

### **Description of Transaction**

The instant application seeks the Commission's consent to the assignment of the license of low power television station WJHJ-LP, Newport News, Virginia (Facility ID 35137) ("WJHJ") from Jacobs Broadcasting System, Inc. ("Licensee") to WVEC Television, LLC ("Assignee," and such assignment, the "WJHJ Assignment"). The parties concurrently are filing an application for the Commission's consent to assign the license of Class A television station WYSJ-CD, Yorktown, Virginia (Facility ID 35134) ("WYSJ"), from Licensee to Assignee (such assignment, the "WYSJ Assignment," and together with the WJHJ Assignment, the "Norfolk Transaction").

Assignee also holds the license for full power television station WVEC, Hampton, Virginia ("WVEC"). Assignee is an indirect, wholly owned subsidiary of TEGNA Inc. ("TEGNA"), which owns 64 full power television stations and two radio stations in 51 markets. Assignee notes that an application is pending for Commission approval of the transfer of control of Assignee from TEGNA to SGC Holdings III LLC ("SGCI Holdings") as part of the proposed acquisition by an indirect subsidiary of SGC Holdings of all of the outstanding equity interests of TEGNA (the "TEGNA Acquisition").<sup>1</sup> The Norfolk Transaction does not implicate the Commission's local or national television ownership rules, which do not apply to Class A or other low power television stations, either under Assignee's existing ownership or under the ownership structure proposed in the TEGNA Acquisition. The Commission therefore should

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<sup>1</sup> LMS File No. 0000186459 ("WVEC Transfer Application").

process and act on the Norfolk Transaction applications independently of its consideration of the TEGNA Acquisition.<sup>2</sup>

Concurrently with the WYSJ Assignment application, (1) Assignee is filing a Petition for Rulemaking pursuant to Section 1.401 of the Commission's rules<sup>3</sup> ("WVEC Petition") to amend the digital television Table of Allotments by allotting Channel 35 to WVEC in lieu of Channel 11, and (2) Assignee is filing a contingent minor modification application pursuant to Section 73.3517(a) of the Commission's rules<sup>4</sup> to relocate WYSJ's facilities so that they will be co-located with WVEC, which would allow WVEC to operate on Channel 35 without causing impermissible interference to WYSJ.

Approval of the Norfolk Transaction would serve the public interest by strengthening the ability of all three stations – WYSJ, WJHJ, and WVEC – to serve local viewers. WYSJ currently broadcasts only a single, Standard Definition program stream, while WJHJ is silent while it works to construct displacement facilities.<sup>5</sup> As Licensee has explained, Licensee has struggled financially to operate WYSJ and WJHJ since Licensee's current owner, Neal Rosenbaum, assumed control of Licensee from Samuel Jacobs, who was convicted of using the stations in a Ponzi scheme that defrauded victims of hundreds of thousands of dollars.<sup>6</sup> Approval

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<sup>2</sup> Further information regarding the proposed ownership of Assignee upon consummation of the TEGNA Acquisition is set forth in the WVEC Transfer Application. The WVEC Transfer Application includes a request that the Commission's approval of the WVEC Transfer Application "include (1) any authorization issued to the parties or any of their subsidiaries while the [TEGNA Acquisition is] pending before the Commission and during the period required for consummation of the [TEGNA Acquisition], and (2) any applications filed by the parties or any of its subsidiaries that are pending at the time of consummation of" the TEGNA Acquisition." See WVEC Transfer Application, Comprehensive Exhibit at 14. Accordingly, the Commission's approval of the WVEC Transfer Application would include either the WYSJ and WJHJ licenses, if the Norfolk Transaction applications have been granted and consummated, or the Norfolk Transaction applications, if those applications still are pending or awaiting consummation at the time the TEGNA Acquisition is consummated.

<sup>3</sup> 47 C.F.R. § 1.401.

<sup>4</sup> 47 C.F.R. § 73.3517(a)

<sup>5</sup> See LMS File No. 0000163461 (WJHJ authority to remain silent).

<sup>6</sup> See *id.*, at "WJHJ-LP: Supplement to Request for Extension of STA and of License Under Section 312(g) of the Communications Act of 1934, as Amended, and for Tolling of Construction Permit."

of the Norfolk Transaction would serve the public interest not only by assigning these stations to an experienced, well-financed broadcaster but also by fulfilling the requirement in Licensee's Consent Decree with the Media Bureau that Licensee sell the stations and use the sale proceeds in part to provide restitution to Mr. Jacobs's victims.<sup>7</sup> In addition, as described in the WVEC Petition, approval of the Norfolk Transaction and WVEC's proposed channel change would further serve the public interest by addressing years of reception complaints WVEC has received from viewers, substantially improving local viewers' access to WVEC's important and highly valued local news, emergency, ABC network and other programming.

Accordingly, the Commission should expeditiously approve the WYSJ Assignment and the WJHJ Assignment.

A copy of the Asset Purchase Agreement governing the Norfolk Transaction is attached to this application. The following exhibits and schedules have been omitted, as they contain proprietary information, are not germane to the Commission's consideration of the application, or duplicate information already included in the application or in the possession of the Commission:<sup>8</sup>

**EXHIBITS**

Exhibit A - Form of Bill of Sale, Assignment and Assumption Agreement

Exhibit B - Form of Assignment of FCC Authorizations

**SCHEDULES**

Schedule 2.1(c) - Purchased Intellectual Property

Schedule 2.1(d)(ii) - Station Agreements

Schedule 2.2(g) - Excluded Assets

Schedule 3.2 - Consents

Schedule 3.4(a)-(b) - Operations Prior to Closing (Representations and Warranties)

Schedule 3.6(a) - Sufficiency of Assets

Schedule 3.7 - Governmental Permits; FCC Matters

Schedule 3.10 - Contracts

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<sup>7</sup> See *JBS, Inc., Licensee of Station WYSJ-CA, Yorktown, Virginia*, 29 FCC Rcd 01121 (MB 2014).

<sup>8</sup> See *LUJ, Inc. and Long Nine, Inc.*, 17 FCC Rcd. 16980 (2002).

Schedule 3.11 - Status of Contracts  
Schedule 3.13 - No Violations; Etc.  
Schedule 4.2 - Consents  
Schedule 5.3 - Required Consents  
Schedule 5.4(b)-5.4(b)(ii) - Operations Prior to Closing (Covenants)

Copies of these materials will be provided to the Commission upon request, subject to the right of the parties to seek confidential treatment of such materials pursuant to the Commission's applicable rules and policies.

