

LEASE AGREEMENT

THIS LEASE AGREEMENT (this "Lease") is entered into as of May 11, 2005 by and between Smith Media Burlington, LLC ("Smith Media") and Lambert Broadcasting of Burlington, LLC ("Lambert"). Smith Media and Lambert are referred to each individually as a "Party" and collectively as the "Parties."

WHEREAS, Lambert is the assignee of the rights of Smith Media, to acquire, subject to the consent of the Federal Communications Commission ("FCC"), the FCC licenses and certain related assets of television station WVNY(TV), Burlington, Vermont, including the digital television facilities authorized for the operation of WVNY-DT (collectively referred to as the "Station") pursuant to that certain Asset Purchase Agreement, dated as of November 12, 2004, by and among Channel 22 Television Station, Inc. and C-22 Licensee Subsidiary, LLC (jointly, the "Sellers") and Smith Media (the "Purchase Agreement");

WHEREAS, Lambert and Smith Media are parties to an Amended and Restated Joint Sales Agreement, dated as the date hereof (the "JSA"); and (ii) that certain Shared Services Agreement, dated as of the date hereof (the "Shared Services Agreement");

WHEREAS, Lambert will become a party to a lease for the studio facilities for the Station upon the consummation of the transactions contemplated by the Purchase Agreement; and

WHEREAS, Smith Media desires to lease office and studio facilities and certain related equipment and additional facilities to Lambert, and Lambert desires to lease certain equipment and additional facilities from Smith Media, subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the above recitals and of the mutual agreements and covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, Smith Media and Lambert, intending to be bound legally, agree as follows:

1. DEFINED TERMS. The following is a list of terms used in this Lease and a reference to the section hereof in which such term is defined:

<u>Term</u>	<u>Section</u>
Affiliate	Section 13(e)(viii)(1)
Base Date	Section 5(a)
Communications Act	Section 2(a)
Credit Agreement	Section 7(c)
Defense Counsel	Section 13(e)(i)
Defense Notice	Section 13(e)(i)
Direct Claim	Section 13(e)(v)
FCC	Recitals
Indemnified Party	Section 13(e)(i)
Indemnifying Party	Section 13(e)(i)

<u>Term</u>	<u>Section</u>
Initial Term	Section 5(a)
JSA	Recitals
Lambert	Preamble
Lambert Indemnified Party	Section 13(a)
Lease	Preamble
Lease Payments	Section 3
Lenders	Section 7(c)
Letter Agreement	Section 18
Loan	Section 7(c)
Loss	Section 13(a)
Office Equipment	Section 2(a)
Option Agreement	Section 7(b)
Party	Preamble
Person	Section 13(e)(viii)(2)
Purchase Agreement	Recitals
Sellers	Recitals
Shared Services Agreement	Recitals
Site	Recitals
Smith Media	Preamble
Smith Media Assignee	Section 17
Smith Media Indemnified Party	Section 13(b)
Station	Recitals
Studio Building	Section 2(a)
Third Party Claim	Section 13(e)(viii)(3)
To the best of Lambert 's knowledge	Section 7(b)
To the best of Smith Media's knowledge	Section 6(b)
Transaction Documents	Section 13(e)(viii)(4)
Transition Period	Section 2(d)

2. LEASE. Subject to Lambert's ultimate supervision and control as licensee of the Station, provided that such supervision and control shall not be deemed to permit Lambert to expand in any material respect the obligations of Smith Media or require Smith Media to incur any material additional obligation or liability hereunder:

(a) Smith Media shall provide to Lambert, including its employees and agents, the right to access and use such office furnishings and office equipment as Smith Media acquires from the Sellers pursuant to the Purchase Agreement or any substitutes therefor (the "Office Equipment"), and, if and to the extent Smith Media elects, in its sole discretion, to provide some or all of the services to be provided by Smith Media under the Shared Services Agreement from the studio facility used by Smith Media for WFFF (the "Studio Building"), Smith Media shall provide to Lambert's employees and agents the right to access and use sufficient office space (a portion of which, as agreed by the Parties, shall be for the exclusive use of such employees and agents of Lambert) for the Station's main studio operations, including sufficient space to permit Lambert to maintain and make available to the public the Station's public inspection file in accordance with applicable requirements of the Communications Act of

1934, as amended (the “Communications Act”), at such locations in or near the Studio Building, in each case as may be mutually acceptable to Lambert and Smith Media and as Lambert reasonably requires for the conduct of the business of the Station as contemplated by the terms hereof and in accordance with applicable requirements of the Communications Act, so long as the provision of such space and the use of such equipment do not unreasonably interfere with the conduct of Smith Media’s business or operations.

