

**ASSET PURCHASE AGREEMENT**

**by and between**

**STAINLESS BROADCASTING, L.P.,  
STAINLESS BROADCASTING, L.L.C.**

**And**

**MISSION BROADCASTING, INC.**

**September 13, 2013**

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## ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (the “Agreement”) is entered into as of September 13, 2013 (the “Agreement Date”), by and between Stainless Broadcasting, L.P., a New York limited partnership (“Stainless LP”), and Stainless Broadcasting, L.L.C., a New York limited liability company (“Stainless” and collectively with Stainless LP, “Seller”), on the one hand, and Mission Broadcasting, Inc., a Delaware corporation (“Buyer”), on the other hand. Seller and Buyer are referred to individually as a “Party” and collectively as the “Parties.”

### RECITALS

- A. Stainless is the owner of the assets (other than the FCC Licenses) used in the operation of the television broadcast station WICZ-TV, digital channel 8, virtual channel 40, and low power television station WBPN-LP, channel 10, each licensed to the Binghamton, New York DMA (collectively the “TV Station”) pursuant to certain authorizations issued by the FCC.
- B. Stainless LP is the FCC licensee of the FCC Licenses.
- C. Seller has agreed to convey to Buyer substantially all of the Purchased Assets comprising the TV Station, other than the Excluded Assets and Non-Assumed Liabilities, for the consideration and on the terms and conditions set forth in this Agreement.
- D. Buyer has agreed to purchase the Purchased Assets and assume the Assumed Liabilities of Seller, on the terms and conditions set forth in this Agreement.

**NOW, THEREFORE**, in consideration of the mutual promises and covenants contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

### ARTICLE I DEFINITIONS

Section 1.1. Definitions. The following terms have the following meanings for purposes of this Agreement:

“Affiliate” means, with respect to any a specified Person, any Person or member of a group of Persons acting together that, directly or indirectly, through one or more intermediaries, Controls, or is controlled by or is under common control with, the specified Person.

“Agreement” means this Asset Purchase Agreement, together with the Schedules and Exhibits attached hereto, as the same may be amended from time to time in accordance with the terms hereof.

“Agreement Date” has the meaning set forth in the preamble.

“Assumed Liabilities” has the meaning set forth in Section 2.3.

“Benefit Plans” has the meaning set forth in Section 4.17(a).

“Books and Records” has the meaning set forth in Section 2.1(h).

“Business” means all revenue-generating businesses conducted by Seller on the date of this Agreement through the TV Station.

“Business Systems” has the meaning set forth in Section 4.9(e).

“Buyer” has the meaning set forth in the preamble.

“Buyer Indemnitees” has the meaning set forth in Section 9.3.

“Cap” has the meaning set forth in Section 9.5(a).

“Cable Act” means the Cable Television and Consumer Protection and Competition Act of 1992, Pub. L. No. 102-385, 106 Stat. 1460 (1992).

“Closing” has the meaning set forth in Section 2.10(a).

“Closing Date” has the meaning set forth in Section 2.10(b).

“Code” means the Internal Revenue Code of 1986, as amended from time to time, and the regulations promulgated pursuant thereto.

“Collection Period” has the meaning set forth in Section 2.9(b).

“Commitment Properties” has the meaning set forth in Section 7.3(a).

“Communications Laws” means the Communications Act of 1934, as amended, and the rules, regulations and written policies of the FCC promulgated pursuant thereto.

“Consultant” has the meaning set forth in Section 4.16(b).

“Control” (including the terms “controlling,” “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ownership of voting securities or partnership, membership, trustee, executor or other ownership interests, by contract or otherwise.

“Customer Lists” means all lists, documents, written information and computer programs and other computer readable media in Seller’s possession concerning past, present and potential purchasers of services from the TV Station, except where the sale of any such information is prohibited by the terms of an agreement between Seller and another Person.

“Damages” means any and all actions, suits, claims, awards, obligations, penalties, Proceedings, investigations, audits, demands, losses, liabilities, damages, assessments, fines, judgments, interest fees, costs, expenses and disbursements (including reasonable fees, costs,

expenses and disbursements of investigation and defense and attorneys' and other professionals' fees, costs, expenses and disbursements), whether or not involving a third party claim.

“Deductible” has the meaning set forth in Section 9.5(a).

“Deposit” has the meaning set forth in Section 2.7 hereof.

“Deposit Escrow Agreement” means the Deposit Escrow Agreement among Buyer, Seller and the escrow agent, in accordance with which Buyer shall, as of the date hereof, deposit with the escrow agent the Deposit.

“Direct Claim” has the meaning set forth in Section 9.4(c).

“Direct Claim Notice” has the meaning set forth in Section 9.4(c).

“DMA” means the geographic area delineated and determined by Section 76.55(e) of the Communications Laws, or such other rule or decision of the FCC as may be promulgated from time to time for purposes of its must-carry rules to determine local television markets for commercial broadcast television stations, and as may be amended by applicable market modification decisions of the FCC, for the TV Station.

“Effective Time” has the meaning set forth in Section 2.10(b).

“Employment Contracts” has the meaning set forth in Section 7.2(b).

“Employment Obligations” has the meaning set forth in Section 7.2(b).

“Encumbrance” means any charge, claim, community property interest, condition, equitable interest, mortgage, deed of trust, lien, option, pledge, hypothecation, security interest, collateral security arrangement, right of first refusal, conditional sale or other title retention agreement, indenture, encumbrance, adverse interest, constructive trust or other trust, exception to or defect in title or other ownership interest (including reservations, rights of entry, possibilities of reverter, encroachments, easements, rights-of-way, restrictive covenants, leases and licenses), or other charge or restriction of any kind, including any restriction on use, voting, transfer, receipt of income, or exercise of any other attribute of ownership, or the filing of or agreement to give any financing statement or other lien with respect to any assets or property under the Uniform Commercial Code of the State of New York or a comparable law of any jurisdiction.

“Environment” means surface waters, ground waters, surface water sediment, soil, subsurface strata, buildings, indoor air, ambient air and other environmental medium.

“Environmental Consultant” has the meaning set forth in Section 7.4.

“Environmental Laws” means any and all federal, state or local laws (including common law), statutes, rules, regulations, codes, policies, ordinances, orders, injunctions and directives, in effect on or prior to the Closing Date: (a) related to releases or threatened releases of any Hazardous Substance to the Environment; (b) governing the use, treatment, storage, disposal,

transport or handling of Hazardous Substances; or (c) related to the protection of the Environment, occupational safety, and human health. Such Environmental Laws include the following federal laws: the Resource Conservation and Recovery Act, the Comprehensive Environmental Response, Compensation, and Liability Act, the Emergency Planning and the Community Right-to-Know Act, the Clean Air Act, the Clean Water Act, the Safe Drinking Water Act, the Occupational Safety and Health Act, as it relates to management of or exposure to hazardous substances and the Toxic Substances Control Act.

“Equipment” has the meaning set forth in Section 2.1(e).

“ERISA” has the meaning set forth in Section 4.17(a).

“ERISA Affiliate” has the meaning set forth in Section 4.17(a).

“Escrow Agent” means the escrow agent appointed pursuant to the Indemnity Escrow Agreement.

“Estimated Purchase Price” has the meaning set forth in Section 2.8(a).

“Event of Loss” means any loss, taking, condemnation, or destruction of, or damage to, any of the Purchased Assets or the TV Station.

“Excluded Assets” has the meaning set forth in Section 2.2.

“Exhibits” means the Exhibits to this Agreement which are delivered concurrently with this Agreement and are hereby incorporated herein and made a part hereof.

“FCC” means the Federal Communications Commission, including any official bureau or division thereof acting on delegated authority, or any successor agency thereto.

“FCC Consent” means action by the FCC (including any action duly taken by the FCC’s staff pursuant to delegated authority) granting its written consent to the assignment of the FCC Licenses from Stainless LP to Buyer.

“FCC Documents” has the meaning set forth in Section 2.1(c).

“FCC Licenses” has the meaning set forth in Section 2.1(b).

“FICA Taxes” means all taxes imposed on employers under the Federal Insurance Contributions Act.

“Final Closing Statement” has the meaning set forth in Section 2.8(b).

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

for the taking of any such *sua sponte* action by the FCC shall have expired or otherwise terminate.

“Final Report” has the meaning set forth in Section 2.9(d).

“Financial Statements” has the meaning set forth in Section 4.4.

“Fines” has the meaning set forth in Section 2.4.

“GAAP” means generally accepted accounting principles set forth in opinions and pronouncements of the Accounting Principals Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board, in each case as the same are applicable to the circumstances of the date of determination.

“Governmental Authority” means any court, tribunal, arbitrator, political subdivision of administrative or other governmental department, agency, board, commission, authority or instrumentality whether federal, state, county, provincial, local or foreign.

“Government Authorizations” means, collectively, all authorizations, agreements, licenses, certificates of authority, permits or other authorization for and with respect to the construction and operation of the TV Station obtained from any Governmental Authority, including the FCC Licenses, any additions, renewals and extensions thereof or thereto, and all pending applications for modification, extension or renewal thereof, held by Seller, including the government authorizations listed on Schedule 2.1(a) and Schedule 2.1(b).

“Hazardous Substance” means any material, chemical, compound, mixture, hazardous substance, hazardous waste, noise, radiation, mold, or other pollutant or contaminant defined, listed, classified, regulated or prohibited under any Environmental Law, but excluding materials occurring naturally at or about any facility.

“Improvements” means all buildings, structures, improvements, fixtures, building systems and equipment, and all components thereof, including, without limitation, the roof, foundation, load-bearing walls and other structural elements thereof; heating, ventilation, air conditioning, mechanical, electrical, plumbing and other building systems; environmental control, remediation and abatement systems; sewer, storm and waste water systems; irrigation and other water distribution systems; parking facilities; fire protection, security and surveillance systems; and telecommunications, computer, wiring and cable installations, included in the Real Property.

“Indemnifying Party” has the meaning set forth in Section 9.4(a).

“Indemnity Escrow Agreement” has the meaning set forth in Section 2.5(b).

“Indemnity Escrow Fund” has the meaning set forth in Section 2.5(b).

“Indemnity Escrow Period” means a period of one year after the Closing Date.

“Independent Accountant” has the meaning set forth in Section 2.8(e).

“Intangibles” means all assets constituting intangible assets, including credits, prepaid expenses, and similar items (excluding such credits, expenses and items relating to Excluded Assets or Non-Assumed Liabilities), claims and rights under guaranties, warranties, goodwill and indemnities (excluding such claims and rights relating to Excluded Assets or Non-Assumed Liabilities), if any, owned, used or held by Seller and used in the Business.

“Intellectual Property” means all Intangibles, all call letters, trademarks, trade names, service marks, designs, trade names, patents, inventions, trade secrets, know-how, processes, methods, techniques, Internet domain names, websites, web content, accounts with Twitter, Facebook and other social media companies and the content found thereon and related thereto, databases, software or applications (including user-applications, source code, executable code, systems, tools, data, firmware and related documentation), copyrights and other works of authorship, programs and programming material, jingles, slogans, logos, content, all applications, registrations and renewals relating to any of the foregoing, any other intellectual property rights or proprietary rights in or arising from any of the foregoing, and in all tangible embodiments of the foregoing, including all licenses, sublicenses and other rights granted and obtained with respect thereto, and rights thereunder, including rights to collect royalties, products and proceeds, rights to sue and bring other claims and seek remedies against past, present and future infringements or misappropriations thereof or other conflicts therewith, rights to recover damages, and other rights to recover damages (including reasonable attorneys’ fees and expenses), and otherwise to seek protection or enforcement of interests therein under the Legal Requirements of all jurisdictions.

“IRS” means the Internal Revenue Service or any successor agency thereto.

“Legal Requirement” means any federal, state, county, local, international, or other administrative order, law, ordinance, principle of common law, rule, regulation, statute, policy or code.

“Material Adverse Effect” means any event, change, circumstance or effect that has had or would reasonably be expected to have a materially adverse effect on the properties, operations, business, financial condition or results of operations of the TV Station or the Purchased Assets taken as a whole or on the ability of Seller to perform its material obligations under this Agreement, other than any event, change, circumstance or effect, directly or indirectly, arising out of or attributable to (a) matters affecting the broadcast television industry generally (including legislative, regulatory or litigation matters) to the extent that the effect thereof are not materially disproportionately adverse to or on the TV Station or the Business as compared to the television broadcasting industry generally; (b) matters affecting U.S. or global economy generally or capital or financial markets generally to the extent that the effect thereof are not materially disproportionately adverse to or on the TV Station or the Business as compared to the broadcast television industry generally; (c) any general economic downturn caused by acts of war or terrorism or natural disaster to the extent that the effect thereof are not materially disproportionately adverse to or on the TV Station or the Business as compared to the broadcast television industry generally; (d) any failure to meet internal or published financial or ratings projections, estimates or forecasts of revenue, earnings, or other measures of financial or operating performance for any period (it being understood that the facts or occurrences giving rise to such failure may be deemed to constitute, or be taken into account in determining whether

there has been or will be, a Material Adverse Effect); (e) an action required or permitted by this Agreement; (f) the public announcement or consummation of the transactions contemplated by this Agreement; or (g) any act or omission taken with the prior consent or at the specific request of Buyer.

“Material Equipment” has the meaning set forth in Section 4.7.

“Material Contracts” has the meaning set forth in Section 4.10.

“MVPD” means a multichannel video programming distributor.

“Non-Assumed Liabilities” has the meaning set forth in Section 2.4.

“Ordinary Course of Business” means the ordinary course of business of Seller in the operation of the Business, consistent with past custom and practice.

“Owned Real Property” has the meaning set forth in Section 2.1(d).

“Party” or “Parties” has the meaning set forth in the preamble.

“Payables” means all debts, obligations or liabilities of Seller with respect to the outstanding accounts payable, including unpaid commissions due to Station Employees and national sales representatives of Seller as of the Effective Time arising out of the operation of the TV Station other than with respect to Trade Agreements.

“Permitted Encumbrances” means: (a) liens for current Taxes, assessments and governmental charges not yet due and payable (or being contested in good faith); (b) zoning laws and ordinances and similar Legal Requirements regulating the use or occupancy of such Real Property or the activities conducted thereon which are imposed by any governmental authority having jurisdiction over such Real Property which are not violated by the current use or occupancy of such Real Property or the operation of the Business thereon; (c) inchoate materialmens’, mechanics’, workmens’, repairmens’ or other like Encumbrances not yet due and payable or for which appropriate reserves have been created in accordance with GAAP (or provided that the Title Company agrees to insure over any such exception raised in the Title Commitment pertaining to such Encumbrances) and that are not resulting from any breach, violation or default by Seller of any Purchased Contract or applicable law; (d) as to interests in the Owned Real Property, any deed restrictions, building restrictions, easements, rights-of-way, servitudes, permits, restrictions and minor imperfections or irregularities in title, minor discrepancies and conflicts in boundary lines, shortages in area, encroachments, and any other fact that a correct survey and inspection of the property would disclose, and in each case that do not individually or in the aggregate materially interfere with the right or ability to own, use, lease or operate the Owned Real Property as presently utilized or materially affect the value of such property; (e) in the case of Owned Real Property, any lease or sublease by Seller in favor of a third party that is disclosed on Schedule 4.8(c); and (f) those Encumbrances described as “Permitted Encumbrances” on Schedule 1-A.

“Person” means any individual, partnership, limited liability company, corporation, association, firm, joint stock company, trust, estate, joint venture, unincorporated organization, Governmental Authority or any other entity.

“Phase I Environmental Assessment” has the meaning set forth in Section 7.4.

“Phase I Time Period” has the meaning set forth in Section 7.4.

“Preliminary Closing Statement” has the meaning set forth in Section 2.8(a).

“Proceeding” means any action, arbitration, assertion, audit, charge, claim, complaint, grievance, demand, notice, hearing, inquiry, investigation, litigation, mediation or suit (whether civil, criminal, administrative, investigative, private or informal) commenced, brought, conducted, or heard by or before, or otherwise involving, any Governmental Authority or under any Legal Requirement.

“Program Contracts” means all Purchased Contracts related to Program Rights.

“Program Rights” means all rights of Seller presently existing, or obtained prior to the Closing, in accordance with this Agreement, to broadcast television programs, feature films or shows as part of the TV Station’s programming and for which Seller is or will be obligated to compensate the vendor of such Program Rights, including all film and program barter agreements.

“Purchase Price” has the meaning set forth in Section 2.5(a).

“Purchased Assets” has the meaning set forth in Section 2.1.

“Purchased Contracts” has the meaning set forth in Section 2.1(f).

“Receivables” has the meaning set forth in Section 2.9(a).

“Related Agreements” means all written agreements, instruments, affidavits, certificates and other documents, other than this Agreement, that are executed and delivered by Buyer or Seller, or any of their respective Affiliates, pursuant to this Agreement or in connection with Buyer’s purchase of the Purchased Assets or any other transactions contemplated by this Agreement, regardless of whether such agreements, instruments, affidavits, certificates and other documents are expressly referred to in this Agreement.

“Required Consents” means the third party consents set forth on Schedule 6.3 hereto.

“Schedules” means the Schedules to this Agreement which are delivered concurrently with this Agreement and are hereby incorporated herein and made a part hereof.

“Seller” has the meaning set forth in the preamble.

“Seller Indemnitees” has the meaning set forth in Section 9.2.

“Station Employees” has the meaning set forth in Section 4.16(a).

“Survey” has the meaning set forth in Section 7.3(b).

“Tax” (including, with correlative meaning, the terms “Taxes,” and “Taxable”) means any and all federal, state, local, county, provincial, national, foreign and other taxes, fees, levies, duties, tariffs, imposts, and other similar charges (together with any and all interest, penalties and additions to tax) imposed by any governmental or taxing authority including taxes or other charges on or with respect to income, franchises, windfall or other profits, gross receipts, property, sales, use, capital stock, payroll, employment, social security, workers’ compensation, unemployment compensation, or net worth taxes or other charges in the nature of excise, withholding, ad valorem, stamp, transfer, value added, or gains taxes, license, registration and documentation fees and similar charges.

