13.1 Termination. This Agreement may be terminated and the transactions contemplated hereby may be abandoned at any time prior to the Closing Date, as follows:

- (a) by mutual written agreement of Seller and Buyer; or
- (b) by Buyer if any of the conditions set forth in Article 9 of this Agreement shall not have been fulfilled by the Closing Date or as otherwise provided herein; or
- (c) by Buyer if there shall have been a material adverse change in the financial condition, liabilities, assets, or results of operation of the Company or the Station or any material adverse change in the condition of the Company or the Station Assets, including, without limitation, a default under the terms of any Contracts or Leases which could permit the acceleration of any material amounts due thereunder or termination thereof; or
- (d) by written notice of Buyer to Seller if Seller or Company has failed to cure a material breach of its representations, warranties or covenants under this Agreement within fifteen (15) calendar days after it receives notice from Buyer of such occurrence; or
- (e) by Seller if any of the conditions set forth in Article 10 of this Agreement shall not have been fulfilled by the Closing Date; or

(f) by written notice of Seller to Buyer if Buyer has failed to cure a material breach of any of its representations, warranties or covenants under this Agreement within fifteen (15) calendar days after it receives notice from Seller of such occurrence; or

(g) by Buyer or Seller if the Closing has not occurred on or before March 31, 2003 unless one or more of the applications to transfer the Licenses are challenged by a third party, in which case this Agreement shall continue in full force and effect; provided however, this Agreement may be terminated by Buyer or Seller if the Closing has not occurred on or before December 31, 2003; or

(h) in accordance with Section 9.8 (Environmental) or 12.1 (Event of Loss).

13.2 Rights on Termination; Waiver.

(a) In the event of the termination of this Agreement as provided in Section 13.1 above, all further obligations of the parties under or pursuant to this Agreement shall terminate without further liability of either party to the other, except (i) as provided in Section 13.2(b) and (c) below, and (ii) for claims resulting from any breach of this Agreement prior to the termination of this Agreement (as limited by the provisions set forth in this Section).

(b) If Seller or Company is in material default in the performance of its obligations under this Agreement or has breached in any material respect its representations and warranties hereunder and Buyer is not in material default of its obligations under this Agreement and has not breached in any material respects its representations and warranties hereunder, then Buyer shall be entitled to pursue all legal and equitable remedies against Seller and Company, jointly and severally, for such default or breach, including specific performance (Seller hereby acknowledges that the Company is unique and that Buyer has no adequate remedy at law if Seller or Company breaches this Agreement).

(c) If Buyer is in material default in the performance of its obligations under this Agreement, or Buyer has breached in any material respect its representations and warranties hereunder and Seller and Company are not in default of their obligations under this Agreement and have not breached their representations and warranties hereunder, then Seller shall be entitled to claim as its sole liquidated damages Five Hundred Thousand and No/100 Dollars (\$500,000.00).

(d) Except as otherwise provided in this Article 13, a termination pursuant to Section 13.1(b), (c), (d), (e) (except for the failure to meet the conditions in Sections 10.5 and 10.6 hereof) or (f) above shall not relieve any party of any liability it would otherwise have for a breach of this Agreement. In the event of a termination by Buyer pursuant to Section 13.1(b) for failure to meet the conditions set forth in Sections 9.9 or 9.10 hereof, 13.1(g) or 13.1(h), Buyer shall have no further liability to Seller.

13.3 Liquidated Damages. Buyer and Seller agree that if the transactions contemplated herein fail to close for any reason set forth in Section 13.1(e) (except for the failure to meet the conditions in Section 10.5 or 10.6) or Section 13.1(f), Seller's sole and exclusive remedy shall be to receive Five Hundred Thousand and No/100 Dollars (\$500,000.00), as liquidated damages. The parties agree that the liquidated damages provided in this Section are intended to limit the claims which Seller may have against Buyer in the circumstances described herein. The parties acknowledge and agree that the liquidated damages provided in this Section bear a reasonable

relationship to the anticipated harm which would be caused by Buyer's breach of the Agreement. The parties further acknowledge and agree that the amount of actual loss caused by Buyer's breach of this Agreement is incapable of precise estimation and that Seller would not have a convenient and adequate alternative to liquidated damages hereunder.