(b) Smith Media shall give Lambert and its agents a nonexclusive and unrestricted right of access to the Studio Building at all times, subject only to Smith Media’s reasonable security procedures applicable to its own employees, for the purpose of fulfilling Lambert’s obligations as an FCC licensee under the Communications Act. The right granted under this Section shall include the incidental benefit and reasonable right of use of utilities (heat, water, electricity) provided for purposes of Smith Media’s own operations. Smith Media shall provide separate, lockable office facilities for use by Lambert’s general manager or other managerial employee(s) and shall permit Lambert to install appropriate signs on the inside and outside of the Studio Building (consistent with applicable local requirements or agreements, if any, governing such signage and with the overall appearance of the Studio Building) identifying Lambert as the owner and licensee of the Station, and identifying such portion of the Studio Building made available exclusively to Lambert hereunder.

(c) Smith Media shall provide to Lambert the right to use such broadcasting and related equipment of Smith Media as Smith Media acquires from the Sellers pursuant to the Purchase Agreement or any substitutes therefor, which is located at the Station’s studio facility from time to time, as Lambert reasonably requires to operate the Station in the ordinary course and in compliance with the requirements of the FCC and the Communications Act (together with the Office Equipment, the “Equipment”), such use not to interfere unreasonably with the conduct of Smith Media’s business or operations.

(d) If, at the time of termination of this Lease, some or all of the Station’s operations are co-located in the Studio Building, Lambert shall be given a transition period of not less than one (1) year following such termination (the “Transition Period”) in which to relocate such operations. During such Transition Period, Lambert shall have access to the Studio Building in the same manner as during the term of this Lease and Smith Media shall make available to Lambert such of its facilities as may be reasonably necessary to permit Lambert to conduct the broadcast operations of the Station consistent with the requirements of the Communications Act. Such transition period may be lengthened upon such terms and conditions as may be mutually agreeable to the parties.

3. RENT. In consideration for the lease of the Equipment and the Studio Building, Lambert shall pay to Smith Media as rent the sum of Five Thousand Dollars (\$5,000) per calendar month (“Lease Payments”), payable in arrears upon, and subject to, the payment of the JSA Fee (as defined in the JSA) and, if applicable, the Basket Adjustment Payment (as defined in the Shared Services Agreement) in respect of such calendar month under the JSA and the Shared Services Agreement, as applicable. The Lease Payments will be prorated on a daily basis for the first and last months during which this Lease is in effect.

4. ACCEPTANCE OF LEASED PREMISES BY LAMBERT. Lambert acknowledges that it has examined the Studio Building prior to the execution of this Lease and knows the condition thereof, that the Studio Building is in satisfactory condition and suitable for the purposes intended, and that no representations as to the condition or state of repairs thereof have been made by Smith Media or its agents or relied upon by Lambert which are not herein expressed, and Lambert hereby accepts the premises which are the subject of this Lease in their condition at the date of the execution of this Lease.

5. TERM OF LEASE.

(a) Initial Term. The initial term of this Lease shall be from the date that is as soon as reasonably practicable following the consummation of the assignment of the FCC licenses for the Station to Lambert pursuant to FCC consent upon the closing under the Purchase Agreement (the "Base Date") until the date that is eight (8) years after the Base Date (the "Initial Term"), unless terminated in accordance with Section 12 below.

(b) Renewal Term. This Lease shall be renewed automatically without any further action by Smith Media or Lambert if the JSA is renewed in accordance with its terms and shall remain in full force and effect until the JSA is terminated in accordance with its terms, in all cases, subject to Section 2(d) hereof.

6. REPRESENTATIONS AND WARRANTIES OF SMITH MEDIA. Smith Media represents and warrants to Lambert as follows:

(a) Authorization and Binding Obligation. The execution, delivery, and performance of this Lease by Smith Media have been duly authorized by all necessary limited liability company action on the part of Smith Media. This Lease has been duly executed and delivered by Smith Media and constitutes the legal, valid, and binding obligation of Smith Media, enforceable against Smith Media in accordance with its terms except as the enforceability thereof may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium, insolvency, reorganization or other similar laws of general application affecting the enforcement of creditors' rights or by general principles of equity limiting the availability of equitable remedies.

(b) Absence of Conflicting Agreements and Required Consents. The execution, delivery, and performance by Smith Media of this Lease and the documents contemplated hereby (with or without the giving of notice, the lapse of time, or both): (i) will not conflict with the Certificate of Formation or limited liability company agreement of Smith Media; (ii) to the best of Smith Media's knowledge, does not conflict with, result in a breach of, or constitute a default under, any law, judgment, order, ordinance, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality applicable to Smith Media; and (iii) does 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 the terms of, any agreement, instrument, license or permit to which Smith Media is a party or by which Smith Media is bound as of the date of this Lease. For purposes hereof, "To the best of Smith Media's knowledge" or any similar formulation thereof means the actual knowledge of Michael Granados and Ian Guthrie or other officers of Smith Media.