“Tax Return” means any returns, reports, claims for refund, declarations of estimated Taxes and information statements, including any schedule or attachment thereto or any amendment thereof, with respect to Taxes required to be filed with any governmental or taxing authority, domestic or foreign, including consolidated, combined and unitary tax returns.

“Third Party Claim” has the meaning set forth in Section 9.4(a).

“Third Party Claim Notice” has the meaning set forth in Section 9.4(a).

“Title Commitments” has the meaning set forth in Section 7.3(a).

“Title Company” has the meaning set forth in Section 7.3(a).

“Title Defect” has the meaning set forth in Section 7.3(a).

“Title Policies” has the meaning set forth in Section 7.3(a).

“Trade Agreement” means any Purchased Contract of Seller, written or oral, pursuant to which Seller has sold or traded commercial air time of the TV Station in consideration for property or services in lieu of or in addition to cash, excluding film and program barter agreements.

“Transfer Taxes” has the meaning set forth in Section 6.6(c).

“Transferred Employee” has the meaning set forth in Section 7.2(c).

“TV Station” has the meaning set forth in the recitals.

“WARN Act” has the meaning set forth in Section 4.16(c).

## Section 1.2. Terms Generally.

(a) The definitions set forth or referenced in Section 1.1 apply equally to both the singular and plural forms of the terms defined. Any pronoun includes the corresponding masculine, feminine and neuter forms, as the context requires. The words “include,” “includes” and “including” will be deemed to be followed by the phrase “without limitation.” The word

“or” is not exclusive. The words “shall” and “will” are used interchangeably and are intended to have, and will be deemed to have, the same meaning. The words “herein,” “hereof” and “hereunder” and words of similar import refer to this Agreement (including the Exhibits and Schedules) in its entirety and not to any part of this Agreement unless the context otherwise requires. All references to Articles, Sections, Exhibits and Schedules will be deemed references to Articles and Sections of, and Exhibits and Schedules to, this Agreement unless the context otherwise requires.

(b) The “knowledge” of Seller will be deemed to mean the actual knowledge of Brian Brady, William Quarles, Jon Rand, John Leet and Ron Sweatte. The “knowledge” of Buyer will be deemed to mean the actual knowledge of Dennis Thatcher.

(c) Any references to any agreement or other document or instrument or to any statute or regulation are to it as amended and supplemented from time to time (and, in the case of a statute or regulation, to any successor provisions, and to any rules and regulations promulgated thereunder), unless the context otherwise requires.

(d) Any reference to a “day” or number of “days” (without the explicit qualifications of “business”) will be interpreted as a reference to a calendar day or number of calendar days. Any reference to a “business day” means any day that is not a Saturday, Sunday or day on which banks in New York, New York, are authorized or required by law to close. If any action or notice is to be taken or given on or by a particular calendar day, and such calendar day is not a business day, then such action or notice will be deferred until, or may be taken or given on, the next business day. All references to dollar amounts will be references to United States Dollars.

## **ARTICLE II PURCHASE AND SALE; CLOSING**

Section 2.1. Purchase and Sale of Purchased Assets. Subject to the terms and upon satisfaction of the conditions set forth in this Agreement, at the Closing, except to the extent included in Section 2.2 and Section 2.4, Seller will sell, assign, transfer, convey and deliver to Buyer, and Buyer will purchase from Seller, all of Seller’s right, title and interest, legal and equitable, to all assets, properties and rights of Seller, real and personal, tangible and intangible, that are exclusively or primarily used or exclusively or primarily held for use in the Business (collectively, the “Purchased Assets”), free and clear of all Encumbrances other than the Permitted Encumbrances including the following:

(a) to the extent assignable, all Government Authorizations applicable to the Business, other than the FCC Licenses, including those described on Schedule 2.1(a);

(b) all licenses, permits and other authorizations issued to Stainless LP by the FCC with respect to the TV Station (the “FCC Licenses”), and including any applications therefor and renewals or modifications thereof between the date hereof and the Closing, including those described on Schedule 2.1(b);

(c) the public and political files of the TV Station and those papers, logs, files and other records maintained by the Seller to ensure compliance by the TV Station with all applicable rules, regulations and policies of the FCC (the “FCC Documents”);

(d) all of the real property interests owned by Seller (the “Owned Real Property”) including any appurtenant easements, building, structures, fixtures and other Improvements located thereon, that are exclusively or primarily used or exclusively or primarily held for use in the Business, including the real property listed on Schedule 2.1(d);

(e) all of Seller’s equipment, transmitters, antennas, cables, towers, vehicles, furniture, fixtures, servers, traffic systems, graphic systems, audio boards, switchers, back-up generators, radar systems, microwaves, transponders, relays, backup generators, motor vehicles, computers, computer hardware and peripherals, office equipment, cameras, production and news operation equipment, inventory, spare parts and other tangible personal property of every kind and description owned or leased by Seller that are exclusively or primarily used or exclusively or primarily held for use in the Business, in each case, including those listed on Schedule 2.1(e) (the “Equipment”);

(f) subject to Section 6.3, all agreements (whether written or oral) for the sale of advertising time and all other contracts, agreements, leases and licenses, in each case, exclusively or primarily used or exclusively or primarily held for use in the Business, including those listed on Schedule 2.1(f) (collectively, the “Purchased Contracts”);

(g) all of Seller’s rights in any Intellectual Property and all goodwill associated therewith, exclusively or primarily used or exclusively or primarily held for use in the Business, including all Intellectual Property listed on Schedule 2.1(g);

(h) Seller’s rights in and to all the files, documents, records, and books of account (or copies thereof at Seller’s sole discretion) to the extent relating to the Business, including the Business’ local public files, programming information and studies, signal and program carriage agreements, engineering files, data, drawings, blueprints, schematics, advertising studies, marketing and demographic data, sales correspondence, Customer Lists, credit and sales reports, and logs and copies of all personnel files related to Transferred Employees, but excluding records to the extent relating to Excluded Assets (the “Books and Records”); and

(i) Seller may, by written notice to Buyer, update Schedule 2.1(f) at any time from time to time before the Closing to (i) add any contract, agreement or lease entered into by Seller after the date of this Agreement and before the Closing, in compliance with Section 6.4, that would have qualified as a Purchased Contract if such contract, agreement or lease had been in effect on the date of this Agreement and (ii) remove any Purchased Contract that is described in Section 2.1(f) that after the date of this Agreement and before the Closing has expired or been terminated in compliance with the terms of this Agreement. All such contracts, agreements and leases that are so added to Schedule 2.1(f) in accordance with this Section 2.1(i) shall, for all purposes of this Agreement, be deemed to be Purchased Contracts and included in the Purchased Assets. All Purchased Contracts that are so removed from Schedule 2.1(f) in accordance with the terms and conditions of this Agreement shall, for all purposes of this Agreement, cease to be

Purchased Contracts and shall be deemed to be Excluded Assets. Except as otherwise provided in this Agreement, updates to Schedule 2.1(f) in accordance with this Section 2.1(i) will not in any manner affect any condition to the obligations of Buyer to consummate the Closing or the satisfaction thereof.

Section 2.2. “Excluded Assets” means all right, title and interest of Seller in and to the following:

- (a) all Tax refunds and claims for Tax refunds;
- (b) insurance policies and rights and claims under insurance policies;
- (c) bonds, letters of credit, surety instruments and other similar items and any stocks, bonds, certificates of deposit and similar investments;
- (d) cash, cash equivalents, notes receivable and bank accounts;
- (e) all outstanding Receivables accrued prior to the Effective Time;
- (f) all items of tangible personal property consumed or disposed of in the Ordinary Course of Business between the Agreement Date and the Closing Date in compliance with the terms of this Agreement;
- (g) all Purchased Contracts that are terminated in compliance with the terms of this Agreement or expire (and are not renewed or extended by Seller) prior to the Closing;
- (h) all right, title, and interest in current or future Proceedings brought by Seller against a third party, including copyright claims, to the extent arising out of events, transactions or facts which shall have occurred, arisen or existed prior to the Closing Date;
- (i) assets, rights or properties used or held for use other than principally in connection with the Business as set forth on Schedule 2.2(i);
- (j) all corporate (including minute books, stock records and other organizational documents), financial, Tax and Station Employee records, all documents, reports and records relating to intercompany matters or including confidential or proprietary information regarding Seller’s Affiliates, all documents, reports and records relating to financial relationships with Seller’s lenders and Affiliates, and all other Business records not included in the Books and Records; provided, however, Seller shall provide Buyer with copies of all employment records for each Transferred Employee;
- (k) all rights in connection with, and all assets related to, Benefit Plans or their associated trust or insurance contract;
- (l) intercompany receivables owing to Seller by any of its Affiliates;
- (m) all assets, whether tangible or intangible, of any Affiliate of Seller not used or held for use in the operation of the Business;

- (n) Seller's equity interests in any other entity;
- (o) certain mineral rights relating to the Owned Real Property as described on Schedule 2.2(o);
- (p) all rights of Seller under this Agreement; and
- (q) all rights, claims and causes of action relating to any of the foregoing or any Non-Assumed Liability.

Section 2.3. Assumed Liabilities. Subject to the terms and upon the conditions set forth in this Agreement, as of the Effective Time, Buyer agrees to pay, discharge and perform the following obligations (the "Assumed Liabilities"):

- (i) liabilities and obligations under any assumed Purchased Contracts, Government Authorizations, FCC Licenses, and other agreements and instruments included within and relating to the Purchased Assets and accruing after the Effective Time;
- (ii) liabilities and obligations of Seller to the extent a reduction in the Purchase Price is required pursuant to Section 2.6 with respect to such liabilities and obligations;
- (iii) liabilities and obligations arising out of Buyer's operation of the TV Station, and ownership and use of the Purchased Assets after the Effective Time;
- (iv) subject to Section 6.3, all obligations and liabilities related to Program Rights arising out of, or attributable to, any period of time after the Effective Time; and
- (v) liabilities and obligations assumed by Buyer under Section 7.2.

Section 2.4. Non-Assumed Liabilities. Except as specifically provided for in this Agreement, Buyer shall not assume, or in any way become liable for, any liabilities or obligations of Seller of any kind or nature, whether accrued, absolute, contingent or otherwise, or whether due or to become due, or otherwise, whether known or unknown, to the extent arising out of events, transactions or facts which shall have occurred, arisen or existed on or prior to the Closing Date, which liabilities and obligations, if ever in existence, shall continue to be liabilities and obligations of Seller (the "Non-Assumed Liabilities"). Specifically, but without limiting the generality of the foregoing and except as provided in this Agreement, Buyer shall not assume or be liable for the following:

- (a) debts, obligations or liabilities of Seller arising out of any Proceeding pending as of the Closing Date, or arising out of or relating to matters or events occurring on or prior to the Closing Date, (whether or not such claim is then asserted), including, without limitation, any claims for personal injury (including worker's compensation or otherwise) or property damage;
- (b) contingent liabilities of Seller of any kind arising or existing on or prior to the Closing Date, including, but not limited to, Proceedings which are currently or hereafter become, the subject of Proceedings;

(c) debts, obligations or liabilities of Seller for Taxes of Seller or assessments (including interest and penalties thereon, if any) of any kind whatsoever arising from, based upon or related to the sale, transfer or delivery of the Purchased Assets pursuant to this Agreement;

(d) debts, obligations or liabilities of Seller, whether absolute, accrued, contingent or otherwise, for all Taxes arising or occurring prior to the Closing Date with respect to the Purchased Assets;

(e) debts, obligations or liabilities (i) relating to the employment or service with or termination of employment or service from Seller of any Person except as set forth in Section 7.2, or (ii) at any time arising under or pursuant to or in connection with any Benefit Plan or any other benefit or compensation plan, program, agreement or arrangement at any time maintained, sponsored or contributed or required to be contributed to by Seller or with respect to which Seller has or could have any liability or obligation;

(f) any liability or obligation of Seller arising out of any wrongful or unlawful violation, misappropriation or infringement of any proprietary or Intellectual Property rights of any Person occurring on or prior to the Closing Date;

(g) any debts, liabilities or obligations in respect of the borrowing of money or issuance of any note, bond, indenture, loan, credit agreement or other evidence of indebtedness or direct or indirect guaranty or assumption of indebtedness, liabilities or obligations of others, whether or not disclosed in this Agreement or otherwise of Seller, including, without limitation, any obligations or liabilities of Seller, to any of its Affiliates or to any Person affiliated therewith, if any;

(h) debts, obligations or liabilities of Seller with respect to the Payables;

(i) Seller's obligations under this Agreement and any Seller Related Agreements;

(j) any liabilities or obligations arising out of or relating to the Excluded Assets or Non-Assumed Liabilities;

(k) any contract, liability or obligation listed on Schedule 2.4(k); or

(l) any liabilities or obligations arising under Environmental Laws, the facts, events or conditions underlying which were in existence or occurring on or prior to the Closing Date.

For purposes of clarity, and not in limitation of the foregoing, Seller shall be solely responsible for any forfeitures, fines and other payments (collectively, "Fines") imposed by the FCC in connection with the Business' operations prior to the Closing whether such Fines are imposed by the FCC in connection with a renewal application or otherwise and regardless of whether such Fines are imposed before or after the Closing.

Section 2.5. Purchase Price. The total consideration to be paid to Seller for the Purchased Assets, in addition to Buyer's assumption of the Assumed Liabilities, shall be \$15,250,000.00 (the "Purchase Price"), subject to adjustment as provided in this Agreement. At the Closing, Buyer will:

(a) pay to Seller, the Estimated Purchase Price less the sums set forth in Section 2.5(b) and Section 2.7, by wire transfer in immediately available funds to an account(s) designated by Seller at least three (3) business days prior to the Closing Date; and

(b) deposit with U.S. Bank, N.A. (the "Escrow Agent"), an amount equal to \$1,525,000 (together with any interest earned on such amount, the "Indemnity Escrow Fund"). The Indemnity Escrow Fund will be held by the Escrow Agent, pursuant to the terms of an escrow agreement in the form of Exhibit A (the "Indemnity Escrow Agreement"). On the six (6) month anniversary of the Closing Date, an amount equal to one-half of the Indemnity Escrow Fund, less the amount of any claims against the Indemnity Escrow Fund existing as of such date in accordance with the terms of the Indemnity Escrow Agreement and this Agreement, shall be disbursed to the Seller. On the date that is one business day after the one year anniversary of the Closing Date, Buyer and Seller will notify the Escrow Agent to disburse the remaining portion of the Indemnity Escrow Fund not theretofore claimed by or paid to Buyer in accordance with the terms of the Indemnity Escrow Agreement and this Agreement to Seller. Seller and Buyer agree that each will execute and deliver such reasonable instruments and documents as are furnished by any other party to enable such furnishing party to receive those portions of the Indemnity Escrow Fund to which the furnishing party is entitled under the provisions of the Indemnity Escrow Agreement and this Agreement. The Indemnity Escrow Fund will be released and applied in accordance with the Indemnity Escrow Agreement.

Section 2.6. Purchase Price Adjustments. The Purchase Price will be subject to adjustment, as of the Effective Time, for each of the following calculated in accordance with GAAP:

(a) The Purchase Price will be increased by:

(i) all prepaid expenses (other than inventory) and credits (including prepaid real and personal property Taxes, real and personal property rentals, tower and antenna rentals, copyright fees and license fees or charges), which are included in the Purchased Assets, in each case to the extent attributable to any periods or portions thereof beginning after the Closing Date; and

(ii) all documented deposits relating to the Business and operations of the TV Station that are held by third parties as of the Effective Time for the account of Seller and that relate to the TV Station or as security for Seller's performance of its obligations in respect of the TV Station, including deposits on leases and deposits for utilities, to the extent included in the Purchased Assets.

(b) The Purchase Price will be decreased by:

(i) the economic value of all accrued and unused vacation time and sick leave that Buyer credits to the Transferred Employees in accordance with Section 7.2(h),

where economic value is the amount equal to (i) the cash compensation that would be payable to each such Transferred Employee at his or her level of compensation on the Closing Date for a period equal to such accrued and unused vacation time plus (ii) all amounts normally withheld in connection with such payments (including income taxes, FICA Taxes, and unemployment taxes);

(ii) the prorated amount of all accrued and unpaid real estate and personal property Taxes relating to the TV Station or the Purchased Assets for any period prior to the Effective Time not paid by Seller prior to the Closing;

(iii) any retransmission consent revenues of the Business that relate to periods beginning on or after the Effective Time to the extent that cash has been received by Seller prior to the Closing Date with respect to such retransmission consent revenues;

(iv) all accrued expenses for sales and use Taxes to the extent attributable to any periods or portions thereof prior to the Effective Time; and

(v) the amount of the aggregate liabilities under the Trade Agreements as of the Effective Time, net of the aggregate value of the assets receivable under the Trade Agreements as of the Effective Time, to the extent such aggregate net amount is greater than \$10,000, and then only by the amount by which such aggregate net amount exceeds \$10,000.

(c) Notwithstanding anything to the contrary set forth in this Section 2.6, as between Buyer and Seller with respect to all Purchased Contracts relating to Program Contracts, obligations to make cash payments of license and usage fees pursuant to each such Program Contract will be prorated between Seller and Buyer based on the number of days during the term of such Program Contract elapsed as of the Closing Date vis a vis the number of days during the term of such Program Contract occurring after the Closing Date. The Purchase Price will be either (i) increased by the amount Seller has paid in excess of its obligations pursuant to this Section or (ii) decreased by the amount Seller owes in respect of its obligations pursuant to this Section, as applicable; provided, however, that the adjustments provided for in this Section 2.6(c) will be made without duplication to other adjustments under Sections 2.6 or 2.8.