**ASSET PURCHASE AGREEMENT**

**for**

**the SALE of ASSETS of TELEVISION STATIONS**

**WYSJ-CD and WJHJ-LP**

**by and between**

**WVEC TELEVISION, LLC**

**and**

**JACOBS BROADCASTING SYSTEM, INC.**

**Dated as of March 16, 2022**

## TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I DEFINITIONS .....	1
Section 1.1.    Definitions.....	1
ARTICLE II PURCHASE AND SALE OF PURCHASED ASSETS .....	8
Section 2.1.    Purchase and Sale of Purchased Assets .....	8
Section 2.2.    Excluded Assets .....	9
Section 2.3.    Assumption of Liabilities.....	10
Section 2.4.    Bifurcation of Closing.....	11
Section 2.5.    Closing Date.....	12
Section 2.6.    Purchase Price.....	12
Section 2.7.    Prorations and Adjustments .....	13
Section 2.8.    Closing Date Deliveries .....	13
Section 2.9.    Further Assurances.....	14
Section 2.10.   Allocation of Purchase Price.....	15
ARTICLE III REPRESENTATIONS AND WARRANTIES OF THE SELLER .....	15
Section 3.1.    Organization.....	15
Section 3.2.    Authority of the Seller .....	15
Section 3.3.    [Reserved] .....	16
Section 3.4.    Operations Prior to the Closing Date .....	16
Section 3.5.    Taxes .....	17
Section 3.6.    Sufficiency of Assets .....	17
Section 3.7.    Governmental Permits; FCC Matters.....	17
Section 3.8.    Intellectual Property .....	18
Section 3.9.    Title to Purchased Assets .....	19
Section 3.10.   Contracts .....	19
Section 3.11.   Status of Contracts .....	20
Section 3.12.   MVPD Matters .....	20
Section 3.13.   No Violation, Litigation or Regulatory Action.....	20
Section 3.14.   No Finder .....	21
ARTICLE IV REPRESENTATIONS AND WARRANTIES OF THE BUYER .....	21
Section 4.1.    Organization.....	21
Section 4.2.    Authority of the Buyer .....	21
Section 4.3.    Litigation.....	22
Section 4.4.    No Finder .....	22
Section 4.5.    Qualifications as FCC Licensee.....	22
ARTICLE V ACTION PRIOR TO THE CLOSING DATE.....	22
Section 5.1.    Access to the Business .....	22
Section 5.2.    Notification of Certain Matters .....	23
Section 5.3.    FCC Consents; Other Consents and Approvals .....	24
Section 5.4.    Operations of the Stations Prior to the Closing Date.....	25
Section 5.5.    Public Announcement.....	26

Section 5.6.	Exclusivity .....	26
Section 5.7.	WJHJ Permit .....	26
ARTICLE VI ADDITIONAL AGREEMENTS .....		27
Section 6.1.	Taxes .....	27
Section 6.2.	Control of Operations Prior to Closing Date .....	27
Section 6.3.	Bulk Transfer Laws.....	28
ARTICLE VII CONDITIONS PRECEDENT TO OBLIGATIONS OF THE SELLER.....		28
Section 7.1.	No Breach of Covenants and Warranties.....	28
Section 7.2.	No Restraint .....	28
Section 7.3.	Certain Governmental Approvals .....	28
Section 7.4.	Closing Deliveries.....	28
ARTICLE VIII CONDITIONS PRECEDENT TO OBLIGATIONS OF THE BUYER.....		28
Section 8.1.	No Breach of Covenants and Warranties.....	29
Section 8.2.	No Restraint .....	29
Section 8.3.	Certain Governmental Approvals .....	29
Section 8.5.	Required Consents .....	29
ARTICLE IX INDEMNIFICATION .....		29
Section 9.1.	Indemnification by the Seller.....	29
Section 9.2.	Indemnification by the Buyer .....	30
Section 9.3.	Notice of Claims; Determination of Amount.....	31
Section 9.4.	Third Person Claims .....	32
Section 9.5.	Limitations; Subrogation; Exclusive Remedies.....	33
Section 9.6.	No Special Damages .....	34
ARTICLE X TERMINATION .....		34
Section 10.1.	Termination.....	34
Section 10.2.	Withdrawal of Certain Filings .....	35
ARTICLE XI GENERAL PROVISIONS .....		36
Section 11.1.	Confidential Nature of Information .....	36
Section 11.2.	Governing Law; Exclusive Jurisdiction; Court Proceedings .....	36
Section 11.3.	Notices .....	36
Section 11.4.	Successors and Assigns; Third Party Beneficiaries .....	37
Section 11.5.	Access to Records after Closing .....	38
Section 11.6.	Entire Agreement; Amendments.....	38
Section 11.7.	Interpretation.....	38
Section 11.8.	Waivers .....	39
Section 11.9.	Expenses .....	39
Section 11.10.	Partial Invalidity.....	39
Section 11.11.	Execution in Counterparts.....	39
Section 11.12.	Disclaimer of Warranties .....	39
Section 11.13.	Specific Performance .....	40

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- Schedule 2.1(d)(ii) - Station Agreements
- Schedule 2.2(g) - Excluded Assets
- Schedule 3.2 - Consents
- Schedule 3.4(a)-(b) - Operations Prior to Closing (Representations and Warranties)
- Schedule 3.6(a) - Sufficiency of Assets
- Schedule 3.7 - Governmental Permits; FCC Matters
- Schedule 3.10 - Contracts
- Schedule 3.11 - Status of Contracts
- Schedule 3.13 - No Violations; Etc.
- Schedule 4.2 - Consents
- Schedule 5.3 - Required Consents
- Schedule 5.4(b)-5.4(b)(ii) - Operations Prior to Closing (Covenants)



## ASSET PURCHASE AGREEMENT

This **ASSET PURCHASE AGREEMENT**, dated as of March 16, 2022 (this “Agreement”), by and between Jacobs Broadcasting System, Inc., a Virginia corporation (the “Seller”), on the one hand, and WVEC Television, LLC, a Delaware limited liability company (the “Buyer”), on the other hand. For the purposes of this Agreement all references to the Seller shall mean the Seller and its Affiliates.

### WITNESSETH:

**WHEREAS**, the Seller owns and operates television broadcast stations WYSJ-CD, Yorktown, Virginia (“WYSJ”) and WJHJ-LP, Newport News, Virginia (“WJHJ” and, together with WYSJ, each a “Station” and collectively, the “Stations”), pursuant to certain authorizations issued by the Federal Communications Commission (the “FCC”);

**WHEREAS**, the Buyer desires to purchase the Purchased Assets and assume the Assumed Liabilities, and the Seller desires to sell to the Buyer the Purchased Assets and transfer the Assumed Liabilities, on the terms and subject to the conditions hereinafter set forth;

**WHEREAS**, in connection with the purchase of the Stations, Buyer intends to file with the FCC (i) a petition for rulemaking to substitute channel 35 for channel 13 at Hampton, Virginia in the DTV Table of Allotments and as the designated channel of its or its Affiliate’s television broadcast station WVEC, Hampton, Virginia (“WVEC”) (such petition, the “Channel Change Petition”) and (ii) a related minor modification application to relocate WYSJ’s transmitter to facilitate grant of the Channel Change Petition (the “Minor Mod Application”), and Seller supports such filings and the relief requested therein;

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), it is hereby agreed among the parties as follows:

## ARTICLE I

### DEFINITIONS

**Section 1.1. Definitions.** As used in this Agreement, the following terms have the meanings specified or referred to in this Section 1.1:

“Action” means any claim, action, cause of action, demand, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena or investigation of any nature, civil, criminal, administrative, regulatory or otherwise, whether at law or in equity.

“Affiliate” means, with respect to any Person, any other Person which directly or indirectly controls, is controlled by or is under common control with such Person. As used in this definition, the term “control” (including the terms “controlling,” “controlled by” and “under common control with”) shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

“Agreed Accounting Principles” means United States generally accepted accounting principles.

“Agreement” has the meaning specified in the introductory paragraph hereof.