7. REPRESENTATIONS AND WARRANTIES OF LAMBERT. Lambert represents and warrants to Smith Media as follows:

(a) Authorization and Binding Obligation. The execution, delivery, and performance of this Lease by Lambert have been duly authorized by all necessary limited liability company action on the part of Lambert. This Lease has been duly executed and delivered by Lambert and constitutes the legal, valid, and binding obligation of Lambert, enforceable against Lambert in accordance with its terms except as the enforceability thereof may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium, insolvency, reorganization, or other similar laws of general application affecting the enforcement of creditors' rights or by general principles of equity limiting the availability of equitable remedies.

(b) Absence of Conflicting Agreements or Consents. The execution, delivery, and performance by Lambert of this Lease and the documents contemplated hereby (with or without the giving of notice, the lapse of time, or both): (i) will not conflict with the organizational documents of Lambert; (ii) to the best of Lambert's knowledge, does not conflict with, result in a breach of, or constitute a default under any law, judgment, order, ordinance, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality applicable to Lambert, (iii) does 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 the terms of any agreement, instrument, license, or permit to which Lambert (or any parent of Lambert) is a party or by which Lambert (or any parent of Lambert) is bound as of the date of this Lease (and, in all events, exclusive of any programming agreements with respect to the Station or other agreements or Contracts (as defined in the Purchase Agreement) to be assumed by Lambert pursuant to the Purchase Agreement); and (iv) will not create any claim, lien, charge, or encumbrance upon any of the assets of the Station other than Permitted Liens (as defined in the Option Agreement, dated as of February 2, 2005, by and between the Parties (the "Option Agreement")). For purposes hereof, "To the best of Lambert's knowledge" or any similar formulation thereof means the actual knowledge of the Michael Lambert and Michael Jones of Lambert, or the general manager or main engineer of the Station employed by Lambert.

(c) No Liabilities and Limitations on Businesses. Lambert was organized as a Delaware limited liability company on January 26, 2005. Prior to the Base Date, Lambert has not engaged in any business and shall not have any liabilities or obligations, except those liabilities and obligations incurred in connection with its organization, the negotiation, execution, delivery and performance of this Lease, the JSA, the Shared Services Agreement, the Credit Agreement and the Option Agreement and the transactions contemplated hereby and thereby and incidental expenses incurred in connection therewith. Lambert has no indebtedness for borrowed money, other than indebtedness pursuant to the Loan. All of the outstanding equity interests of Lambert, however designated, are owned, beneficially and of record, by Mr. Michael Lambert, and there are no outstanding subscriptions, warrants, options, calls, commitments or other rights to purchase or acquire, or securities convertible into or exchangeable for, any equity or debt interests of Lambert or any obligation of Lambert to issue or grant any thereof. For purposes hereof, the "Loan" means the loan or loans from time to time outstanding pursuant to that certain Credit Agreement (the "Credit Agreement") to be entered into by and among Lambert, the

Lenders party thereto, and The Bank of New York, as Administrative Agent, and BNY Capital Markets, Inc., as Sole Lead Arranger and Book Runner (collectively, the “Lenders”) relating to the acquisition of certain assets by Lambert at the Closing (as defined in the Purchase Agreement).

8. LAMBERT COVENANTS. Lambert covenants with Smith Media as follows:

(a) to surrender the premises which are the subject of this Lease at the expiration of the Lease, subject to Section 2(d) hereof;

(b) to make no additions, improvements or alterations in or to the premises which are the subject of this Lease without the prior written consent of Smith Media;

(c) to permit Smith Media at all reasonable times to enter upon and examine the premises and make such repairs as Smith Media may deem necessary for the protection of the premises which are the subject of this Lease; and

(d) to not underlet or Lease the whole or any part of the premises which are the subject of this Lease without the prior written consent of Smith Media.

9. REENTRY UPON DEFAULT. If Lambert defaults in fulfilling any of its covenants or obligations hereunder or if Lambert does not promptly and fully make any payment of rent due under this Lease, Smith Media at its option may terminate this Lease pursuant to Section 18 and reenter the premises which are the subject of this Lease, remove all persons and property therefrom and take possession of the Equipment.

10. INSURANCE. Lambert shall maintain in effect policies of insurance insuring the assets and the business of the Station pursuant to the terms, and subject to the conditions, of the requirements of the JSA.