(d) The adjustments provided for in this Section 2.6 will be made without duplication. In addition, none of the adjustments provided for in this Section 2.6 will be made with respect to any Excluded Asset, Non-Assumed Liability or with respect to any item of income or expense related to an Excluded Asset or Non-Assumed Liability. Notwithstanding anything herein to the contrary, to the extent the Purchase Price has been reduced pursuant to Section 2.6, Buyer shall be obligated to timely make all payments to and filings with third parties related to such reductions.

Section 2.7. Deposit. On the date hereof, Buyer shall deposit with the Escrow Agent One Hundred Fifty Thousand Dollars (\$150,000) pursuant to the Deposit Escrow Agreement (the "Deposit"). Such Deposit shall be maintained and disbursed in accordance with this Agreement and the Deposit Escrow Agreement and shall be credited towards the Purchase Price and disbursed to Seller at Closing.

Section 2.8. Closing Statement.

(a) At least ten (10) days prior to the Closing Date, Seller will deliver to Buyer a statement setting forth Seller's reasonable and good faith estimate of the adjustments to the Purchase Price pursuant to this Agreement and the resulting Purchase Price, all determined as of the Effective Time (the "Preliminary Closing Statement"). The Purchase Price as determined on an estimated basis in accordance with the provisions of Section 2.6 is referred to in this Agreement as the "Estimated Purchase Price." Seller will make available to Buyer all information that Buyer reasonably requests supporting Seller's estimate of the adjustments to the Purchase Price determined as of the Effective Time set forth in the Preliminary Closing Statement. If Buyer determines reasonably and in good faith that the adjustments to the Purchase Price included in the Preliminary Closing Statement do not accurately reflect the adjustments to the Purchase Price as of the Effective Time determined in accordance with Section 2.6, Buyer will give written notice to Seller within five (5) days after receipt of the Preliminary Closing Statement by Buyer setting forth in reasonable detail any objections of Buyer to the Preliminary Closing Statement and Buyer's calculations supporting such objections. Buyer and Seller will negotiate in good faith to settle any differences with respect to the Preliminary Closing Statement prior to the Closing, and any amounts agreed upon by Buyer and Seller will be reflected in the Preliminary Closing Statement used for purposes of determining the Estimated Purchase Price at the Closing. To the extent that Buyer and Seller are unsuccessful in settling the amounts of any items in dispute prior to the Closing, then the amounts for such disputed items will be incorporated into the Final Closing Statement and resolved pursuant to Section 2.8(e) below. In no event will the Closing be delayed as a result of any dispute with respect to the Preliminary Closing Statement, which dispute will be resolved after the Closing in accordance with the subsequent provisions of this Section 2.8.

(b) Not later than 60 days following the Closing Date, Buyer will deliver to Seller a statement substantially in the form of the Preliminary Closing Statement setting forth Buyer's determination of the adjustments to the Purchase Price pursuant to this Agreement and the resulting Purchase Price, all determined as of the Effective Time in good faith and on a reasonable basis (the "Final Closing Statement"). Buyer will make available to Seller all information that Seller reasonably requests supporting Buyer's calculation of the adjustments to the Purchase Price as of the Effective Time set forth in the Final Closing Statement.

(c) Following receipt of the Final Closing Statement and all other information referred to in Section 2.8(b), Seller will have 30 days to review such information and to notify Buyer in writing of any disagreement with Buyer's calculations, which notice will specify in reasonable detail the nature and extent of such disagreement and Seller's calculations supporting such objections.

(d) If Seller fails to provide a written notice of disagreement with Buyer's calculations of the adjustments to the Purchase Price pursuant to this Agreement and the resulting Purchase Price within the period specified in Section 2.8(c), Buyer's calculations thereof in the Final Closing Statement delivered pursuant to Section 2.8(b) will be final, conclusive, and nonappealable.

(e) If Seller provides a written notice of disagreement with any of Buyer's calculations in the Final Closing Statement within the period specified in Section 2.8(c), Buyer and Seller will negotiate in good faith to resolve any such dispute for a period of 30 days following such notice. At the end of such period, if the dispute has not been resolved or the negotiation period has not been extended by agreement between Buyer and Seller, the dispute will be referred to an independent public accounting firm (the "Independent Accountant") selected by agreement of Buyer and Seller (or, if Buyer and Seller cannot agree to the selection of the Independent Accountant within ten business days after the end of such negotiation period, the Independent Accountant will be selected by PricewaterhouseCoopers). The Independent Accountant will render its decision as to whether Buyer's position is correct, Seller's position is correct, or some position between the two is correct (together with an explanation of the basis therefor) to Buyer and Seller not later than 30 days following submission of the dispute to it (unless Buyer, Seller and the Independent Accountant agree upon a later date), which decision will be final, conclusive, and nonappealable and will be binding on Buyer and Seller. The costs of the Independent Accountant will be paid one-half by Buyer and one-half by Seller.

(f) Except as otherwise provided herein, Seller and Buyer (and the Independent Accountant, if applicable) will make the calculations required pursuant to this Section 2.8 in a manner consistent with GAAP.

(g) If the Purchase Price as finally determined pursuant to this Section 2.8 is less than the Estimated Purchase Price, then Seller will pay an amount equal to the difference between the Estimated Purchase Price and the Purchase Price to Buyer within five (5) business days after the Purchase Price is finally determined by wire transfer of immediately available funds to an account designated by Buyer. If the Purchase Price as finally determined is greater than the Estimated Purchase Price, then Buyer will pay an amount equal to the difference between the Purchase Price and the Estimated Purchase Price to Seller within five (5) business days after the Purchase Price is finally determined by wire transfer of immediately available funds to an account designated by Seller.

#### Section 2.9. Accounts Receivable.

(a) On or as soon as practicable after the Closing Date, but in no event later than five (5) business days after the end of the calendar month in which the Closing occurs, Seller will deliver to Buyer a statement setting forth the outstanding accounts receivable of Seller arising out of the sale of any advertising broadcast on the TV Station, the provision of production services or the sale of other goods or services, each as of the Closing Date (the "Receivables"). On the Closing Date, Seller will assign to Buyer for purposes of collection all of the Receivables.

(b) Subject to the terms and provisions in this Section 2.9, Buyer will collect the Receivables in the same manner and with the same diligence that Buyer uses to collect its own accounts receivables for a period of 120 days following the Closing Date (the "Collection Period"). Buyer will not be obligated to, and without the prior written consent of Seller will not, institute litigation, employ any collection agency, legal counsel, or other third party, or take any other extraordinary means of collections or pay any expenses to third parties to collect the Receivables. All amounts collected by Buyer after the Closing from an account debtor will be applied first to the Receivables of such account debtor in the order of their origination, unless the

account debtor disputes such Receivable or designates payment of a different Receivable in writing. Buyer shall not take any action to cause an account debtor to designate the payment of any Receivables out of the order of their origination. If during the Collection Period a dispute arises with regard to an account included among the Receivables, Buyer shall promptly advise Seller thereof and may (or, if requested by Seller, shall) return that account to Seller. Buyer shall not issue any credit or accommodation against any Receivable without the prior written consent of Seller.

(c) Within 45 days after the end of each month during the Collection Period, Buyer will deliver to Seller a written report with respect to the collections made with respect to the Receivables. Such report shall be accompanied by a payment to Seller of the amount of the collected Receivables received during such month.

(d) Within 45 days after the end of the Collection Period, Buyer shall deliver to Seller a final written report ("Final Report") which report shall be accompanied by a final payment to Seller of the amount of Receivables collected during the Collection Period less any interim amounts theretofor remitted to Seller. The Final Report shall contain (i) a statement of accounts for each account prepared substantially in the manner in which Buyer has heretofore prepared such report, and (ii) a Receivables aging report for the TV Station.

(e) Buyer's obligation to collect Receivables will terminate on the last day of the Collection Period. Any Receivables received by Buyer after the end of the Collection Period will be paid over or forwarded to Seller within 15 days after the end of the month in which such amount is received by Buyer.

(f) The Parties acknowledge and agree that Buyer shall not assume, or in any way become liable for, any liabilities or obligations of Seller of any kind or nature with respect to the Payables. At the Closing, Seller will designate a single point of contact to Buyer to whom Buyer shall (i) deliver all Payables correspondence and (ii) direct any questions regarding Seller's payment of any Payables. Seller covenants and agrees that after the Closing it will promptly and timely pay all Payables unless it is disputing such Payable in good faith. Seller further covenants and agrees that to the extent it does not make timely payment of any undisputed Payable, and such failure to make payment threatens, in Buyer's good faith discretion, Buyer's operation of the Business after the Closing, Buyer will notify Seller in writing and Seller will pay such Payable within five (5) business days of Buyer's notice. If Seller fails to make such payment within five (5) business days of Buyer's notice, Buyer may make such payment on Seller's behalf and Seller will reimburse Buyer within five (5) business days of a demand for reimbursement. Seller further covenants and agrees that payments to third parties or Buyer with respect to the Payables in the manner set forth in this Section 2.9(f) are specifically excluded from and not governed by the requirements of Article IX.

(g) Effective upon the Closing Date, Seller hereby irrevocably constitutes and appoints Buyer, its successors and assigns, the true and lawful attorney of Seller with full power of substitution, in the name of Buyer, or the name of Seller, on behalf of and for the benefit of Seller, for the sole purpose of collecting the Receivables, endorsing, without recourse, checks, notes and other instruments in the name of Seller, and doing all such further acts and things in relation thereto as is contemplated by and in accordance with Section 2.9 hereof. Seller agrees

that the foregoing powers are coupled with an interest and shall be irrevocable by Seller except as provided in Section 2.9 hereof. Seller further authorizes Buyer and its officers, successors and assigns to receive and open all mail, telegrams, packages, electronic mail and other communications that are addressed to Seller and that relate to the Receivables, and to reply to and retain copies of such communications. The preceding sentence constitutes full authorization to the postal authorities, express courier companies and other persons to make delivery of such communications directly to Buyer or to persons specified by Buyer. Seller confers this authority upon Buyer and its officers, successors and assigns on the condition that Buyer shall promptly forward to Seller all such mail, telegrams, electronic mail and other communications that relate to the Payables or do not relate to the Business or the Purchased Assets.

#### 2.10 Closing.

(a) Subject to the terms of this Agreement, the consummation of the sale and purchase of the Purchased Assets pursuant to this Agreement and the assumption of the Assumed Liabilities (the “Closing”) shall take place at the offices of Brown Rudnick LLP, Seven Times Square, New York, New York (provided that either party may elect to conduct the Closing through electronic exchange of executed documents with original versions of documents to be delivered promptly after the Closing) on the fifth (5th) business day after the FCC Consent shall have been granted and shall be in full force and effect and shall have become a Final Order, subject to the satisfaction or waiver of the conditions to Closing set forth herein (other than those conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of those conditions at such time), or on such other date or at such other location as is mutually agreeable to Buyer and Seller; provided, however, that Buyer in its sole discretion and upon at least ten (10) days prior written notice to Seller may waive the requirement that the FCC Consent become a Final Order.

(b) The date on which the Closing occurs is referred to herein as the “Closing Date.” The “Effective Time” for purposes of this Agreement shall be 12:01 a.m. local time for the TV Station on the Closing Date. 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 Article X hereof, Buyer and Seller shall jointly request one or more extensions of the effective period of the FCC Consent; provided, however, that no such extension of the FCC Consent shall limit the right of either party to exercise such party’s rights under Article X.

#### 2.11 Closing Deliveries. At the Closing:

(a) Seller will deliver to Buyer:

(i) a Bill of Sale and Assignment and Assumption Agreement, duly executed by Seller, in substantially the form included in Exhibit B by which Seller will convey to Buyer title to the Purchased Assets including the Purchased Contracts;

(ii) a duly executed recordable special warranty deed conveying title to each parcel of Owned Real Property from Seller to Buyer in substantially the form included in Exhibit C, together with any Transfer Tax documents and owner affidavits reasonably requested by the Title Company;

(iii) assignment documents for the Intellectual Property held by Seller, duly executed by Seller, assigning the Intellectual Property listed on Schedule 2.1(g) to Buyer, in substantially the form included in Exhibit D;

(iv) assignments of FCC authorizations assigning the FCC Licenses from Stainless LP to Buyer in substantially the forms attached hereto as Exhibit E, duly executed by Stainless LP;

(v) endorsed motor vehicle title certificates for all motor vehicles listed on Schedule 2.1(e);

(vi) domain name transfers duly executed by the Seller assigning the Business' domain names included in the Intellectual Property, including the domain names listed on Schedule 2.1(g) (if any), to Buyer;

(vii) an affidavit of Seller, in a form reasonably satisfactory to Buyer, stating under penalty of perjury, Seller's United States taxpayer identification number and that Seller is not a foreign person within the meaning of Section 1445(b)(2) of the Code;

(viii) a Secretary's certificate certifying that the consents in writing authorizing and approving the execution of this Agreement and the Related Agreements, and the consummation of the transactions thereby, were duly authorized, and that such consents in writing remain in full force and effect;

(ix) good standing certificates issued by the Secretary of State of each Seller's jurisdiction of formation and each of the jurisdictions in which each Seller is required by law to be qualified as a result of its ownership of any Asset or operation of the Business;

(x) the certificate described in Section 8.1(a)(iii);

(xi) the Indemnity Escrow Agreement duly executed by Seller;

(xii) with respect to the Encumbrances securing Seller's secured credit facilities, a letter from the appropriate agent thereunder acknowledging that, upon receipt of the amount required to release such Encumbrances, the Encumbrances securing the Purchased Assets will be released and UCC-3 financing statements to be filed in Seller's jurisdiction of organization at the Closing and other forms of documentation reasonably acceptable to both parties, in each case effecting the release of such Encumbrances on the Purchased Assets and (ii) forms of documentation reasonably acceptable to both Parties effectuating the release of all other Encumbrances on the Purchased Assets, if any, other than Permitted Encumbrances; and

(xiii) all other documents as are reasonably necessary to transfer title to the Purchased Assets to Buyer.

(b) Buyer will deliver to Seller:

(i) the Estimated Purchase Price;

- (ii) the Bill of Sale and Assignment and Assumption Agreement, duly executed by Buyer, in substantially the form included in Exhibit B;
- (iii) assignments of FCC authorizations assigning the FCC Licenses from Seller to Buyer in substantially the forms attached hereto as Exhibit E, duly executed by Buyer;
- (iv) the certificate set forth in Section 8.2(a)(iii);
- (v) a Secretary's certificate certifying that the consents in writing authorizing and approving the execution of this Agreement and the Related Agreements, and the consummation of the transactions thereby, were duly authorized, and that such consents in writing remain in full force and effect;
- (vi) a certificate of good standing with respect to Buyer from the Secretary of State of the states of Delaware and New York;
- (vii) the Indemnity Escrow Agreement duly executed by Buyer; and
- (viii) all other documents as are reasonably necessary to evidence the assumption of the Assumed Liabilities by Buyer.

### **ARTICLE III GOVERNMENTAL APPROVALS AND CONTROL OF STATION**

Section 3.1. FCC Consent. Buyer and Stainless LP shall prepare and file with the FCC as soon as practicable but in no event later than ten (10) business days after the date of this Agreement, all requisite applications and other necessary instruments or documents requesting the FCC Consent. After the aforesaid applications and documents have been filed with the FCC, Buyer and Seller shall prosecute such applications with all reasonable diligence to obtain the requisite FCC Consent. If the FCC Consent imposes any conditions on any Party hereto, such Party shall use its commercially reasonable efforts to comply with such condition unless compliance would have a Material Adverse Effect upon it or its Affiliates. Seller and Buyer shall each pay one-half of all FCC filing or FCC transfer fees relating to the transactions contemplated hereby.

Section 3.2. Tolling Agreements. Seller shall use commercially reasonable efforts to promptly enter into tolling agreements with the FCC to facilitate grant of the FCC Consent, to extend the statute of limitations for the FCC to determine or impose a fine against the TV Station in connection with (i) any pending complaints that the TV Station aired programming that contained obscene, indecent or profane material, or (ii) any other enforcement matters against the TV Station with respect to which the FCC may permit Seller to enter into a tolling agreement, and Seller will comply with such agreements. Buyer and Seller shall consult in good faith with each other prior to Seller entering into any such tolling agreement under this Section 3.2.

Section 3.3. Communications. In connection with their obligations pursuant to this Article III with respect to pursuing the FCC Consent, Buyer and Seller shall (i) keep each other informed in all material respects and on a reasonably timely basis of any material communication

received by such party from, or given by such party to, any Governmental Authority and of any material communication received or given in connection with any Proceeding by a private party, in each case with respect to this Agreement, the Business or the transactions contemplated hereby, (ii) notify each other of all documents filed with or received from any Governmental Authority with respect to this Agreement, the Business or the transactions contemplated hereby, (iii) furnish each other with such information and assistance as the other may reasonably request in connection with their preparation of any governmental filing hereunder and (iv) cooperate in all respects with each other in connection with any filing or submission with a Governmental Authority in connection with the transactions contemplated by this Agreement and in connection with any investigation or other inquiry by or before any Governmental Authority relating to this Agreement, the Business or the transactions contemplated hereby, including any Proceeding initiated by a private party. Subject to applicable laws relating to the exchange of information, each of Buyer and Seller shall have the right to review in advance, and to the extent practicable each will consult with the other on, all information relating to the other party or parties, as the case may be, and their respective Affiliates, that appears in any filing made with, or written materials submitted to, any third party and/or any Governmental Authority with respect to this Agreement, the Business or the transactions contemplated hereby.

Section 3.4. Control Prior to Closing. Between the date hereof and the Closing Date, consistent with the Communications Laws, control, supervision and direction of the operation of the TV Station prior to the Closing shall remain the responsibility of Stainless LP as the holder of the FCC Licenses. After the Closing, Seller shall have no right to control the TV Station, and Seller shall have no reversionary rights in the TV Station.

