

ASSET PURCHASE AGREEMENT

Dated April 3, 2012

AMONG

H3 COMMUNICATIONS, LLC, Buyer

AND

SAGA BROADCASTING, LLC, Seller

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this "Agreement") is dated as of April 3, 2012, by and among H3 Communications, LLC a Mississippi limited liability company ("**Buyer**"), and Saga Broadcasting, LLC, a Delaware limited liability company ("**Seller**")

RECITALS:

A. The Seller owns those licenses, permits, and authorizations issued by the Federal Communications Commission ("**FCC**") and certain related assets relating to television broadcast stations WXVT and WXVT-DT, Facility ID 25236, Greenville, Mississippi (the "**Station**").

B. The Seller owns all of the assets of the Station.

C. Seller desires to sell, and Buyer desires to purchase, substantially all of the assets of the Station including the Station's FCC Licenses, as defined below, on the terms and conditions hereinafter set forth.

D. The FCC Licenses may not be assigned to Buyer without the prior consent of the FCC.

AGREEMENTS:

NOW, THEREFORE, in consideration of the above recitals and of the mutual agreements and covenants contained in this Agreement, the parties to this Agreement, intending to be bound legally, agree as follows:

SECTION 1: DEFINITIONS

1.1 Terms Defined in this Section. The following terms, as used in this Agreement, have the meanings set forth in this Section:

"**Accounts Receivable**" means the rights of Seller as of the Closing Date to payment for the sale of advertising time and other goods and services by the Station prior to the Closing Date.

"**Action**" means, for any Person, any action, counterclaim, suit, litigation, arbitration, governmental investigation or other legal, administrative or Tax proceeding by or against such Person commenced, brought, conducted or heard by or before, or otherwise involving, any Governmental Authority, excluding any litigation affecting the television broadcasting industry generally in which such Person is not a named party and any rule-making proceedings.

"**Affiliate**" means, with respect to any Person, (a) any other Person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with such Person, or (b) an officer or director of such Person or of an Affiliate of such Person within the meaning of clause (a) of this definition. For purposes of clause (a) of this definition, (i) a Person shall be deemed to control another Person if such Person (A) has sufficient power to enable such Person to elect a majority of the board of directors of such

Person, or (B) owns a majority of the beneficial interests in income and capital of such Person, and (ii) a Person shall be deemed to control any partnership of which such Person is a general partner.

“Assumed Contracts” means (i) all Contracts designated as Assumed Contracts on Schedule 3.7; (ii) Contracts entered into prior to the date of this Agreement with advertisers for the sale of advertising time or production services for cash at rates consistent with past practices; (iii) Contracts entered into prior to the date of this Agreement that are not required to be included on Schedule 3.7 hereto; (iv) any Contracts entered into by Seller or an Affiliate of Seller between the date of this Agreement and the Closing Date that Buyer agrees in writing to assume and (v) any Programming Contracts entered into by Seller or an Affiliate of Seller between the date of this Agreement and the Closing Date that Buyer agrees in writing to assume.

“Authorizations” means all licenses, permits and other authorizations issued by the FCC, or any other federal, state or local Governmental Authorities to Seller currently in effect and used in connection with the conduct of the business or operations of the Station, together with any additions thereto between the date of this Agreement and the Closing Date.

“Benefit Arrangements” means employment, severance, or other similar contract, arrangement, or policy and each plan or arrangement (written or oral) providing for insurance coverage (including any self-insured arrangements), workers’ compensation, disability benefits, supplemental unemployment benefits, vacation benefits, or retirement benefits or for deferred compensation, profit sharing, bonuses, stock options, stock appreciation rights, stock purchases, or other forms of incentive compensation or post-retirement insurance, compensation or benefits that (i) is not a Welfare Plan, Pension Plan, or Multiemployer Plan, and (ii) is entered into, maintained, contributed to, or required to be contributed to by Seller or any Affiliate, or under which Seller or any Affiliate has any liability.

“Benefit Plans” mean any employee plan that is maintained in connection with any trust described in Section 501(c)(9) of the Code, as amended, which benefits any Employee or any employee’s dependents or beneficiaries, including Welfare Plans, Multiemployer Plans and Pension Plans.

“Business Day” means any day of the year on which banks are not required or authorized to be closed in the State of New York.

“Closing” means the consummation of the purchase and sale of the Assets pursuant to this Agreement in accordance with the provisions of Section 7.1(a).

“Closing Date” means either the Closing Date specified in Section 7.1(a) hereof.

“Code” means the Internal Revenue Code of 1986, as amended.

“Communications Act” means the Communications Act of 1934, as amended.

“Consents” means the consents, permits, or approvals of Government Authorities and other third parties necessary to transfer the Assets to Buyer or otherwise to consummate the transactions contemplated by this Agreement.

“Contracts” means all contracts, consulting agreements, leases, non-governmental licenses, and other agreements (including leases for personal or real property and employment agreements), written or oral (including any amendments and other modifications thereto) to which Seller or an Affiliate of Seller is a party or that are binding upon Seller that relate to or affect the Assets or the business or operations of the Station and (i) that are in effect on the date of this Agreement or (ii) that are entered into by Seller or an Affiliate of Seller between the date of this Agreement and the Closing Date.

“Effective Time” means 12:01 a.m., Eastern Standard Time, on the Closing Date.

“Enforceability Exceptions” means the exceptions or limitations to the enforceability of contracts under bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors’ rights generally, and by judicial discretion in the enforcement of equitable remedies (regardless of whether considered in equity or at law).

“Environmental Laws” means the Legal Requirements concerning the environment, public health and safety, and employee health and safety, including the Handling of Hazardous Materials, the presence of Hazardous Materials on any real property, or any antipollution requirements.

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

“Escrow Agent” means the Escrow Agent named in the Escrow Agreement, and any successors thereto pursuant to the terms of the Escrow Agreement.

“Escrow Agreement” means the Escrow Agreement being entered into among Buyer, Seller and the Escrow Agent.

“Escrow Amount” means the sum of One Hundred Fifty Thousand Dollars (\$150,000), which is being deposited by Buyer with the Escrow Agent in immediately available funds on the date hereof to secure the obligations of Buyer to close under this Agreement, with such amount being held by the Escrow Agent in accordance with the Escrow Agreement.

“FCC Consent” means action by the FCC granting its consent to the assignment of the FCC Licenses by Seller to Buyer pursuant to the terms of this Agreement.

“FCC Licenses” means the licenses, permits, or other authorizations issued or granted by the FCC to Seller relating to the operation of the Station, all as set forth on Schedule 3.4.

“Final Order” means an action by the FCC that has not been reversed, stayed, enjoined, set aside, annulled, or suspended, and with respect to which no requests are pending for administrative or judicial review, reconsideration, appeal, or stay, and the time for filing any such requests and the time for the FCC to set aside the action on its own motion have expired.

“Governmental Authority” means any court or any federal, state, county, local or foreign governmental, legislative or regulatory body, agency, department, authority, instrumentality or other subdivision thereof, including the FCC.

“Handling” means the production, use, generation, storage, treatment, recycling, disposal, discharge, release or other handling or disposition of any kind of any Hazardous Materials.

“Hazardous Material” means any pollutant, contaminant, hazardous or toxic substance, material, constituent or waste or any pollutant that is labeled or regulated as such by any Governmental Authority pursuant to any Legal Requirements concerning the environment, public health and safety, and employee health and safety.

“Intangibles” means all copyrights, trademarks, trade names, service marks, service names, licenses, patents, permits, jingles, proprietary information, technical information and data, trade secrets, and other similar intangible property rights and interests (and any goodwill associated with any of the foregoing) applied for, issued to, or owned by Seller or under which Seller is licensed or franchised and that are used in the business and operations of the Station, together with any additions thereto between the date of this Agreement and the Closing Date.

“Judgment” means any judgment, writ, order, injunction, determination, award or decree of or by any court, judge, justice or magistrate, including any bankruptcy court or judge, and any order of or by a Governmental Authority.

“Knowledge” or any derivative thereof means the actual knowledge of a fact, or constructive knowledge of a fact if a reasonably prudent person in a like position would or should have known such fact by (i) in the instance of Seller, its Treasurer, or (ii) in the instance of Buyer, its members.

“Legal Requirement” means any statute, ordinance, code, law, rule, regulation, permit or permit condition, Judgment, or other requirement, standard or procedure enacted, adopted or applied by any Governmental Authority.

“Lien” means, with respect to any asset, (i) any mortgage, deed of trust, lien, pledge, hypothecation, encumbrance, charge, or security interest in or on such asset, and (ii) any title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset.

“Material Adverse Effect” means any event, circumstance or condition that, individually or when aggregated with all other similar events, circumstances or conditions, would reasonably be expected to have a material adverse effect on the business, assets, property or condition (financial or otherwise) of the Station taken as a whole or the ability of Seller to consummate the transactions contemplated by this Agreement, except for any such material adverse effect resulting from (i) general business or economic conditions applicable to the television broadcast industry, or (ii) general conditions in the market in which the Station operates.

“Multiemployer Plan” means “multiemployer pension plan,” as defined in Section 3(37) of ERISA, that is maintained or administered by Seller or any Affiliate for the benefit of, or to which Seller or any Affiliate contribute or are required to contribute on behalf of, any Employees.

“Owned Real Property Interests” means the real property owned by Seller which is used in the operation of the Station, together with all buildings and other structures, facilities or improvements located thereon that are owned by Seller and all easements, licenses and rights appurtenant thereto.

“Permitted Encumbrances” means (i) carriers’, warehouses’, mechanics’, materialmens’, landlord’s or other statutory Liens not yet due and payable or a landlord’s liens arising in the ordinary course of business; (ii) encumbrances arising in connection with equipment leases included in the Assumed Contracts; (iii) encumbrances for Taxes, assessments, or other government charges not yet due and payable or which are being contested in good faith and by appropriate proceedings if adequate reserves with respect thereto are maintained on Seller’s books in accordance with generally accepted accounting principles; (iv) encumbrances that do not materially detract from the value of any of the Assets or materially interfere with the use thereof as currently used; (v) encumbrances for borrowed money which will be removed at or prior to the Closing Date; (vi) zoning laws and ordinances and similar land use Legal Requirements which are not violated by the current use or occupancy of the applicable Real Property Interest or the conduct of the business or the operation of the Station; or (vii) as to Real Property Interests, any easements, rights-of-way, servitudes, permits, restrictions and minor imperfections or irregularities in title that are reflected in the public records or that do not individually or in the aggregate materially interfere with the right or ability to own, use, lease or operate the Real Property Interest as presently utilized or the business or operation of the Station.

“Pension Plan” means “employee pension benefit plan,” as defined in Section 3(2) of ERISA (other than a Multiemployer Plan), that is maintained or administered by Seller or any Affiliate for the benefit of, or to which Seller or any Affiliate contribute or are required to contribute on behalf of, any Employees.

“Person” means an individual, corporation, association, partnership, joint venture, trust, estate, limited liability company, limited liability partnership, or other entity or organization.

“Programming Contracts” means those Contracts, including network affiliation agreements, pursuant to which Seller has obtained the right to broadcast programming on the Station.

“Real Property Interests” means the Owned Real Property Interests and leaseholds and subleaseholds, purchase options, easements, licenses, rights to access, and rights of way, and all buildings and other improvements thereto, owned or held by Seller that are used or held for use in the business or operations of the Station.

“Receivables” means (i) any right to payment for goods sold, leased or licensed or for services rendered, whether or not it has been earned by performance, whether billed or unbilled, and whether or not evidenced by any Contract; (ii) any note receivable or promissory notes or other similar obligations payable to Seller or (iii) any other receivable of Seller relating to or arising out of the operation of the Station prior to the Closing Date.

“Tangible Personal Property” means all machinery, equipment, tools, vehicles, furniture, leasehold improvements, office equipment, plant, inventory, spare parts, and other

tangible personal property owned or held by Seller that is used or held for use in the conduct of the business or operations of the Station.

“Tax” means any federal, state, local, or foreign income, gross receipts, windfall profits, severance, property, production, sales, use, license, excise, franchise, capital, transfer, employment, withholding, or other tax or governmental assessment, together with any interest, additions, or penalties with respect thereto, and any interest in respect of such additions or penalties.

“Tax Return” means any tax return, declaration of estimated tax, tax report, or other tax statement, or any other similar filing required to be submitted to any Governmental Authority with respect to any Tax.

“Welfare Plan” means “employee welfare benefit plan,” as defined in Section 3(1) of ERISA, that is maintained or administered by Seller or any Affiliate for the benefit of, or to which Seller or any Affiliate contribute or are required to contribute on behalf of, any Employees.

1.2 Terms Defined Elsewhere in this Agreement. For purposes of this Agreement, the following terms have the meanings set forth in the sections indicated:

<u>Term</u>	<u>Section</u>
Affected Parties	Section 5.6(c)
Assets	Section 2.1(a)
Buyer	Preamble
Buyer’s Representatives	Section 5.14(b)
Buyer’s Statement	Section 2.5(b)
Claimant	Section 9.4(a)
Collection Period	Section 5.13
Consent-Pending Contract	Section 5.7(b)
Employees	Section 3.14(a)
Estimated Purchase Price	Section 2.3
Excluded Assets	Section 2.2
FCC	Recitals
FCC Application	Section 5.1(b)
Financial Statements	Section 3.10
Indemnifying Party	Section 9.4(a)
Inspection Period	Section 5.14(a)
Notice of Disagreement	Section 2.5(b)
Purchase Price	Section 2.3
Seller	Preamble

<u>Term</u>	<u>Section</u>
Station	Recitals
Title Commitments	Section 6.2(q)
Title Policy	Section 6.2(q)
Transferred Employees	Section 5.6(a)
WARN Act	Section 5.6(f)

1.3 Rules of Construction. Words used in this Agreement, regardless of the gender and number specifically used, shall be deemed and construed to include any other gender and any other number as the context requires. As used in this Agreement, the word “including” is not limiting, and the word “or” is not exclusive. Except as specifically otherwise provided in this Agreement in a particular instance, a reference to a Section or Schedule is a reference to a Section of this Agreement or a Schedule hereto, and the terms “hereof,” “herein,” and other like terms refer to this Agreement as a whole, including the Schedules to this Agreement, and not solely to any particular part of this Agreement. The descriptive headings in this Agreement are inserted for convenience of reference only and are not intended to be part of or to affect the meaning or interpretation of this Agreement.