11. [INTENTIONALLY OMITTED].

12. TERMINATION.

(a) Mutual Agreement. This Lease may be terminated at any time by mutual agreement of the Parties. This Lease shall terminate upon the consummation of any assignment or transfer of control of the FCC licenses for the Station by Lambert to any Person pursuant to the Option Agreement.

(b) Automatic Termination. This Lease shall terminate automatically without any further action by Lambert or Smith Media upon the termination of the JSA in accordance with its terms.

(c) Optional Termination. This Lease may be terminated by Smith Media, by written notice to Lambert, upon the occurrence of any of the following events, provided that if there is an exercise of the Option (as defined in the Option Agreement) under the Option Agreement prior to such termination or during the thirty-day period thereafter, the termination hereunder shall not be effective until the Option Closing (as defined in the Option Agreement):

(i) If Smith Media is not then in material breach and Lambert is in material breach under this Lease and Lambert has failed to cure such breach within thirty (30) days after receiving written notice of such breach from Smith Media; or

(ii) If Lambert or any Affiliate of Lambert makes a general assignment for the benefit of creditors, files, or has filed against it a petition for bankruptcy, reorganization or an arrangement for the benefit of creditors, or for the appointment of a receiver, trustee, or similar creditor's representative for the property or assets of Lambert or any Affiliate of Lambert under any federal or state insolvency law which, if filed against Lambert or any Affiliate of Lambert, has not been dismissed within thirty (30) days thereof.

(d) Certain Matters Upon Termination. No expiration or termination of this Lease shall terminate the obligations of either Party hereto to indemnify the other for Third Party Claims under Section 13 of this Lease, limit or impair any Party's rights to receive payments due and owing hereunder on or before the effective date of such termination or limit or impair Section 2(d) hereof.

13. INDEMNIFICATION.

(a) By Smith Media. Smith Media shall indemnify, defend and hold harmless Lambert and any employee, director, member, manager, officer, stockholder or agent of Lambert, or any of their respective Affiliates, successors or assignees (exclusive of Smith Media and its Affiliates and agents) (each, a "Lambert Indemnified Party"), from and against, and reimburse and pay to such Lambert Indemnified Party as incurred, any loss, liability, damage or expense (including reasonable legal expenses and costs and any cost or expense arising from or incurred in connection with any action, suit, proceeding, claim or judgment) relating to any matter described in this Section 13(a), or in enforcing the indemnity provided by this Section 13(a) (any such amount being a "Loss"), which any such Lambert Indemnified Party may suffer, sustain or become subject to, in any way arising from, relating to, or as a result of:

(i) any act or action or omission, event or occurrence that was or shall be caused by Smith Media, its agents or Affiliates (including any predecessor in interest thereto)

(ii) any omission by Smith Media or breach by Smith Media (including any predecessor in interest to Smith Media) of any of its obligations hereunder; or

(iii) arising out of or relating to this Lease, except (A) with respect to the rental payment of Lambert pursuant to the terms and subject to the conditions of this Lease, including Section 3, or (B) to the extent arising from, relating to, or as a result of the actions or inactions of Lambert's employees and representatives in performing their duties under this Lease or in acting outside the scope of their employment, which actions or inactions constitute willful misconduct or gross negligence.

The obligations of Smith Media under this Section 13(a) shall survive any termination or expiration of this Lease. The obligations of Smith Media under this Section 13(a) shall be direct and not conditioned or conditional upon Lambert's pursuit of remedies against any other party, including Sellers pursuant to the Purchase Agreement, and irrespective of its rights under the

Purchase Agreement, Lambert shall have the right to elect to proceed against Smith Media in the first instance without any requirement to first proceed against Sellers or such other third party.

Notwithstanding anything to the contrary contained herein, in no event shall Smith Media be liable under this Section 13(a) for punitive, treble, exemplary, consequential, special or other damages that are not actual damages in accordance with applicable law.