Section 3.5. Other Governmental Approvals. Promptly following the execution of this Agreement, Buyer and Seller shall prepare and file with the appropriate Governmental Authorities any other requests for approval or waiver, if any, that are required from other governmental authorities in connection with the Closing, and shall diligently and expeditiously prosecute, and shall cooperate fully with each other in the prosecution of, such requests for approval or waiver and all proceedings necessary to secure such approvals and waivers.

#### **ARTICLE IV REPRESENTATIONS AND WARRANTIES OF SELLER**

Seller represents and warrants to Buyer as follows as of the date hereof and as of the Closing Date:

Section 4.1. Organization of Seller. Each Seller is duly organized, validly existing, and in good standing under the laws of the jurisdiction of its formation and is duly qualified to conduct business and in good standing as a foreign business entity in the state of New York. Each Seller has the requisite corporate power and authority to own, lease, and operate its properties and to carry on its Business as now conducted in all material respects.

Section 4.2. Authorization; Binding Effect. Each Seller has all requisite power and authority to execute and deliver this Agreement and the Related Agreements and to perform its and their obligations under this Agreement and the Related Agreements. The execution, delivery and performance by each Seller of this Agreement and the Seller's Related Agreements to which

it will be a party and the consummation of the transactions contemplated hereby and thereby have been duly and validly authorized and approved by all necessary action of each Seller and its directors, officers, partners and members, as applicable, and no other corporate proceeding or other action on the part of either Seller is necessary to authorize this Agreement, the Seller's Related Agreements or the transactions contemplated hereby and thereby. This Agreement and each of the Related Agreements to which each Seller is a party, upon execution and delivery, will be a legal, valid, and binding obligation of Seller, enforceable against Seller in accordance with its terms, except insofar as enforcement may be limited by bankruptcy, insolvency, or other laws affecting generally the enforceability of creditors' rights and by limitations on the availability of equitable remedies.

Section 4.3. Noncontravention; Consents. Schedule 4.3 sets forth all notices and filings required to be made and all authorizations, consents, or approvals of any Governmental Authority or any party to a Purchased Contract required to be obtained by Seller in order for Buyer and Seller to consummate the transactions contemplated by this Agreement. Assuming receipt of the consents and delivery of the notices listed on Schedule 4.3, neither the execution and delivery of this Agreement and Related Agreements, nor the consummation of the transactions contemplated by this Agreement and the Related Agreements, will (a) violate any material Legal Requirement to which Seller is subject or any provision of the organizational documents of Seller or (b) result in a breach of, constitute a default under, result in the acceleration of, create in any Person the right to accelerate, terminate, modify, or cancel any Purchased Contract or any other instrument evidencing any of the Purchased Assets, or by which any of the Purchased Assets owned by such Seller is bound or affected, except where any such violation, breach, default or other matter would not have, individually or in the aggregate, a Material Adverse Effect or (c) result in the creation of any material Encumbrance upon the Purchased Assets.

Section 4.4. Financial Statements.

(a) Attached as Schedule 4.4 are true and complete copies of the unaudited financial statements consisting of the balance sheet of the Business as of December 31, 2010, December 31, 2011 and December 31, 2012 and the related income statements for the fiscal years then ended, and unaudited financial statements consisting of the balance sheet of the Business as of July 31, 2013 and the related income statement for the period then ended (together with the 2010, 2011 and 2012 financial statements, the "Financial Statements"). The Financial Statements are based on the Books and Records of the Business, including all adjustments (consisting only of normally recurring accruals) that are necessary for a fair presentation of the financial condition and fairly present in all material respects the financial condition of the Business as of the respective dates they were prepared and the results of the operations of the Business for the periods indicated in conformity with GAAP, applied on a consistent basis throughout the periods covered; provided, that the interim balance sheets and the monthly management accounts are subject to year-end adjustments consistent with past practice (and which are not material in amount or significance in any individual case or in the aggregate) and do not contain all of the footnotes required by GAAP.

(b) Except as set forth on Schedule 4.4(b), Seller has no liabilities that relate to the Business or to which the Purchased Assets would be subject which would be required to

be reflected or reserved against on a combined balance sheet of the Business prepared in accordance with GAAP or the notes thereto, except liabilities (i) reflected or reserved against on the unaudited balance sheet of the Business as of July 31, 2013, (ii) incurred after July 31, 2013 in the Ordinary Course of Business, (iii) that are Non-Assumed Liabilities, (iv) to be performed after the date hereof pursuant to the Material Contracts or (v) as contemplated by this Agreement.

Section 4.5. Sufficiency of Purchased Assets. Except as listed on Schedule 4.5, the Purchased Assets include all of the assets, properties and rights of every type and description, real, personal and mixed, tangible and intangible, owned, leased or licensed by the Seller, that are necessary for, used or useable in the conduct of the business of owning and operating the TV Station and the Business in the manner in which the Business has been and is now conducted, except for the Excluded Assets.

Section 4.6. Title. Seller has good and marketable title to, or a valid leasehold interest in, the Purchased Assets owned by it (other than Owned Real Property, as to which the representations and warranties in Section 4.8 apply), free and clear of all Encumbrances other than Permitted Encumbrances. Seller has not received any written notice of violation or default under any Legal Requirement, Government Authorization or Purchased Contract relating to the Purchased Assets that remains uncured or has not been dismissed, except where any such violation or default would not have, individually or in the aggregate, a Material Adverse Effect.

Section 4.7. Equipment. The list of Equipment on Schedule 2.1(e) is a true and correct list of all items of tangible, depreciable personal property necessary for or used or held for use in the operation of the TV Station and the Business in the manner in which it has been and is now operated that is valued at greater than Two Thousand Five Hundred Dollars (\$2,500), without regard to depreciation (“Material Equipment”). Except as set forth on Schedule 4.7:

(a) the Material Equipment is in good condition and repair, ordinary wear and tear excepted and has been maintained in a manner consistent with generally accepted standards of good engineering practices;

(b) the Material Equipment includes all items of tangible personal property utilized by Seller in connection with owning and operating the TV Station and the Business as of the Effective Date; and

(c) no Material Equipment has been removed since January 1, 2013, except for removal of obsolete Equipment or non-operational Equipment.

Section 4.8. Real Property.

(a) Schedule 2.1(d) contains descriptions of all real property owned by Seller and used or held for use solely in connection with the Business and operations of the TV Station and leases or licenses or other rights to possession of any real property so used or held. Seller has good, valid and marketable fee simple title to the Owned Real Property and Improvements, towers, antennae and fixtures thereon, free and clear of all mortgages, liens, claims, encumbrances, leases, title exceptions and rights of others, except for Permitted Encumbrances. Except as listed on Schedule 4.8(a), (i) there is legal and practical access to the Owned Real

Property and the Owned Real Property is served by all utilities and services necessary for the proper and lawful conduct and operation of the Business as currently conducted, and (ii) the Owned Real Property and all of the buildings, towers, antennae, fixtures and Improvements owned by Seller, and all heating and air conditioning equipment, plumbing, electrical and other mechanical facilities, and the roof, walls and other structural components of the Owned Real Property which are part of, or located in, such buildings, towers, antennae or Improvements, are being maintained with industry standards and are, in all material respects, in good operating condition and repair, reasonable wear and tear excepted.

(b) Seller is not obligated under, nor is a party to, any option, right of first refusal or other contractual right to purchase, acquire, sell, assign or dispose of any of the Owned Real Property or any portion thereof or interest therein to any third party.

(c) Except as set forth on Schedule 4.8(c), Seller has not leased or otherwise granted to any Person the right to use or occupy any of the Owned Real Property or any portion of the income or profits from the sale, operation or development thereof.

(d) There is not pending nor, to Seller's knowledge, threatened any (i) zoning application or proceeding or (ii) condemnation, eminent domain or taking proceeding. Seller has not received written (or, to Seller's knowledge, other) notice of default or violations in connection with any material permits required for the occupancy and operation of the Owned Real Property.

(e) To the knowledge of Seller no additional approvals, permits or licenses will be required to be issued after the date hereof in order to permit Buyer, following the Closing, to continue to own or operate the Owned Real Property in the same manner as Seller, other than any such approvals, permits or licenses that are ministerial in nature and are normally issued in due course upon application therefore without further action by the applicant.

(f) There are no leases for real property under which Seller is a tenant.

#### Section 4.9. Intellectual Property.

(a) Except as listed on Schedule 4.9, the Intellectual Property constitutes all of the intellectual property and proprietary rights used in or necessary for the operation of the Business, and Schedule 2.1(g) lists and identifies correctly and completely the Intellectual Property (i) owned or used by, or in any way relating to, the operation of the Business and (ii) necessary or appropriate for or used in the operation of the Business, to the extent transferable to Buyer by the sole act of Seller without the consent, approval or waiver of any other Person, and without affecting Buyer's continuing right to use such Intellectual Property after the Closing. The Intellectual Property is valid, subsisting and enforceable, and the Seller has taken commercially reasonable measures to protect, maintain and enforce the Intellectual Property.

(b) Seller exclusively owns or has a valid license to use the Intellectual Property currently used in or necessary for the operation of the Business free and clear of all Encumbrances other than Permitted Encumbrances and there are no Proceedings instituted, pending or, to Seller's knowledge, threatened, by any third party pertaining to or challenging the

enforceability or validity, or Seller's ownership or right to use, any of the material Intellectual Property. To Seller's knowledge (i) the Intellectual Property currently used in the operation of the Business does not infringe, misappropriate or otherwise conflict with any third party's Intellectual Property or proprietary rights; (ii) no Person is infringing upon, misappropriating or otherwise conflicting with the rights of Seller in or to any of the Intellectual Property; and (iii) there is no reasonable basis for any of the foregoing. In the past three (3) years Seller has not received any notice or claim that the operation of the Business infringes, misappropriates or otherwise conflicts with the Intellectual Property of any other Person or challenging the ownership, use, validity or enforceability of any material Intellectual Property.

(c) Except as on *Schedule 2.1(f)*, there are no royalty agreements between Seller and any third party relating to any of the Intellectual Property.

(e) Except as set forth on *Schedule 4.9(e)*, the computer systems, including the software, firmware, hardware, networks, interfaces, platforms and related systems currently owned, leased or licensed by Seller in the operation of the Business (collectively, the "Business Systems") are sufficient for the operation of the Business.

#### Section 4.10. Purchased Contracts.

(a) *Schedule 2.1(f)* and *Schedule 7.2(b)* collectively set forth a true and complete list of all contracts, agreements, licenses and leases that relate to the Business or the ownership of the Purchased Assets (including all contracts for the sale of advertising time, programming and film contracts, syndication contracts, national sales representation contracts, employment contracts, collective bargaining agreements, retransmission contracts and network affiliation contracts, employment contracts, and income-producing leases and agreements), other than (a) contracts for the sale of time on the TV Station which are for cash consistent with prior practices for the periods in question and with not more than six (6) months remaining in their terms or (b) contracts which (i) were entered into in the Ordinary Course of Business and which are terminable by Buyer after the Closing on thirty (30) days' notice or less without penalty or premium, or (ii) are not reasonably expected to impose monetary obligations on Seller in 2013 in excess of \$10,000 and which impose no material restrictions on the operation of the Business (including on the use of any Intellectual Property) ("Material Contracts"). There are no capital leases that relate to the operation of the Business or the ownership of the Purchased Assets.

(b) All of the Material Contracts (i) constitute legal, valid and binding obligations of Seller and, to Seller's knowledge, the other parties thereto, (ii) are in full force and effect, and (iii) neither Seller nor, to Seller's knowledge, any other party thereto, has violated any provision of, or committed or failed to perform any act which, with notice, lapse of time or both, would constitute a material default under the provisions of any of the Material Contracts that would allow the other party to terminate such Material Contract or bring a claim for material Damages.

(c) Copies of all Material Contracts have been made available to Buyer by Seller, including all amendments, modifications and supplements thereto, and *Schedule 2.1(f)* and *Schedule 7.2(b)* as applicable, contain summaries of all oral contracts which involve \$5,000

or more. Schedule 2.1(f) sets forth, as of the date hereof, a complete list of all Trade Agreements and the parties thereto.

(d) Seller has performed its obligations under each of the Material Contracts in all material respects and is not in material default thereunder.

Section 4.11. Government Authorizations. Schedule 2.1(a) and Schedule 2.1(b) list all of the material Government Authorizations held by Seller and issued in connection with the TV Station or the operation of the Business. Copies of all the Government Authorizations have been provided to Buyer. Stainless LP is the holder of the FCC Licenses described on Schedule 2.1(b), which include all of the licenses, permits, authorizations and registrations of the FCC required for or otherwise material to the present operation of the Business and the ownership of Purchased Assets. Each material Government Authorization is in full force and effect, has not been revoked, suspended, canceled, rescinded or terminated, has not expired, and constitutes the valid, legal, binding and enforceable obligation of Seller. None of the Government Authorizations is subject to any conditions outside the ordinary course (other than conditions appearing on the face of such Government Authorizations), and to Seller's knowledge, Seller is not in breach or default of any material terms or conditions thereunder. Except as set forth on Schedule 4.11(a), no qualifications, registrations, filings, privileges, franchises, licenses, permits, approvals or authorizations, other than the material Government Authorizations, are required in order for Seller to own and operate the TV Station in the manner operated on the date hereof. Except as set forth on Schedule 4.11(a), Seller has no applications pending before any Governmental Authority related to the Business. As of the date hereof, no action or proceeding is pending or to Seller's knowledge threatened before the FCC or any other Governmental Authority to revoke, refuse to renew or modify such Government Authorizations or other authorizations of the TV Station.

(b) There are no facts known to Seller, after due inquiry, that would disqualify Seller as the assignor of the FCC Licenses or as owner and operator of the TV Station. Seller has no reason to believe, after due inquiry, that the FCC assignment application might be challenged or might not be granted by the FCC in the ordinary course due to any fact or circumstance relating to Seller or its Affiliates or any of their respective officers, directors or shareholders.

(c) There is not issued or outstanding, by or before the FCC, any order to show cause, notice of violation, notice of apparent liability, or order of forfeiture against the Business, TV Station or Seller with respect to the Business. Except as set forth in Schedule 2.1(b), the FCC Licenses have been issued for the full terms customarily issued by the FCC for the class of the TV Station, and the FCC Licenses are not subject to any condition except for those conditions appearing on the face of the FCC Licenses and conditions generally applicable to the class of the TV Station.

(d) The TV Station, its physical facilities, electrical and mechanical systems and transmitting and studio equipment, including, but not limited to all of the TV Station's transmitting towers, are being and have been operated in all material respects in accordance with the specifications of the Government Authorizations, and Seller and the TV Station are in compliance with the Communications Laws in all material respects. Seller has complied in all material respects with all requirements of the FCC and the Federal Aviation Administration with

respect to the construction and/or alteration of the TV Station's antenna structures, and, where required, "no hazard" determinations for each antenna structure have been obtained, and where required, each antenna structure has been registered with the FCC. Seller has not received any written notice that, and Seller has no knowledge that Seller or the TV Station: (i) are not or have not been in compliance in all material respects with the Communications Laws; or (ii) have not made all material filings required to be made by it with the FCC in connection with the TV Station, other than such filings, the failure of which to be made or provided would not reasonably be expected to have a Material Adverse Effect. Seller is not aware of any act or omission that could reasonably be expected to result in a refusal by the FCC to renew the TV Station's authorizations for a full term and in the normal course upon the timely filing of a complete and properly executed renewal application.

Section 4.12. MVPD Matters. The TV Station's signal is carried on substantially all of the MVPDs serving the Binghamton DMA. Schedule 4.12 lists all of the MVPDs on which the TV Station is carried pursuant to either "must-carry" or retransmission consent in accordance with the Cable Act, with such carriage rights so noted. All retransmission consent agreements are listed on Schedule 2.1(f). Since January 1, 2013, Seller has not received (i) any written notice from any MVPD of such MVPD's intention to delete the TV Station from carriage or to change the TV Station's channel position or (ii) any written notice that the TV Station may not be entitled to carriage on any MVPD either because the TV Station fails to meet the requisite signal strength for such status or the TV Station would be considered distant signals under the cable compulsory copyright license, 17 U.S.C. §111. To Seller's knowledge, the TV Station has no liability to any Person arising under or in respect of its performance of its cable or satellite carriage agreements, including, without limitation, copyright royalties.

Section 4.13. Litigation. Seller is not (a) subject to any Proceeding that requires Seller to take any action with respect to the Purchased Assets or the operation of the Business, or to which Seller, the Business, the TV Station or the Purchased Assets are subject, except for those that would not have, individually or in the aggregate, a Material Adverse Effect or (b) a party, or to the knowledge of Seller, threatened in writing to be made a party, to any Proceeding that, if adversely determined, would have a Material Adverse Effect.

Section 4.14. Labor Relations. Certain Station Employees are members of the National Association of Broadcast Employees and Technicians. There is, and since January 1, 2012, there has been, no unfair labor practice charge against Seller in respect of the Business pending or, to Seller's knowledge, threatened before the National Labor Relations Board, any state labor relations board or any court or tribunal, nor has any written complaint pertaining to any such charge or potential charge been filed against Seller, and for the past three (3) years has been, no strike, unfair labor practice, request for representation, slowdown or stoppage pending or, to Seller's knowledge, threatened in respect of the Business. To Seller's knowledge, there is no union organizing activity underway or threatened with respect to any Station Employees and no request or application for a National Labor Relations Board certification election with respect to any Station Employees.

Section 4.15. Taxes.

(a) Seller has filed all Tax Returns with respect to the Purchased Assets or operation of the Business for all years and periods (and portions thereof) for which any such Tax Returns were due. All of such Tax Returns are true and complete in all material respects. Seller has fully and timely paid all material Taxes due and payable pursuant to such Tax Returns or pursuant to any assessments which have become payable, except for Taxes contested in good faith.