13.4 Further Assurances. From time to time after the Closing Date, upon the reasonable request of Buyer, Seller shall execute and deliver, or cause to be executed and delivered, such further instruments of conveyance, assignment and transfer and take such further action as Buyer may reasonably request in order more effectively to sell, assign, convey, transfer, reduce to possession and record title to the Shares. Seller agrees to cooperate with Buyer in all reasonable respects to assure to Buyer the continued title to and possession of the Shares in the manner contemplated by this Agreement.

13.5 Schedules. Any disclosure with respect to a Section of this Agreement requires a specific reference in the Schedules to such Section of the Agreement to which any such disclosure applies, and no disclosure shall be deemed to apply with respect to any Section to which it does not expressly apply. True and complete copies of all written agreements referenced in the Schedules have been delivered to Buyer.

13.6 Survival. The obligations to indemnify contained in Article 11 hereof, the agreements contained herein, the representations and warranties made in this Agreement or made pursuant hereto shall survive the Closing and the consummation of the transactions contemplated by this Agreement, and shall survive any independent investigation by Buyer or Seller, and any dissolution, merger or consolidation of Buyer or Seller and shall bind the legal representatives, assigns and successors of Buyer and Seller.

13.7 Entire Agreement; Amendment; and Waivers. This Agreement and the documents referred to herein and to be delivered pursuant hereto constitute the entire agreement between the parties pertaining to the subject matter hereof, and supersede all prior and contemporaneous agreements, understandings, negotiations and discussions of the parties, whether oral or written, and there are no warranties, representations or other agreements between the parties in connection with the subject matter hereof, except as specifically set forth herein. No amendment, supplement, modification, waiver or termination of this Agreement shall be binding unless executed in writing by the party to be bound thereby. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision or breach of this Agreement, whether or not similar, unless otherwise expressly provided.

13.8 Expenses. Except as otherwise specifically provided herein, whether or not the transactions contemplated by this Agreement are consummated, Buyer shall pay the fees and expenses of its respective counsel, accountants and other experts, and Seller shall pay the fees and expenses of its and the Company's respective counsel, accountants and other experts, in each case incident to the negotiation and preparation of this Agreement and consummation of the transactions contemplated hereby; provided, however, any fees and expenses of the Seller or the Company related to the transactions contemplated herein and booked as a liability of the Company or paid by the Company, shall be reimbursed to the Company by the Seller prior to the Closing. Seller and Buyer shall each pay one-half (1/2) of all FCC filing or FCC transfer fees relating to the transactions contemplated hereby prior to the Closing Date. Notwithstanding anything to the contrary in this section, the prevailing party shall be entitled to recover attorneys' fees and costs of collection in successfully enforcing any provision of this Agreement.

13.9 Benefit; Assignment. This Agreement shall be binding upon and inure to the benefit of and shall be enforceable by Buyer and Seller and their respective proper successors and assigns. This Agreement may not be assigned by Buyer to another party without the consent of Seller, which consent will not be unreasonably withheld; provided, however, Buyer may assign this Agreement to any entity or entities affiliated with Buyer. Upon any such assignment Buyer shall be removed from all obligations hereunder. With respect to any permitted assignment hereunder, the parties shall reasonably cooperate to take actions necessary to effectuate such assignment, including but not limited to cooperating in any appropriate filings with the FCC or other governmental authorities. Nothing herein shall prohibit Buyer from making a collateral assignment to any of its financing sources of its rights under this Agreement or from assigning its rights hereunder to a subsequent purchaser of the Company or the Station. Seller agrees to take reasonable actions to cooperate with Buyer, its affiliates and designees to facilitate any reorganization for tax purposes of Buyer and/or its affiliates, including without limitation, cooperating to obtain consents to assignment of some or all of the Station Assets necessary to complete any such reorganization.