(b) By Lambert. Except with respect to or to the extent of any Loss subject to indemnification pursuant to the terms and subject to the conditions of Section 13(a), Lambert shall indemnify, defend and hold harmless Smith Media and any employee, director, member, manager, officer, stockholder or agent of Smith Media, or any of their respective Affiliates, successors or assignees (each, a "Smith Media Indemnified Party") from and against, and reimburse and pay to such Smith Media Indemnified Party, as incurred, any Loss, which any such Smith Media Indemnified Party may suffer, sustain or become subject to, in any way arising from, relating to, or as a result of the actions or inactions of Lambert's employees and representatives in performing their duties under this Lease or in acting outside the scope of their employment, which actions or inactions constitute willful misconduct or gross negligence. The indemnification obligations of Lambert hereunder, under the JSA and under the Shared Services Agreement, in the aggregate, shall in no event exceed a maximum aggregate liability equal to fifty percent (50%) of the amount equal to the difference between (i) all JSA Fees (as defined in JSA) paid to Lambert under the JSA, minus (ii) the sum of (A) all Lease Payments paid to Smith Media hereunder, plus (B) all Services Fees (as defined in the Shared Services Agreement) paid to Smith Media under the Shared Services Agreement; and the payment of any indemnification obligation by Lambert under this Lease, the JSA and the Shared Services Agreement shall in no event be due until and solely in the event of an Option Closing under the Option Agreement and in connection with such Option Closing, the amount of indemnification shall be applied as a credit against the payment obligations of the Option Holder thereunder.

(c) Tax Indemnity. Smith Media shall make the payments described in Schedule 13(c) attached hereto to Lambert in the circumstances and in the amounts set forth in Schedule 13(c) attached hereto pursuant to the terms, and subject to the conditions, thereof.

(d) General. Indemnification shall include all liability, costs and expenses, including counsel fees (at trial and on appeal)

(e) Procedure. (i) If any Person entitled to indemnification under this Lease (an "Indemnified Party") asserts a claim for indemnification for or receives notice of the assertion or commencement of any Third Party Claim as to which such Indemnified Party intends to seek indemnification under this Lease, such Indemnified Party shall give reasonably prompt written notice of such claim to the party from whom indemnification is to be sought (an "Indemnifying Party"), together with a statement of any available information regarding such claim. The Indemnifying Party shall have the right, upon written notice to the Indemnified Party (the "Defense Notice") within fifteen (15) days after receipt from the Indemnified Party of notice of such claim, by which notice the Indemnifying Party shall specify the counsel it will appoint to defend such claim ("Defense Counsel"), to conduct at its expense the defense against such Third Party Claim in its own name, or if necessary in the name of the Indemnified Party; provided, however, that the Indemnified Party shall have the right to approve the Defense Counsel, which

approval shall not be unreasonably withheld or delayed. The Parties hereto agree to cooperate fully with each other in connection with the defense, negotiation or settlement of any Third Party Claim. If the Indemnifying Party delivers a Defense Notice to the Indemnified Party, the Indemnified Party will cooperate with and make available to the Indemnifying Party such assistance and materials as may be reasonably requested by the Indemnifying Party, all at the expense of the Indemnifying Party.

(ii) If the Indemnifying Party shall fail to give a Defense Notice, it shall be deemed to have elected not to conduct the defense of the subject Third Party Claim, and in such event the Indemnified Party shall have the right to conduct such defense in good faith. If the Indemnified Party defends any Third Party Claim, then the Indemnifying Party shall reimburse the Indemnified Party for the costs and expenses of defending such Third Party Claim upon submission of periodic bills. If the Indemnifying Party elects to conduct the defense of the subject Third Party Claim, the Indemnified Party may participate, at his or its own expense, in the defense of such Third Party Claim; provided, however, that such Indemnified Party shall be entitled to participate in any such defense with separate counsel at the expense of the Indemnifying Party if (A) so requested by the Indemnifying Party to participate or (B) in the reasonable opinion of counsel to the Indemnified Party, a conflict or potential conflict exists between the Indemnified Party and the Indemnifying Party that would make such separate representation advisable; and provided, further, that the Indemnifying Party shall not be required to pay for more than one counsel for all Indemnified Parties in connection with any Third Party Claim.

(iii) Regardless of which Party defends a Third Party Claim, the other Party shall have the right at its expense to participate in the defense of such Third Party Claim, assisted by counsel of its own choosing. The Indemnified Party shall not compromise, settle, default on, or admit liability with respect to a Third Party Claim without the prior written consent of the Indemnifying Party, which consent shall not be unreasonably withheld or delayed, and, if the Indemnified Party settles, compromises, defaults on, or admits liability with respect to a Third Party Claim except in compliance with the foregoing, the Indemnified Party will be liable for all Losses paid or incurred in connection therewith and the Indemnifying Party shall have no obligation to indemnify the Indemnified Party with respect thereto. The Indemnifying Party shall not compromise or settle a Third Party Claim without the consent of the Indemnified Party, which consent shall not be unreasonably withheld or delayed, unless such compromise or settlement includes as a term thereof an unconditional release of the Indemnified Party and such compromise or release does not impose any non-monetary obligations on the Indemnified Party other than immaterial administrative obligations (and all monetary obligations are subject to the indemnification provisions of this Lease), in which case the consent of the Indemnified Party shall not be required.