(b) No issues that have been raised by the relevant taxing authority in connection with the examination of any of the Tax Returns referred to in clause (a) are currently pending.

(c) There is no lien for Taxes upon any of the Purchased Assets nor, to the knowledge of Seller, is any taxing authority in the process of imposing any lien for Taxes on any such assets, other than liens for Taxes that are not yet due and payable or for Taxes the validity or amount of which is being contested by Seller in good faith.

(d) Seller has withheld all Taxes required to be withheld under applicable Legal Requirements, and such withholdings have either been paid to the proper governmental agency or set aside in accounts for such purpose, or accrued, reserved against and entered upon the books of Seller, as the case may be.

#### Section 4.16. Station Employees.

(a) Schedule 4.16(a) lists as of the date hereof the names, titles, departments, and dates of hire of all employees of Seller with respect to the Business (“Station Employees”), including any employee who is an inactive employee on paid or unpaid leave of absence. For each such Station Employee, the aforementioned list includes the amounts paid or payable as base salary and describes any other compensation arrangements for each Station Employee as of the date hereof, including bonuses, accrued vacation and sick pay, vehicle usage, severance or other perquisites. Except as set forth on Schedule 7.2(b) hereto, there are no employment agreements between Seller and Station Employees or professional service contracts not terminable at will relating to the TV Station or the Business or written or oral Purchased Contracts for the future employment of an employee of the Business. Except as set forth on Schedule 4.16(a) hereto, no cash payments are due to Station Employees with respect to accrued vacation or sick pay.

(b) Schedule 4.16(b) lists as of the date hereof, the names of all independent contractors (“Consultants”) who are engaged by Seller to provide personal services to Seller, including the total compensation payable to each Consultant by Seller.

(c) Seller has operated the TV Station in material compliance with all Legal Requirements relating to employment and the employment of labor, including (without limitation) those relating to equal employment, affirmative action, collective bargaining, wages and hours, vacations, workplace safety, immigration, layoffs, and the withholding and payment of employment taxes. Within the past three (3) years, no employee layoffs have occurred that could implicate the Worker Adjustment and Retraining Notification Act of 1988 or any similar

state or local Legal Requirement (collectively, the “WARN Act”), and no such layoffs will be implemented without advance notice to Buyer.

(d) Except as provided in Section 7.2, to Seller's knowledge the consummation of the transactions contemplated hereby will not cause Buyer to incur or suffer any liability relating to, or obligation to pay, severance, termination or other payments to any Station Employee or any liability or obligation under or with respect to any Benefit Plan.

Section 4.17. Station Employee Benefits.

(a) Schedule 4.17(a) sets forth a complete and correct list, whether written or unwritten, of each deferred compensation, incentive compensation, stock purchase, stock option, retention, severance or termination pay, hospitalization or other medical, life, or other insurance, supplemental unemployment benefits, profit-sharing, 401(k), pension or retirement plan, program, agreement, or arrangement, and each other benefit or compensation plan, program, agreement, or arrangement, that currently is sponsored, maintained, or contributed to or required to be contributed to by Seller or by any trade or business, whether or not incorporated (an “ERISA Affiliate”), that together with Seller would be deemed a “single employer” within the meaning of Section 4001(b)(1) of the Employee Retirement Income Security Act of 1974 (“ERISA”), for the benefit of any Station Employee (the “Benefit Plans”). Schedule 4.17(a) identifies each of the Benefit Plans that is an “employee welfare benefit plan” or “employee pension benefit plan” as such terms are defined in Sections 3(1) and 3(2), respectively, of ERISA.

(b) Each of the Benefit Plans has been and is operated and administered in accordance with its terms in all material respects and in material compliance with applicable requirements of the Code, ERISA, and other applicable Legal Requirements and may, in accordance with its terms, be amended or terminated at any time. Each Benefit Plan that is intended to be qualified under Section 401(a) of the Code has received a favorable determination letter from the Internal Revenue Service and nothing has occurred that would adversely affect the qualification of such Benefit Plan.

(c) Seller does not contribute, is not obligated to contribute, and has not been obligated to contribute to a “multiemployer plan” within the meaning of Section 3(37) of ERISA on behalf of the Station Employees.

(d) Seller does not maintain, contribute to, or have any liability or obligation with respect to the provision of health or life insurance or other benefits for current or future retired or terminated employees or directors of Seller (or any spouse or dependents thereof), except as may be required under Section 4980B of the Code. Seller and the ERISA Affiliates have complied and are in compliance with the requirements of Section 4980B of the Code.

(e) No Benefit Plan is (i) a “defined benefit plan” (within the meaning of Section 3(35) of ERISA) or (ii) subject to the minimum funding requirements of Section 412 of the Code or Part 3 of Title I of ERISA, and Seller does not otherwise have any obligation or

liability relating to any “defined benefit plan” (within the meaning of Section 3(35) of ERISA) that could become an obligation or liability of Buyer or any of its Affiliates.

(f) Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will (alone or in combination with any other event) (i) result in any payment becoming due to any Station Employee or satisfy any prerequisite to any payment or benefit to any Station Employee, (ii) increase any benefits or give rise to any liability under any Benefit Plan, or (iii) result in the acceleration of the time of a payment, vesting or funding of any such benefits under any Benefit Plan, or increase the amount of compensation or benefits due to any Station Employee or their beneficiaries.

Section 4.18. Brokers’ Fees. Seller has no liability or obligation to pay any fees or commissions to any broker, finder, or agent with respect to the transactions contemplated by this Agreement.

Section 4.19. Environmental Matters. Except as set forth in Schedule 4.19:

(a) Seller is conducting and at all times has conducted the Business, and has occupied, used and operated the Real Property in compliance with all applicable Environmental Laws, which compliance includes obtaining, maintaining and complying in all material respects with all permits, licenses or other authorizations required by Environmental Law for the operation of the Business. No conditions, circumstances or activities have existed or currently exist on or in regard to, and Seller has not engaged in any activities with respect to, the Real Property owned, occupied, used or operated by it that would reasonably give rise to any liabilities under any Environmental Law.

(b) (i) There are no Proceedings against Seller concerning the Business or the Real Property under any Environmental Law, (ii) there are no current, pending or, to Seller’s knowledge, threatened investigations of any kind against Seller concerning the Business or the Real Property under any Environmental Laws, (iii) there are no actions, suits or administrative, arbitral or other proceedings alleged, claimed, pending or, to Seller’s knowledge, threatened against or affecting Seller at law or in equity with respect to the Business or the Real Property under any Environmental Laws and (iv) to the Seller’s knowledge, there are no existing grounds on which any such action, suit or proceedings might reasonably be commenced.

(c) Any chemicals and chemical compounds and mixtures that are included among the Purchased Assets are integral to and used for the conduct of the Business, have not been and are not intended to be discarded or abandoned, and are not waste or waste materials or otherwise subject to remedial requirements under Environmental Laws. All waste materials which are generated as part of the Business are and have been handled, stored, treated and disposed of in material compliance with applicable Environmental Laws. Neither Seller nor any of Seller’s subsidiaries, affiliates or, to Seller’s knowledge, predecessors has treated, stored, disposed of, handled, released or exposed any person to any Hazardous Substance or owned or operated any property contaminated by any Hazardous Substance, in each case which has or would give rise to material liability under Environmental Law.

(d) (i) No underground storage tanks are or have been located on the Real Property, and (ii) none of the Real Property has been used at any time as a gasoline service station or any facility for storing, pumping, dispensing or producing gasoline or any other petroleum products (other than such storage, pumping and dispensing of fuels and lubricants as is incidental to the Business) or Hazardous Substances.

(e) Seller has made available to Buyer copies of all material non-privileged environmental assessments, audits, investigations or other similar environmental reports relating to the Business, the Purchased Assets or the Owned Real Property that are in the possession, custody or control of Seller.

(f) To Seller's knowledge, the operation of the TV Station does not exceed the permissible levels of exposure to RF radiation specified in the Communications Laws or under Environmental Laws.

Section 4.20. Undisclosed Liabilities. Except as set forth on Schedule 4.20, Seller has no debt, liability or obligation of any kind, whether accrued, absolute, contingent or otherwise, including, without limitation, any liability or obligation on account of taxes or any governmental charges or penalty, interest or fines, except: (i) those liabilities reflected in the Financial Statements; (ii) liabilities incurred in the Ordinary Course of Business (other than contingent liabilities) since January 1, 2013; and (ii) liabilities incurred in connection with the transactions provided for in this Agreement.

Section 4.21. Compliance with Laws. Seller owns and operates its properties and assets, and carries on and conducts, and since January 1, 2013, has carried on and conducted, the business and affairs of the TV Station and the Business in material compliance with all Legal Requirements; provided, however, that the representations and warranties in this Section 4.21 shall not be deemed to modify any representation or warranty under this Article IV.

Section 4.22. Insurance. Seller has in full force and effect the insurance insuring the Purchased Assets, the TV Station and the Business in the amounts as set forth on Schedule 4.22. No written notice of cancellation, termination or nonrenewal has been received by Seller with respect to any such policy, and there are no threatened premium increases in excess of customary increases with respect to any policy.

Section 4.23. Certain Proceedings. To the knowledge of Seller, as of the Agreement Date there is no Proceeding that has been commenced that challenges, or may have the effect of preventing, delaying, making illegal, or otherwise interfering with, any of the transactions contemplated by this Agreement.

Section 4.24. Transactions with Affiliates. Schedule 4.24 sets forth a true, complete and correct list of all Purchased Contracts between Seller and any of its Affiliates.

#### **ARTICLE IV REPRESENTATIONS AND WARRANTIES REGARDING BUYER**

Buyer represents and warrants to Seller as of the date hereof and as of the Closing Date as follows:

Section 5.1. Organization of Buyer. Buyer is a corporation duly organized, validly existing, and in good standing under the laws of the jurisdiction of its formation and is qualified to do business as a foreign entity in the state of New York.

Section 5.2. Authorization; Binding Effect. Buyer has all requisite corporate power and authority to execute and deliver this Agreement and the Related Agreements and to perform its obligations under this Agreement and the Related Agreements. The execution, delivery and performance by Buyer of this Agreement and the Buyer's Related Agreements to which it will be a party and the consummation of the transactions contemplated hereby and thereby have been duly and validly authorized and approved by the Board of Directors of Buyer, and no other corporate proceeding or other action on the part of Buyer is necessary to authorize this Agreement, the Buyer's Related Agreements or the transactions contemplated hereby and thereby. This Agreement and each of the Related Agreements to which Buyer is a party, upon execution and delivery, will be a legal, valid, and binding obligation of Buyer, enforceable against Buyer in accordance with its terms, except insofar as enforcement may be limited by bankruptcy, insolvency, or other laws affecting generally the enforceability of creditors' rights and by limitations on the availability of equitable remedies.

Section 5.3. Financial Capability. Buyer's financial resources are sufficient to purchase the Purchased Assets pursuant to the terms and upon the conditions of this Agreement. Buyer is able to certify on an FCC Form 314 that it is financially qualified to consummate this Agreement and purchase the TV Station. Subject to the satisfaction or waiver of the conditions set forth in Section 8.1, Buyer has, and on the Closing Date will have, available sufficient unrestricted funds to enable it to consummate the transactions contemplated hereby.

Section 5.4. Noncontravention; Consents. Except for the FCC Consent, neither the execution and the delivery of this Agreement and the Related Agreements, nor the consummation of the transactions contemplated by this Agreement and the Related Agreements, will (a) violate any material Legal Requirement to which Buyer is subject or any provision of the organizational documents of Buyer or (b) result in a material breach of, constitute a material default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, any contract, agreement, lease, license, or other arrangement to which Buyer is a party or by which it is bound or to which its assets are subject. Subject to the receipt of the FCC Consent, Buyer does not need to give any notice to, make any filing with, or obtain any authorization, consent, or approval of any Governmental Authority or other Person in order for Buyer to consummate the transactions contemplated by this Agreement.

Section 5.5. Certain Proceedings. To Buyer's knowledge, as of the Agreement Date there is no Proceeding that has been commenced that challenges, or may have the effect of preventing, delaying, making illegal, or otherwise interfering with, any of the transactions contemplated by this Agreement and the Related Agreements.

Section 5.6. Brokers' Fees. Buyer has no liability or obligation to pay any fees or commissions to any broker, finder, or agent with respect to the transactions contemplated by this Agreement.

Section 5.7. FCC Qualifications. Except as set forth on Schedule 5.7, to Buyer's knowledge, there are no facts related to Buyer that are known to Buyer, after due inquiry, that would disqualify Buyer as the assignee of the FCC Licenses or as owner and operator of the TV Station, and, as of the Agreement Date, no waiver or exemption, whether temporary or permanent of the Communications Laws is necessary for the FCC Consent to be obtained. Except as set forth on Schedule 5.7, Buyer has no reason to believe, after due inquiry, that the FCC assignment application might be challenged or might not be granted by the FCC in the ordinary course due to any fact or circumstance relating to Buyer or any of its officers, directors, or shareholders.

## **ARTICLE V PRE-CLOSING COVENANTS**

The Parties agree as follows with respect to the period between the Agreement Date and the Closing Date (inclusive):

Section 6.1. Commercially Reasonable Efforts. Except where a different standard of conduct is specifically contemplated by this Agreement (in which event such standard will apply), each of the Parties will use its commercially reasonable efforts to take all actions and to do all things necessary, proper, or advisable in order to consummate and make effective the transactions contemplated by this Agreement in the most expeditious manner practicable (including using commercially reasonable efforts to cause the conditions to Closing set forth in Article VIII for which such Party is responsible to be satisfied as soon as reasonably practicable and to prepare, execute and deliver such documents and instruments and take or cause to be taken such other and further action as any other Party may reasonably request).

### Section 6.2. Local Public Notice; Announcements.

(a) Local Public Notice. Seller shall publish and broadcast a public notice concerning the filing of the application for assignment of the FCC Licenses in accordance with the requirements of Section 73.3580 of the FCC's rules.

(b) Announcements. No party shall, without the prior written consent of the other, issue any press release or make any other public announcement with respect to this Agreement, except that the parties shall cooperate to make a mutually agreeable announcement of this transaction on the Closing Date. To the extent that either party is obligated by law or any rule or regulation of any securities exchange upon which the securities of such party are listed or traded, in which case such party shall give advance notice to the other, such party shall make such disclosure and shall not characterize the transactions hereunder in any manner inconsistent with the mutually agreeable announcement.

Section 6.3. Consents. Seller will, at no cost to Buyer or Seller (other than as may be set forth in any Purchased Contract) use commercially reasonable efforts to obtain all consents required from third Persons whose consent or approval is required pursuant to any Purchased Contract prior to the Closing Date. To the extent that any Purchased Contract may not be assigned without the consent of any third party, and such consent is not obtained prior to

Closing, this Agreement and any assignment executed pursuant hereto shall not constitute an assignment thereof, but to the extent permitted by law shall constitute an equitable assignment and assumption of rights and obligations under the applicable Purchased Contract, with Seller making available to Buyer the benefits thereof and Buyer performing the obligations thereunder on Seller's behalf. Buyer and Seller shall cooperate to use commercially reasonable efforts after the Closing to obtain consents to assign such Purchased Contracts. Notwithstanding the foregoing, it is understood and agreed that Buyer may elect to terminate this Agreement in the event Seller fails to obtain prior to the Closing written consents to the assignment of any Purchased Contract listed on Schedule 6.3 (each such consent a "Required Consent").