“Ancillary Agreements” means any certificate, agreement, document or other instrument to be executed and delivered in connection with the transactions contemplated by this Agreement, including without limitation the Bill of Sale, Assignment and Assumption Agreement, and the Assignment of FCC Authorizations.

“Assignment of FCC Authorizations” has the meaning specified in Section 2.8.

“Assumed Liabilities” has the meaning specified in Section 2.3(a).

“Bill of Sale, Assignment and Assumption Agreement” has the meaning specified in Section 2.8(a).

“Business” means the business of the Stations, including all ancillary businesses related thereto; and after the WYSJ Closing Date, the business of WJHJ, including all ancillary businesses related thereto.

“Business Day” means any day on which banks in the City of New York are not required or authorized to close.

“Buyer” has the meaning specified in the introductory paragraph hereof.

“Buyer Ancillary Agreements” has the meaning specified in Section 4.2(a).

“Buyer Fundamental Representations” has the meaning specified in Section 9.2.

“Buyer Group Member” means the Buyer, its Affiliates, and each of their successors and assigns, and their respective directors, officers, employees and agents.

“CERCLA” means the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§ 9601 et seq., and any regulations promulgated thereunder.

“Channel Change Petition” has the meaning specified in the recitals.

“Claim Notice” has the meaning specified in Section 9.3(a).

“Closing” has the meaning specified in Section 2.5 and, subject to the provisions of Section 2.4, the WYSJ Closing or the WJHJ Closing, as the case may be.

“Closing Date” has the meaning specified in Section 2.5 and, subject to the provisions of Section 2.4, the WYSJ Closing Date or the WJHJ Closing Date, as the case may be.

“Closing Date Adjustments” has the meaning specified in Section 2.7(a).

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

“Communications Act” means the Communications Act of 1934, as amended, and the rules and regulations of the FCC promulgated under the foregoing, in each case, as in effect from time to time.

“Competing Transaction” means any proposal or offer from any Person (other than Buyer or its Affiliates) relating to any direct or indirect acquisition, in one transaction or a series of transactions, including any merger, consolidation, stock acquisition, asset acquisition, share exchange or similar transaction, of twenty-five percent (25%) or more of the assets or equity of the Stations.

“Contracts” means all contracts, leases, deeds, mortgages, licenses, instruments, notes, commitments, undertakings, indentures, joint ventures and all other agreements, commitments and legally binding arrangements, whether written or oral.

“COVID-19” means the COVID-19 or SARS-Co-V-2 virus (or any mutation or variation thereof) or associated epidemics, pandemics or disease outbreaks.

“COVID-19 Measures” means, as applicable to a party, (a) any quarantine, “shelter in place,” “stay at home,” workforce reduction, social distancing, shut down, closure or sequester order, guideline, recommendation or similar applicable Law of or promulgated by any Governmental Body in connection with or in response to COVID-19 and (b) such other reasonable measures taken by such party to the extent determined to be in good faith by such party to be reasonably necessary to avoid or mitigate material risk of physical injury or harm to any human Person (or to otherwise protect or preserve the health or safety of any human Person) in connection with or in response to COVID-19.

“Cutoff Time” means 11:59 P.M. (eastern time) on the date immediately prior to the Closing Date.

“Employment Agreement” means any Contract or agreement of the Seller with any individual Employee pursuant to which the Seller has an actual or contingent Liability to provide compensation and/or benefits in consideration for past, present or future services.

“Employees” means any individuals employed by the Seller and any full-time, part-time and per diem employees who become employed by the Seller after the date hereof in accordance with Section 5.4 primarily in connection with the Business; provided, however, that no such Person shall be considered an “Employee” if he or she is not employed by the Seller at the Closing. For purposes of the foregoing, an individual shall not be considered “not employed” by virtue of the fact that he or she is on authorized leave of absence, sick leave, short or long term disability leave or military leave. The term Employees shall not include any independent contractor who has provided services to the Seller, or Neal Rosenbaum, the President and sole stockholder of the Seller.

“Employee Plan” means each material (a) pension, retirement, profit sharing, deferred compensation, stock bonus or other similar plan, (b) medical, vision, dental or other health plan, (c) life insurance plan and (d) other employee benefit plan, in each case, to which the Seller is required to contribute, or which the Seller sponsors for the benefit of the Employees of the Seller, or under which Employees (or their beneficiaries) of the Seller are eligible to receive benefits, including any “employee benefit plan” (as defined in Section 3(3) of ERISA).

“Encumbrance” means any lien (statutory or otherwise), claim, charge, security or equity interest, mortgage, pledge, easement, option, conditional sale or other title retention agreement, defect in title, covenant, right of first refusal or other restrictions of any kind, including any restriction on use, voting, transfer, receipt of income or exercise of any other attribute of ownership.

“Environmental Law” means all Laws relating to or addressing the environment, health or safety, including but not limited to CERCLA, OSHA and RCRA and any state equivalent thereof.

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

“Excluded Assets” has the meaning specified in Section 2.2.

“Excluded Liabilities” has the meaning specified in Section 2.3(b).

“Expense” means any and all expenses incurred in connection with investigating, defending or asserting any Action or proceeding incident to any matter indemnified against hereunder, enforcing any right to indemnification hereunder and pursuing any insurance providers (including court filing fees, court costs, arbitration fees or costs, witness fees, and reasonable fees and disbursements of legal counsel, investigators, expert witnesses, consultants, accountants and other professionals).

“FCC” has the meaning specified in the recitals.

“FCC Applications” has the meaning specified in Section 5.3(a).

“FCC Authorizations” means those Governmental Permits issued to the Seller by the FCC with respect to each Station that are material to such Station’s operations.

“FCC Consents” means action (or series of actions) by the FCC (including action by staff acting on delegated authority) granting all of the FCC Applications.

“Governmental Body” means any foreign, federal, state, local or other governmental authority, or judicial or regulatory body.

“Governmental Consents” means (a) the FCC Consent, and (b) all authorizations, consents, notices, Orders and approvals of all Governmental Bodies, including any State Attorney General, that are or may become necessary for the execution, delivery and consummation of the transactions contemplated hereby.

“Governmental Permits” has the meaning specified in Section 3.7(a).

“Indemnified Party” has the meaning specified in Section 9.3(a).

“Indemnitor” has the meaning specified in Section 9.3(a).

“Independent Accountant” has the meaning specified in Section 2.7.

“Intellectual Property” means (a) patents, (b) Trademarks, (c) copyrights, (d) registrations and applications for registration of any of the foregoing in (a)-(c), and (e) trade secrets, including advertising customer lists, mailing lists, processes, know-how and other proprietary or confidential information.

“Knowledge of the Seller” means, as to a particular matter, the actual knowledge, after reasonable inquiry of the following person: Neal Rosenbaum.

“Laws” means any and all domestic (federal, state or local) or foreign or provincial laws, statutes, ordinances, rules, published regulations, judgments, orders, injunctions, awards, or published agency policies, procedures, requirements or decrees promulgated by any Governmental Body.

“Liabilities” means liabilities, obligations or commitments of any nature whatsoever, asserted or unasserted, known or unknown, absolute or contingent, accrued or unaccrued, matured or unmatured or otherwise.

“License Assignment Application(s)” has the meaning specified in Section 5.3(a).

“Loss” means any and all losses, costs, obligations, Liabilities, settlement payments, awards, judgments, fines, penalties, damages, deficiencies, interest, awards, penalties, fines or other charges.