(iv) After any final decision, judgment or award shall have been rendered by a governmental entity of competent jurisdiction and the expiration of the time in which to appeal therefrom, or a settlement shall have been consummated, or the Indemnified Party and the Indemnifying Party shall have arrived at a mutually binding agreement with respect to a Third Party Claim hereunder, the Indemnified Party shall deliver to the Indemnifying Party notice of any sums due and owing by the Indemnifying Party pursuant to this Lease with respect to such matter and the Indemnifying Party shall be required to pay all of the sums so due and

owing to the Indemnified Party by wire transfer of immediately available funds within ten (10) business days after the date of such notice.

(v) It is the intent of the Parties that all direct claims by an Indemnified Party against a party not arising out of Third Party Claims shall be subject to and benefit from the terms of this Section 13(e). Any claim under this Section 13(e) by an Indemnified Party for indemnification other than indemnification against a Third Party Claim (a "Direct Claim") will be asserted by giving the Indemnifying Party reasonably prompt written notice thereof, and the Indemnifying Party will have a period of twenty (20) days within which to satisfy such Direct Claim. If the Indemnifying Party does not so respond within such 20-day period, the Indemnifying Party will be deemed to have rejected such claim, in which event the Indemnified Party will be free to pursue such remedies as may be available to the Indemnified Party under this Section 13.

(vi) A failure by an Indemnified Party to give timely, complete, or accurate notice as provided in this Section 13(e) shall not affect the rights or obligations of either party hereunder except to the extent that, as a result of such failure, any party entitled to receive such notice was deprived of its right to recover any payment under its applicable insurance coverage or was otherwise materially adversely affected or damaged as a result of such failure to give timely, complete, and accurate notice.

(vii) The parties shall use their commercially reasonable efforts to collect the proceeds of any insurance that would have the effect of reducing any Losses (in which case such proceeds shall reduce such Losses). To the extent any Losses of an Indemnified Party are reduced by receipt of payment under insurance policies or from third parties not affiliated with the Indemnified Party, such payments (net of the expenses of the recovery thereof) shall be credited against such Losses and, if indemnification payments shall have been received prior to the collection of such proceeds, the Indemnified Party shall remit to the Indemnifying Party the amount of such proceeds (net of the cost of collection thereof) to the extent of indemnification payments received in respect of such Losses. The indemnification obligations hereunder shall survive any termination of this Lease.

(viii) For purposes of this Lease:

(1) "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, without limitation, (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 (or comparable governing body) 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.

(2) "Person" includes, without limitation, natural persons, corporations, business trusts, associations, companies, joint ventures, and partnerships.

(3) “Third Party Claim” means any action, suit, claim or legal, administrative, arbitration, mediation, governmental or other proceeding, or investigation, other than any brought by a party to this Lease or an Affiliate of a party to this Lease.

(4) “Transaction Documents” means this Lease, the JSA, the Shared Services Agreement, the Option Agreement, the Letter Agreement, the Purchase Agreement and the other documents, agreements and instruments executed by the Parties in connection therewith.

(f) Exclusivity. After the Base Date, the indemnification provided by this Section 13 shall be the sole and exclusive remedy of Smith Media against Lambert for any claim arising out of a breach of any representation, warranty, covenant or agreement herein or otherwise in connection with this Lease; provided, that this Section 13(f) shall not prohibit (i) injunctive relief (including specific performance) pursuant to Section 20 if available under applicable law or (ii) any other remedy available at law or in equity for any fraud committed in connection with this Lease.

14. FORCE MAJEURE. Any delay or interruption in the broadcast operation of the Station, in whole or in part, due to Acts of God, strikes, lockouts, material or labor restrictions, governmental action, riots, natural disasters or any other cause not reasonably within the control of either Party shall not constitute a breach of this Lease, and neither Party shall be liable to the other for any liability or obligation with respect thereto.

15. UNENFORCEABILITY. If one or more provisions of this Lease or the application thereof to any Person or circumstances shall be invalid or unenforceable to any extent, the remainder of this Lease and the application of such provisions to other Persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law, except that, if such invalidity or unenforceability should change the basic economic positions of the Parties, they shall negotiate in good faith such changes in other terms as shall be practicable in order to restore them to their prior positions. In the event that the FCC alters or modifies its rules or policies in a fashion which would raise substantial and material questions as to the validity of any provision of this Lease, the Parties shall negotiate in good faith to revise any such provision of this Lease in an effort to comply with all applicable FCC rules and policies while attempting to preserve the intent of the Parties as embodied in the provisions of this Lease. The Parties agree that, upon the request of either of them, they will join in requesting the view of the staff of the FCC, to the extent necessary, with respect to the revision of any provision of this Lease in accordance with the foregoing.