Section 6.4. Operation of Business Pending Closing. Between the date hereof and the Closing, except as permitted by this Agreement or required by applicable law or the regulations or requirements of any regulatory organization applicable to Seller, unless Buyer otherwise consents in writing (which consent shall not be unreasonably withheld, conditioned or delayed), Seller shall:

(a) operate the Purchased Assets and conduct operations in all material respects in accordance with the Communications Laws and with all other applicable Legal Requirements;

(b) not (i) modify any of the FCC Licenses and shall maintain all of the FCC Licenses in full force and effect or (ii) change the TV Station's call letters;

(c) not enter into any interference acceptance agreement with another FCC licensee that would reasonably be expected to result in electrical interference to the TV Station in excess of the applicable interference level permitted under the Communications Laws;

(d) other than in the Ordinary Course of Business or for the purpose of disposing of obsolete or worthless assets, not (i) sell, lease, license or dispose of or agree to sell, lease, license or dispose of any of the Purchased Assets unless replaced with similar items of substantially equal or greater value and utility, (ii) create, assume or permit to exist any material Encumbrances upon the Purchased Assets, except for Permitted Encumbrances or (iii) dissolve, liquidate, merge or consolidate with any other entity;

(e) maintain, subject to ordinary wear and tear, the Equipment set forth on Schedule 2.1(e), in good operating condition;

(f) except for agreements and contracts which will be terminable by Buyer, without penalty, upon notice of sixty (60) days or less, not (i) enter into any agreement or contract (x) for retransmission consent with any MVPD listed on Schedule 6.4(f); (y) for the use of any digital subchannel of the TV Station or (z) that would have been a Purchased Contract were Seller a party or subject thereto on the date of this Agreement unless such agreement or contract (A) is entered into in the Ordinary Course of Business and (B) does not involve payments by Seller of greater than \$10,000 during any twelve (12) month period, (ii) amend in any material respect any Purchased Contract unless such amendment (A) is effected in the Ordinary Course of Business and (B) does not increase the amount of payments to be made by Seller during any twelve (12) month period by \$10,000 or more, or (iii) terminate or waive any

material right under any Purchased Contract other than in the Ordinary Course of Business (excluding the expiration of any Purchased Contract in accordance with its terms) (it being understood that if any such entry into, or amendment or termination of any such agreement or contract is permitted pursuant to this Section 6.4 as a result of the references to acts taken in the Ordinary Course of Business, but such action would otherwise be prohibited by any other provision of this Section 6.4, then this Section 6.4 shall not be interpreted to permit such action without the prior written consent of Buyer as contemplated hereby);

(g) comply with the Purchased Contracts in all material respects;

(h) to the extent mutually agreed, promptly enter into, and comply with the terms of, tolling, assignment and escrow agreements on customary terms and conditions, as necessary and requested by the FCC to facilitate grant of the FCC Consent;

(i) not take any action, or fail to take any action, or enter into any agreement or contract which would, or would reasonably be expected to, prevent or interfere with the successful prosecution of the FCC Consent or the consummation of the transactions contemplated by this Agreement, or which is or would be inconsistent with any FCC application or the consummation of the transactions contemplated by this Agreement;

(j) maintain in full force and effect policies of insurance of the same type and character as the policies set forth in Section 4.23, and in such coverage amounts as Seller shall deem necessary and reasonable with respect to the Purchased Assets;

(k) maintain its qualifications to hold the FCC Licenses with respect to the TV Station and not take any action that will materially impair such FCC Licenses or such qualifications, or cause the grant of FCC Consent to be materially delayed;

(l) not (i) terminate or transfer the employment of the TV Station general manager or terminate or transfer any other Station Employee, excluding any terminations for “cause” as reasonably determined by Seller, (ii) enter into any employment agreement with a Station Employee providing for annual compensation in excess of \$20,000, (iii) enter into any severance agreement, and (iv) enter into any labor, or union agreement or plan without Buyer’s consent which, in addition to not being unreasonably withheld, conditioned or delayed, shall be provided consistent with Seller’s legal obligations, including its good faith bargaining obligations (provided, however, Seller shall notify Buyer promptly of all such bargaining and allow Buyer to give Seller its input with respect to any negotiations, subject to Seller’s good faith bargaining obligations);

(m) not (i) other than salary increases for Station Employees in the Ordinary Course of Business consistent with past practice, materially increase the compensation to any Station Employee, and not exceeding 3% of such employee’s salary and bonus or incentive compensation or hourly wage, as applicable, except as may be otherwise required under the Collective Bargaining Agreement or (ii) modify any severance policy applicable to any Station Employee that would result in any increase in the amount of severance payable to any such employee (or would expand the circumstances in which such severance is payable);

(n) not communicate to any Station Employee any information regarding the prospective terms and conditions of his or her employment with Buyer which are not expressly stated in this Agreement;

(o) make any material changes to Seller's accounting procedures, policies and practices, except as required by applicable Legal Requirements; and

(p) not agree, commit or resolve to take any actions inconsistent with the foregoing.

Section 6.5. Notice. Each Party will give prompt written notice to the other Party of any fact or condition that causes or constitutes a breach of any of the representations and warranties or covenants in this Agreement, or of any action, suit, proceeding or investigation that is instituted or threatened against such Party to restrain, prohibit or otherwise challenge the legality or propriety of any transaction contemplated by this Agreement. Seller may update all Schedules to this Agreement (other than items on Schedules relating to representations and warranties which relate specifically to a date other than the Closing Date) to make such Schedules true and correct as of the Closing Date and shall deliver such Schedules to Buyer prior to the Closing Date. Unless consented to in writing by Buyer, no such update that would have a Material Adverse Effect on the TV Station or the Purchased Assets shall operate as a waiver of any breach of a representation or warranty occurring prior to the date of the delivery of such update. Without limiting the foregoing, pending the Closing, Seller shall give Buyer prompt written notice of the occurrence of any of the following:

(a) any Event of Loss that would cost Seller greater than \$5,000 to repair, replace, or restore;

(b) the commencement of any Proceeding before the FCC or any other Governmental Authority involving any of the FCC Licenses or which could reasonably be expected to have a Material Adverse Effect, other than proceedings or litigation of general applicability to the television broadcasting industry that do not have a disproportionate impact on the Business or the TV Station as compared with other broadcast television stations generally;

(c) any violation by Seller with respect to the Purchased Assets of any Legal Requirement which would reasonably be expected to have a Material Adverse Effect;

(d) any material labor grievance, material controversy, strike or material dispute affecting the Business or the TV Station and the scheduling of any bargaining discussions with the certified bargaining unit;

(e) any notice received by Seller of any material breach, material default, claimed material breach or material default or termination of any contract, agreement, lease or license that, if it were in effect on the Closing Date, would be a Purchased Contract;

(f) any material correspondence received by Seller from or sent by Seller to any MVPD concerning must carry status, retransmission consent and other matters arising under the Communications Laws, including any material correspondence related to the status of negotiations with any MVPD; and

(g) the loss of carriage or change in channel position of the TV Station on any MVPD or the cessation of broadcasting or failure of the TV Station to broadcast at least 80% of its authorized power for more than twenty-four (24) consecutive hours, or any other development which has a Material Adverse Effect on the operation of the Purchased Assets.

Section 6.6. Tax Returns and Payments.

(a) All material Tax Returns, estimates, and reports with respect to the Purchased Assets or operation of the Business that are required to be filed by Seller prior to the Closing Date, or relating to periods prior to the Closing Date, will be timely filed when due with the appropriate taxing authorities or extension requests will have been timely filed and granted. All material Taxes pertaining to Seller's ownership of the Purchased Assets or Seller's operation of the Business prior to the Closing Date will be paid by Seller when due and payable unless protested in good faith.

(b) All material Tax Returns, estimates, and reports with respect to the Purchased Assets or operation of the Business that are required to be filed by Buyer after the Closing Date that relate to periods prior to the Closing Date will be timely filed when due with the appropriate taxing authorities or extension requests will have been timely filed and granted.

(c) Buyer shall pay one-half (1/2) and Seller shall pay one-half (1/2) of all Taxes, fees and charges applicable to the transfer of the Purchased Assets under this Agreement (including sales, use and real property transfer taxes and the costs of recording or filing all applicable conveyance instruments) (collectively, "Transfer Taxes"). The parties will cooperate in the preparation, execution and filing of all Tax Returns regarding Transfer Taxes and in seeking or perfecting any available exemption from Transfer Taxes.

Section 6.7. Financial Statements. If requested by Buyer, Seller will assist Buyer in preparing financial statements for the Business for pre-Closing periods and will provide to Buyer, at Buyer's sole cost and expense, any financial information and other information as reasonably requested in connection with a registered public offering or other capital market transaction, including (i) access to Seller's books and records pertaining to the Business including financial and sales data for fiscal years ending December 31, 2009, December 31, 2010, December 31, 2011 and December 31, 2012, and any interim periods, and materials used to prepare the Financial Statements, (ii) access to and cooperation from, Seller's independent accountants necessary to receive customary "comfort letters" (including "negative assurance" comfort), to prepare or provide carve-out audits for the fiscal years ended December 31, 2009, December 31, 2010, December 31, 2011 and December 31, 2012, and to prepare or provide a carve-out accounting review in relation to each quarterly period during the fiscal year ended December 31, 2011 (in accordance with Statement on Auditing Standards No. 100) and for any subsequent quarterly periods, and (iii) reasonable cooperation in order to assist Buyer in responding to SEC comments; provided, however, that Buyer shall indemnify Seller against all Damages incurred by it in connection with actions taken pursuant to this Section 6.7 and, without limiting the foregoing, shall reimburse Seller promptly upon request for all reasonable costs and expenses incurred by Seller pursuant to this Section 6.7. Notwithstanding anything to the contrary herein, the covenants and agreements set forth in this Section 6.7 shall survive the Closing until they are fully performed.

## ARTICLE VII OTHER MATTERS

Section 7.1. Confidentiality. Each of Buyer and Seller will maintain in strict confidence, and will cause its directors, officers, employees, agents, and advisors to maintain in strict confidence, any confidential information furnished pursuant to this Agreement by Seller and any data and information relating to the Business, customers, financial statements, conditions or operations of the Business which is confidential in nature and not generally known to the public, unless (a) such information is already known to such Person or to others not bound by a duty of confidentiality or such information becomes publicly available through no fault of such Person, (b) the use of such information is necessary in making any filing or obtaining any consent or approval required for the consummation of the transactions contemplated by this Agreement, or (c) the furnishing or use of such information is required by or necessary in connection with any Proceeding, applicable requirements of any stock exchange, or applicable Legal Requirement.

### Section 7.2. Employees.

(a) Schedule 4.16(a) sets forth a list as of the date hereof of the Station Employees. Seller may, by written notice to Buyer, update Schedule 4.16(a) at any time from time to time before the Closing to (i) subject to the terms of this Agreement, add any employee that would have qualified as a Station Employee if such individual had been employed by Seller as of the date of this Agreement and (ii) remove any Station Employee that after the date of this Agreement and before the Closing has departed voluntarily or been terminated in compliance with the terms of this Agreement. All such Station Employees that are so added to Schedule 4.16(a) in accordance with this Section 7.2(a) shall, for all purposes of this Agreement, be deemed to be Station Employees and shall receive offers of employment by Buyer in accordance with Section 7.2(c) below. All Station Employees that are so removed from Schedule 4.16(a) in accordance with the terms and conditions of this Agreement shall, for all purposes of this Agreement, cease to be Station Employees and Buyer shall have no obligations with respect thereto.

(b) Schedule 7.2(b) sets forth a list of any employment and severance agreements with Station Employees and agreements with Consultants (the “Employment Contracts”). On the Closing Date, Seller shall assign to Buyer, and Buyer shall assume from Seller (and Buyer shall thereafter pay, perform, discharge or otherwise satisfy in accordance with their respective terms) all liabilities and obligations arising out of, or attributable to, any period of time after the Effective Time, with respect to the Employment Contracts (the “Employment Obligations”).

(c) Seller will provide Buyer with updates to Schedule 4.16(a) and Schedule 7.2(b) not later than twenty (20) days’ prior to the Closing. Buyer shall offer employment in accordance with the provisions of this Section 7.2 to each of the Station Employees listed on Schedule 4.16(a) effective as of Closing Date (provided such Station Employee is employed as an active employees as of such date). Notwithstanding the foregoing, (i) the offers of employment to any Station Employee who is covered by an Employment Contract shall take the form of assuming such Employment Contract and otherwise shall be made in accordance with

the terms and conditions set forth in the applicable Employment Contract; and (ii) the offers of employment to any Station Employee who is covered by the Collective Bargaining Agreement identified on Schedule 2.1(f) shall be made in accordance with the terms and conditions set forth in the Collective Bargaining Agreement. Buyer's offer of employment to each Station Employee on short-term or long-term disability who is not actively employed as of the Effective Date shall be made promptly when such Station Employee is eligible to return to active service pursuant to Legal Requirement. Station Employees whose employment with Seller terminates and who accept or are treated by Buyer as accepting such offers of employment by and actually commence employment with Buyer in accordance with this Section 7.2 are referred to collectively herein as the "Transferred Employees."

(d) On the Closing Date Buyer shall provide Seller with a list of the Transferred Employees. Unless otherwise provided under the terms of an Employment Contract or Collective Bargaining Agreement, each Transferred Employee shall be employed by Buyer on an at-will basis and nothing shall prohibit Buyer from terminating the employment of any such Transferred Employees at any time after the applicable effective date of their employment with Buyer or changing any of the terms and conditions of employment related to such Transferred Employees at any time, except for such changes that are inconsistent with Buyer's obligations as set forth in this Section 7.2. Except as set forth in Section 7.2(e), Buyer shall be responsible for any and all severance and related obligations in connection with any such termination.

(e) If any Station Employee to whom Buyer has offered employment in accordance with this Section 7.2 does not consent to employment with Buyer or for any other reason (other than rescission of such offer by Buyer) does not commence employment with Buyer and severance benefits are owed to such employee as a result, such severance benefits will be paid by Seller.

(f) Subject to the terms and reasonable requirements of Buyer's plans, Buyer shall permit Transferred Employees (and their spouses and dependents) to participate in its "employee welfare benefit plans" (including without limitation health insurance plans) and "employee pension benefit plans" (as defined in Section 3(1) and 3(2) of ERISA, respectively) in which similarly situated employees of Buyer are generally eligible to participate, with coverage effective immediately on the applicable effective date of their employment with Buyer (and without exclusion from coverage on account of any pre-existing condition except to the extent such persons were subject to such pre-existing condition limitations under Seller's group health plan). Subject to the terms and reasonable requirements of Buyer's plans, Station Employees' service with Seller (and any predecessors of Seller) will be deemed as service with Buyer for purposes of eligibility, waiting periods, vesting periods (but not benefit accrual) based on length of service, and calculation of vacation and severance benefits, if applicable.

(g) Effective as of the applicable effective date of their employment with Buyer or the payroll period ending immediately thereafter, Seller shall have contributed to Seller's 401(k) plan all matching or other employer contributions, if any, with respect to the Transferred Employees' employment service rendered prior to the applicable effective date of their employment with Buyer (irrespective of any end-of-year service requirements otherwise applicable to such contributions) and cause the matching and other employer contribution amounts of all Transferred Employees under the Seller 401(k) Plan to become fully vested as of

such date. Following the applicable effective date of their employment with Buyer, Seller shall take all actions necessary or appropriate to ensure that under the terms of the Seller 401(k) plan, each Transferred Employee with an account balance is eligible to receive a distribution as a result of their separation from employment with Seller as of the applicable effective date of their employment with Buyer. From and after the applicable effective date of their employment with Buyer, Buyer shall permit each Transferred Employee who participates in Seller's 401(k) plan to elect to make direct rollovers of their account balances into Buyer's 401(k) plan as of the applicable effective date of their employment with Buyer, subject to compliance with applicable law and subject to the reasonable requirements of Buyer's 401(k) plan.

(h) To the extent permitted by applicable Legal Requirements and, with respect to sick leave not to exceed the maximum amount of sick leave afforded to similarly situated employees of Buyer (after giving credit for past service with Seller and its predecessors and Affiliates), unless required by an Employment Contract each Transferred Employee will be credited (i) under Buyer's sick leave policy with the lesser of forty (40) hours or the full amount of sick leave accrued by such Transferred Employee but unused as of the applicable effective date of their employment with Buyer, determined under the sick leave policy of Seller applicable to such Transferred Employee and (ii) under Buyer's vacation leave policy with such prorated vacation time as would be available to such Transferred Employee under Buyer's employment policies afforded to similarly situated employees of Buyer, for the portion of the calendar year following the applicable effective date of their employment with Buyer. To the extent that any unused vacation is not credited to any Transferred Employee under this Section 7.2(h), Seller will pay to each such Transferred Employee the cash value of such unused vacation as required by applicable Legal Requirements.

(i) All workers' compensation obligations relating to, arising out of or resulting from any claim by any Station Employee that results from an injury that occurred prior to the effective date of their employment with Buyer shall be retained by Seller. All workers' compensation obligations relating to, arising out of or resulting from any claim by a Transferred Employee that results from an injury that occurs after the effective date of their employment with Buyer shall be the exclusive responsibility of the Buyer. Seller further agrees that (i) any Station Employee, including any Transferred Employee, who has received an offer of employment from Buyer but has not yet commenced employment with Buyer and who as of the effective date of their employment with Buyer is receiving or is entitled to receive short-term or long-term disability benefits under Seller's short-term or long-term disability benefit plans shall receive or continue to be paid such benefits after the effective date of their employment with Buyer in accordance with the terms of the disability plans of Seller and (ii) Buyer shall have no obligation to provide any disability or other benefits or compensation to any such Person unless and until they become a Transferred Employee.

(j) Buyer or its Affiliates will have responsibility for complying with the continuation coverage requirements under Section 4980B of the Code ("COBRA") solely for the Transferred Employees. Buyer shall have no responsibility at any time arising under or in connection with COBRA with respect to any individual who is a former employee of Seller as of immediately prior to the Closing Date.

(k) The parties expressly acknowledge and agree that nothing contained in this Section 7.2 or any other provision of this Agreement, shall (i) be construed to establish, amend, or modify any benefit or compensation plan, program, agreement, contract, policy or arrangement of Seller or Buyer, (ii) limit the ability of Buyer or any of its Affiliates to amend, modify or terminate any benefit or compensation plan, program, agreement, contract, policy or arrangement at any time assumed, established, sponsored or maintained by any of them, (iii) create any third-party beneficiary rights or obligations in any Person (including any Station Employee or Transferred Employee) other than the parties to this Agreement or create a contract between Buyer, Seller, or any of their respective Affiliates on the one hand and any employee of Seller on the other hand, and no employee of Seller may rely on this Agreement as the basis for any breach of contract claim against Buyer or Seller, (iv) be deemed or construed to require Buyer or any of its Affiliates to continue to employ any particular employee of Seller for any period after the Closing Date, or (v) be deemed or construed to limit Buyer's or any of its Affiliates' right to terminate the employment of any Transferred Employee during any period on or after the applicable effective date of their employment with Buyer or confer on any Person any right to employment or continued employment or to a particular term or condition of employment with Buyer or any of its Affiliates.

Section 7.3. Title Commitments and Surveys.