“Market” means the “Designated Market Area,” as determined by The Nielsen Company, of a television broadcast station.

“Material Adverse Effect” means any event, occurrence, fact, condition or change that is, or could reasonably be expected to become, individually or in the aggregate, materially adverse to (a) the ability of the Seller to perform its obligations under this Agreement, (b) the assets, results of operations or condition of the Business (financial or otherwise) taken as a whole, or (c) the value of the Purchased Assets taken as a whole; provided, however, that for purposes of determining whether there has been or is reasonably likely to be a “Material Adverse Effect” for purposes of clause (b) and (c), the results and consequences of the following events, occurrences, facts, conditions, changes, developments or effects shall not be taken into account: (i) those that generally affect the industry of the Business or substantial segments thereof, (ii) those that result from the announcement by the Seller of its intention to sell the Business, (iii) those that involve the taking of any action expressly required by, or the failure to take any action expressly prohibited by, this Agreement, or the taking of any action at the written request or the prior written consent of the Buyer, (iv) those that involve general economic or political conditions, whether national, regional or local, (v) those that involve changes in Laws or generally accepted accounting principles (or the interpretation thereof) or in legal, regulatory or political conditions, (vi) those that involve the commencement, escalation or worsening of any war or armed hostilities or the occurrence of acts of terrorism or sabotage occurring after the date hereof, (vii) those that involve epidemics, pandemics, or worsening thereof (including the COVID-19 pandemic) and (viii) those that involve earthquakes, hurricanes, floods or other natural disasters; *provided further, however*, that any event, occurrence, fact, condition or change referred to in clauses (i), (iv), or (v) immediately above shall be taken into account in determining whether a Material Adverse Effect has occurred or could reasonably be expected to occur to the extent that such event, occurrence, fact, condition or change has a disproportionate effect on the Business compared to other similarly situated participants in the broadcast television industry.

“Minor Mod Application” has the meaning specified in the recitals.

“MVPD” means any multi-channel video programming distributor, including cable systems, telephone companies and direct broadcast satellite systems.

“Order” means any order, judgment, injunction, awards, stipulations, decree or writ handed down, adopted or imposed by, including any consent decree, settlement agreement or similar written agreement with, any Governmental Body.

“OSHA” means the Occupational Safety and Health Act, 29 U.S.C. §§ 651 et seq., and any regulations promulgated thereunder.

“Payment Date” has the meaning specified in Section 2.7(b).

“Permitted Encumbrance” means (a) liens for Taxes which are not yet due and payable, (b) terms and conditions of any leases assumed by the Buyer, (c) zoning laws and ordinances and similar Laws that are not materially violated by any existing improvement and that do not prohibit or interfere with the use of any real property as currently used in the operation of the Business; (d) any right reserved to any Governmental Body to regulate the affected property; (e) easements,

rights of way, and other similar encumbrances that in the aggregate do not affect marketable title to the property subject thereto or impair or interfere with the continued use of the property in the ordinary course of the Business; (f) inchoate materialmen's, mechanics', workmen's, repairmen's or other like Encumbrances arising in the ordinary course of business for amounts that are not yet due and payable; and (g) minor defects of title, easements, rights-of-way, restrictions and other Encumbrances not interfering with the present use of the applicable assets subject thereto.

"Person" means any person, employee, individual, corporation, limited liability company, partnership, trust, or any other non-governmental entity or any Governmental Body.

"Programming Stream" means, with respect to each Station, any audiovisual programming stream, along with accompanying program-related material, broadcast by such Station on a free over-the-air basis.

"Prorated Taxes" means all personal property, real property, intangible property and other ad valorem Taxes imposed on or with respect to the Business and/or the Purchased Assets for any taxable period that begins on or before and ends after the Closing Date.

"Purchased Assets" has the meaning specified in Section 2.1.

"Purchased Intellectual Property" has the meaning specified in Section 2.1(d).

"Purchase Price" has the meaning specified in Section 2.6.

"RCRA" means the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901 et seq., and any regulations promulgated thereunder.

"Receivables" means all trade accounts receivable generated by the Business for periods prior to the Closing Date which are outstanding as of the Cutoff Time, excluding any receivables due from any Affiliate of the Seller.

"Renewal Applications" has the meaning specified in Section 3.7(c).

"Required Consents" has the meaning specified in Section 5.3(c).

"Seller" has the meaning specified in the introductory paragraph hereof.

"Seller Fundamental Representations" has the meaning specified in Section 9.1.

"Seller Group Member" means the Seller, its Affiliates, each of their successors and assigns, and their respective directors, officers, employees, agents and representatives.

"Station(s)" has the meaning specified in the recitals.

"Station Agreements" has the meaning specified in Section 2.1(d).

"Straddle Period" means any taxable period beginning on or before and ending after the Closing Date.

"Tangible Personal Property" has the meaning specified in Section 2.1(b).

"Tax" means any federal, state, local or foreign net income, alternative or add-on minimum, gross income, gross receipts, property, sales, use, transfer, gains, license, employment, payroll, capital stock, escheat, environmental, franchise, social security, stamp, registration and value-added taxes, withholding or minimum tax, or other tax, together with any interest or any penalty, addition to tax or additional amount imposed by any Governmental Body.

“Tax Return” means any return, declaration, report, claim for refund or other document relating to Taxes, including any schedule or attachment thereto, and amendment thereof.

“Termination Date” has the meaning specified in Section 10.1(a)(v).

“Third Person Claim Notice” has the meaning specified in Section 9.4(a).

“Tower Leases” means, collectively, the WJHJ Tower Lease and the WYSJ Tower Lease.

“Trademarks” means trademarks, service marks, Internet domain names, call signs, trade dress, trade names, and corporate names, all applications and registrations for the foregoing, and all goodwill connected with the use thereof and symbolized thereby.

“Transfer Taxes” means all transfer, documentary, excise, sales, value added, goods and services, use, stamp, registration and other similar taxes, and all conveyance fees, recording charges and other similar fees and charges, incurred in connection with the consummation of the transactions contemplated by this Agreement.

“Treasury Regulation” means regulations promulgated by the United States Department of the Treasury under the Code.

“WJHJ” has the meaning specified in the recitals.

“WJHJ Assumed Liabilities” means all Assumed Liabilities other than the WYSJ Assumed Liabilities.

“WJHJ Closing” has the meaning specified in Section 2.4(b).

“WJHJ Closing Date” has the meaning specified in Section 2.4(b).

“WJHJ License” means the license issued by the FCC for the operation of Low Power Television Station WJHJ (Facility ID Number 35137), Newport News, VA.

“WJHJ License to Cover Application” means an application filed with the FCC for a license to cover construction under the WJHJ Permit.

“WJHJ Permit” means that certain Low Power Television Broadcast Station Construction Permit (Call sign WJHJ-LD; File Number 0000054621, granted February 7, 2019), as extended until January 10, 2022 pursuant to that letter from the FCC’s Media Bureau re: Request for Reinstatement and Extension of License and Silent Authority Under Section 312(g) and Application for Extension of Digital Construction Permit, LMS File Nos. 0000143967 and 0000139629, dated April 29, 2021, and as may be further extended by any subsequent extensions.

“WJHJ Purchased Assets” means all Purchased Assets other than the WYSJ Purchased Assets.