SECTION 2: PURCHASE AND SALE OF ASSETS

2.1 Agreement to Purchase and Sell. The purchase and sale of the Assets hereunder shall occur as set forth below:

(a) Closing. Subject to the terms and conditions set forth in this Agreement, Seller hereby agrees to sell, transfer, convey, assign and deliver to Buyer on the Closing Date, and Buyer agrees to acquire, all of Seller’s right, title and interest in the tangible and intangible assets used or held for use in connection with the conduct of the business or operations of the Station, but excluding the Excluded Assets, free and clear of any Liens (except for Permitted Encumbrances) (the “Assets”), including, without limitation, the following:

- (1) the Tangible Personal Property, including any manufacturers warranties related to machinery and equipment included in the Tangible Personal Property;
- (2) the FCC Licenses;
- (3) the Real Property Interests;
- (4) the Assumed Contracts;
- (5) the Authorizations (excluding the FCC Licenses);
- (6) the Intangibles, including any goodwill of the Station;
- (7) all of Seller’s proprietary information, technical information and data, machinery and equipment warranties, maps, computer discs and tapes, plans, diagrams,

blueprints, and schematics to the extent relating to the business and operation of the Station, including filings with the FCC;

(8) all choses in action of Seller relating to the Station to the extent they relate to the period after the Effective Time; and

(9) all books and records relating to the business or operations of the Station (other than employment records), including all records required by the FCC to be kept by the Station.

2.2 Excluded Assets. The Assets shall exclude the following (the “**Excluded Assets**”):

(a) Seller’s cash, investments, cash equivalents and deposits, any interest payable in connection with any such items, all rights in and to either Seller’s bank accounts, and any marketable securities held by Seller;

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

(c) any pension, profit-sharing, or employee benefit plans, including all of Seller’s interest in any Welfare Plan, Pension Plan, Benefit Plan or Benefit Arrangement;

(d) all Tangible Personal Property disposed of or consumed in the ordinary course of business as permitted by this Agreement;

(e) all Tax Returns and supporting materials, all original financial statements and supporting materials, all books and records that Seller is required by law to retain, all of Seller’s organizational documents, corporate books, and records (including minute books and stock ledgers) and originals of account books of original entry, all records of Seller relating to the sale of the Assets, and all records and documents related to any assets excluded pursuant to other subsections of this Section 2.2;

(f) any interest in and to any refunds of federal, state or local franchise, income or other Taxes paid by Seller for periods prior to the Closing Date;

(g) all Accounts Receivable;

(h) all rights and claims of Seller, whether mature, contingent or otherwise, against third parties relating to the operation of the Assets or the Station prior to the Closing Date, whether in tort, contract, or otherwise;

(i) any Contracts that are not Assumed Contracts;

(j) all of Seller’s deposits and prepaid expenses; provided any deposits and prepaid expenses shall be included in the Assets to the extent that Seller receives a credit therefor in the proration of the Purchase Price pursuant to Section 2.5(a);

(k) all rights of Seller under or pursuant to this Agreement (or any other agreements contemplated hereby), including without limitation, the Purchase Price received pursuant to this Agreement;

(l) all shares of stock in any subsidiary;

(m) all personnel and other records that Seller is required by law to retain in its possession; and

(n) Actions, deposits, prepayments, refunds, choses in action, rights of recovery, rights of set off, and rights of recoupment of any kind or nature related to any Excluded Asset.

2.3 Purchase Price. The purchase price of the Assets shall be Three Million Dollars (\$3,000,000.00), as adjusted pursuant to Section 2.5 (the "**Purchase Price**"). The preliminary determination of the Purchase Price payable by Buyer on the Closing Date using the preliminary adjustments agreed to pursuant to Section 2.5(b)(1) (the "**Estimated Purchase Price**"), less the amount of the Escrow Amount, shall be paid by Buyer at the Closing by wire transfer of immediately available funds in U.S. dollars, to Seller and to an account thereof designated in writing by Seller prior to the Closing Date.

2.4 Escrow Amount. Concurrently with the execution and delivery of this Agreement, Buyer and Seller are executing and delivering the Escrow Agreement, and Buyer is depositing the Escrow Amount with the Escrow Agent by wire transfer of immediately available funds in U.S. dollars, to be held pursuant to the Escrow Agreement. Upon the Closing, Buyer and Seller shall instruct the Escrow Agent to pay the Escrow Amount to Seller, by wire transfer of immediately available funds in U.S. dollars to an account designated by Seller and to pay all interest earned on the Escrow Amount to Buyer.

2.5 Adjustments and Prorations.

(a) Adjustments and Prorations. The Purchase Price shall be increased or decreased as required to effectuate the proration of revenues and expenses. All revenues and all expenses arising from the operation of the Station, including tower rental, business and license fees, utility charges, real and personal property taxes and assessments levied against the Assets, property and equipment rentals, applicable copyright or other fees, sales and service charges, vacation and sick leave, annual regulatory fees, and similar prepaid and deferred items, shall be prorated between Buyer and Seller in accordance with the principle that Seller shall receive all revenues and shall be responsible for all expenses, costs, and liabilities allocable to the operations of the Station for the period prior to the Effective Time, and Buyer shall receive all revenues and shall be responsible for all expenses, costs, and obligations allocable to the operations of the Station for the period after the Effective Time, subject to the following:

(1) There shall be no adjustment for, and Seller shall remain solely liable with respect to, any Contracts not included in the Assumed Contracts and any other obligation or liability not being assumed by Buyer in accordance with Section 2.2. An adjustment and proration shall be made in favor of Buyer to the extent that Buyer assumes any liability under any Assumed Contract to refund (or to credit against payments otherwise due) any

security deposit or similar prepayment paid to Seller by any lessee or other third party. An adjustment and proration shall be made in favor of Seller to the extent Buyer receives the right to receive a refund (or to a credit against payments otherwise due) under any Assumed Contract to any security deposit or similar prepayment paid by or on behalf of Seller.

(2) No adjustment and proration shall be made in favor of Seller for the amount, if any, by which the value of the goods or services to be received by the Station under its trade or barter agreements as of the Effective Time for the Station exceeds the value of any advertising time remaining to be run by the Station as of the Effective Time. An adjustment and proration shall, however be made in favor of Buyer to the extent that the amount of any advertising time remaining to be run by the Station under its trade or barter agreements as of the Effective Time exceeds the value of the goods or services to be received by the Station as of the Effective Time.

(3) An adjustment and proration shall be made in favor of Seller for the amount, if any, of prepaid expenses and other current assets that are paid by Seller to the extent such prepaid expenses and other current assets relate to the period after the Effective Time and inure to the benefit of Buyer.

(4) Seller shall be entitled to all revenue and bear all expenses and other liabilities related to the Excluded Assets, and shall retain and be solely responsible for all liabilities not assumed by Buyer pursuant to Section 2.7.

(b) Manner of Determining Adjustments. The Purchase Price, taking into account the adjustments and prorations pursuant to Section 2.5(a) will be determined in accordance with the following procedures:

(1) Seller shall prepare and deliver to Buyer no fewer than three (3) Business Days prior to the Closing Date a preliminary settlement statement which shall set forth Seller's good faith estimate of the adjustments to the Purchase Price under Section 2.5(a). The preliminary settlement statement shall (i) contain all information reasonably necessary to determine the adjustments to the Purchase Price under Section 2.5(a), to the extent such adjustments can be determined or estimated as of the date of the preliminary settlement statement, and such other information as may be reasonably requested by Buyer, and (ii) be certified by Seller to be true and complete to Seller's Knowledge as of the date thereof. Buyer and Seller shall each act in good faith and reach agreement upon those adjustments under Section 2.5(a) to be made on a preliminary basis at the Closing, with the preliminary amount of such adjustments to be finalized pursuant to subsections (2) and (3) below.

(2) Not later than ninety (90) days after the Closing Date, Buyer will deliver to Seller a statement setting forth Buyer's determination of the Purchase Price that was due on such date and the calculation thereof pursuant to Section 2.5(a) ("**Buyer's Statement**"). Buyer's Statement (i) shall contain all information reasonably necessary to determine the adjustments to the Purchase Price under Section 2.5(a), and such other information as may be reasonably requested by Seller, and (ii) shall be certified by Buyer to be true and complete to Buyer's Knowledge as of the date thereof. If Seller disputes the amount of the Purchase Price determined by Buyer in the Buyer's Statement, Seller shall deliver to Buyer within thirty (30)

days after receipt of Buyer's Statement a statement setting forth the disputed items and basis for such dispute ("**Notice of Disagreement**"). If Seller notifies Buyer of its acceptance of Buyer's Statement or if Seller fails to deliver a Notice of Disagreement within the thirty (30) day period specified in the preceding sentence, Buyer's determination of the Purchase Price shall be conclusive and binding on the parties as of the last day of the thirty (30) day period.

(3) Buyer and Seller shall use good faith efforts to resolve any dispute involving the determination of the Purchase Price and any resolution agreed to by them as to such disputed amounts shall be final and binding on the parties. If the parties are unable to resolve the dispute within thirty (30) days following the delivery of the Notice of Disagreement, Buyer and Seller shall jointly designate an independent certified public accountant not regularly providing services to either Seller or Buyer within the last five (5) years who shall be knowledgeable and experienced in the operation of television broadcasting stations to resolve the dispute. If the parties are unable to agree on the designation of an independent certified public accountant, the selection of the accountant to resolve the dispute shall be submitted to arbitration to be held in Greenville, Mississippi, in accordance with the commercial arbitration rules of the American Arbitration Association then in effect. The accountant's selection of an independent certified public accountant shall be final and binding on the parties. The independent certified public accountant shall be required to render a decision within fifteen (15) Business Days after the dispute is submitted to it. The decision of the independent certified public accountant shall be final and binding on the parties and shall not be subject to any judicial challenge by either party. Within five (5) Business Days after the independent certified public accountant provides the determination to the parties, payment in accordance with that determination shall be made by the appropriate party by wire transfer of immediately available funds in U.S. dollars, to an account designated by the party entitled to receive such payment. The expenses of the independent certified public accountant shall be paid by the party which, based on the independent certified public accountant's resolution of the disputed item(s), is not the substantially prevailing Party.

2.6 Payment of Purchase Price.

(a) At the Closing, Buyer shall pay the Estimated Purchase Price, less the Escrow Amount, to Seller by wire transfer of same-day funds pursuant to wire transfer instructions furnished by Seller to Buyer.

(b) The difference between the Estimated Purchase Price and the Purchase Price, as finally determined pursuant to Section 2.5(b), shall be paid as follows:

(1) If the Purchase Price, as finally determined pursuant to Section 2.5(b), exceeds the Estimated Purchase Price, Buyer shall pay to Seller in immediately available funds within five (5) Business Days after the date on which the Purchase Price is determined pursuant to Section 2.5(b), the difference between the Purchase Price and the Estimated Purchase Price.

(2) If the Purchase Price, as finally determined pursuant to Section 2.5(b), is less than the Estimated Purchase Price, Seller shall pay to Buyer in immediately available funds within five (5) Business Days after the date on which the Purchase

Price is determined pursuant to Section 2.5(b), the difference between the Estimated Purchase Price and the Purchase Price.

2.7 Assumption of Liabilities and Obligations. As of the Closing Date, Buyer shall assume and undertake to pay, discharge, and perform all obligations and liabilities of Seller (i) under the Authorizations (including the FCC Licenses) and the Assumed Contracts, including any Programming Contracts, to the extent that either (a) the obligations and liabilities relate to the time after the Effective Time, or (b) the Purchase Price was reduced pursuant to Section 2.5(a) as a result of the proration of such obligations and liabilities and (ii) obligations and liabilities arising out of the Assets or operation of the Station and its business to the extent such obligations and liabilities arise after the Effective Time. Buyer shall not assume any other obligations or liabilities of Seller or the Station, including (i) any obligations or liabilities under any Contract not included in the Assumed Contracts, (ii) any obligations or liabilities under the Assumed Contracts relating to the period prior to the Effective Time, except insofar as an adjustment therefore is made in favor of Buyer under Section 2.5(a), (iii) any obligations to any Employees except in accordance with the terms of Section 5.6, (iv) any Actions relating to the operation of the Station prior to the Effective Time, (v) any obligations or liabilities of Seller under any Pension Plan, Welfare Plan or Benefit Plan, or (vi) any Taxes in connection with the operation of the Station prior to the Effective Time.

SECTION 3: REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants to Buyer as follows:

3.1 Organization and Authority of Seller. Seller is (i) a limited liability company validly existing and in good standing under the laws of the State of Delaware and (ii) qualified to do business and in good standing under the laws of the state of Mississippi. Seller has the requisite limited liability company power and authority to own, lease and operate its properties, to carry on its business in the places where such properties are now owned, leased or operated and such business is now conducted, and to execute, deliver and perform this Agreement and the documents contemplated hereby to which it is a party according to their respective terms. Seller is not a participant in any joint venture or partnership with any other Person (excluding Buyer) with respect to any part of the operations of the Station or any of the Assets.

3.2 Authorization and Binding Obligation. The execution, delivery and performance of this Agreement by Seller has been duly authorized by all necessary action on the part of Seller and Seller's sole member. This Agreement has been duly executed and delivered by Seller and, assuming due execution and delivery by the other party hereto, constitutes its legal, valid, and binding obligation, enforceable against it in accordance with its terms, except as its enforceability may be limited by Enforceability Exceptions.

3.3 Absence of Conflicting Agreements; Consents. Subject to obtaining the Consents listed on Schedule 3.3, the execution, delivery and performance by Seller of this Agreement and the documents contemplated hereby to which it is a party (with or without the giving of notice, the lapse of time, or both) will not: (a) require the consent of any third party; (b) conflict with any provision of the Articles of Organization or Operating Agreement of Seller; (c) conflict with, result in a breach of, or constitute a default under any Legal Requirement or

Judgment; (d) conflict with, constitute grounds for termination of, result in a material breach of, by the terms of any material agreement, instrument, license, or permit to which Seller is a party or by which Seller may be bound legally; and (e) create any Lien upon any of the Assets. Except for the FCC Consent provided for in Section 5.1 and the other Consents described in Schedule 3.3, no material consent, approval, permit, or authorization of, or declaration to, or filing with any Governmental Authority or other third party is required (i) to consummate this Agreement and the transactions contemplated hereby, or (ii) to permit Seller to transfer and convey the Assets to Buyer.