(a) Title Insurance. Between the Agreement Date and the Closing Date, Seller will cooperate fully with Buyer to obtain a commitment for an ALTA Owner's Title Insurance Policy 1970 Form B (or other form of policy acceptable to Buyer) for each parcel of Owned Real Property, issued by a title insurance company satisfactory to Buyer (the "Title Company"), together with legible photocopies of all recorded items described as exceptions therein (the "Title Commitments"), committing to insure fee simple title in Buyer to each parcel of Owned Real Property (collectively, the "Commitment Properties"), subject only to Permitted Encumbrances. Seller shall use its reasonable best efforts to assist Buyer in obtaining the Title Commitments, Title Policies and Surveys within the time periods set forth herein, including, without limitation, removing from title any liens or encumbrances which are not Permitted Encumbrances. Not later than the Closing, the Title Company shall have issued policies of title insurance with respect to each of the Commitment Properties in accordance with the Title Commitments, insuring Buyer's fee simple title to each Owned Real Property (including all recorded appurtenant easements insured as separate legal parcels) with gap coverage from the Seller through the date of recording, subject only to Permitted Encumbrances, in such amounts as Buyer reasonably determines to be the value of the Real Property insured thereunder (the "Title Policies"). If Buyer notifies Seller within 30 days after the date of this Agreement of (1) any Encumbrance (other than a Permitted Encumbrance) or (2) other matter that prevents legal access to any Commitment Property (each, a "Title Defect"), Seller will exercise commercially reasonable efforts to, at Seller's election, remove such Title Defect or cause the Title Company to commit to insure over each such Title Defect prior to the Closing. Each Party will deliver such reasonable affidavits and other customary closing documents as are required by the Title Company in order to issue Title Policies or to delete or insure over any Title Defects. Buyer shall pay all of the fees, costs and expenses with respect to the Title Commitments and Title Policies; provided, however, Seller shall be solely responsible for all fees, costs and expenses associated with the cure of, or Title Company's insurance over, any Title Defect.

(b) Surveys. If required by Buyer's lender or the Title Company, Seller will, at no cost to Seller, cooperate with Buyer to obtain a survey for each Commitment Property, dated no earlier than the date of this Agreement, prepared by a licensed surveyor satisfactory to Buyer, and conforming to 1999 ALTA/ACSM Minimum Detail Requirements for Urban Land Title Surveys, including Table A Items Nos. 1, 2, 3, 4, 6, 7(a), 7(b)(1), 7(c), 8, 9, 10, 11(b), 13, 14 15 and 16, and such other standards as the Title Company and Buyer require as a condition to the removal of any survey exceptions from the Title Policies, and certified to Buyer, Buyer's lender and the Title Company, in a form satisfactory to each of such parties (the "Surveys"). The Surveys shall not disclose any encroachment from or onto any of the Real Property or any portion thereof or any other survey defect which has not been cured or, provided the Title Company will issue a further assurance endorsement with respect to such defect, insured over to Buyer's reasonable satisfaction prior to the Closing. Buyer shall pay all fees, costs and expenses with respect to the Surveys.

Section 7.4. Environmental Assessments. Within 30 days from the Agreement Date (the "Phase I Time Period"), Buyer shall have the right, at its sole cost and expense, to engage an environmental consulting firm (the "Environmental Consultant") to conduct a Phase I Environmental Site Assessment and Compliance Review, as such terms are commonly understood (a "Phase I Environmental Assessment"), with respect to the Owned Real Property, provided such assessment shall be conducted only (i) during regular business hours, (ii) with no less than two business days prior written notice to Seller, and (iii) in a manner which will not unduly interfere with the operation of the TV Station or the use of access to or egress from the Real Property.

Section 7.5. Allocation of Consideration. All amounts constituting consideration within the meaning of and for the purposes of Section 1060 of the Code and the regulations thereunder shall be allocated among the Purchased Assets and any other rights acquired by Buyer hereunder, as applicable, in the manner required by Section 1060 of the Code. Within sixty (60) days after the Closing, each of Buyer and Seller shall provide information to the other regarding the providing party's proposed allocation of the Purchase Price and any Assumed Liabilities in accordance with the requirements of Section 1060 of the Code, and, if the parties reach agreement with respect to such allocation, then each party agrees to complete and timely file IRS Form 8594 (or any successor form), to file all income Tax Returns in accordance with such agreed allocation, and to take no action inconsistent with such agreed allocation. If the parties do not reach agreement with respect to such allocation, then the parties shall have no further obligation under this Section 7.5 and each party shall make its own determination of such allocation for financial and Tax reporting purposes.

Section 7.6. Conveyance Free and Clear of Encumbrances. Seller shall deliver to Buyer lien search reports prepared by an independent, nationally recognized reporting service dated no earlier than 15 days prior to the Closing, reflecting the results of UCC, tax and judgment lien searches conducted at Secretary of State offices of the State of New York, and in the County Clerk's office of any county in which the Purchased Assets are located. Except for Permitted Encumbrances, at or prior to the Closing, Seller shall obtain the release of all Encumbrances disclosed in the Schedules hereto and any other Encumbrances on the Purchased Assets.

Section 7.7. Further Cooperation. Immediately upon the Closing, the Seller shall discontinue use of the WICZ-TV call sign and all other names included in the Intellectual Property, including any derivations thereof or names similar thereto (collectively, the “Restricted Marks”). If at any time after the Closing any further action is necessary or desirable to carry out the purposes of this Agreement, each of the Parties will take such further action (including the execution and delivery of such further instruments and documents) as any other Party reasonably may request, all at the sole cost and expense of the requesting Party.

Section 7.9. Retention of Records; Post-Closing Access to Records.

(a) Notwithstanding anything to the contrary contained in this Agreement, Seller and its Affiliates may retain and use, at their own expense, copies of all documents or materials transferred hereunder, in each case, which (i) are used in connection with the businesses of Seller or its Affiliates, other than the Business, (ii) Seller or any of its Affiliates in good faith determines it is reasonably likely to need access to in connection with the defense (or any counterclaim, cross-claim or similar claim in connection therewith) of any suit, claim, action, proceeding or investigation against or by Seller or any of its Affiliates pending or threatened as of the Closing Date, or (iii) Seller or any of its Affiliates in good faith determines it is reasonably likely to need access to in connection with any filing, report, or investigation to or by any Governmental Authority.

(b) Notwithstanding anything to the contrary contained in this Agreement, for a period of three (3) years after the Closing Date, Seller and its Affiliates shall maintain, and provide Buyer and its representatives reasonable access to, those records of Seller and its Affiliates insofar as they relate to the Purchased Assets that relate to periods prior to the consummation of the Closing, during normal business hours and on at least ten (10) business days’ prior written notice (or such shorter time period as necessitated by the urgency of the underlying facts and circumstances). If Seller desires to dispose of any of such books and records prior to the expiration of such three (3)-year period in accordance with the record retention policies of Seller then in effect, Seller shall, prior to such disposal, give Buyer a reasonable opportunity, at Buyer’s expense, to segregate and remove such books and records as Buyer may select, subject to destruction of correspondence and other similar documents in the ordinary course, in accordance with customary retention policies and applicable Legal Requirements.

Section 7.10. Cooperation in Litigation. Buyer and Seller shall (and shall cause their respective Affiliates to) reasonably cooperate with each other at the requesting party’s expense in the prosecution or defense of any audit or examination of any Tax, claim, litigation or other proceeding arising from or related to the conduct of the Business and involving one or more third parties. The party requesting such cooperation shall pay the reasonable out-of-pocket expenses (excluding internal costs) incurred in providing such cooperation (including reasonable legal fees and disbursements) by the party providing such cooperation and by its Affiliates and its and their officers, directors, employees and agents.

## ARTICLE VIII CONDITIONS TO CLOSING

Section 8.1. Conditions to Obligation of Buyer. The obligation of Buyer to consummate the Closing hereunder is subject to satisfaction, at or prior to Closing, of each of the following conditions (unless waived in writing by Buyer):

(a) Representations and Covenants.

(i) All representations and warranties of Seller contained in this Agreement shall be true and correct as of the date of this Agreement and at and as of the Closing (other than any representation or warranty that is expressly made as of a specified date, which need be true and correct as of such specified date only), except to the extent that the failure of the representations and warranties of Seller contained in this Agreement to be so true and correct at and as of the date of this Agreement or the Closing (or in respect of any representation or warranty that is expressly made as of a specified date, as of such date only) has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on the Business; provided, that for purposes of this Section 8.1, all materiality or similar qualifiers within such representations and warranties shall be disregarded.

(ii) The covenants and agreements that by their terms are to be complied with and performed by Seller at or prior to Closing shall have been complied with or performed by Seller in all material respects.

(iii) Buyer shall have received a certificate dated as of the Closing Date from Seller executed by an authorized officer or member of Seller to the effect that the conditions set forth in Sections 8.1(a)(i) and (ii) have been satisfied.

(b) Proceedings. Neither Seller nor Buyer shall be subject to any court or governmental order or injunction, which remains in effect, prohibiting or making illegal the consummation of the transactions contemplated hereby.

(c) Deliveries. Seller shall have complied with each of its obligations set forth in Section 2.11(a).

(d) FCC Authorization. The FCC Consent shall have been granted and shall be in full force and effect and shall have become a Final Order.

(e) Consents. The Required Consents (in form and substance reasonably acceptable to Buyer) shall have been obtained.

Section 8.2. Conditions to Obligation of Seller. The obligation of Seller to consummate the Closing hereunder is subject to satisfaction, at or prior to the Closing, of each of the following conditions (unless waived in writing by Seller):

(a) Representations and Covenants.

(i) All representations and warranties of Buyer contained in this Agreement shall be true and correct as of the date of this Agreement and at and as of the Closing (other than any representation or warranty that is expressly made as of a specified date, which need be true and correct as of such specified date only), except to the extent that the failure of the representations and warranties of Buyer contained in this Agreement to be so true and correct at and as of the date of this Agreement or the Closing (or in respect of any representation or warranty that is expressly made as of a specified date, as of such date only) has not had and would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on Buyer's ability to perform its obligations hereunder; provided, that for purposes of this Section 8.2, all materiality or similar qualifiers within such representations and warranties shall be disregarded.

(ii) The covenants and agreements that by their terms are to be complied with and performed by Buyer at or prior to the Closing shall have been complied with or performed by Buyer in all material respects.

(iii) Seller shall have received a certificate dated as of the Closing Date from Buyer executed by an authorized officer of Buyer to the effect that the conditions set forth in Sections 8.2(a)(i) and (ii) have been satisfied.

(b) Proceedings. Neither Seller nor Buyer shall be subject to any court or governmental order or injunction, which remains in effect, prohibiting or making illegal the consummation of the transactions contemplated hereby.

(c) Deliveries. Buyer shall have complied with each of its obligations set forth in Section 2.11(b).

(d) FCC Authorization. The FCC Consent shall have been granted and shall be in full force and effect.

## **ARTICLE IX SURVIVAL/INDEMNIFICATION**

Section 9.1. Survival of Representations and Warranties. Except for claims involving fraud, all representations and warranties contained in this Agreement, the Exhibits, Schedules, Related Agreements, or any certificates delivered pursuant to this Agreement and Related Agreements to the extent relating to such representations and warranties, will survive the Closing and will remain in full force and effect until the date that is one year after the Closing Date, at which time they will terminate (and no claims with respect to such representations and warranties (or in such certificates, to the extent they relate to such representations and warranties) shall be made by any Person for indemnification thereafter), except that the representations and warranties in Section 4.1, Section 4.2, the first sentence of Section 4.6, Section 4.8(a), Section 4.15, Section 4.19, Section 5.1 and Section 5.2, and, in each case, in any certificates delivered pursuant to this Agreement to the extent relating to such representations and warranties, shall survive until the expiration of the applicable statute of limitations. The covenants and agreements of the parties hereto contained in this Agreement shall survive until

they are fully performed or, if earlier, until the expiration thereof set forth in the terms of such covenant and agreement. Notwithstanding the foregoing, in the event notice of indemnification is given, the right to indemnification with respect thereto shall survive the applicable survival period until such claim is finally resolved and any obligations thereto are fully satisfied.

**Section 9.2. Indemnification by Buyer.** From and after the Closing Date, Buyer shall indemnify and save and hold harmless Seller and its Affiliates, and their respective directors, officers, employees, partners, shareholders and members (the “Seller Indemnitees”) from and against all Damages suffered by any such Seller Indemnitees resulting from or arising out of: (i) any breach by Buyer of its representations and warranties made under this Agreement, the Exhibits, Schedules, Related Agreements, or any certificates delivered by Buyer pursuant thereto; (ii) any nonfulfillment or breach of any covenant or agreement made by Buyer in this Agreement, the Exhibits, Schedules, any Buyer Related Agreements, or any certificates delivered by Buyer pursuant thereto; (iii) Buyer’s ownership and use of the Purchased Assets and ownership and operation of the TV Station on and after the Closing Date; (iv) the Assumed Liabilities on and after the Closing Date; (v) any failure of Buyer to comply with its obligations under this Section 9.2; or (vi) any fees or expenses (including without limitation, reasonable attorneys’ fees) incurred by Seller in enforcing its rights hereunder. Notwithstanding the foregoing, Buyer will have no liability to Seller pursuant to Section 9.2(i) for any claims arising out of or relating to any circumstances occurring related to the representations and warranties made by Buyer after the expiration of the applicable survival period set forth in Section 9.1.

**Section 9.3. Indemnification by Seller.** From and after the Closing Date, and subject to the limitations in Section 9.5, Seller shall indemnify and save and hold harmless Buyer and its Affiliates and their respective directors, officers, employees, partners, shareholders and members (the “Buyer Indemnitees”) from and against any Damages resulting from, arising out of, or incurred in connection with: (i) any breach by Seller of its representations or warranties made under this Agreement, the Exhibits, Schedules, any Related Agreement, or in any certificate, delivered by Seller pursuant thereto (in each case, without giving effect to any materiality or Material Adverse Effect qualifiers; (ii) any nonfulfillment or breach of any covenant or agreement made by Seller in this this Agreement, the Exhibits, Schedules, any Seller Related Agreements, or any certificates delivered by Seller pursuant thereto; (iii) the Excluded Assets and Non-Assumed Liabilities; (iv) the ownership of the TV Station prior to the Effective Time; (v) any failure of Seller to comply with its obligations under this Section 9.3; or (vi) any fees or expenses (including without limitation, reasonable attorneys’ fees) incurred by Buyer in enforcing its rights hereunder. Notwithstanding the foregoing, Seller will have no liability to Buyer for any claims pursuant to Section 9.3(i) arising out of or relating to any circumstances relating to the representations and warranties made by Seller occurring after the expiration of the applicable survival period set forth in Section 9.1.

**Section 9.4. Indemnification Procedures.**

(a) If an indemnified party shall desire to assert any claim for indemnification provided for under this Article IX in respect of, arising out of or involving a claim or demand made by any Person (other than a Party hereto or Affiliate thereof) against the indemnified party (a “Third Party Claim”), such indemnified party shall notify Buyer or Seller, as the case may be (the “Indemnifying Party”), in writing of such Third Party Claim, the amount or the estimated

amount of Damages sought thereunder to the extent then ascertainable (which estimate shall not be conclusive of the final amount of such Third Party Claim), any other remedy sought thereunder, any relevant time constraints relating thereto and, to the extent practicable, any other material details pertaining thereto (a “Third Party Claim Notice”) promptly after receipt by such indemnified party of written notice of the Third Party Claim; provided, however, that failure to provide or delay in providing a Third Party Claim Notice shall not affect the indemnification provided hereunder except to the extent the indemnifying party shall have been actually prejudiced as a result of such failure or delay. The indemnified party shall deliver to the Indemnifying Party, promptly after the indemnified party’s receipt thereof, copies of all notices and documents (including court papers) received by the indemnified party relating to the Third Party Claim; provided, however, that the failure to deliver such copies shall not affect the indemnification provided hereunder except to the extent the indemnifying party shall have been actually prejudiced as a result of such failure.

(b) If a Third Party Claim is made against an indemnified party, the Indemnifying Party will be entitled to participate in the defense thereof and, if it so chooses and acknowledges without reservation its obligation to indemnify the indemnified party therefor, to assume the defense thereof with counsel selected by the Indemnifying Party and reasonably satisfactory to the indemnified party; provided that, if Seller is the Indemnifying Party, then it shall not have the right to assume the defense of any such claim that involves any Government Authorization or that is before or asserted by the FCC. Should the Indemnifying Party so elect to assume the defense of a Third Party Claim, the Indemnifying Party will not be liable to the indemnified party for legal expenses subsequently incurred by the indemnified party in connection with the defense thereof, unless the Third Party Claim involves potential conflicts of interest or substantially different defenses for the indemnified party and the Indemnifying Party or the Indemnifying Party fails to diligently pursue the defense thereof. If the Indemnifying Party assumes such defense, the indemnified party shall have the right to participate in defense thereof and to employ counsel, at its own expense (except as provided in the immediately preceding sentence), separate from the counsel employed by the Indemnifying Party, it being understood that the Indemnifying Party shall control such defense. The Indemnifying Party shall be liable for the reasonable fees and expenses of counsel employed by the indemnified party for any period during which the Indemnifying Party has not assumed the defense thereof and as otherwise contemplated by the two immediately preceding sentences. If the Indemnifying Party chooses to defend any Third Party Claim, all the parties hereto shall cooperate in the defense or prosecution thereof. Such cooperation shall include the retention and (upon the Indemnifying Party’s request) the provision to the Indemnifying Party of records and information that are reasonably relevant to such Third Party Claim, and the use of reasonable efforts to make employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder. Whether or not the Indemnifying Party shall have assumed the defense of a Third Party Claim, if the indemnified party admits any liability with respect to, or settles, compromises or discharges, such Third Party Claim without the Indemnifying Party’s prior written consent, then such admission, settlement or compromise will not be binding upon or constitute evidence against the Indemnifying Party for purposes of determining whether the indemnified party has incurred Damages that are indemnifiable pursuant to this Article IX or the amount thereof. The Indemnifying Party may pay, settle or compromise a Third Party Claim, but only with the written consent of the indemnified party (which consent shall not be unreasonably withheld, delayed, or conditioned) and only so long as

such settlement (A) includes an unconditional release of the indemnified party from all liability in respect of such Third Party Claim; (B) does not subject the indemnified party to any injunctive relief or other equitable remedy; (C) does not include a statement or admission of fault, culpability or failure to act by or on behalf of any indemnified party; and (D) does not impose any ongoing obligation of any kind on the indemnified party.