“WJHJ Purchase Price” shall be equal to Two Hundred Twenty-Five Thousand Dollars (\$225,000.00).

“WJHJ Tower Lease” means that certain Communications License Agreement dated January 8, 2019, between American Tower Company (as successor to InSite Towers Development, LLC) and JBS, Inc. for WJHJ-LP transmitter site at 3850 Broadway Street, Portsmouth, VA, as amended by First Amendment thereto dated as of March 1, 2022.

“WVEC” has the meaning specified in the recitals.

“WYSJ” has the meaning specified in the recitals.

“WYSJ Assumed Liabilities” means the Assumed Liabilities but excluding all Liabilities solely relating to WJHJ.

“WYSJ Closing” has the meaning specified in Section 2.4(a).

“WYSJ Closing Date” has the meaning specified in Section 2.4(a).

“WYSJ Purchase Price” shall be equal to Nine Hundred Twenty-Five Thousand Dollars (\$925,000.00).

“WYSJ Purchased Assets” means the Purchased Assets but excluding any assets solely relating to WJHJ, including any FCC Authorizations, Tangible Personal Property, Purchased Intellectual Property, the WJHJ Tower Lease, any Station Agreement solely relating to WJHJ, or any other assets solely relating to WJHJ.

“WYSJ Tower Lease” means that certain Communications License Agreement dated January 8, 2019, between American Tower Company (as successor to InSite Towers Development, LLC) and JBS, Inc. for WYSJ-CD transmitter site at 990 North Park Lane, Hampton, VA.

## ARTICLE II

### PURCHASE AND SALE OF PURCHASED ASSETS

**Section 2.1. Purchase and Sale of Purchased Assets.** Upon the terms and subject to the conditions of this Agreement, at the Closing, the Seller shall, or shall cause its Affiliates to, sell, transfer, assign, convey and deliver to the Buyer, and the Buyer shall purchase from the Seller, pursuant to this Agreement, free and clear of all Encumbrances (except for Permitted Encumbrances), all of the right, title and interest of the Seller to the following assets, properties and business (excepting only the Excluded Assets) then owned or held by the Seller and used primarily in the Business (herein collectively referred to as the “Purchased Assets”):

(a) (i) The FCC Authorizations and (ii) all other assignable Governmental Permits which are held by Seller and required for the conduct of the Business as currently conducted or for the ownership and use of the Purchased Assets;

(b) All machinery, equipment (including computers and office equipment), auxiliary and translator facilities, transmitting towers, transmitters, broadcast equipment, antennae, supplies, inventory (including all programs, records, tapes, recordings, compact discs, cassettes, spare parts and equipment), furniture and other tangible personal property owned by the Seller and used primarily in the Business except for any retirements or dispositions thereof made between the date hereof and Closing in accordance with Section 5.4 (“Tangible Personal Property”);

(c) The Intellectual Property owned by the Seller and used primarily in the Business which are listed on Schedule 2.1(c) (the “Purchased Intellectual Property”);

(d) (i) The Tower Leases and (ii) the multicast agreements and other Contracts listed or described in Schedule 2.1(d)(ii) (collectively, the “Station Agreements”);



(e) All of Seller's rights, claims, and interests under warranties, indemnities and all similar rights against third parties to the extent related to any Purchased Assets;

(f) All books and records of the Seller that relate primarily to the Purchased Assets, including all files, logs, programming information and studies, technical information and engineering data, and consulting reports, excluding records relating exclusively to Excluded Assets;

(g) All claims, rights and interests in and to any refunds of Taxes or fees of any nature whatsoever, including all items of loss, deduction or credit for Tax purposes, in each case, relating to the Business or the Purchased Assets for, or applicable to, periods (or portions thereof) beginning after the Closing Date or relating to any Assumed Liabilities; and

(h) All goodwill and the going concern value of the Purchased Assets, the Business and each Station.

**Section 2.2. Excluded Assets.** Notwithstanding the foregoing, the Purchased Assets shall not include the following (herein referred to as the "Excluded Assets");

(a) Any cash or cash equivalents (including any marketable securities or certificates of deposit) of the Seller;

(b) All bank and other depository accounts of the Seller;

(c) All Receivables;

(d) All Contracts of the Seller other than the Station Agreements;

(e) All claims, rights and interests of the Seller in and to any refunds of Taxes or fees of any nature whatsoever, including all items of loss, deduction or credit for Tax purposes, in each case, relating to the Business or the Purchased Assets for, or applicable to, periods (or portions thereof) ending on or prior to the Closing Date or relating to any Excluded Liabilities;

(f) The Seller's minute books, stock transfer books, records relating to formation or incorporation, Tax returns and related documents and supporting work papers and any other records and returns relating to Taxes, assessments and similar governmental levies (other than real and personal property Taxes, assessments and levies imposed on the Purchased Assets) and any books and records not relating to the Business, either Station, the Purchased Assets or the Assumed Liabilities;

(g) The items designated in Schedule 2.2(g) as "Excluded Assets";

(h) All Intellectual Property of the Seller (other than the Purchased Intellectual Property);

(i) All Employment Agreements and all of the employee benefit agreements, plans or arrangements sponsored or maintained by the Seller or any of its Affiliates (including,

without limitation, all Employee Plans) and any assets of any such agreement, plan or arrangement; and

(j) Any rights of or payment due to the Seller, under or pursuant to this Agreement or the other agreements with the Buyer or any of its Affiliates contemplated hereby (excluding any contacts that are Purchased Assets).

**Section 2.3. Assumption of Liabilities.**

(a) Upon the terms and subject to the conditions of this Agreement, as of the Closing, the Buyer shall assume and shall thereafter be obligated for, and shall agree to pay, perform and discharge in accordance with their terms, the following obligations and Liabilities of the Seller, whether direct or indirect, known or unknown (except to the extent such obligations and liabilities constitute Excluded Liabilities):

(i) all Liabilities and obligations under the Station Agreements but only to the extent that such Liabilities thereunder are required to be performed after the Cutoff Time, were incurred in the ordinary course of business and do not relate to any failure to perform, improper performance, warranty or other breach, default or violation by Seller on or prior to the Closing;

(ii) (A) any Prorated Taxes for the portion of any Straddle Period beginning after the Closing Date (determined in accordance with Section 6.1) and (B) any Transfer Taxes that are the responsibility of the Buyer pursuant to Section 6.1; and

(iii) all Liabilities to the extent any such Liabilities are included in the final calculations of the Closing Date Adjustments, including the portion of Prorated Taxes allocated to the Buyer therein.

All of the foregoing to be assumed by the Buyer are referred to herein as the “Assumed Liabilities.”