3.4 Authorizations.

(a) Schedule 3.4 includes a true and complete list of the FCC Licenses and all other material Authorizations. Seller has provided to Buyer true and complete copies of the material Authorizations (including any amendments and other modifications thereto). The Authorizations have been validly issued in the name of Seller. The Authorizations listed on Schedule 3.4 comprise all of the material licenses, permits, and other authorizations required from any Governmental Authority for the lawful conduct in all material respects of the business and operations of the Station in the manner and to the full extent they are now conducted, and, except as noted on Schedule 3.4, none of the Authorizations is subject to any unusual or special restriction or condition that could reasonably be expected to limit the full operation of the Station as now operated. The Authorizations are in full force and effect, and the conduct of the business and operations of the Station is, in all material respects, in accordance therewith. Except as noted on Schedule 3.4, Seller has no reason to believe that, under existing Legal Requirements, any of the FCC Licenses or other Authorizations would not be renewed by the FCC or other granting Governmental Authority in the ordinary course.

(b) Except as noted on Schedule 3.4, no action or proceeding is pending or, to the Knowledge of the Seller, threatened before the FCC or any other Governmental Authority to revoke, refuse to renew or modify the FCC Licenses or other material Authorizations of Seller or the Station, and to Seller's Knowledge, no event has occurred which permits, or after notice or lapse of time or both would permit, the revocation, cancellation or rescission of any of the FCC Licenses or other Authorizations. Except as noted on Schedule 3.4, there is not now issued or outstanding, or to the Knowledge of Seller pending or threatened, by or before the FCC, any order to show cause, notice of violation, notice of apparent liability, or notice of forfeiture or complaint against Seller with respect to the Station.

3.5 Real Property.

(a) Schedule 3.5 contains a complete and accurate description of all Real Property Interests (including street address, legal description, where known, owner, and Seller's use thereof). The Real Property Interests listed on Schedule 3.5 comprise all interests in real property used by Seller to conduct the business and operations of the Station as now conducted. Except as described on Schedule 3.5, Seller owns and has good, marketable and fee simple marketable title to each Owned Real Property Interest (in each case as indicated on Schedule 3.5), and none of the Real Property Interests held by Seller is subject to any Lien, except for Permitted Encumbrances. True and complete copies of the last deed of record, title insurance policies and surveys pertaining to any owned Real Property Interests have heretofore been

furnished by the Seller to Buyer. Except as disclosed on Schedule 3.5, Seller has not granted any Person the right to possess any portion of the Real Property Interests, whether as lessees, sublessees, licensees or tenants at will. Seller has not subjected the Real Property Interests to any easements, rights, duties, obligations, covenants, conditions, restrictions, limitations or agreements not of record. Seller has not received written notice of or otherwise has Knowledge of any pending condemnation or similar proceeding affecting the Real Property Interests or any portion thereof, and to the Knowledge of Seller, no such condemnation or similar proceeding is presently contemplated or threatened that may have a material adverse effect on Buyer's use of the Real Property Interests for the operation of the Station after Closing. The current use of the Real Property Interests does not violate any restrictive covenants affecting the Real Property Interest or otherwise violate in any material respect any applicable Legal Requirement. To the Knowledge of Seller, there is no Legal Requirement now in existence the operation of which would require Seller to make any material expenditure to modify or improve any of the Real Property Interests or to bring such Real Property Interests into substantial compliance therewith. To the Knowledge of Seller, there are no facts that would prevent any portion of the Real Property Interest from being occupied after the Closing in substantially the same manner as currently occupied.

Seller has no leasehold or subleasehold interest included in the Real Property Interests. Seller has legal and practical access to all of the Real Property Interests. All towers, guy anchors, buildings and other improvements included in the Assets are located entirely on the Real Property Interests listed in Schedule 3.5. All improvements included in the Owned Real Property Interests (i) are in good condition and repair, ordinary wear and tear excepted, consistent with its present use, (ii) are available for immediate use in the conduct of the business and operations of the Station, and (iii) to Seller's Knowledge comply in all material respects with all applicable material building or zoning codes and other material Legal Requirements except to the extent that the current use by Seller, while permitted, constitutes or would constitute a "nonconforming use" under current zoning or land use regulations.

3.6 Tangible Personal Property. Schedule 3.6 lists the transmitter equipment (identified thereon as such) and all other material items of Tangible Personal Property. The Tangible Personal Property listed on Schedule 3.6 comprises all material items of tangible personal property used or held for use by Seller to conduct the business and operations of the Station as now conducted, except for any tangible personal property which is an Excluded Asset. Except as described on Schedule 3.6 and any Assets leased to Seller, Seller owns and has good title to each item of Tangible Personal Property, and none of the Tangible Personal Property is subject to any Lien, except for Permitted Encumbrances. The Tangible Personal Property is now and on the Closing Date will be in good operating condition, ordinary wear and tear excepted. Between the date hereof and the Closing Date the Tangible Property will be maintained in accordance with generally accepted standards in the broadcast industry and in material compliance with all applicable rules and regulations of the FCC and all applicable laws, regulations and ordinances issued by any Governmental Authority. On the Closing Date the Station's facilities will be operating in material compliance with the terms and conditions of the FCC Licenses and all conditions of the construction permits underlying such licenses, which are expressly or by operation of the FCC's rules or policies, carried forward in the licenses. If at any time at least five (5) days prior to the Closing Date, Buyer gives Seller written notice of any defects in the Station's technical facilities which existed on June 1, 2012 and which constituted a

material breach of Seller's representations set forth in the this paragraph, Buyer shall have the right to require Seller to make such repairs and/or adjustments as may be necessary to bring the Station's technical facilities into substantial compliance with such representations.

3.7 Contracts. Schedule 3.7 is a true and complete list of all Contracts to which Seller or an Affiliate of Seller is a party or Seller's assets or properties are bound which either (a) have a remaining term (including any renewals or extension options) of more than six months after the date hereof, or (b) require expenditures in excess of Five Thousand Dollars (\$5,000) individually after the Effective Time, except contracts with advertisers for production or the sale or advertising time on the Station for cash at rates consistent with past practices that may be canceled by Seller without penalty on not more than thirty (30) days' notice, oral employment agreements terminable at will, miscellaneous Contracts for goods or services that are entered into in the ordinary course of business that either may be canceled without breach, fee, payment or penalty on thirty (30) days' or less notice, and Contracts included in the Excluded Assets. Seller has delivered to Buyer true and complete copies of all written Assumed Contracts (including any amendments and other modifications to such Contracts), and descriptions of all oral Assumed Contracts (including any amendments and other modifications to such contracts). Schedule 3.7 includes a supplementary schedule setting forth the following information as of a recent date (as indicated on such supplementary schedule) with respect to each Programming Contract: (i) the identity of the licensed programming, (ii) the number of exhibitions thereof originally licensed, (iii) the number of exhibitions on the Station then available to Seller, (iv) the unpaid license fees on a monthly basis, and (v) the expiration of the license. To Seller's Knowledge, all of the Assumed Contracts are in full force an effect and are valid, binding, and enforceable in accordance with their terms, except as such enforceability may be affected by the Enforceability Exceptions and, with respect to each Assumed Contract, to Seller's Knowledge no material default has occurred and is continuing on the part of Seller or, to the Knowledge of Seller, the other parties thereto. Except as disclosed on Schedule 3.7, other than in the ordinary course of business, Seller does not have Knowledge of any intention by any party to any Contract (i) to terminate such Contract or amend the terms thereof, (ii) to refuse to renew the Contract upon expiration of its term, or (iii) to renew the Contract upon expiration only on terms and conditions that are more onerous than those now existing. Except for the need to obtain the Consents listed on Schedule 3.3 and the Authorizations listed on Schedule 3.4, the transfer of the Assets in accordance with this Agreement will not affect the validity, enforceability or continuation of any material Assumed Contracts.

3.8 Intangibles. Schedule 3.8 is a true and complete list of all Intangibles (exclusive of Authorizations listed in Schedule 3.4) used by Seller to conduct the business and operations of the Station as now conducted. Seller has provided to Buyer copies of documents establishing or evidencing the Intangibles listed on Schedule 3.8. Other than with respect to matters generally affecting the television broadcasting industry and not particular to Seller, to Seller's Knowledge, Seller is not, nor has Seller received any notice or demand alleging that Seller is infringing upon or otherwise acting adversely to any trademarks, trade names, service marks, service names, copyrights, patents, patent applications, know-how, methods, or processes owned by any other Person.

3.9 Title to Properties. Except as disclosed in Schedule 3.5 or Schedule 3.6, Seller has good and marketable title to or has valid leasehold interest in the Assets, subject to no Liens, except for Permitted Encumbrances.

3.10 Financial Statements. Seller has furnished Buyer with internal financial statements of the Station containing a balance sheet, statement of income, and statement of cash flows as at and for the fiscal years ended December 31, 2010 and December 31, 2011 (collectively, the “**Financial Statements**”). The Financial Statements have been prepared from the books and records of Seller and have been prepared in a manner consistent with generally accepted accounting principals. The Financial Statements accurately reflect the books, records, and accounts of Seller, present fairly, in all material respects, the financial condition of the Station as at its respective dates and the results of operations for the periods then ended, and none of the Financial Statements overstates the true revenues in any material respect nor understates in any material respect the true costs and expenses of conducting business or operations of the Station as currently conducted by Seller or otherwise materially inaccurately reflects the operations of the Station.

3.11 Taxes. Except as set forth in Schedule 3.11, Seller has filed or caused to be filed all Tax Returns that are required to be filed with respect to its ownership and operation of the Station, and has paid or caused to be paid all Taxes shown on those returns or on any tax assessment received by it to the extent that such Taxes have become due, or have set aside on its books adequate reserves (segregated to the extent required by generally accepted accounting principles) with respect thereto, except where the failure to file such returns or pay or accrue such Taxes would not result in a Lien on the Assets or in the imposition of transferee liability on Buyer for the payment of such Taxes. To Seller’s Knowledge, there are no Actions pursuant to which Seller is or could be made liable for any Taxes, penalties, interest, or other charges, the liability for which could extend to Buyer as transferee of the business of the Station, and to Seller’s Knowledge there are no proceedings pending that could impose on Buyer any transferee liability for any Taxes, penalties or interest due or to become due from Seller.

3.12 Insurance. Seller has such amounts and types of insurance coverage as is reasonable and customary for a broadcast television station. Seller is not in default in any material respect under any of its insurance policies, nor has Seller failed to give any notice or present any claim under any policies in a due and timely fashion. Seller will maintain its existing insurance policies related to the Assets, or any replacement insurance policies, through the Closing Date.

3.13 Reports. All material returns, reports, and statements that the Station is currently required to file with the FCC have been filed, all reporting requirements of the FCC have been complied with in all material respects, including items required to be placed in the Station’s public inspection file. All of such returns, reports, and statements, as filed, that relate to the Station, to Seller’s Knowledge, satisfy all applicable Legal Requirements.

3.14 Personnel and Employee Benefits.

(a) Employees and Compensation. Schedule 3.14 contains a true and complete list of all employees of Seller or its Affiliates who are employed at the Station as of the date

hereof (collectively, the “**Employees**”) and indicates the salary or hourly wage to which each such Employee is currently entitled (limited in the case of Employees who are compensated on a commission basis to a general description of the manner in which such commissions are determined), any bonus for which the Employee may be eligible, the Employee’s date of hire and the Employee’s corresponding title. Schedule 3.14 includes all Employees of Seller who are on leave pursuant to the Family Medical Leave Act of 1993 or otherwise and indicates whether such leave is paid or unpaid.

(b) Labor Relations. Except as set forth in Schedule 3.14, Seller is not a party to or subject to any collective bargaining agreement or written or oral employment agreement with respect to the employment of any Employee, and Seller is not a party to any oral or written consulting or other agreement with respect to the personal services of any independent contractor related to the Station. With respect to the Employees, Seller has complied in all material respects with all applicable Legal Requirements relating to the employment of labor, including those related to wages, hours, collective bargaining, occupational safety, discrimination, and the payment of social security and other payroll related taxes, and to Seller’s Knowledge has not received any notice alleging that Seller has failed to comply with any such Legal Requirements. Except as set forth in Schedule 3.14, no controversies, disputes or proceedings are pending or, to the Knowledge of Seller, threatened between Seller and any Employee (singly or collectively). Except as set forth on Schedule 3.14, no labor union or other collective bargaining unit represents or claims to represent any of the Employees. To the Knowledge of the Seller, there is no union campaign being conducted to solicit cards from any Employees to authorize a union to represent any of the Employees or to request a National Labor Relations Board certification election with respect to any Employees.

3.15 Claims and Legal Actions. Except as disclosed on Schedule 3.15 and except for any FCC rulemaking proceedings generally affecting the television broadcasting industry and not particular to Seller, there is no claim or other Action nor any Judgment in progress or pending or, to the Knowledge of Seller, threatened against or relating to the Assets or the business or operations of the Station.

3.16 Environmental Matters.

(a) Seller and the Real Property Interests are in compliance in all material respects with all applicable Environmental Laws, and no Action has been filed or commenced against Seller alleging any failure to comply with any Environmental Law. Seller has obtained and currently maintains all material permits, licenses, and other authorizations that are required under all applicable Environmental Laws.

(b) To the Knowledge of Seller, with respect to the period during which Seller has owned and/or occupied the Real Property Interests and with respect to the time before Seller owned and/or occupied any Real Property Interests, no person has caused or permitted Hazardous Materials to be present or Handled on, under or at any Real Property Interests owned, leased, used, or occupied by Seller which Hazardous Materials, if known to be present, would require cleanup, removal or other remedial action under any Environmental Laws.