(c) If an indemnified party shall desire to assert any claim for indemnification provided for under this Article IX other than a claim in respect of, arising out of or involving a Third Party Claim (a “Direct Claim”), such indemnified party shall promptly notify the Indemnifying Party in writing of such Direct Claim, the amount or the estimated amount of damages sought thereunder to the extent then ascertainable (which estimate shall not be conclusive of the final amount of such Direct Claim), any other remedy sought thereunder, any relevant time constraints relating thereto and, to the extent practicable, any other material details pertaining thereto (a “Direct Claim Notice”); provided, however, that the failure to give such notification shall not affect the indemnification provided for hereunder except to the extent the Indemnifying Party shall have been actually prejudiced as a result of such failure. The Indemnifying Party shall have a period of 30 days within which to respond to any Direct Claim Notice or any Third Party Claim Notice. If the Indemnifying Party does not respond within such 30-day period, the Indemnifying Party will be deemed to have accepted such claim. If the Indemnifying Party rejects all or any part of such claim, Seller and Buyer shall attempt in good faith for 20 days to resolve such claim. If no such agreement can be reached through good faith negotiation within 20 days, either Buyer or Seller may commence an action against the other Party.

#### Section 9.5. Limitations on Indemnification.

(a) Except as provided below, Seller shall have no liability for indemnification pursuant to Section 9.3(a)(i) until the aggregate amount of all such Damages of the Buyer Indemnitees exceeds One Hundred Fifty Thousand Dollars (\$150,000) (the “Deductible”), in which case indemnification shall be made by the Seller for all Damages of the Buyer Indemnitees in excess of the Deductible under Section 9.3(a)(i); provided, however, that in no event shall the aggregate indemnification to be paid by Seller pursuant to Section 9.3(a)(i) exceed One Million Five Hundred Twenty-Five Thousand Dollars (\$1,525,000) (the “Cap”). The Deductible and Cap shall not be applicable to any claim with respect to (i) a breach of Sections 4.1 or 4.2, (ii) any fraud on the part of Seller, or (iii) Damages claimed pursuant to Sections 9.3(ii) through (vi).

(b) No indemnified party shall be entitled to recover from an Indemnifying Party amounts for any individual claim that is less than Five Hundred Dollars (\$500) and no such claim shall be included in calculating the Deductible.

(c) No indemnified party shall be entitled to recover from an Indemnifying Party more than once in respect of the same Damages, nor shall an indemnified party be entitled to recover from an Indemnifying Party any payments that were included in the Purchase Price adjustments pursuant to Section 2.6.

(d) Notwithstanding anything to the contrary in this Article IX, in no event shall an Indemnifying Party have liability to any indemnified party for any consequential, special, incidental, indirect or punitive damages, lost profits or similar items.

Section 9.6. Post Closing Escrow. From and after the Closing, and pursuant to the terms of the Indemnity Escrow Agreement, the Indemnity Escrow Fund will be held by the Escrow Agent as collateral security for the obligations of Seller to indemnify the Buyer Indemnitees under this Article IX. If any claim for indemnification is made by a Buyer Indemnitee pursuant to this Article IX prior to the termination of the Indemnity Escrow Period, Buyer shall first apply to the Escrow Agent for reimbursement of such claim in accordance with the provisions of the Indemnity Escrow Agreement prior to seeking reimbursement from Seller for such claim.

Section 9.7. Indemnity Payments.

(a) The amount of any Damages shall be reduced by any Tax benefit resulting from such Damages that is actually realized by the Indemnified Party and increased by any Tax liability incurred by the Indemnified Party resulting from receipt or the right to receive Damages.

(b) The Parties shall treat any indemnification payment made under this Agreement as an adjustment to the Purchase Price for income tax purposes.

Section 9.8. Mitigation. Each Party shall take commercially reasonable actions to mitigate losses, including by pursuing insurance claims and claims against third parties, and shall reasonably consult and cooperate with the other Party with a view toward mitigating Damages upon and after becoming aware of any event or condition which would reasonably be expected to give rise to any Damages that are indemnifiable hereunder.

Section 9.9. Exclusive Remedy. Buyer and Seller acknowledge and agree that if the Closing occurs, the indemnification provisions of this Article IX shall be the sole and exclusive remedy of the parties hereto following the Closing for any losses arising out of any breach of the representations, warranties, covenants or agreements of the parties contained in this Agreement, provided that nothing in this Article IX will limit any Person's right to any remedy based on fraud or intentional misconduct or any right to specific performance or other injunctive remedy. In furtherance of the foregoing, each of Buyer and Seller hereby waive, to the fullest extent permitted under applicable law, except in the case of fraud, any and all rights, claims and causes of action it may have against the other arising under or based upon any federal, state or local law, rule or regulation (including any such rights, claims or causes of action arising under or based upon common law, tort or otherwise and relating to this Agreement, any Related Agreement (including any certificate delivered pursuant to this Agreement or the transactions contemplated hereby) other than any rights, claims or actions arising under this Article IX.

## **ARTICLE X TERMINATION**

Section 10.1. Termination. Except with respect to provisions contained in this Article X, Article XI, and Section 7.1, this Agreement may be terminated only as follows:

(a) By either Buyer or Seller, if not then in material default of any term or provision of this Agreement, upon written notice to the other if, prior to the Closing Date, the other party (i) has made a materially inaccurate representation or warranty or (ii) defaults in any material respect in the observance or in the due and timely performance of any of its covenants or agreements herein contained and such default shall not be cured within thirty (30) days of the date of notice of default served by the party claiming such material default;

(b) By Buyer or Seller by written notice to the other Party if the Closing has not occurred on or before the date that is one (1) year from the Agreement Date; provided, however, if the application for FCC Consent is challenged by a third party not a party to this Agreement (other than the FCC) then such date shall be changed to the date that is 18 months from the Agreement Date; provided, further, in each case such party may only terminate this Agreement if the party attempting to terminate is not the cause of such failure to close;

(c) By either Buyer or Seller if (i) any Governmental Authority shall have issued a final and non-appealable governmental order permanently restraining, enjoining or otherwise prohibiting consummation of the Closing or (ii) the FCC Order shall not have been granted by reason of an order issued by the FCC denying the FCC Consent; or

(d) By Seller and Buyer by written mutual consent at any time prior to the Closing.

### Section 10.2. Rights Upon Termination

(a) In the event of a termination of this Agreement by Buyer pursuant to Section 10.1(a) or a termination by Buyer or Seller pursuant to Section 10.1(b), Section 10.1(c), or Section 10.1(d), Buyer shall be entitled to the return of the Deposit and all interest accrued thereon, each party shall pay the costs and expenses incurred by it in connection with this Agreement, and no party (or any of its officers, directors, employees, agents, representatives or stockholders) shall have any further liability hereunder.

(b) In the event of a termination of this Agreement by Seller pursuant to Section 10.1(a), Seller shall be entitled to receive the Deposit and all interest accrued thereon.

Section 10.3. Specific Performance. Subject to Section 10.1 and Section 10.2, the parties hereto acknowledge and agree that the parties hereto would be irreparably damaged if any of the provisions of this Agreement are not performed in accordance with their specific terms or are otherwise breached and that any non-performance or breach of this Agreement by any party hereto could not be adequately compensated by monetary damages alone and that the parties hereto would not have any adequate remedy at law. Accordingly, in addition to any other right or remedy to which any party hereto may be entitled, at law or in equity (including monetary damages), subject to Section 10.1 and Section 10.2, such party shall be entitled to enforce any

provision of this Agreement by a decree of specific performance and to temporary, preliminary and permanent injunctive relief, subject to obtaining the required FCC Consent, to prevent breaches or threatened breaches of any of the provisions of this Agreement without posting any bond or other undertaking. Without limiting the generality of the foregoing, the parties hereto agree that the party seeking specific performance shall be entitled to enforce specifically (a) a party's obligations under Article III; and (b) a party's obligation to consummate the transactions contemplated by this Agreement (including the obligation to consummate the Closing), if the conditions set forth in Article VIII, have been satisfied (other than those conditions that by their nature are to be satisfied at the Closing) or waived.

## **ARTICLE XI MISCELLANEOUS**

Section 11.1. Event of Loss. The risk of all Events of Loss with respect to the Purchased Assets at all times up to the Closing Date shall be borne by Seller and the risk of all Events of Loss with respect to the Purchased Assets subsequent to the Closing Date shall be borne by Buyer. Upon the occurrence of an Event of Loss with respect to the Purchased Assets prior to the Closing, Seller shall take commercially reasonable steps to repair, replace and restore damaged, destroyed or lost property to its condition prior to any such loss, damage, or destruction. In the event of any Event of Loss with respect to the Purchased Assets, the proceeds of any related claim payable under any insurance policy with respect thereto shall be used to repair, replace, or restore any such property to its former condition subject to the conditions stated below. In the event of any Event of Loss with respect to the Purchased Assets, Seller shall notify Buyer thereof in writing immediately. Such notice shall specify with particularity the loss or damage incurred, the cause thereof (if known or reasonably ascertainable), and the insurance coverage. In the event that the property that is damaged, destroyed, or lost (a) would be reasonably estimated to cost Seller more than Twenty-Five Thousand Dollars (\$25,000) to repair, replace, or restore; and (b) is not completely repaired, replaced or restored on or before the scheduled Closing Date, Buyer may elect to postpone Closing until such time as the property has been completely repaired, replaced or restored (and, if necessary, Seller shall join Buyer in requesting from the FCC any extensions of time in which to consummate the Closing that may be required in order to complete such repairs). If an Event of Loss would be reasonably expected to cost Seller less than Twenty-Five Thousand Dollars to repair, replace, or restore, or Buyer does not elect to postpone Closing pursuant to this Section 11.1, Buyer shall consummate the Closing and accept the property in its then condition, in which event Seller shall pay to Buyer all related proceeds of insurance (including any deductible in connection therewith) and assign to Buyer the right to any related unpaid proceeds or if such loss is less than \$25,000, the Purchase Price will be reduced by the amount of such loss.

Section 11.2. No Third-Party Beneficiaries. This Agreement shall not confer any rights or remedies upon any Person other than the Parties and their respective successors and permitted assigns.

Section 11.3. Successors and Assigns. This Agreement will be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. No Party may assign either this Agreement or any of its rights, interests, or obligations hereunder without the prior written approval of the other Party. Any purported assignment or delegation in violation

hereof shall be null and void. Notwithstanding the foregoing, without such prior written consent, (a) Buyer may assign this Agreement and any or all rights, interests and obligations hereunder (including Buyer's right to purchase the Purchased Assets and to seek indemnification hereunder) to (i) any Affiliate of Buyer; (ii) for collateral purposes, to any holder of indebtedness of Buyer or any trustee or agent therefor; or (iii) after the Closing, any Person to which Buyer or any of its Affiliates sells the TV Station or all or substantially all of the Purchased Assets, provided, in each case, that Buyer shall give Seller prior written notice of any such assignment, that Buyer remains liable for all obligations hereunder, and that any such assignment and delegation shall not materially delay, hinder or prohibit the consummation of the transactions contemplated hereby; and (b) Seller may assign this Agreement and any or all rights, interests and obligations hereunder (including Seller's right to sell the Purchased Assets and to seek indemnification hereunder) for collateral purposes, to any holder of indebtedness of Seller or any trustee or agent therefor, provided that Seller shall give Buyer prior written notice of any such assignment and that any such assignment and delegation shall not materially delay, hinder or prohibit the consummation of the transactions contemplated hereby.

Section 11.4. Entire Agreement. This Agreement (including the Exhibits and Schedules hereto and any other agreements and documents referred to in this Agreement) constitutes the entire agreement between the Parties and supersedes any prior understandings, agreements, or representations by or between the Parties, written or oral, to the extent they are related in any way to the subject matter hereof.

Section 11.5. Notices. All notices, consents, waivers, and other communications under this Agreement must be in writing and will be deemed to have been duly given when (a) delivered by hand (with written confirmation of receipt) or (b) when received by the addressee, if sent by a nationally recognized overnight delivery service (receipt requested), in each case to the appropriate addresses set forth below (or to such other addresses as a Party may designate by notice to the other Parties; provided, however, that any such change shall be effective only upon receipt by the other Parties):

If to Seller:                   Stainless Broadcasting, LLC  
  c/o Northwest Broadcasting, Inc.  
  2111 University Park Drive, Suite 650  
  Okemos, MI 48864  
  Attention: Brian Brady, President

Copy to:                         Brown Rudnick LLP  
  601 Thirteenth Street NW Suite 600  
  Washington, DC 20005  
  Attention: Fred Levy

If to Buyer:                    Mission Broadcasting, Inc.  
  30400 Detroit Road  
  Suite 304  
  Westlake, OH 44145  
  Attention: Dennis Thatcher

Copy to: Nexstar Broadcasting Group, Inc.  
5215 N. O'Connor Blvd  
Suite 1400  
Irving, Texas 75039  
Attention: Perry Sook  
Attention: Elizabeth Ryder

and: Wiley Rein LLP  
1776 K Street, NW  
Washington DC 20006  
Attention: Richard Bodorff

Section 11.6. Governing Law; Waiver of Jury Trial. This Agreement will be governed by and construed in accordance with the laws of the State of Delaware without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Delaware. EACH OF THE PARTIES HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHTS TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT.

Section 11.7. Amendments and Waivers. No amendment of any provision of this Agreement will be valid unless the same is in writing and signed by Buyer and Seller. No waiver by any Party of any default, misrepresentation, or breach of warranty or covenant under this Agreement, whether intentional or not, will be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant under this Agreement or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

Section 11.8. Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction will not affect the validity or enforceability of the remaining terms and provisions of this Agreement or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

Section 11.9. Expenses. Except as otherwise expressly provided in this Agreement, each of Seller and Buyer will bear its own costs and expenses (including legal fees and expenses) incurred in connection with this Agreement and the transactions contemplated by this Agreement.

Section 11.10. Neutral Construction. The Parties have participated jointly in the negotiation and drafting of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement will be construed as if drafted jointly by the Parties and no presumption or burden of proof will arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement.

Section 11.11. Further Assurances. After the Closing, each party shall from time to time, at the request of and without further cost or expense to the other, execute and deliver such other

instruments of conveyance and assumption and take such other actions as may reasonably be requested in order to more effectively consummate the transactions contemplated hereby.

Section 11.12. Incorporation of Exhibits and Schedules. The Exhibits and Schedules identified in this Agreement are incorporated herein by reference and made a part hereof.

Section 11.13. Headings. The Article and Section headings contained in this Agreement are inserted for convenience only and will not affect in any way the meaning or interpretation of this Agreement.

Section 11.14. Facsimile/Electronic; Counterparts Signatures. This Agreement may be executed in separate counterparts, each of which will be deemed an original and all of which together will constitute one and the same agreement. This Agreement, the agreements referred to herein, and each other agreement or instrument entered into in connection herewith or therewith or contemplated hereby or thereby, and any amendments hereto or thereto, to the extent signed and delivered by facsimile transmission or electronic mail in pdf form, shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. At the request of any party hereto or to any such agreement or instrument, each other party hereto or thereto shall re-execute original forms thereof and deliver them to all other parties. No party hereto or to any such agreement or instrument shall raise the use of a facsimile machine or email to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of a facsimile machine or email as a defense to the formation or enforceability of a contract and each such party forever waives any such defense which will be deemed an original but all of which together will constitute one and the same instrument.

Section 11.15. Exclusivity. Seller agrees and covenants that until the Closing or the termination of this Agreement, neither Seller nor any of its Affiliates or representatives will discuss, negotiate or offer (or solicit offers) regarding a sale, transfer or other disposition of the Purchased Assets or any merger, combination, restructuring, refinancing or similar transaction involving Seller with another Person or provide any information to any other Person regarding the TV Station or Seller in that connection. Seller represents that it is not a party to or bound by any agreement with respect to any of the foregoing types of transactions except for this Agreement.

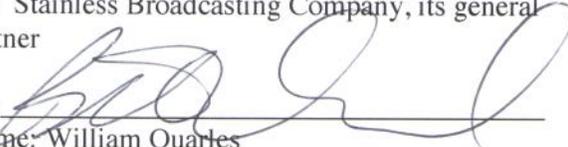
**[Remainder of Page Intentionally Left Blank]**

**IN WITNESS WHEREOF**, the Parties have executed this Asset Purchase Agreement as of the date first written above.

**SELLER:**

**STAINLESS BROADCASTING, L.P.**

By: Stainless Broadcasting Company, its general partner

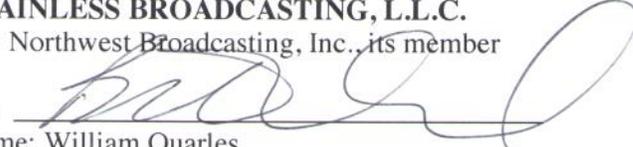
By:  \_\_\_\_\_

Name: William Quarles

Title: Chief Financial Officer

**STAINLESS BROADCASTING, L.L.C.**

By: Northwest Broadcasting, Inc., its member

By:  \_\_\_\_\_

Name: William Quarles

Title: Chief Financial Officer

**BUYER:**

**MISSION BROADCASTING, INC.**

By: \_\_\_\_\_

Name: Dennis Thatcher

Title: President

**IN WITNESS WHEREOF**, the Parties have executed this Asset Purchase Agreement as of the date first written above.

**SELLER:**

**STAINLESS BROADCASTING, L.P.**

By: Stainless Broadcasting Company, its general partner

By: \_\_\_\_\_

Name: William Quarles

Title: Chief Financial Officer

**STAINLESS BROADCASTING, L.L.C.**

By: Northwest Broadcasting, Inc., its member

By: \_\_\_\_\_

Name: William Quarles

Title: Chief Financial Officer

**BUYER:**

**MISSION BROADCASTING, INC.**

By: *Dennis Thatcher*

Name: Dennis Thatcher

Title: President