16. NOTICES. All notices, demands, and requests required or permitted to be given under the provisions of this Lease shall be (a) in writing, (b) delivered by personal delivery, or sent by commercial delivery service or registered or certified mail, return receipt requested, (c) deemed to have been given on the date of personal delivery or the date set forth in the records of the delivery service or on the return receipt, and (d) addressed as follows:

If to Lambert: Lambert Broadcasting of Burlington, LLC
120 N. Crescent Drive
Suite 200
Beverly Hills, CA 90210
Attention: Mr. Michael Jones
Phone: (310) 551-1900
Fax: (310) 385-4004

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

Covington & Burling
1201 Pennsylvania Avenue, N.W.
Washington, DC 20004-2401
Attention: Eric Greenberg, Esq.
Phone: (202) 662-5193
Fax: (202) 662-6291

If to Smith Media: Smith Media Burlington, LLC
c/o Smith Media LLC
1215 Cole Street
St. Louis, MO 63106
Attention: Mr. Ian Guthrie
Phone: (314) 853-7736
Fax: (314) 259-5532

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

Dow, Lohnes & Albertson, PLLC
1200 New Hampshire Avenue, N.W.
Suite 800
Washington, DC 20036-6802
Attention: John T. Byrnes, Esq.
Phone: (202) 776-2535
Fax: (202) 776-2222

17. ASSIGNMENT; BINDING AGREEMENT. Neither Party may assign this Lease or delegate its obligations under this Lease without the prior written consent of the other. Notwithstanding anything to the contrary contained herein, (a) Smith Media may assign its rights and obligations under this Lease to any Person to whom it assigns its rights and obligations under the JSA, or to any party to whom Smith Media assigns its rights and interests under the Purchase Agreement in accordance with Section 10.3 of the Purchase Agreement (a "Smith Media Assignee") upon written notice to Lambert; provided that Smith Media, as assignor, shall guarantee, and remain responsible for, the full and complete performance of its assignee and any subsequent assignee of Smith Media's assignee and (b) Lambert shall assign this Lease and all of its rights and obligations hereunder to any Person to which it transfers or assigns the Station's FCC licenses with the prior written consent of Smith Media, which consent shall not be

unreasonably withheld, provided that as a condition to such transfer or assignment (i) the prior written consent of the Required Lenders (as defined in, and pursuant to the terms, and subject to the conditions, of the Credit Agreement) is obtained, (ii) this Lease, the JSA, the Shared Services Agreement, the Option Agreement and the Loan and all of Lambert's rights and obligations hereunder and thereunder are assigned to such Person, which assignments are to be effective simultaneously, (iii) such Person is legally and financially qualified to be the holder of the Station's FCC licenses and (iv) such Person executes and delivers to Smith Media and the Lenders an instrument in form and substance reasonably acceptable to Smith Media, the Lenders and their respective counsel, accepting such assignments of this Lease, the JSA, the Shared Services Agreement, the Option Agreement and the Loan and the rights and obligations of Lambert hereunder and thereunder and agreeing to pay, discharge and perform the obligations and liabilities of Lambert hereunder and thereunder in accordance with the terms hereof and thereof and such other documents and instruments as Smith Media and the Lenders may reasonably request. In the event that Smith Media assigns its rights and interests under the Purchase Agreement to a Smith Media Assignee, Lambert shall, at Smith Media's request, assign its rights and interests under this Lease to such Smith Media Assignee, effective upon the consummation of the assignment of the Station's FCC licenses to such Smith Media Assignee. Upon any such assignment of this Lease, Lambert shall pay all amounts accrued and owing to Smith Media as of the consummation date of such assignment. This Lease shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. Any permitted assignee of Smith Media or Lambert shall be a "Party" to this Lease for all purposes hereof.

18. ENTIRE AGREEMENT; AMENDMENT; WAIVER. This Lease and any attachments and schedules hereto (which are hereby incorporated by reference and made a part hereof), the JSA, the Shared Services Agreement, the Option Agreement, the Credit Agreement, the letter agreement, dated February 2, 2005, from Smith Media to Lambert (the "Letter Agreement"), the Assignment and Assumption Agreement (as defined in the Letter Agreement) and, when executed and delivered by the parties thereto, the Credit Agreement, collectively represent the entire understanding and agreement among the Parties with respect to the subject matter hereof and thereof and supersede all prior agreements with respect to the subject matter hereof and thereof. Notwithstanding anything to the contrary contained herein or in any of the other Transaction Documents or omitted from any of the other Transaction Documents, the Parties acknowledge and agree that Smith Media may offset any amount owed by Lambert to Smith Media pursuant to this Agreement as a credit against any amount owed by Smith Media to Lambert pursuant to any other Transaction Document. No term or provision hereof may be changed, modified, amended, terminated or discharged (other than in accordance with its terms), in whole or in part, except by a writing which is dated and signed by the Parties. No waiver of any of the provisions or conditions of this Lease or of any of the rights, powers or privileges of a Party shall be effective or binding unless in writing and signed by the Party claimed to have given or consented to such waiver.