(c) There are not now, nor, to the Knowledge of Seller, have there previously been, tanks, structures, or other facilities on, under or at the Real Property Interests which contained any Hazardous Materials which, if known to be present in soils, structures, or ground water, would require cleanup, removal, or some other remedial action under Environmental Laws.

(d) There are no conditions existing currently at the Real Property owned, leased, used, or occupied by Seller which would subject Seller to damages, penalties, injunctive relief, or cleanup costs under any Environmental Laws or which require cleanup, removal, remedial action, or other response pursuant to Environmental Laws by Seller.

(e) The operation of the Station does not exceed the permissible levels of exposure to RF radiation specified in the FCC's Legal Requirements concerning RF radiation.

3.17 Compliance with Laws. Except as set forth on Schedule 3.4, to Seller's Knowledge, Seller is in compliance in all material respects with the FCC Licenses and all applicable Legal Requirements and Judgments applicable to the ownership and operation of the Station.

3.18 Conduct of Business in Ordinary Course. Since January 1, 2012, Seller has conducted its business and operations in the ordinary course consistent with past practice in all material respects, and, except as disclosed in Schedule 3.18, has not:

(a) increased the compensation payable or to become payable to any Employees other than increases in the normal and usual course of business, consistent with past practice, which were either (i) not in excess of 5% of the rate of pay as of such date, or (ii) made in connection with a change in an employee's responsibilities;

(b) canceled any debts owed to or claims held by Seller, except in the normal and usual course of business;

(c) made any material changes in Seller's accounting practices;

(d) suffered any material write-down of the value of any Assets or any material write-off as uncollectible of any accounts receivable which individually or in the aggregate is material;

(e) transferred or granted any right under or entered into any settlement regarding the breach or infringement of any Intangible;

(f) materially amended or terminated any Assumed Contract or FCC License to which Seller is a party, except in the ordinary course of business;

(g) lowered in any material respects the advertising rates of the Station in a manner not consistent with past practices or not reflective of current market conditions;

(h) received notice from any sponsor or any customer of the Station as to the sponsor's or customer's intention not to conduct business with the Station, 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; or

- (i) suffered any Material Adverse Effect.

3.19 Transactions with Affiliates. Except as disclosed in the Financial Statements or as described herein, Seller has not been involved in any business arrangement or relationship with any Affiliate of Seller, and no Affiliate of Seller owns any property or right, tangible or intangible, relating to or that is used in the business of the Station.

3.20 Broker. Neither Seller nor any Person acting on Seller's behalf has incurred any liability for any finders' or brokers' fees or commissions in connection with the transactions contemplated by this Agreement.

3.21 Multi-Channel Video Program Distributors. The Station is being retransmitted pursuant to valid "must carry" elections or retransmission consent agreements by all multi-channel video program distributors serving the Greenville, Mississippi, designated market area as detailed by MVPD listed on Schedule 3.21 hereto.

3.22 Full Disclosure. No representation or warranty made by Seller in this Agreement contains any untrue statement of a material fact, or knowingly omits to state any material fact that is required to make such representation or warranty made herein not materially misleading. Seller has no Knowledge or reason to believe that any of the representations or warranties made by Buyer as of the date hereof are untrue, incomplete or inaccurate.

SECTION 4: REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller as follows:

4.1 Organization, Standing and Authority. Buyer is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Mississippi, on the Closing Date will be qualified to engage in business in Mississippi, and has the requisite power and authority to execute, deliver and perform this Agreement and the documents contemplated hereby according to their respective terms and to own the Assets.

4.2 Authorization and Binding Obligation. The execution, delivery, and performance of this Agreement by Buyer have been duly authorized by all necessary action on the part of Buyer and its officers and members. This Agreement has been duly executed and delivered by Buyer and, assuming due authorization and delivery by the other party hereto, constitutes a legal, valid, and binding obligation of Buyer enforceable against Buyer in accordance with its terms, except as its enforceability may be limited by Enforceability Exceptions.

4.3 Absence of Conflicting Agreements and Required Consents. Subject to obtaining the Consents of the FCC and other Governmental Authorities listed on Schedule 3.3, the execution, delivery, and performance by Buyer of this Agreement and the documents contemplated hereby to which it is a party (with or without the giving of notice, the lapse of time, or both): (a) will not conflict with the Articles of Organization or Operating Agreement of

Buyer; (b) will not conflict with, result in a breach of, or require the consent of any Governmental Authority under, any applicable Legal Requirement or Judgment; and (c) will not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by, or require the consent of any third party under, the terms of any agreement, instrument, license, or permit to which Buyer is a party or by which Buyer may be bound.

4.4 Compliance with Law. There are no violations by Buyer of any applicable Legal Requirements relating to any business of Buyer.

4.5 Qualifications. Buyer knows of no facts that would, under applicable Legal Requirements, disqualify Buyer with respect to the assignment or transfer of the FCC Licenses. Buyer has not engaged in any course of conduct that would impair the ability of Buyer or any Affiliate thereof to be the holder of the FCC Licenses.

4.6 Availability of Funds. Buyer has available the necessary funds to enable it to pay the Purchase Price and to consummate the transactions contemplated hereby.

4.7 Brokers. Neither Buyer nor any person or entity acting on its behalf has incurred any liability for any finders' or brokers' fees or commissions in connection with the transactions contemplated by this Agreement.

4.8 Full Disclosure. No representation or warranty made by Buyer in this Agreement contains any untrue statement of a material fact, or knowingly omits to state any material fact that is required to make such representation or warranty made herein not materially misleading. Buyer has no Knowledge or reason to believe that any of the representations or warranties made by Seller as of the date hereof are untrue, incomplete or inaccurate.

SECTION 5: SPECIAL COVENANTS AND AGREEMENTS

5.1 FCC Consent.

(a) The purchase and sale of the Assets as contemplated by this Agreement is subject to the prior consent and approval of the FCC.

(b) On May 1, 2012, Seller and Buyer shall jointly prepare and file with the FCC application requesting the FCC's consent to the assignment of the FCC Licenses from Seller to Buyer (the "**FCC Application**") Each party agrees to comply with any condition imposed on it by the FCC Consent, except that no party shall be required to comply with a condition if (i) the condition was imposed on it as the result of a circumstance, the existence of which does not constitute a breach by that party of any of its representations, warranties or covenants hereunder or (ii) compliance with the condition would have a Material Adverse Effect upon it. Buyer and Seller shall oppose any petitions to deny or other objections filed with respect to the application for the FCC Consent and any requests for reconsideration or judicial review of the FCC Consent.

(c) If the Closing shall not have occurred for any reason within the original effective period of the FCC Consent, and neither party shall have terminated this Agreement

under Section 8, the parties shall jointly request an extension of the effective period of the FCC Consent. No extension of the effective period of the FCC Consent shall limit the exercise of either party of its right to terminate the Agreement under Section 8.

5.2 Covenants of Seller. Seller covenants and agrees from and after the execution and delivery of this Agreement to an including the Closing Date as follows:

(a) Commercially Reasonable Efforts. Seller shall use its commercially reasonable efforts to cause the transactions contemplated by this Agreement to be consummated in accordance with the terms hereof.

(b) Ordinary Course. Seller shall maintain the Assets in the ordinary course of business consistent with past practice, including maintaining appropriate insurance on the Assets, and maintaining and repairing the Tangible Personal Property in good operating condition, ordinary wear and tear excepted and subject to any disclosures on Schedule 3.6 excepted (with suitable replacements being obtained as necessary with respect thereto). Seller shall use commercially reasonable efforts to preserve and maintain the Assets and properties of the Station and preserve the goodwill of suppliers, customers, Governmental Authorities and others dealing with Seller. Seller shall not create, assume, consent to or suffer to exist any Lien on any of its Assets (other than Permitted Encumbrances). Seller's financial books and records shall be maintained in accordance with generally acceptable accounting principles, in the usual manner on a basis consistent with prior years.

(c) Compliance with Laws. Seller shall use its commercially reasonable efforts to comply in all material respects with all applicable Legal Requirements and Authorizations applicable to Seller, the Station or the conduct of the business of the Station.

(d) Contracts. Unless Buyer has given its prior written consent, Seller will not renew, extend, amend or terminate, or waive any material right under, any Assumed Contract, or enter into any contract or commitment or incur any obligation (including obligations arising from the amendment of any existing Assumed Contract) that will be assumed by or be otherwise binding on Buyer after the Closing), except for (i) cash time sales agreements and production agreements made in the ordinary course of business consistent with Seller's past practices, (ii) the renewal or extension of any existing Assumed Contract on its existing terms in the ordinary course of business, (iii) other Contracts (other than Programming Contracts) entered into in the ordinary course of business consistent with Seller's past practices that do not involve consideration, in the aggregate, in excess of \$10,000. Prior to the Closing Date, Seller shall deliver to Buyer a list of all Contracts entered into between the date of this Agreement and the Closing Date and shall provide Buyer copies of such Contracts.

(e) Access. Seller shall give to Buyer and its agents reasonable access during normal business hours and upon reasonable prior notice to all of Seller's personnel, premises, properties, assets, financial statements and records, books, contracts, documents and commitments of or relating to the Station that are in Seller's possession or control, and shall furnish Buyer with all such information concerning the affairs of the Station as Buyer may reasonably request. This shall specifically include access to billing, customer service and maintenance personnel and records.

(f) No Inconsistent Action. Seller shall take no action that is inconsistent with its obligations under this Agreement in any material respect or that could reasonably be expected to hinder or delay the consummation of the transactions contemplated by this Agreement. Seller shall not (i) sell, transfer, lease, assign or otherwise dispose of or distribute any of the Assets except in the ordinary course of business, (ii) knowingly solicit, encourage, entertain, negotiate or enter into any such transaction or agreement of the nature described in clause (i) above, or (iii) provide any non-public information about the Station to any third party except as required by applicable Legal Requirements.

(g) Update of Schedules. Prior to the Closing, Seller shall provide an updated set of Schedules to Buyer to disclose any information of the nature of that set forth in the Schedules that arises after the date hereof and that would have been required to be included in the Schedules if such information had existed on the date hereof. The representations and warranties of Seller deemed made as of the Closing shall be qualified by the additional disclosures in the updated Schedules only to the extent that Buyer has previously consented to any action which results in such additional disclosure or prior to the Closing Buyer shall state in writing that such additional disclosures are acceptable.

(h) Lien Searches. Prior to the Closing, Seller shall provide to Buyer copies of UCC, tax, Lien and Judgment searches of the records of all relevant jurisdictions that pertain to Seller and the Assets, along with documentation showing disposition of any Liens, other than Permitted Encumbrances, in a manner reasonably satisfactory to Buyer. Cost of the lien searches will be paid by the Seller.

5.3 Confidentiality. Except as necessary for the consummation of the transactions contemplated by this Agreement and except as and to the extent required by Legal Requirement, each party will keep confidential and not use all information obtained from the other party in connection with the transactions contemplated by this Agreement (unless such information is or thereafter becomes generally available to the public other than as a result of disclosure by the receiving party, is otherwise available to it on a non-confidential basis from another source, becomes available on a non-confidential basis from a third party not bound by any confidentiality obligations or fiduciary duties to the disclosing party or has been developed independently by it). For purposes of this Section 5.3, the term "confidential information" shall include the information that the parties have entered into this Agreement, that confidential information has been furnished to the respective parties, the fact that discussions or negotiations involving Buyer are taking place or any of the terms, conditions or other facts with respect to this Agreement, including the status thereof. If this Agreement is terminated pursuant to its terms, each party will return to the other party all information obtained by such party from the other party in connection with the transactions contemplated by this Agreement. The parties acknowledge that a breach of the covenants contained in this Section 5.3 will cause irreparable damage, the exact amount of which will be difficult to ascertain, and that the remedies at law for any such breach will be inadequate. Accordingly, the parties agree that if a party breaches this Section 5.3 in addition to any other remedy that may be available at law or equity, the non-breaching party shall be entitled to specific performance and injunctive relief, through posting bond or other security.

5.4 Allocation of Purchase Price. Buyer and Seller shall use commercially reasonable good faith efforts to agree on the allocation of the Purchase Price in accordance with the rules under Section 1060 of the Code; provided, however, that if the parties are unable to agree to such allocation, each party may make such allocation as it may determine in its sole discretion. Subject to such agreement on the allocation of the Purchase Price, no filings made by either party with any taxing or other authority shall reflect an allocation other than in the manner agreed upon and each party shall timely make all filings required by any taxing authority, including the filing of Internal Revenue Service Form 8594.

5.5 Access to Books and Records; Delivery of Financial Statements. For one (1) year after the Closing Date, Seller shall provide Buyer reasonable access and the right to copy during normal business hours from and after the Closing Date any books and records relating to the Assets but not included in the Assets at Seller's expense. For one (1) year after the Closing Date, to the extent reasonably requested by Seller, Buyer shall provide Seller access and the right to copy during normal business hours from and after the Closing Date any books and records relating to the Assets that are included in the Assets at Buyer's expense.

5.6 Employee Matters.

(a) Buyer shall have no obligation to hire any of Seller's employees, but Buyer shall have the right to offer employment to employees of Seller on terms and conditions solely determined by Buyer. On or before June 1, 2012, Buyer shall provide Seller with a schedule of employees for whom it will make an offer of employment, effective as of the Closing Date. Any of Seller's employees who accept offers for employment from Buyer are referred to herein as **"Transferred Employees"**.

(b) Except as provided otherwise in this Section 5.6, Seller shall pay, discharge, and be responsible for (i) all salary, wages and liabilities arising out of or relating to the employment of the Employees, and (ii) any liabilities arising under the Benefit Plans or Benefit Arrangements. Buyer shall pay, discharge, and be responsible for all salary, wages, and benefits arising out of or relating to the employment of the Transferred Employees by Buyer after the Effective Date.