13.10 No Recourse. Notwithstanding any of the terms or provisions of this Agreement, the parties hereto agree that none of them nor any Person acting on any such party's behalf may assert any claims or cause of action against any partner, manager, employee, officer or director of any other party or stockholder, member or controlling person of such other party in connection with or arising out of this Agreement or the transactions contemplated hereby.

13.11 Confidentiality.

(a) Buyer agrees that prior to Closing, Buyer and its agents and representatives shall not use for its or their own benefit (except when required by law and except for use in connection with Buyer's financing of the transaction and Buyer's investigation of the Company and the Station and their assets in connection with this Agreement), and shall hold in strict confidence and not disclose: (i) any data or information relating to the Company, the Station, the Seller or its affiliates obtained from Seller or any of its trustees, agents or representatives in connection with this Agreement; or (ii) any data and information relating to the business, customers, financial statements, conditions or operations of the Company or the Station, in each case which is confidential in nature and not generally known to the public (clauses (i) and (ii) together, "Seller's Information"). If the transactions contemplated in this Agreement are not consummated for any reason, Buyer shall return to Seller all data, information and any other written material obtained by Buyer from Seller in connection with this transaction and any copies, summaries or extracts thereof, and shall refrain from disclosing any of Seller's Information to any third party or using any of Seller's Information for its own benefit or that of any other Person.

(b) Seller agrees that Seller, on or prior to Closing, the Company, and its respective agents and representatives shall not use for their own benefit (except when required by law and except for use in connection with their respective investigations and reviews of the Buyer in connection with this Agreement), and shall hold in strict confidence and not disclose: (i) any data or information relating to Buyer or its affiliates obtained from Buyer, or from any of its members, managers, directors, officers, employees, agents or representatives, in connection with this Agreement; or (ii) any data and information relating to the business, customers, financial statements, conditions or operations of the Buyer in each case which is confidential in nature and not generally known to the public (clauses (i) and (ii) together "Buyer's Information"). If the transactions contemplated in this Agreement are not consummated for any reason, Seller shall return to Buyer all data, information and any other written material obtained by Seller from Buyer in connection with

this transaction and any copies, summaries or extracts thereof and shall refrain from disclosing any of Buyer's Information to any third party or using any of Buyer's Information for their own benefit or that of any other Person.

(c) Seller will not, after the date hereof: (a) solicit, initiate or encourage the submission of any proposal or offer from any Person relating to (i) the liquidation, dissolution, sale of assets or stock, or recapitalization of, (ii) merger or consolidation with or into, (iii) acquisition or purchase of assets of (other than in the ordinary course of business) or any equity interest in, or (iv) similar transaction or business combination, involving the Company or the Station (each, an "Alternative Transaction"); or (b) institute, pursue, or engage in any discussions, negotiations, or agreements with any Person concerning any of the foregoing; or (c) furnish any information with respect to any effort or attempt by any other person or entity to do any of the foregoing. Seller will immediately notify Buyer of any offer received from third parties regarding an Alternative Transaction.

(d) Except as otherwise may be required by law, all press releases or other announcements with respect to this Agreement and the transactions contemplated herein shall be mutually agreeable to the parties.

13.12 Notices. All communications or notices required or permitted by this Agreement shall be in writing and shall be deemed to have been given at the earlier of (i) the date when sent by telecopy or facsimile machine to the number shown below, or (ii) the business day after being properly deposited for delivery by commercial overnight delivery service, prepaid, or (iii) five (5) days after deposit in the United States mail, certified or registered mail, postage prepaid, return receipt requested, and addressed as follows, unless and until either of such parties notifies the other in accordance with this Section of a change of address or change of telecopy number:

If to Buyer: New Vision Group, LLC
3455 Peachtree Road
Suite 711
Atlanta, GA 30326
Attention: Jason Elkin
Telecopy No.: (404) 995-4712

With a copy to: Lord, Bissell & Brook
1900 The Proscenium
1170 Peachtree St., N.E.
Atlanta, Georgia 30309
Attention: Neil H. Dickson, Esq.
Telecopy No.: (404) 872-5547

If to Seller: Joseph A. Cloutier, Trustee
Joseph R. Cloutier Trust
P.O. Box 341, 22 West Fifth Street, Suite 105
Terre Haute, Indiana 47808
Telecopy No.: (812) 232-4321

With a copy to: Jon F. Spadorcia, Esq.
Hall, Render, Killian, Heath & Lyman, P.S.C.