(b) The Buyer shall not assume or be obligated for any of, and the Seller shall solely retain, pay, perform, defend and discharge all of, their Liabilities or obligations of any and every kind whatsoever, direct or indirect, known or unknown, absolute or contingent, not expressly assumed by the Buyer under Section 2.3(a) and, notwithstanding anything to the contrary in Section 2.3(a), none of the following (herein referred to as “Excluded Liabilities”) shall be “Assumed Liabilities” for purposes of this Agreement:

(i) (A) all Taxes (other than any Prorated Taxes or Transfer Taxes) of the Seller for any Tax period, and (B) except as provided in Section 2.3(a)(iii), any Prorated Taxes for the portion of any Straddle Period beginning on or before the Closing Date (determined in accordance with Section 6.1);

(ii) all Liabilities or obligations arising under or related to that certain Consent Decree dated February 6, 2014 and entered into by the FCC Media Bureau, Seller, and Neal A. Rosenbaum;

(iii) all Liabilities or obligations to Employees, including accrued and unpaid salaries, wages, commissions, bonuses, deferred compensation, and vacation, holiday and sick pay, and all payroll taxes thereon, and any Liabilities or obligations with respect to worker's compensation claims;

(iv) all Liabilities or obligations under the employee benefit agreements, plans or arrangements sponsored or maintained by the Seller (including, without limitation, all Employee Plans);

(v) any Liability for any product sold or service performed on or before the Closing Date;

(vi) any Liabilities or obligations relating to the Business or the Purchased Assets arising under Environmental Laws relating to facts or circumstances in existence prior to the Closing Date;

(vii) any Liabilities or obligations in respect of any pending or threatened claims or actions against the Seller, as applicable, arising out of, relating to or otherwise in respect of the Business or the Purchased Assets to the extent such claim or action relates to operation of the Business on or prior to the Closing Date;

(viii) any intercompany payables or other Liabilities of the Business owing to any of the Affiliates of the Seller

(ix) any Liabilities arising out of any Excluded Assets;

(x) any trade accounts payable of the Business arising prior to the Cutoff Time; and

(xi) any Liabilities or other obligations of Seller under this Agreement or the Ancillary Agreements.

**Section 2.4. Bifurcation of Closing.** Notwithstanding any other provision of this Agreement to the contrary:

(a) If, at such time that each of the conditions to Closing set forth in ARTICLE VII and ARTICLE VIII hereof shall have been satisfied or waived (other than those conditions that by their nature are to be satisfied at the Closing or that apply solely to the WJHJ Purchased Assets or the WJHJ Assumed Liabilities), but in no event earlier than July 10, 2022, (1) the WJHJ License to Cover Application has not been filed with the FCC, and the WJHJ Permit is not in full force and effect with an expiration date at least ninety (90) days after the Closing Date, or (2) the WJHJ License is not in full force and effect without conditions outside the ordinary course, then Seller and Buyer shall proceed to consummate the Closing only with respect to the WYSJ Purchased Assets and the WYSJ Assumed Liabilities (the "WYSJ Closing"). At the WYSJ Closing: (x) Seller shall sell, transfer, assign, convey and deliver to Buyer, and Buyer shall purchase from Seller, pursuant to this Agreement, free and clear of all Encumbrances (except for Permitted Encumbrances), all of the right, title and interest of Seller to the WYSJ Purchased Assets, (y) Buyer shall, as of the WYSJ Closing, assume and thereafter be obligated for, and shall

agree to pay, perform and discharge in accordance with their terms, the WYSJ Assumed Liabilities, and (z) Buyer shall pay to Seller the WYSJ Purchase Price, as adjusted pursuant to any Closing Date Adjustments applicable to the WYSJ Purchased Assets or the WYSJ Assumed Liabilities, by wire transfer in immediately available funds to an account(s) designated by the Seller. The date of the WYSJ Closing is referred to herein as the “WYSJ Closing Date”.

(b) If the WYSJ Closing is consummated pursuant to Section 2.4(a) above, then at such time thereafter that (1) (x) construction of the facilities authorized under the WJHJ Permit has been properly completed and the WJHJ License to Cover Application has been timely filed with the FCC and granted, or (y) the WJHJ Permit is in full force and effect with an expiration date at least ninety (90) days after the date of the WJHJ Closing, and (2) the WJHJ License is in full force and effect without conditions outside the ordinary course, then, subject to the satisfaction or waiver of the conditions to Closing set forth in ARTICLE VII and ARTICLE VIII (other than those conditions that apply solely to the WYSJ Purchased Assets or the WYSJ Assumed Liabilities), Seller and Buyer shall proceed to consummate the Closing with respect to the WJHJ Purchased Assets and the WJHJ Assumed Liabilities (the “WJHJ Closing”). At the WJHJ Closing, (x) Seller shall sell, transfer, assign, convey and deliver to Buyer, and Buyer shall purchase from Seller, pursuant to this Agreement, free and clear of all Encumbrances (except for Permitted Encumbrances), all of the right, title and interest of Seller to the WJHJ Purchased Assets, (y) Buyer shall, as of the WJHJ Closing, assume and thereafter be obligated for, and shall agree to pay, perform and discharge in accordance with their terms, the WJHJ Assumed Liabilities, and (z) Buyer shall pay to Seller the WJHJ Purchase Price, as adjusted pursuant to any Closing Date Adjustments applicable to the WJHJ Purchased Assets or the WJHJ Assumed Liabilities, by wire transfer in immediately available funds to an account(s) designated by the Seller. The date of the WJHJ Closing is referred to herein as the “WJHJ Closing Date”.

(c) In the event of a bifurcated Closing as contemplated by this Section 2.4, all of the other terms and conditions of this Agreement, shall be applied *mutatis mutandis* to the transactions consummated at the (i) WYSJ Closing with respect to the sale of the WYSJ Purchased Assets and the assumption of the WYSJ Assumed Liabilities and (ii) WJHJ Closing with respect to the sale of the WJHJ Purchased Assets and the assumption of the WJHJ Assumed Liabilities, provided, however, that nothing in this Section 2.4 shall be deemed to affect the termination date set forth in Section 10.1(a)(v).

**Section 2.5. Closing Date.** Subject to any prior termination of this Agreement pursuant to Section 10.1, and to the provisions of Section 2.4, the purchase and sale of the Purchased Assets and the assumption of the Assumed Liabilities provided for in Section 2.1 and Section 2.3 (the “Closing”) shall be consummated at 10:00 A.M., eastern time, three (3) Business Days after the conditions set forth in ARTICLE VII and ARTICLE VIII are satisfied or, if legally permissible, waived (other than those conditions that by their nature are to be satisfied (or validly waived) at the Closing, but subject to such satisfaction or waiver), by electronic exchange of executed documents, unless such time or date is changed by mutual agreement of the Seller and the Buyer (the “Closing Date”).

**Section 2.6. Purchase Price.** The purchase price for the Purchased Assets (the “Purchase Price”) shall be equal to One Million One Hundred Fifty Thousand Dollars (\$1,150,000.00), subject to the provisions of Section 2.4. The Purchase Price, as adjusted pursuant

to the Closing Date Adjustments, shall be paid at Closing by wire transfer in immediately available funds to an account(s) designated by the Seller.

**Section 2.7. Prorations and Adjustments.**

(a) All income and expenses arising from the Business, including, without limitation, Assumed Liabilities and prepaid expenses, and assessments (but excluding the Seller's Receivables), annual regulatory fees payable to the FCC, power and utilities charges, and rents and similar prepaid and deferred items shall be prorated between the Seller and the Buyer in accordance with the Agreed Accounting Principles to reflect the principle that Seller shall be entitled to all income and be responsible for all expenses arising from the Business through the Cutoff Time and the Buyer shall be entitled to all income and be responsible for all expenses arising from the Business after the Cutoff Time. Notwithstanding anything in this Section 2.7 to the contrary, there shall be no proration under this Section 2.7 for Station Agreements except to the extent that any payments or performance due under such Station Agreements relate to a payment period that straddles the Cutoff Time in which case the amount payable in the payment period will be prorated based on the number of days in such period. The prorations and adjustments to be made pursuant to this Section 2.7 are referred to as the "Closing Date Adjustments."