(c) On or prior to the Closing Date, Seller shall provide notice of the "continuation coverage" available under its "group health plan" to any "covered employee" or "qualified beneficiary" who experiences a "qualified event" as a result of the transaction contemplated by this Agreement. Buyer shall not assume any responsibility or liability to provide "continuation coverage" to any "covered employee" or "qualified beneficiary" who is covered by a "group health plan" sponsored, maintained or contributed to by Seller or its Affiliate and who has experienced a "qualified event," or is receiving such "continuation coverage," on or prior to or as a result of the Closing Date. The terms "group health plan," "continuation coverage," "qualified beneficiary," "covered employee" and "qualified event" shall have the meanings set forth in Section 4980B of the Code and Section 601 et. seq. of ERISA. The Seller shall hold Buyer and any entity required to be combined with the Buyer under Section 414 of the Code (**"Affected Parties"**) harmless from and fully indemnify such Affected Parties against any costs, expenses, losses, damages and liabilities incurred or suffered by such Affected Parties directly or indirectly, including, but not limited to, reasonable attorneys

fees and expenses, which arise under a "group health plan" sponsored, maintained or contributed to by Seller or its Affiliate as a result of any action or omission of Seller or its Affiliate prior to the Closing Date, or because Buyer is deemed to be a successor employer to Seller or its Affiliate.

(d) Buyer shall cause each Transferred Employee to be eligible to participate in the "employee welfare benefit plans" and "employee pension benefit plans" (as defined in Section 3(1) and 3(2) of ERISA, respectively) of Buyer in which similarly situated employees of Buyer are generally eligible to participate; provided, however, that each Transferred Employee and his or her spouse and dependents shall be eligible for coverage under Buyer's group health plan as of their date of hire with Buyer to the extent that such individuals were participating in Seller's group health plan immediately prior to their becoming a Transferred Employee, and Buyer's group health plan shall not apply any preexisting condition limitations with respect to such Transferred Employee (or his or her spouse and dependents) except to the extent such limitations applied to such individual under the Welfare Plans. In addition, Buyer shall ensure that each Transferred Employee receives credit under Buyer's group health plan for any deductibles or co-payments paid by such Transferred Employee (and his or her spouse and dependents) under the Welfare Plans for the plan year that includes the Transferred Employee's first day of employment with Buyer.

(e) To the extent permissible under Buyer's employee benefit plans and applicable law, each Transferred Employee shall receive credit for past service with Seller and its Affiliates (to the extent such service was credited by Seller and its Affiliates as of the applicable closing date for similar purposes) under Buyer's applicable vacation pay practices, health and welfare benefit plans (excluding any retiree medical plans) and tax-qualified 401(k) plan. To the extent taken into account in determining pro-rations pursuant to Section 2.5 hereof, Buyer shall assume and discharge Seller's liabilities for the payment of all unused vacation leave accrued by Transferred Employees as of the Closing Date or Closing Date, as applicable, and to the extent any Transferred Employee asserts a claim against Seller with respect to the payment of the accrued vacation leave liability assumed by Buyer, then Buyer shall indemnify, defend, and hold harmless Seller from and against any and all liability for the payment of such accrued vacation leave.

(f) The Seller shall be responsible for any liability or obligation arising under the Worker Adjustment and Retraining Notification Act, Public Law 100-379, as amended (the "**WARN Act**") and other similar statutes or regulations of any jurisdiction with respect to any termination of employment of any employee of Seller or its Affiliates, including any termination of employment that occurs in connection with the transactions contemplated by this Agreement, on or prior to the Closing Date or the Closing Date, and Seller shall be responsible for the issuance of any notices required by the WARN Act with respect to any such termination.

(g) This Section 5.6 shall operate exclusively for the benefit of the parties to this Agreement and not for the benefit of any other Person, including, without limitation, any current, future, former or retired employee of the Seller, Buyer or their respective Affiliates.

5.7 Consents.

(a) Seller shall use commercially reasonable efforts to obtain all necessary Consents required in connection with this Agreement and the transactions contemplated hereby, including any required Consents of any Governmental Authorities with lawful jurisdiction over Seller. Seller shall make all filings with and give all notices to third parties that may be reasonably necessary of Seller in order to consummate the transactions contemplated hereby. Except as expressly provided in this Agreement, Seller shall not be required to make any payments to Persons who are parties to the Assumed Contracts in order to obtain their consents, other than administrative or application fees customary payable to such Persons in connection with requests for their consent.

(b) In the event that Seller is unable to obtain a necessary Consent from a third party to the assignment of a contract to Buyer by the applicable Closing Date on which such Contract is to be assigned to Buyer ("**Consent-Pending Contract**"), Seller shall so advise Buyer and, to the extent permitted by Legal Requirement, Buyer shall receive the benefits of such Consent-Pending Contracts on and after the Closing Date. Such Consent-Pending Contracts will be treated as Assumed Contracts for the purposes of this Agreement, and Buyer will be responsible for and will timely perform all obligations under such Consent-Pending Contracts to the extent arising on and after the Closing Date. Seller shall not assign any such Consent-Pending Contract to Buyer unless and until the consent from the third party to such Consent-Pending Contract is actually received. Buyer and Seller shall cooperate with one another to provide to Buyer the benefits of such Consent-Pending Contract until such time of the actual assignment thereof by Seller to Buyer following receipt of the necessary third-party consent. If, at any time, Buyer is not able to receive substantially all of the material benefits under any Consent-Pending Contract, such Consent-Pending Contract shall be treated as a Contract not to be assumed by Buyer, and Seller shall remain responsible for the obligations thereunder. If at any time after the Closing Date any necessary third-party consent shall be received by Seller (other than with respect to a Consent-Pending Contract referred to in the immediately preceding sentence), such Consent-Pending Contract shall be assigned to and assumed by Buyer effective as of the date of the third party's consent to the assignment thereof and be deemed an Assumed Contract under this Agreement.

5.8 Bulk Sales. Seller and Buyer hereby waive compliance by the other with bulk sales Legal Requirements applicable to the transactions contemplated hereby.

5.9 Risk of Loss. The risk of loss or damage to the Tangible Personal Property included in the Assets (except reasonable wear and tear) shall be upon Seller at all times prior to the Effective Time, and Buyer shall bear the risk of any such loss or damage thereafter. In the event that any such loss or damage shall occur between the date hereof and the Effective Time, Seller agrees to use commercially reasonable efforts to take all reasonable action to pursue any insurance claims under Seller's insurance policies applicable to such loss or damage. All insurance proceeds payable as a result of the occurrence of the event resulting in such loss or damage will be either used to repair or replace such lost or damaged Tangible Personal Property or delivered by Seller to Buyer. If such insurance proceeds are not received prior to Closing, the rights to such proceeds will be assigned by Seller to Buyer. To the extent such loss or damage is not covered by Seller's insurance policies, Seller shall repair, replace or restore such lost or

damaged Tangible Personal Property as expeditiously as possible, and in all events within sixty (60) days of the date the loss or damage occurred.

5.10 No Control. Notwithstanding any provision of this Agreement to the contrary, Seller shall maintain actual (*de facto*) and legal (*de jure*) control over the FCC Licenses and all aspects of the business and operation of the Station.

5.11 Survey. With respect to the Real Property Interests, Seller shall cooperate with Buyer and permit Buyer to obtain a current survey of the parcel, prepared by a licensed surveyor and conforming to current ALTA Minimum Detail Requirements for Land Title Surveys, disclosing the location of all improvements, easements, party walls, sidewalks, roadways, utility lines, and other matters customarily shown on such surveys, and showing access affirmatively to public streets and roads. The cost of the survey shall be paid equally by Seller and Buyer.

5.12 Publicity. The parties agree that no public release or announcement covering the transactions contemplated hereby shall be issued or made by or on behalf of any party without the prior written consent of the other party (which consent shall not be unreasonably withheld, delayed or conditioned), except (a) as such release or announcement may, in the reasonable judgment of the releasing party, be required by Legal Requirement, or any rule or regulation of any United States securities exchange on which securities of the releasing party are listed, in which case the party required to make the release or announcement shall allow the other party reasonable time to comment on such release or announcement in advance of such issuance and (b) that Seller may make such announcement to its employees. Notwithstanding the foregoing, Seller and Buyer may each issue a press release on or after the Closing Date, provided that the party issuing the release shall obtain the other party's approval of the release prior to its issuance (which approval shall not be unreasonably withheld, conditioned or delayed).

5.13 Receivables.

(a) For the period from the Closing Date until one hundred twenty (120) days after the Closing Date (the "**Collection Period**"), Buyer, as agent for Seller, shall collect on behalf of Seller all Receivables with the same care and diligence as Buyer uses with respect to its own accounts receivable, except that Buyer shall not refer any of the Receivables to a collection agency or to an attorney for collection, or compromise, settle or adjust the amount of any Receivable except with the prior written approval of Seller. Seller shall be responsible for the payment of all salesperson's, agency, and representative commissions due with respect to the Accounts Receivable.

(b) During the Collection Period, all payments received from account debtors shall first be applied in reduction of the oldest outstanding balance due from such account debtor, except to the extent that any account debtor disputes in a written notice to Buyer whether an account is properly due or indicates in writing that the payment is to be applied to a specific invoice, in which case, all payments received shall be applied as directed by such account debtor. Buyer will promptly provide Seller a copy of any written notice of any dispute received from any account debtor.

(c) Buyer shall remit all payments owed to Seller (as set forth in this Section 5.13) on the last day of each month, together with a list of the accounts and amounts collected during the relevant period to which such payments pertain.

(d) So long as Buyer is in compliance with this Section 5.13, during the Collection Period neither Seller nor any of its representatives or agents, shall make any direct solicitation of the account debtors for collection purposes with respect to the Receivables or other direct attempts to collect such Receivables from account debtors during such Collection Period except (i) as may be agreed to by Buyer, (ii) with respect to those Receivables that shall have become more than ninety (90) days past due, and (iii) those Receivables from which Buyer has received written notice of a dispute from the account debtor.

(e) Upon the conclusion of the Collection Period, Buyer shall remit to Seller all amounts collected by Buyer from account debtors not previously remitted to Seller, shall assign to Seller all uncollected Receivables and shall furnish Seller with a compilation of the accounts and amounts collected during such period and all files concerning any uncollected Receivables, and Buyer shall have no further responsibilities hereunder except to remit promptly to Seller any amounts subsequently received by it on account of the Receivables.

5.14 Inspections.

(a) Commencing on the date hereof and continuing for a period of forty-five (45) days (such period being referred to herein as the “**Inspection Period**”), Buyer shall have the right at its sole cost and expense, to make such legal, factual and other inquiries, investigations and inspections, to conduct such tests, studies and examinations, to investigate such Legal Requirements to conduct such other due diligence as Buyer deems necessary or advisable in its sole determination, to satisfy itself that the Real Property Interests are suitable for Buyer’s intended use (collectively, the “**Inspections**”).

(b) Buyer’s agents, contractors, consultants and invitees (“**Buyer’s Representatives**”) may access the Real Property Interests during the Inspection Period to perform the Inspections, all at Buyer’s sole cost, expense and risk. In performing the Inspections, Buyer shall not perform any invasive testing, drilling, or otherwise physically alter the Real Property Interests except with the prior written consent of Seller. Buyer shall indemnify, defend, and hold Seller harmless from any claims, including construction, mechanics’ or materialmen’s liens, expenses, liabilities, damages, losses or injuries, including the costs and expenses of investigation, defending and settling or litigating any claim, and reasonable attorney’s fees, arising out of or related to any actions or the presence of Buyer’s Representatives on the Real Property Interests. In the event any Inspections disturb any portion of the Real Property Interests, Buyer shall, at its sole cost and expense, promptly restore the Real Property Interests to its prior condition. Buyer’s obligations under this Section shall survive the Closing or the termination of this Agreement.

(c) Prior to Buyer’s Representatives entering onto the Real Property Interests for purposes of conducting such Inspections, Buyer’s Representatives shall deliver to Seller an original policy or a satisfactory certificate of insurance evidencing coverage for commercial general liability insurance in an amount not less than Two Million Dollars (\$2,000,000) per

occurrence. Such insurance must include acts or omissions of Buyer's Representatives and be written by an insurance company licensed to do business in the State where the Real Property Interest is located and rated at least A+ by the then most current A.M. Best's rating service. Seller must be named in such insurance as an additional insured by endorsement.

5.15 Like-Kind Exchange. The parties acknowledge and agree that the transactions contemplated by this Agreement may be governed by Section 1031 of the Code and Seller or Seller's assigns, shall have the right to exchange all or a portion of the Assets for other property of like-kind and qualifying use within the meaning of Section 1031 of the Code. The parties shall reasonably cooperate with each other in complying with Section 1031 of the Code, provided that any costs or expenses reasonably incurred by Buyer in connection with such cooperation, including reasonable attorney's fees, shall be reimbursed to Buyer by Seller. All or any portion of the rights of Buyer under this Agreement may be assigned to a qualified intermediary or exchange accommodation title holder pursuant to Section 1031 of the Code.

SECTION 6: CONDITIONS TO OBLIGATIONS OF BUYER AND SELLER

6.1 Conditions to Obligations of Buyer at the Closing. All obligations of Buyer at the Closing hereunder are subject at Buyer's option to the fulfillment prior to or at the Closing Date of each of the following conditions:

(a) Representations and Warranties. All representations and warranties of Seller contained in this Agreement are true and complete in all material respects at and as of the Closing Date (except for representations and warranties that speak as of a specific date or time which need only be true and complete as of such date or time).

(b) Covenants. Seller has performed and complied in all material respects with all covenants and agreements required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

(c) Authorizations. Seller shall be the holder of all FCC Licenses. Except as set forth on Schedule 3.4, no Actions shall be pending, the effect of which could be to revoke, cancel, fail to renew, suspend, or modify materially and adversely any FCC License.

(d) FCC Consent. The FCC Consent shall (i) have been obtained, in form and substance reasonably acceptable to Buyer, (ii) be in full force and effect, and (iii) have become a Final Order and all other Governmental Consents, if any, shall have been granted and shall be in full force and effect. No action shall have been taken by the FCC or other Governmental Authority that is pending as of the Closing Date with respect to the FCC Consent that makes illegal, restrains or prohibits the consummation of the transactions contemplated hereby.

(e) Consents. The Consents listed on Schedule 6.1(e), other than the FCC Consent, shall (i) have been obtained, in form and substance reasonably acceptable to Buyer, and (ii) be in full force and effect.