One American Square, Suite 2000
Indianapolis, Indiana 46282
Telecopy No.: (317) 633-4878

13.13 Counterparts; Headings. This Agreement may be executed in counterparts, each of which shall be deemed an original, but such counterparts shall together constitute but one and the same Agreement. The Table of Contents and Article and Section headings in this Agreement are inserted for convenience of reference only and shall not constitute a part hereof.

13.14 Income Tax Position. Neither Buyer nor Seller shall take a position for income tax purposes which is inconsistent with this Agreement.

13.15 Severability. If any provision, clause or part of this Agreement or the application thereof under certain circumstances is held invalid, or unenforceable, the remainder of this Agreement, or the application of such provision, clause or part under other circumstances, shall not be affected thereby.

13.16 Governing Law. This Agreement shall be construed and interpreted according to the laws of the State of Georgia, without regard to the conflict of law principles thereof.

13.17 Knowledge. As used herein with respect to any person, the "knowledge" of that person or words to that effect shall mean matters actually known to such person as well as matters that after due inquiry would reasonably be expected to be known. Without limiting the generality of the foregoing, when used with respect to Seller, "knowledge" shall mean the knowledge of Joseph A. Cloutier and the knowledge of the persons listed on SCHEDULE 12.3.

13.18 Schedules. This Agreement is being executed prior to delivery of schedules by Seller, and is subject to delivery of all such Schedules by Seller in form and substance satisfactory to Buyer within ten (10) days of the date hereof; provided, however, such delivery of the Schedules by Seller to Buyer shall be no later than October 28, 2002. For a period of fifteen (15) days after Seller's delivery of the Schedules, Buyer shall have the right to indicate any dissatisfaction with the Schedules to Seller or request changes to this Agreement or Exhibits hereto based upon information in the Schedules. Buyer and Seller shall attempt to resolve any necessary modifications to this Agreement, the related Exhibits or the Schedules within thirty (30) days after delivery of the Schedules. If Buyer is not satisfied with the Schedules or the requested changes to this Agreement or the Exhibits hereto, Buyer shall have the right to terminate this Agreement and be relieved of all further obligations hereunder.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK. SIGNATURE PAGE FOLLOWS.]

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

"BUYER"

NEW VISION GROUP, LLC

By: 

Its: CEO

Attest: 

Its: President

"SELLER"

JOSEPH R. CLOUTIER TRUST

By: Joseph A. Cloutier, as Trustee of the Joseph R. Cloutier Trust, under Trust Agreement dated October 4, 1989, as amended

By: _____

Joseph A. Cloutier, trustee

Attest: _____

Its: _____

"COMPANY"

CORPORATION FOR GENERAL TRADE

By: _____

Joseph A. Cloutier, President

Attest: _____

Its: _____

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

"BUYER"

NEW VISION GROUP, LLC

By: _____
Its: _____

Attest: _____
Its: _____

"SELLER"

JOSEPH R. CLOUTIER TRUST

By: Joseph A. Cloutier, as Trustee of the Joseph R.
Cloutier Trust, under Trust Agreement dated
October 4, 1989, as amended

By: Joseph A. Cloutier
Joseph A. Cloutier, trustee

~~Witness:~~
Attest: Jon F. Spadovicia
Its: Jon F. Spadovicia

"COMPANY"

CORPORATION FOR GENERAL TRADE

By: Joseph A. Cloutier
Joseph A. Cloutier, President

Attest: Marian L. Lawrence
Its: Secretary