(b) Within sixty (60) days after the Closing, the Buyer shall deliver to the Seller a statement of the Closing Date Adjustments, and no later than the close of business on the thirtieth (30) day after the delivery of such statements (the "Payment Date"), the Buyer shall pay to the Seller, or the Seller shall pay to the Buyer, as the case may be, any amount due as a result of the adjustment (or, if there is any good faith dispute, the undisputed amount). Except with respect to items that Seller notifies Buyer that it objects to prior to the close of business on the date that is at least one (1) Business Day prior to the Payment Date, the adjustments set forth in the Buyer's statement shall be final and binding on the parties effective at the close of business on the Payment Date. If the Seller disputes the Buyer's determinations or the Buyer disputes the Seller's determinations, the parties shall consult with regard to the matter and an appropriate adjustment and payment shall be made as agreed upon by the parties within thirty (30) days after the Payment Date. If such thirty (30) day consultation period expires, and the dispute has not been resolved, then the parties shall select a mutually acceptable, nationally recognized independent accounting firm that does not then have a relationship with the Seller or the Buyer (the "Independent Accountant"), to resolve the disagreement and make a determination with respect thereto as promptly as practicable. The determination by the Independent Accountant on the matter shall be binding. If an Independent Accountant is engaged pursuant to this Section 2.7, the fees and expenses of the Independent Accountant shall be borne by the Seller and the Buyer in inverse proportion as such parties may prevail on the resolution of the disagreement which proportionate allocation also will be determined by the Independent Accountant and be included in the Independent Accountant's written report, and an appropriate adjustment and payment shall be made within three (3) Business Days of the resolution by the Independent Accountant, which resolution shall be rendered within thirty (30) days after such submission.

**Section 2.8. Closing Date Deliveries.**

(a) At the Closing, the Seller shall deliver or cause to be delivered to the Buyer:

(i) a bill of sale, assignment and assumption agreement from the Seller in substantially the form of Exhibit A (the “Bill of Sale, Assignment and Assumption Agreement”), executed by Seller, providing for the conveyance of all of the Purchased Assets (other than the FCC Authorizations) and the assumption of all of the Assumed Liabilities;

(ii) an assignment of FCC Authorizations from the Seller, in substantially the form of Exhibit B (the “Assignment of FCC Authorizations”), assigning to the Buyer the FCC Authorizations;

(iii) a certification on IRS Form W-9 that Seller is a United States person within the meaning of Section 7701(a)(30) and Section 1445(f)(3)(A) of the Code;

(iv) all of the documents and instruments required to be delivered by the Seller pursuant to ARTICLE VIII; and

(v) such other documents and instruments as the Buyer reasonably has determined to be necessary to consummate the transactions contemplated hereby.

(b) At the Closing, the Buyer shall deliver to the Seller:

(i) the Purchase Price;

(ii) the Bill of Sale, Assignment and Assumption Agreement;

(iii) all of the documents and instruments required to be delivered by the Buyer pursuant to ARTICLE VII; and

(iv) such other documents and instruments as the Seller reasonably has determined to be necessary to consummate the transactions contemplated hereby.

## **Section 2.9. Further Assurances.**

(a) From time to time following the Closing, the Seller shall execute and deliver, or cause to be executed and delivered, to the Buyer such documents, instruments, conveyances and assurances and take such further actions as the Buyer may reasonably request or as may be otherwise necessary to effectively convey and transfer to, and vest in, the Buyer and put the Buyer in possession of, any part of the Purchased Assets.

(b) Without limiting Section 5.3(c), to the extent that any Station Agreement cannot be assigned without consent and such consent is not obtained prior to the Closing, the Seller shall use all commercially reasonable efforts to provide the Buyer the benefits of any such agreement and the Buyer shall perform or discharge on behalf of the Seller the obligations and liabilities under such agreement that constitute Assumed Liabilities. In addition to the Buyer’s obligation pursuant to the foregoing sentence, as to any Station Agreement included as a Purchased Asset that is not effectively assigned to the Buyer as of the Closing Date but is thereafter effectively assigned to the Buyer, the Buyer shall, from and after the effective date of such assignment,

assume, and shall thereafter pay, perform and discharge as and when due, all Assumed Liabilities of the Seller arising under such agreement.

(c) From time to time following the Closing, the Buyer shall execute and deliver, or cause to be executed and delivered, to the Seller such other documents, instruments, undertakings and assumptions, and shall take such further actions, as the Seller may reasonably request or as may be otherwise necessary to effectively evidence the Buyer's assumption of and obligation to pay, perform and discharge the Assumed Liabilities.

**Section 2.10. Allocation of Purchase Price.** Within fifteen (15) days of the Closing Date, the Seller shall provide to the Buyer an allocation of the Purchase Price and any other items treated as consideration for U.S. federal income (or applicable state, local or non-U.S.) tax purposes in accordance with Section 1060 of the Code and the Treasury Regulations promulgated thereunder (and any similar provisions of state, local, or non-U.S. Law, as appropriate). The Buyer shall provide the Seller with any comments to such allocation within fifteen (15) days after the date of receipt by the Buyer, and the Buyer and the Seller shall negotiate in good faith to finalize such allocation no later than sixty (60) days prior to the earliest due date (taking into account, for these purposes, any applicable extension of a due date) for the filing of a Tax Return to which such allocation is relevant (unless the Buyer does not provide any comments within such fifteen-day period, in which case the Seller's allocation shall be deemed final). If the parties are unable to mutually agree to such allocation then the parties shall have no further obligation under this Section 2.10, and each party shall make its own determination of such allocation for financial and tax reporting purposes, which determination, for the avoidance of doubt, shall not be binding on the other party.

### ARTICLE III

#### REPRESENTATIONS AND WARRANTIES OF THE SELLER

As an inducement to the Buyer to enter into this Agreement and to consummate the transactions contemplated hereby, the Seller represents and warrants to the Buyer as follows:

**Section 3.1. Organization.** The Seller is incorporated, validly existing and in good standing under the laws of the Commonwealth of Virginia. The Seller has the requisite corporate power and authority to operate the Stations as now operated by it, to use the Purchased Assets as now used by it and to carry on the Business as now conducted by it. Seller is duly licensed or qualified to do business and is in good standing in each jurisdiction in which the ownership of the Purchased Assets or the operation of the Business as currently conducted makes such licensing or qualification necessary.

**Section 3.2. Authority of the Seller.**

(a) The Seller has the requisite corporate power and authority to execute and deliver this Agreement and the Ancillary Agreements to be executed and delivered by it pursuant hereto, to consummate the transactions contemplated hereby and thereby and to comply with the terms, conditions and provisions hereof and thereof.