(f) Legal Proceedings. No Judgment of any nature of any Governmental Authority of competent jurisdiction is in effect that restrains or prohibits the transactions contemplated by this Agreement.

(g) Deliveries. Seller shall have made or stand willing and able to make all the deliveries to Buyer described in Section 7.2.

(h) Environmental Assessment. Prior to Closing, Buyer shall have received an environmental assessment of the Owned Real Property Interests conducted by an environmental consulting firm satisfactory to Buyer, including the certificate of the environmental engineer, stating in substance that, following all appropriate inquiry into the previous ownership and uses of such real estate consistent with good commercial or customary practice, the engineer has concluded that there is no environmental condition on or affecting any of the Owned Real Property Interests that would either (i) materially impair the use of that real estate for the operation of the Station or (ii) require remedial action to bring the Owned Real Property Interests into compliance with all applicable environmental laws and regulations. In the event the environmental assessment discloses an environmental problem that can be remedied by the expenditure of Twenty-Five Thousand Dollars (\$25,000.00) or less, Seller will either remedy the problem, at its expense, prior to the Closing or, failing that, the Purchase Price will be reduced by the amount, as estimated in the environmental assessment, that will be required to remedy the environmental problem, and the Closing will otherwise take place in the manner, and at the time, provided for herein. In the event that the cost of remedying the environmental problem will exceed Twenty-Five Thousand Dollars (\$25,000.00), Seller shall have the option to agree to reduce the Purchase Price by the full amount of what it will cost to remedy the problem, in which event the Closing will take place at the reduced price, or, if Seller is not otherwise in default, to terminate this Agreement; provided that, if Buyer agrees to accept a Twenty-Five Thousand Dollar (\$25,000.00) reduction in the Purchase Price as full compensation for the costs that Buyer will incur to remedy the environmental problem, Seller shall not have the right to terminate the Agreement pursuant to this Section 6.1(h) and the Closing shall take place with the Purchase Price reduced by Twenty-Five Thousand Dollars (\$25,000.00). Buyer shall commission and pay the cost of the environmental assessment. Buyer's failure to commission the environmental assessment in time to permit the completion thereof prior to Closing shall be deemed a waiver of this condition and shall not be grounds for terminating this Agreement or for extending the Closing Date.

6.2 Conditions to Obligations of Seller at the Closing. All obligations of Seller at the Closing hereunder are subject at Seller's option to the fulfillment prior to or at the Closing Date of each of the following conditions:

(a) Representations and Warranties. All representations and warranties of Buyer contained in this Agreement are true and complete in all material respects at and as of the Closing Date (except for representations and warranties that speak as of a specific date or time which need only be true and complete as of such date or time).

(b) Covenants. Buyer has performed and complied in all material respects with all covenants, agreements and conditions required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

(c) FCC Consent. The FCC Consent shall (i) have been obtained, in form and substance reasonably acceptable to Buyer, (ii) be in full force and effect, and (iii) have become a Final Order and all other Governmental Consents, if any, shall have been granted and shall be in

full force and effect. No action shall have been taken by the FCC or other Governmental Authority that is pending as of the Closing Date with respect to the FCC Consent that makes illegal, restrains or prohibits the consummation of the transactions contemplated hereby.

(d) Legal Proceedings. No Judgment of any nature of any Governmental Authority of competent jurisdiction shall be in effect that restrains or prohibits the transactions contemplated by this Agreement.

(e) Deliveries. Buyer shall have made or stand willing and able to make all the deliveries described in Section 7.3.

SECTION 7: CLOSING AND CLOSING DELIVERIES

7.1 The Closing.

(a) Closing Date. Unless this Agreement is first terminated as provided in Section 8 and except as provided below in this Section 7.1 or as otherwise agreed to by Buyer and Seller, the Closing shall take place at 10:00 a.m. on a date mutually agreed to by Buyer and Seller which shall not be earlier than the fifth (5th) Business Day after all of the conditions precedent to Buyer's obligation to close have been satisfied or waived.

(b) Postponement of Closing.

(1) If any event occurs that prevents signal transmission by the Station in the normal and usual manner and Seller cannot restore the normal and usual transmission before the date on which the Closing would otherwise occur pursuant to this Section 7.1, the Closing shall be postponed to such date as is necessary (but only until a date within the effective period of the FCC Consent (as it may be extended pursuant to Section 5.1(c)) to allow Seller to restore the normal and usual transmission. If the Closing is postponed pursuant to this paragraph, the date of the Closing shall be mutually agreed to by Seller and Buyer.

(2) If there is in effect on the date on which the Closing would otherwise occur pursuant to this Section 7.1 any Judgment that would prevent or make unlawful the Closing on that date, the Closing shall be postponed until a date (but only within the effective period of the FCC Consent (as it may be extended pursuant to Section 5.1(c)), to be agreed upon by Buyer and Seller, which such Judgment no longer prevents or makes unlawful the Closing. If the Closing is postponed pursuant to this paragraph, the date of the Closing shall be mutually agreed to by the Seller and Buyer.

(c) Closing Method. The Closing shall be accomplished on the Closing Date by exchanging the closing documents required by this Agreement and such other closing documents as the parties may reasonably require in person, by mail or air courier or electronic transmission and Buyer delivering the Estimated Purchase Price to Seller by wire transfer.

7.2 Deliveries by Seller at Closing. At the Closing, Seller shall deliver to Buyer the following, in form and substance reasonably satisfactory to Buyer and its counsel:

(a) Officer's Certificate. A certificate, dated as of the Closing Date, executed on behalf of Seller by an officer of Seller, certifying: (i) that the representations and warranties of Seller contained in this Agreement are true and complete in all material respects as of the Closing Date as though made on and as of that date (except for representations and warranties (A) contained in Section 3.6 hereof which only need to be true and complete as of the date hereof and (B) that speak as of a specific date or time, which need only be true and complete as of such date or time), and (ii) that Seller has performed and complied in all material respects with all of its covenants and agreements in this Agreement to be performed and complied with on or prior to the Closing Date;

(b) Sole Member's Certificate. A certificate, dated as of the Closing Date, executed by Seller's Sole Member: (i) certifying that the resolutions, as attached to such certificate, were duly adopted by Seller's sole member authorizing and approving the execution of this Agreement and the consummation of the transaction contemplated hereby and that such resolutions remain in full force and effect; and (ii) providing as attachments thereto, the Articles of Organization and Operating Agreement of Seller, and evidence reasonable satisfactory to Buyer as to the good standing of Seller issued by the appropriate Governmental Authority in the state of organization to be dated a date not more than a reasonable number of days prior to the Closing Date;

(c) Consents. Originals and if applicable, execution copies, of the instruments evidencing the Consents listed on Schedule 6.1(e) that have been received by Seller;

(d) Conveyancing Documents. Bills of sale, motor vehicle titles, assignments and other transfer documents that are sufficient to vest good and marketable title to the Assets, including the Authorizations, in the name of Buyer, free and clear of all Liens, except for Permitted Encumbrances, together with any release documents necessary to remove any Liens on any of the Assets;

(e) Deed. A General Warranty Deed conveying to Buyer all of Seller's right, title, and interest in and to the Owned Real Property Interests, subject to (a) all existing building and use restrictions and easements, (b) exceptions to title set forth in the Title Commitments, (c) matters which an accurate survey or inspection of the Owned Real Property Interests would disclose; (e) zoning ordinances; (f) rights of the public and of any governmental unit in any part thereof taken, used or deeded for street, road or highway purposes; (g) taxes and assessments, whether general or special, and any Lien arising therefrom, which are not due and payable as of Closing.

(f) Title Report. Preliminary report on title covering a date no more than five (5) days prior to the Closing Date, issued by a title company reasonably acceptable to Buyer, which preliminary reports shall contain commitments (the "**Title Commitments**") of such title company to issue an ALTA title insurance policy or policies insuring that Buyer shall receive good and marketable title to the Owned Real Property Interests subject only to Permitted Liens and the standard pre-printed exceptions contained in such policy and as otherwise provided for in

this Agreement (the “**Title Policy**”), that shall be in form and substance reasonably satisfactory to Buyer and the title company, with such endorsements as Buyer may require at Buyer’s cost and expense.

7.3 **Deliveries by Buyer at Closing.** At the Closing, Buyer shall deliver to Seller the following, in form and substance reasonably satisfactory to Seller and their counsel:

(a) **Estimated Purchase Price.** The Estimated Purchase Price, in accordance with the provisions of Section 2.3 hereof;

(b) **Officer’s Certificate.** A certificate, dated as of the Closing Date, executed on behalf of Buyer by an officer of Buyer, certifying (i) that the representations and warranties of Buyer contained in this Agreement are true and complete in all material respects as of the Closing Date as though made on and as of that date (except for representations and warranties that speak as of a specific date or time, which need only be true and complete as of such date or time), and (ii) that Buyer has in all material respects performed and complied with all of its covenants and agreements in this Agreement to be performed and complied with on or prior to the Closing Date;

(c) **Certified Resolutions.** A certificate, dated as of the Closing Date, executed by Buyer’s Secretary: (i) certifying that the resolutions, as attached to such certificate, were duly adopted by Buyer’s members, authorizing and approving the execution of this Agreement and the consummation of the transaction contemplated hereby and that such resolutions remain in full force and effect; and (ii) providing as an attachment thereto, evidence reasonably satisfactory to Seller as to the good standing of Buyer issued by the appropriate Governmental Authority in the state of organization to be dated a date not more than a reasonable number of days prior to the Closing Date; and

(d) **Assumption Agreements.** Appropriate assumption agreements pursuant to which Buyer shall assume and undertake to perform Seller’s obligations, to the extent provided in Section 2.7, under the Authorizations (other than the FCC Licenses) and the Assumed Contracts.

SECTION 8: **TERMINATION**

8.1 **Termination by Seller.** This Agreement may be terminated by Seller and the purchase and sale of the Assets abandoned, if Seller is not then in material default hereunder, upon written notice to Buyer upon the occurrence of any of the following:

(a) **Conditions.** If on the date that would otherwise be the Closing Date, any of the conditions precedent to the obligations of Seller at the Closing set forth in this Agreement has not been satisfied or waived in writing by Seller.

(b) **Closing Date.** By Seller if the transactions contemplated hereby have not been consummated by the first anniversary of the date of this Agreement; provided that Seller will not be entitled to terminate this Agreement pursuant to this Section 8.1(b) if such party’s willful breach of this Agreement has prevented the consummation of the transactions contemplated hereby.

(c) Judgments. If there shall be in effect on the date that would otherwise be the Closing Date, any judgment, decree, or order that would prevent or make unlawful the Closing and such Judgment shall have become final and non-appealable.

(d) Failure of FCC to Grant FCC Consent. If the FCC Consent has not been granted and become a Final Order within nine (9) months of the date on which the FCC Application is accepted for filing.

(e) Breach. If Buyer is in breach of its representations and warranties set forth in Section 4 in any material respect on the date hereof or Buyer breaches in any material respect its covenants set forth herein and, after written notice thereof is given to Buyer, Buyer is unwilling to cure such breach or does not undertake with diligence to effect such cure on a timely basis prior to Closing, or such breach is incapable of being cured prior to Closing, subject in either case to Section 8.4 below.

8.2 Termination by Buyer. This Agreement may be terminated by Buyer and the purchase and sale of the Assets abandoned if Buyer is not then in material default with respect to its obligations hereunder upon written notice to Seller upon the occurrence of any of the following:

(a) Conditions. If on the date that would otherwise be the Closing Date, any of the conditions precedent to the obligations of Buyer at the Closing set forth in this Agreement has not been satisfied or waived in writing by Buyer.

(b) Closing Date. By Buyer if the transactions contemplated hereby have not been consummated by the first anniversary of the date of this Agreement; provided that Buyer will not be entitled to terminate this Agreement pursuant to this Section 8.2(b) if such party's willful breach of this Agreement has prevented the consummation of the transactions contemplated hereby.

(c) Judgments. If there shall be in effect on the date that would otherwise be the Closing Date, any judgment, decree, or order that would prevent or make unlawful the Closing and such Judgment shall have become final and non-appealable.

(d) Failure of FCC to Grant FCC Consent. If the FCC Consent has not been granted and become a Final Order within nine (9) months of the date on which the FCC Application is accepted for filing.

(e) Breach. If Seller is in breach of its representations and warranties set forth in Section 3 in any material respect on the date hereof or Seller breaches in any material respect its covenants set forth herein and, after written notice thereof is given to Seller, Seller is unwilling to cure such breach or does not undertake with diligence to effect such cure on a timely basis prior to Closing, or such breach is incapable of being cured prior to Closing, subject in either case to Section 8.4 below.

8.3 Termination by Mutual Agreement. This Agreement may be terminated and the purchase and sale of the Assets abandoned by mutual agreement of the Buyer and Seller.

8.4 Unsatisfied Conditions; Opportunity to Satisfy. If upon the initially scheduled Closing Date any of the conditions precedent to the obligations of either party set forth in Section 6 of this Agreement shall not have been materially satisfied, and the party entitled to the benefit of such condition is unwilling to waive the satisfaction of such unsatisfied condition, then such party shall provide the other party with written notice specifying in reasonable detail the nature of such unsatisfied condition, whereupon the other party shall have sixty (60) calendar days from the date of receipt of such notice to effect the satisfaction of such unsatisfied condition (but only if such condition is capable of being satisfied within such time period), and Closing shall be postponed until a Business Day specified by such other party with five (5) day's written notice to the party requiring the satisfaction of such condition, with such postponed Closing to occur within five (5) Business Days of the satisfaction of such condition and no later than five (5) Business Days after the sixtieth (60th) calendar day following the initially scheduled Closing Date. Notwithstanding the foregoing, no opportunity to cure shall be available to Buyer with respect to its obligation or ability to pay the Purchase Price at Closing, and the Closing Date shall only be subject to one postponement. If the unsatisfied condition is not satisfied in all material respects (or is not subject to such satisfaction) within such time period, then each party shall be entitled to exercise its rights under Section 8 with this Section 8.4 having no further effect.