19. GOVERNING LAW. This Lease shall be construed and governed in accordance with the laws of New York without reference to the conflict of laws principles thereof that would cause the application of the laws of any jurisdiction other than the State of New York.

20. SPECIFIC PERFORMANCE. The Parties hereto agree that the Leased Premises are unique, and recognize and affirm that in the event of a breach of this Lease, monetary damages may be inadequate and the Parties may have no adequate remedy at law. Accordingly, to the extent permitted by the Communications Act and the rules, regulations and policies of the FCC then in effect, either Party may request that a decree of specific performance be issued by a court of competent jurisdiction, enjoining the other Party to observe and to perform such other Party's covenants, conditions, agreements and obligations hereunder, and each Party hereby agrees neither to oppose nor to resist the issuance of such a decree on the grounds that there may exist an adequate remedy at law for any material breach of this Lease.

21. CONFIDENTIALITY. Each Party hereto agrees that it will not at any time during or after the termination of this Lease disclose to others or use, except as duly authorized in connection with the conduct of the business or the rendering of services hereunder, any secret or confidential information of the other Party. To the extent required by the Communications Act, each Party shall place a copy of this Lease in its public inspection file and shall consult with and agree upon the confidential and proprietary information herein that shall be redacted from such copy.

22. PRESS RELEASE. Neither Party shall publish any press release, make any other public announcement or otherwise communicate with any news media concerning this Lease or the transactions contemplated hereby without the prior written consent of the other Party; provided, however, that nothing contained herein shall prevent either Party from promptly making all filings with governmental authorities as may, in its judgment, be required or advisable in connection with the execution and delivery of this Lease or the consummation of the transactions contemplated hereby.

23. FURTHER ASSURANCES. The Parties shall take any actions and execute any other documents that may be necessary or desirable to the implementation and consummation of this Lease.

24. COUNTERPARTS AND FACSIMILE SIGNATURES. This Lease may be executed in one or more counterparts, each of which will be deemed an original but all of which taken together will constitute one and the same instrument. This Lease shall be legally binding and effective upon delivery of facsimile signatures.

25. CAPTIONS. The captions used in this Lease are for convenience of reference only, do not constitute a part of this Lease and will not be deemed to limit, characterize or in any way affect any provision of this Lease, and all provisions of this Lease will be enforced and construed as if no caption had been used in this Lease.

26. OTHER DEFINITIONAL PROVISIONS. The terms "hereof," "herein" and "hereunder" and terms of similar import will refer to this Lease as a whole and not to any particular provision of this Lease. Section references contained in this Lease are references to Sections in this Lease, unless otherwise specified. Each defined term used in this Lease has a comparable meaning when used in its plural or singular form. Each gender-specific term used in this Lease has a comparable meaning whether used in a masculine, feminine or gender-neutral form. Whenever the term "including" is used in this Lease (whether or not that term is followed

by the phrase “but not limited to” or “without limitation” or words of similar effect) in connection with a listing of items within a particular classification, that listing will be interpreted to be illustrative only and will not be interpreted as a limitation on, or an exclusive listing of, the items within that classification.

27. NO PARTNERSHIP OR JOINT VENTURE. This Lease is not intended to be, and shall not be construed as, an agreement to form a partnership or a joint venture between the Parties. Except as otherwise specifically provided in this Lease, neither Party shall be authorized to act as an agent of or otherwise to represent the other Party.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have executed this Lease as of the date first written above.

SMITH MEDIA:

SMITH MEDIA BURLINGTON, LLC

By: 

Name: Ian J. Guthrie

Title: Vice President/Chief Financial Officer

LAMBERT:

LAMBERT BROADCASTING OF BURLINGTON, LLC

By: _____

Name:

Title:

IN WITNESS WHEREOF, the Parties have executed this Lease as of the date first written above.

SMITH MEDIA:

SMITH MEDIA BURLINGTON, LLC


By: _____

Name:

Title:

LAMBERT:

LAMBERT BROADCASTING OF BURLINGTON, LLC

By:  _____

Name: MICHAEL J. Lambert

Title: SOLE member