8.5 Rights on Termination. If this Agreement is terminated by Buyer in accordance with the provisions of Section 8.2 above due to Seller's material breach of any of the provisions of this Agreement, Buyer shall have all rights and remedies available at law or equity, including the remedy of specific performance described in Section 8.4 below. If this Agreement is terminated by Seller in accordance with the provisions of Section 8.1 due to Buyer's material breach of any provision of this Agreement and Seller is not in material breach of any provision of this Agreement, then Seller shall be entitled to receive the Escrow Amount as liquidated damages as provided in Section 8.9. If neither party is in material breach of any provision of this Agreement, the parties shall not have any further liability to each other upon termination.

8.6 Specific Performance. The parties recognize that if Seller breaches this Agreement and refuse to perform under any or all of the provisions of this Agreement, monetary damages alone would not be adequate to compensate Buyer for its injury. Buyer shall therefore be entitled, in addition to any other remedies that may be available, to obtain specific performance of each of the terms of this Agreement. If any action is brought by Buyer to enforce this Agreement, Seller shall waive the defense that there is an adequate remedy at law.

8.7 Attorneys' Fees. In the event of a default by either party that results in a lawsuit or other proceeding for any remedy available under this Agreement, the prevailing party shall be entitled to reimbursement from the other party of its reasonable legal fees and expenses (whether incurred in arbitration, at trial, or on appeal).

8.8 Surviving Obligations. The rights and obligations of the parties described in Sections 5.3 and 10, and this Section 8 shall survive any termination.

8.9 Payment of Escrow Amount to Seller as Liquidated Damages. If this Agreement is terminated as a result of a material breach by Buyer of any of its obligations, representations, warranties or covenants set forth in this Agreement and Seller is not in material

breach of any provision of this Agreement, then and in that event Seller shall have the right to receive and retain the Escrow Amount. The parties agree that the amount of the actual damages suffered by Seller as a result of a breach by Buyer are likely to be difficult or impractical to ascertain and, therefore, the payment of the Escrow Amount to Seller is fair and reasonable and does not constitute a penalty.

SECTION 9: INDEMNIFICATION

9.1 Survival. Without prejudice to representations and warranties in other agreements delivered hereunder, all representations and warranties of Buyer and Seller herein and in any other certificate, document, or instrument delivered pursuant hereto shall be deemed continuing representations and warranties and shall survive the Closing and shall remain in full force and effect for a period ending on the first anniversary of the Closing Date (or until the final resolution of any claim or dispute which is asserted in reasonably detailed writing prior to the expiration of such period); provided that the representations and warranties in Section 3.2 (Authorization and Binding Obligation), Section 3.9 (Title to Properties), Section 3.11 (Taxes), Section 3.15 (Claims and Legal Actions) and Section 4.2 (Authorization and Binding Obligation) shall survive the Closing until the expiration of the applicable statute of limitations. Notwithstanding anything herein to the contrary, the covenants of the parties contained herein shall survive the Closing until fully performed.

9.2 Indemnification by Seller. After the Closing, subject to Sections 9.1 and 9.5, Seller hereby agrees to indemnify and hold Buyer harmless against and with respect to and shall reimburse Buyer for:

(a) any and all losses, liabilities, costs, expenses, claims, or damages resulting from any untrue representation, breach of warranty, or failure to perform any covenant by Seller contained in this Agreement or in any certificate, document, or instrument delivered to Buyer under this Agreement;

(b) any and all obligations of Seller not assumed by Buyer pursuant to this Agreement, including any liabilities arising at any time under any Contract not included in the Assumed Contracts;

(c) any and all losses, liabilities or damages resulting from the operation or ownership of the Station prior to the Closing, including any liabilities arising under the Assumed Contracts from events occurring prior to the Closing Date, or from the Excluded Assets;

(d) any and all losses, liabilities or damages arising from events occurring prior to the Closing Date relating to the FCC Licenses; and

(e) any and all reasonable out-of-pocket costs and expenses, including reasonable legal fees and expenses, incident to any Action or Judgment incident to the foregoing or incurred in investigating or attempting to avoid the same or to oppose the imposition thereof or in enforcing this indemnity.

9.3 Indemnification by Buyer. After the Closing, but subject to Sections 9.1 and 9.5, Buyer hereby agrees to indemnify and hold Seller harmless against and with respect to, and shall reimburse Seller for:

(a) any and all losses, liabilities, costs, expenses, claims, or damages resulting from any untrue representation, breach of warranty, or failure to perform any covenant by Buyer contained in this Agreement or in any certificate, document, or instrument delivered to Seller under this Agreement;

(b) any and all obligations of Seller assumed by Buyer pursuant to this Agreement;

(c) any and all losses, liabilities or damages resulting from the operation or ownership of the Station after the Closing (excluding with respect to the FCC Licenses prior to the Closing);

(d) any and all losses, liabilities or damages arising from events occurring after the Closing Date relating to the FCC Licenses that continue to survive after the Closing Date; and

(e) any and all reasonable out-of-pocket costs and expenses, including reasonable legal fees and expenses, incident to any Action or Judgment incident to the foregoing or incurred in investigating or attempting to avoid the same or to oppose the imposition thereof or in enforcing this indemnity.

9.4 Procedures for Indemnification. The procedure for indemnification shall be as follows:

(a) The party claiming indemnification (the “**Claimant**”) shall promptly give notice to the party from which indemnification is claimed (the “**Indemnifying Party**”) of any claim, whether between the parties or brought by a third party, specifying in reasonable detail the factual basis for the claim along with a copy of any claim or complaint. If the claim relates to an action, suit, or proceeding filed by a third party against Claimant, such notice shall be given by Claimant within five (5) Business Days after written notice of such action, suit, or proceeding was given to Claimant.

(b) With respect to claims solely between the parties, following receipt of notice from the Claimant of a claim, the Indemnifying Party shall have thirty (30) days to make such investigation of the claim as the Indemnifying Party deems necessary or desirable. For the purposes of such investigation, the Claimant agrees to make available to the Indemnifying Party and its authorized representatives the information relied upon by the Claimant to substantiate the claim. If the Claimant and the Indemnifying Party agree at or prior to the expiration of the thirty (30) day period (or any mutually agreed upon extension thereof) to the validity and amount of such claim, the Indemnifying Party shall immediately pay to the Claimant the full amount of the claim. If the Claimant and the Indemnifying Party do not agree within the thirty (30) day period (or any mutually agreed upon extension thereof), the Claimant may seek appropriate remedy at law or equity.

(c) With respect to any claim by a third party as to which the Claimant is entitled to indemnification under this Agreement, the Indemnifying Party shall have the right at its own expense to participate in or assume control of the defense of such claim, and the Claimant shall cooperate fully with the Indemnifying Party subject to reimbursement for actual out-of-pocket expenses incurred by the Claimant as the result of a request by the Indemnifying Party, provided, however, that the Indemnifying Party may not assume control of the defense unless it affirms in writing its obligation to indemnify Claimant for any damages incurred by Claimant with respect to such third-party claim. Indemnity for such losses, damages and expenses shall not be deemed an admission of liability on the part of the Indemnifying Party as against any such Person. If the Indemnifying Party elects to undertake such defense by its own counsel or representatives, the Indemnifying Party shall give notice to the Claimant within thirty (30) days of its receipt of the notice of claim. If the Indemnifying Party elects to assume control of the defense of any third-party claim, the Claimant shall have the right to participate in the defense of such claim at its own expense, but the Indemnifying Party shall be entitled to control the defense unless the Claimant unconditionally agrees in writing to relieve the Indemnifying Party from liability with respect to the particular matter. So long as the Indemnifying Party is defending in good faith any third-party claim, the Claimant shall not settle or compromise such claim.

(d) The Indemnifying Party shall have the right in good faith to settle or compromise any such claim. Notwithstanding the foregoing, in connection with any such settlement or compromise negotiated by the Indemnifying Party, no Claimant shall be required by an Indemnifying Party to (i) enter into any settlement that does not include as an unconditional term thereof the delivery by the claimant or plaintiff to the Claimant of a release from all liability in respect of such claim or litigation, or (ii) enter into any settlement that attributes by its terms any non-indemnified liability to the Claimant.

(e) If an Indemnifying Party fails, within thirty (30) days after the date of the Claim Notice, to give notice to the Claimant of such Indemnifying Party's election to assume the defense thereof the Indemnifying Party shall be bound by any determination made in such action or any compromise or settlement thereof effected by the Claimant and shall reimburse the Claimant for all losses, damages and expenses (including reasonable attorney's fees) incurred by the Claimant; provided, however, that the Claimant shall keep the Indemnifying Party advised on a timely basis of significant developments with respect to such defense and permit the Indemnifying Party to participate, at its own election and expense, at any time, in the defense thereof.

(f) If a claim, whether between the parties or by a third party, requires immediate action, the parties will make every effort to reach a decision with respect thereto as expeditiously as possible.

(g) The indemnification rights provided in Section 9.2 and Section 9.3 shall extend to the members, partners, shareholders, officers, directors, employees, representatives, and affiliated entities of any Claimant; although for the purpose of the procedures set forth in this Section 9.4, any indemnification claims by such parties shall be made by and through the Claimant.

9.5 Certain Limitations.

(a) The total liability of an Indemnifying Party under this Agreement shall not exceed the aggregate amount of Twenty-Five Thousand Dollars (\$25,000); provided, the foregoing shall not be applicable to any liabilities arising from fraud.

(b) Seller shall not have any liability for losses under this Section 9 to the extent Buyer had knowledge of the applicable breach at the time of the Closing arising from specific written notice of the same.

(c) Notwithstanding any other provision of this Agreement to the contrary, in no event shall a party be entitled to indemnification for such party's incidental, consequential, or punitive damages, regardless of the theory of recovery. Each party hereto agrees to use commercially reasonable efforts to mitigate any losses which provide the basis for any claim for indemnification hereunder. An Indemnifying Party shall not have any liability for losses under this Section 9 to the extent a party failed to mitigate such losses. Each party shall prosecute, or cause its appropriate Affiliate to prosecute, diligently and in good faith any claim for losses or damages with any applicable insurer. The obligation to indemnify against any losses shall be reduced by the amount of any insurance or indemnification proceeds received from third parties, including third party insurers. If a Claimant or any of its Affiliates actually recovers from insurers or other third parties any payments in respect of a matter for which Claimant has been indemnified pursuant to Section 9.2 or Section 9.3, such party shall promptly pay over to the Indemnifying Party the amount so recovered (net of any expenses incurred by it in procuring such recovery), but not in excess of the amount previously paid by the Indemnifying Party to or on behalf of Claimant in respect of such matter.

(d) Following the Closing, the sole and exclusive remedy for either party for any claim arising out of a breach of any representation, warranty, covenant or other agreement herein or in any other or in any certificate, document, or instrument delivered under this Agreement shall be a claim for indemnification pursuant to this Section 9 (other than with respect to fraud or intentional misrepresentation, and other than a party's right to seek specific performance or other equitable remedies).

SECTION 10: MISCELLANEOUS

10.1 Fees and Expenses.

(a) Upon the Closing, Buyer and Seller shall each pay one-half (1/2) of any filing fees, transfer taxes, document stamps, recording costs or other charges levied by any Governmental Authority on account of the transfer of the Assets from Seller to Buyer.

(b) Buyer and Seller shall each pay one-half (1/2) of any fees charged by the FCC in connection with the filing of the FCC Application.

(c) Except as otherwise provided in this Agreement, each party shall pay its own expenses incurred in connection with the authorization, preparation, execution and performance of this Agreement, including all fees and expenses of counsel, accountants, agents

and representatives, and each party shall be responsible for all fees or commissions payable to any finder, broker, advisor, or similar person retained by or on behalf of such party.

10.2 Notices. All notices, demands, and requests required or permitted to be given under the provisions of this Agreement shall be (i) in writing; (ii) sent by electronic mail (with a "read receipt" or other confirmation of delivery), delivered by personal delivery, or sent by commercial delivery service or certified mail, return-receipt requested; (iii) deemed to have been given on the date of the email with read receipt or other written confirmation, the date of personal delivery, or the date set forth in the records of the delivery service or on the return-receipt; and (iv) addressed as follows:

If to Buyer:

H 3 Communications, LLC
1801 Century Park East, Suite 2500
Century City, CA 90067-2327
Attn: Christopher Harker
Email: charker99@gmail.com

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

David Tillotson, Esq.
4606 Charleston Terrace, NW
Washington, DC 20007
Email: dtlaw67@starpower.net

If to Seller

Saga Communications, Inc.
73 Kercheval Avenue
Grosse Pointe Farms, MI 48236
Attn: Samuel D. Bush
Email: sbush@sagacom.com

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

Gary S. Smithwick, Esq.
Smithwick & Belenduik, PC
5028 Wisconsin Ave., NW
Washington, DC 20016
Email: gsmithwick@fccworld.com

David C. Stone, Esq.
Bodman PLC
201 W. Big Beaver Road, Ste. 500
Troy, MI 48084
Email: dstone@bodmanlaw.com

or to any other or additional persons and addresses as the parties may from time to time designate in a writing delivered in accordance with this Section 10.2.

10.3 Assignment; Benefit and Binding Effect. Except as provided in Section 5.15, no party hereto may assign this Agreement without the prior written consent of the other party hereto; provided, such consent shall not be required in the event Buyer desires to assign its rights hereunder to a wholly-owned direct or indirect subsidiary of Buyer; provided further,

Buyer may, without the consent of Seller, collaterally assign its rights hereunder to its lenders; and provided finally, no such assignment to any subsidiary or lender shall relieve Buyer of liability with respect to any its obligations hereunder. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

10.4 Further Assurances. On and after the Closing Date, the parties shall take all appropriate and commercially reasonable actions and execute any other documents that may be reasonably necessary or advisable to the implementation and consummation of this Agreement.

10.5 GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED, CONSTRUED, AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE (WITHOUT REGARD TO THE CHOICE OF LAW PROVISIONS THEREOF).

10.6 Entire Agreement. This Agreement, the Schedules hereto, and all documents, certificates, and other documents to be delivered by the parties pursuant hereto collectively represent the entire understanding and agreement between Buyer and Seller with respect to the subject matter of this Agreement. This Agreement supersedes all prior negotiations between the parties and cannot be amended, supplemented, or changed except by an agreement in writing that makes specific reference to this Agreement and that is signed by the party against which enforcement of any such amendment, supplement, or modification is sought.

10.7 Waiver of Compliance; Consents. Except as otherwise provided in this Agreement, any failure of any of the parties to comply with any obligation, representation, warranty, covenant, agreement, or condition herein may be waived by the party entitled to the benefits thereof only by a written instrument signed by the party granting such waiver, but such waiver of failure to insist upon strict compliance with such obligation, representation, warranty, covenant, agreement, or condition shall not operate as a waiver of or estoppel with respect to any subsequent or other failure. Whenever this Agreement requires or permits consent by or on behalf of any party hereto, such consent shall be given in writing in a manner consistent with the requirements for a waiver of compliance as set forth in this Section 10.7.

10.8 Severability. In the event that any one or more of the provisions contained in this Agreement or in any other instrument referred to herein, shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement or any other such instrument and this Agreement shall be construed in a manner that, as nearly as possible, reflects the original intent of the parties, and if necessary to achieve the original intent of the parties, the parties shall negotiate in good faith the terms of an amendment to this Agreement that enables the parties to effect their original intent as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the greatest extent possible.

10.9 Counterparts. This Agreement may be signed in counterparts with the same effect as if the signature on each counterpart were upon the same instrument.

SECTION 11: ENFORCEMENT OR REMEDIES; DISPUTE RESOLUTION

Except for the right of Buyer to seek specific performance of this Agreement or injunctive relief which shall be pursued in an appropriate court and the right of either party to enforce the provisions of or any determination made pursuant to this section, the parties agree to resolve any disputes arising out of or in connection with this Agreement, other than disputes over prorations which are to be resolved in the manner specified in Section 2.5(b)(3) hereof, as provided in this section.

11.1. Appointment of Dispute Panel. If any dispute is not resolved in the time permitted by this Agreement or, if no time is specified, within fifteen (15) days of the date either party gives the other notice that it intends to invoke the provisions of this section, each party will immediately name one arbitrator who shall be a person with one of the following qualifications (a) substantial experience in television ownership or management, (b) an accountant or communications attorney with substantial experience in television broadcasting, or (c) a television broadcasting consultant, and, within five (5) days of their appointment, the two arbitrators so selected shall select a third arbitrator with similar qualifications (the "Dispute Panel"). In the event one party names an arbitrator within the time period specified herein and the other party fails to do so, the Dispute Panel shall be comprised of the sole arbitrator who was timely named who shall have the full power and authority to resolve the dispute pursuant to the provisions of this Section 11.

11.2. Decision Process. Each party may submit such materials as it may elect to the Dispute Panel provided that a copy of such material is delivered by hand or overnight courier to the other party. Neither party will contact any member of the Dispute Panel to discuss the dispute unless the other party is present in person or by conference telephone call or the other party consents. The Dispute Panel will request and review such information as its members deem necessary to resolve the dispute. The Dispute Panel and each party will treat all information received by it as confidential and will destroy such information when the dispute is resolved. The Dispute Panel will resolve the matters presented to it so as to give each Party the benefit of its bargain by applying the provisions of this Agreement. The Dispute Panel will render its decision as soon as possible, but in any event, within sixty (60) days of the appointment of the third expert. The decision will be in writing and signed by each member of the Dispute Panel. The decision may include an award of damages as permitted by this Agreement. Any third party may rely upon an original copy of the written decision or a copy of the decision certified by any member of the Dispute Panel as evidence of the decision.

11.3. Venue. The parties agree that Washington, D.C., shall be the appropriate venue for any hearings or other proceedings requiring personal appearances of the parties before the Dispute Panel and expressly waive any objection to such venue on the grounds of *forum non conveniens*.

11.4. Binding Effect. The decision of a majority of the members of the Dispute Panel will be binding and final with respect to both parties and may be enforced by seeking preliminary and permanent injunctive relief or entry of a judgment by a court of competent jurisdiction.

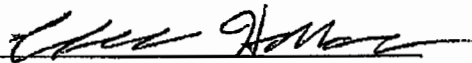
11.5. Costs and Fees. Each party will bear its own costs and expenses and shall pay the costs and fees of the expert appointed by it plus half of the costs and expenses of the third expert. If the Dispute Panel determines by majority decision that the position of a party lacks substantial merit or was taken primarily to delay or otherwise impair the business efforts of the other party, then that party will pay the costs and fees of all the members of the Dispute Panel plus the other party's reasonable attorney's fees.

[Signature Page Follows]

IN WITNESS WHEREOF, this Agreement has been executed by the duly authorized officers of Buyer and Seller as of the date first written above.

BUYER:

H3 COMMUNICATIONS, LLC

By: 

Name: Christopher Harker

Title: President

SELLER:

SAGA BROADCASTING, LLC

By: _____

Name: _____

Title: _____

IN WITNESS WHEREOF, this Agreement has been executed by the duly authorized officers of Buyer and Seller as of the date first written above.

BUYER:

H3 COMMUNICATIONS, LLC

By: _____

Name: Christopher Harker

Title: President

SELLER:

SAGA BROADCASTING, LLC

By: Samuel D. Bush

Name: Samuel D. Bush

Title: Treasurer

LIST OF SCHEDULES

Schedule 3.3	-	Consents
Schedule 3.4	-	Authorizations
Schedule 3.5	-	Real Property Interests
Schedule 3.6	-	Tangible Personal Property
Schedule 3.7	-	Contracts
Schedule 3.8	-	Intangibles
Schedule 3.11	-	Taxes
Schedule 3.14	-	Personnel and Employee Benefits Matters
Schedule 3.15	-	Claims and Legal Actions
Schedule 3.18	-	Exceptions to Conduct of Business in the Ordinary Course
Schedule 3.21	-	Multi-Channel Video Program Distributors
Schedule 6.1(e)	-	Consents

ESCROW AGREEMENT

This ESCROW AGREEMENT, (this "Agreement") is made as of April 3, 2012 by and among H3 Communications, LLC a Mississippi limited liability company ("**Buyer**"), Saga Broadcasting, LLC, a Delaware limited liability company ("**Seller**"); and Gary S. Smithwick, Esq., ("Escrow Agent").

WITNESSETH:

WHEREAS, Seller and Buyer have entered into an Asset Purchase Agreement ("APA") dated April __, 2012, pursuant to which, among other things, Buyer has agreed to purchase from Seller Television Station WXVT, Greenville, Mississippi; and

WHEREAS, Seller and Buyer have, in connection with the APA, also agreed to enter into this Escrow Agreement and to deposit the sum of One Hundred Fifty Thousand Dollars (\$150,000) with the Escrow Agent;

NOW, THEREFORE, in consideration of the terms of the APA and the mutual promises herein contained, it is agreed as follows:

ARTICLE I

Escrow and Escrow Deposit

(a) Buyer and Seller hereby designate and appoint Escrow Agent to act as escrow agent under this Agreement, and Escrow Agent accept such appointment on the terms and conditions set forth in this Agreement.

(b) Pursuant to Section 2.4 of the APA, Buyer will deposit with the Escrow Agent the sum of ONE HUNDRED FIFTY THOUSAND DOLLARS (US\$150,000.00) ("Escrow Deposit") upon execution of this Agreement. The Escrow Deposit shall be invested by Escrow Agent in a separate interest-bearing Federally insured account at Wells Fargo Bank, Friendship Heights Office, in Washington, DC.

(c) Escrow Agent shall disburse the Escrow Deposit as follows:

(1) Joint Notice. Upon receipt by Escrow Agent of a joint notice from Seller and Buyer directing delivery of the Escrow Deposit, Escrow Agent shall immediately pay, without deduction, set-off or counterclaim, the principal of the Escrow Deposit to Seller and all interest and other earnings thereon to Buyer, or as otherwise specified in the joint notice.

(2) Notwithstanding anything in this section to the contrary, after receipt by Escrow Agent of conflicting demands or any other written communication from both parties indicating that there is a dispute concerning the distribution of the Escrow Deposit, Escrow Agent may (i) deposit the Escrow Deposit with a new Escrow Agent agreed to in writing by

Seller and Buyer or any court which has assumed jurisdiction of any dispute, or (ii) commence an action in interpleader in any court of competent jurisdiction and deposit the Escrow Deposit with the court. In the event it receives conflicting demands for the Escrow Deposit or other communications indicating a dispute between Seller and Buyer with respect to the disposition of the Escrow Deposit, Escrow Agent shall refrain from distributing the Escrow Deposit until (i) they receive a joint notice, signed by both Seller and Buyer containing instructions as to the disposition of the Escrow Deposit or (ii) they are instructed by an arbitrator or a court of competent jurisdiction which has resolved the dispute between the parties.

(d) This Agreement shall become effective as of the date hereof and shall continue in force until the delivery of the Escrow Deposit and accrued interest by Escrow Agent pursuant to the terms of this Agreement. The Escrow Agent shall be discharged from its obligations under this Agreement upon delivery of the Escrow Deposit plus any interest accrued thereon as set forth herein.

ARTICLE II

Escrow Agent

(a) The duties and responsibilities of the Escrow Agent shall be limited to those expressly set forth in this Agreement.

(b) In performing any of its duties hereunder, the Escrow Agent shall not incur any liability to anyone for any damages, losses or expenses except for the Escrow Agent's willful default or gross negligence. The Escrow Agent may consult counsel and shall not incur any liability for any action taken or omitted in good faith upon advice of counsel, or for any action taken or omitted in reliance upon any instrument, not only as to its execution and the validity and effectiveness of its provisions, but also as to the truth and accuracy of any information contained therein, which the Escrow Agent shall in good faith believe to be genuine, to have been signed or presented by a proper person or persons and to conform with the provisions of this Agreement. Any expenses incurred by Escrow Agent as a result of the necessity to seek counsel or arbitration concerning the performance of this Agreement shall be borne equally by Buyer and Seller. The Escrow Agent shall not incur any liability due to any loss of deposits by bank failure or otherwise because the amount of the Escrow Deposit exceeds the amount insured by the Federal Deposit Insurance Corporation.

ARTICLE III

Amendments

This Agreement cannot be changed or terminated orally and no waiver of compliance with any provision or condition hereof shall be effective unless evidenced by an instrument in writing duly executed by the party hereto sought to be charged with such waiver.

ARTICLE IV
Notices

All notices, demands, and requests required or permitted to be given under the provisions of this Agreement shall be (i) in writing; (ii) sent by electronic mail (with a "read receipt" or other confirmation of delivery), delivered by personal delivery, or sent by commercial delivery service or certified mail, return-receipt requested; (iii) deemed to have been given on the date of the email with read receipt or other written confirmation, the date of personal delivery, or the date set forth in the records of the delivery service or on the return-receipt; and (iv) addressed as follows:

If to Buyer:

H 3 Communications, LLC
1801 Century Park East, Suite 2500
Century City, CA 90067-2327
Attn: Christopher Harker
Email: charker99@gmail.com

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

David Tillotson, Esq.
4606 Charleston Terrace, NW
Washington, DC 20007
Email: dtlaw67@starpower.net

If to Seller

Saga Communications, Inc.
73 Kercheval Avenue
Grosse Pointe Farms, MI 48236
Attn: Samuel D. Bush
Email: sbush@sagacom.com

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

Gary S. Smithwick, Esq.
Smithwick & Belenduik, PC
5028 Wisconsin Ave., NW
Washington, DC 20016
Email: gsmithwick@fccworld.com

If to Escrow Agent:

Gary S. Smithwick, Esq.
Smithwick & Belenduik, PC
5028 Wisconsin Ave., NW
Washington, DC 20016
Email: gsmithwick@fccworld.com

ARTICLE V
Miscellaneous

(a) This Agreement shall be construed by and governed in accordance with the substantive law of the State of Delaware (without regard to the choice of law provisions thereof).

(b) No party may assign its rights or obligations under this Agreement except as may otherwise be permitted under the APA. This Agreement shall be binding upon and inure to the benefit of the parties, their successors and permitted assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties, their successors and assigns.

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

(d) This Agreement shall automatically terminate upon the distribution of the Escrowed Funds in accordance with Article 1 hereof.

(e) This Agreement sets forth the entire agreement among Seller, Buyer, and Escrow Agent and supersedes any and all prior and contemporaneous agreements and understandings among those parties with respect to the Escrow Deposit under the APA.

(f) Capitalized terms not otherwise defined in this Agreement shall have the meanings ascribed to them in the APA.

[SIGNATURES APPEAR ON NEXT PAGE]

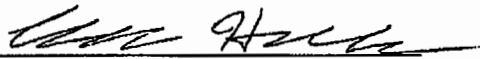
IN WITNESS WHEREOF, this Agreement has been executed by the duly authorized officers of Buyer and Seller as of the date first written above.

BUYER:

H3 COMMUNICATIONS, LLC

SELLER:

SAGA BROADCASTING, LLC

By: 

Name: Christopher Harker

Title: President

By: _____

Name: _____

Title: _____

ESCROW AGENT:

GARY S. SMITHWICK, ESQ.

By: _____
Gary S. Smithwick, President
Escrow Agent

IN WITNESS WHEREOF, this Agreement has been executed by the duly authorized officers of Buyer and Seller as of the date first written above.

BUYER:

H3 COMMUNICATIONS, LLC

By: _____

Name: Christopher Harker

Title: President

SELLER:

SAGA BROADCASTING, LLC

By: Samuel D. Bush

Name: Samuel D. Bush

Title: Treasurer

ESCROW AGENT:

GARY S. SMITHWICK, ESQ.

By: _____

Gary S. Smithwick, President

Escrow Agent

IN WITNESS WHEREOF, this Agreement has been executed by the duly authorized officers of Buyer and Seller as of the date first written above.

BUYER:

H3 COMMUNICATIONS, LLC

By: _____

Name: Christopher Harker

Title: President

SELLER:

SAGA BROADCASTING, LLC

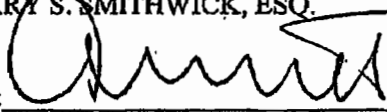
By: _____

Name: _____

Title: _____

ESCROW AGENT:

GARY S. SMITHWICK, ESQ.

By:  _____

Gary S. Smithwick, President
Escrow Agent