(b) The execution, delivery and performance of this Agreement and the Ancillary Agreements by the Seller (to the extent a party thereto) has been duly authorized and approved by all necessary corporate action on the part of the Seller and does not require any further authorization or consent on the part of the Seller or its Affiliates. This Agreement has been duly executed and delivered by Seller. This Agreement is, and each other Ancillary Agreement when executed and delivered by the Seller (to the extent a party thereto) will be, a legal, valid and binding agreement of the Seller, enforceable in accordance with its respective terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(c) Except for the FCC Consents and as set forth in Schedule 3.2, none of the execution, delivery and performance by the Seller of this Agreement or the Ancillary Agreements, the consummation by the Seller of the transactions contemplated hereby or thereby or compliance by the Seller with or fulfillment by the Seller of the terms, conditions and provisions hereof or thereof will:

(i) require the consent, notice or other action by any Person under, conflict with, result in a breach of the terms, conditions or provisions of, or constitute a default, with or without notice or lapse of time or both, an event of default or an event creating rights of acceleration, termination or cancellation or a loss of rights under, or result in the creation or imposition of any Encumbrance (other than a Permitted Encumbrance) upon any of the Purchased Assets under, (A) the certificate of incorporation, bylaws or other organizational documents of the Seller, (B) any Station Agreement, (C) any Governmental Permit, (D) any Law, judgment, order, award or decree to which such Person is a party or any of the Stations, the Business, or Purchased Assets is subject or by which such Person is bound, or (E) any material indenture, note, mortgage, lease, guaranty or material agreement to which the Seller is a party, except, in the case of each of the foregoing clauses (A)-(E), as would not, individually or in the aggregate, be reasonably likely to have a Material Adverse Effect;

(ii) result in the creation or imposition of any Encumbrance other than Permitted Encumbrances on the Purchased Assets; or

(iii) require the approval, consent, authorization or act of, or the making by the Seller of any declaration, filing or registration with, any third Person or any foreign, federal, state or local court or Governmental Body.

**Section 3.3. [Reserved].** [Reserved]

**Section 3.4. Operations Prior to the Closing Date.**

(a) Except as set forth in Schedule 3.4(a), from January 1, 2021, there has been no change in the financial condition or the results of operations of the Business which, individually or in the aggregate, has had or would reasonably be likely to have a Material Adverse Effect.



(b) Except as set forth in Schedule 3.4(b), from the January 1, 2021, the Business has been conducted in all material respects in the ordinary course.

**Section 3.5. Taxes.** The Seller has filed all material Tax Returns with respect to the Business and the Purchased Assets required to be filed prior to the date hereof and all such Tax Returns were true, correct and complete in all material respects, and the Seller has paid all Taxes shown on such Tax Returns to the extent due and payable. The Seller is in compliance in all material respects with the provisions of the Code relating to the withholding and payment of Taxes with respect to the Business and the Purchased Assets and, within the time and in the manner prescribed by Law, withheld from employee wages and paid over to the proper Governmental Body all required amounts. There are no Encumbrances for Taxes on any of the Purchased Assets other than Encumbrances for Taxes not yet due and payable that arise by operation of Law. No Tax Return relating to the Business or the Purchased Assets is currently under audit or examination by any Governmental Body. There are no Actions or investigations pending with respect to any material Taxes relating to the Business or the Purchased Assets.

**Section 3.6. Sufficiency of Assets.**

(a) Except as set forth in Schedule 3.6(a), the Purchased Assets, together with the Excluded Assets, (i) constitute all the assets and properties whether tangible or intangible, whether personal, real or mixed, wherever located, that are used primarily in the operation of the Stations and the Business, and (ii) are sufficient to conduct the operation of each Station individually, the Stations collectively, and the Business in the manner in which the Business is conducted on the date hereof and has been conducted at all times since December 31, 2020.

(b) The buildings, plants, structures, furniture, fixtures, machinery, equipment, vehicles and other items of tangible personal property included in the Purchased Assets that are owned or leased by (i) WYSJ are structurally sound, are in good operating condition and repair, ordinary wear and use excepted, and are adequate for the uses to which they are being put, and none of such buildings, plants, structures, furniture, fixtures, machinery, equipment, vehicles and other items of tangible personal property is in need of maintenance or repairs except for ordinary, routine maintenance and repairs that are not material in nature or cost and (ii) WJHJ are sold “as-is” and without any representation or warranty as to condition or fitness for any particular purpose.

**Section 3.7. Governmental Permits; FCC Matters.**

Except as disclosed on Schedule 3.7:

(a) As of the date of this Agreement, the Seller holds or possesses all registrations, licenses, permits, approvals and regulatory authorizations from a Governmental Body that are reasonably necessary to entitle it to own or lease, operate and use the assets of each Station and to carry on and conduct the Business substantially as conducted immediately prior to the date of this Agreement (herein collectively called “Governmental Permits”). Schedule 3.7 sets forth a list of each of the FCC Authorizations held by the Seller as of the date of this Agreement. The FCC Authorizations constitute all material registrations, licenses, franchises, permits, approvals and regulatory authorizations issued by the FCC to the Seller in respect of each Station and held by the Seller as of the date of this Agreement.

(b) All fees and charges with respect to such Governmental Permits as of the date hereof have been paid in full. The Seller has fulfilled and performed its obligations under each of the Governmental Permits. Each of the Governmental Permits is valid, subsisting and in full force and effect and has not been revoked, suspended, canceled, rescinded or terminated.

(c) Each Station is being operated in accordance with the FCC Authorizations and in compliance in all material respects with the Communications Act and all other Laws applicable to such Station, including those requirements necessary to maintain WYSJ's status as a Class A television broadcast station. There is not (i) pending, or, to the Knowledge of the Seller, threatened, any material Action, other than Actions affecting broadcast television stations generally, by or before the FCC to revoke, suspend, cancel, rescind, terminate, materially adversely modify, downgrade or refuse to renew in the ordinary course any FCC Authorization (other than, in the case of modifications, proceedings to amend the FCC rules of general applicability), or (ii) issued or outstanding, by or before the FCC, any (A) order to show cause, (B) notice of violation, (C) notice of apparent liability or (D) order of forfeiture, in each case, against such Station or the Seller with respect to such Station that has resulted or would reasonably be expected to result in any Action described in the foregoing clause (i) with respect to such FCC Authorizations. The FCC Authorizations have been issued by the FCC for full terms customarily issued by the FCC for each class of each Station, and the FCC Authorizations are not subject to any condition except for those conditions appearing on the face of the FCC Authorizations and conditions applicable to broadcast licenses generally. Seller has filed all applications to renew the FCC Authorizations that are due as of the date hereof ("Renewal Applications"). The Renewal Applications are complete and contain all information required for them to be processed by the FCC, and Seller is not aware of any facts or circumstances that would delay the FCC's processing of the Renewal Applications. The Seller has (i) paid or caused to be paid all FCC regulatory fees due and payable by it in respect of each Station, and (ii) timely filed all material registrations and reports required to have been filed by it with the FCC relating to the FCC Authorizations.

### **Section 3.8. Intellectual Property.**

(a) There are no patents and patent applications, trademark, service mark and copyright registrations and applications for registration, and Internet domain name registrations, in each case, that are included in the Purchased Intellectual Property.

(b) Except as would not, individually or in the aggregate, be reasonably likely to have a Material Adverse Effect, to the Knowledge of the Seller, the Business is not infringing, misappropriating or otherwise violating any Intellectual Property owned by any third party. The Buyer acknowledges that the representations and warranties set forth in this Section 3.8(b) are the only representations and warranties the Seller makes in this Agreement with respect to any activity that constitutes, or otherwise with respect to, infringement, misappropriation or other violation of Intellectual Property.

(c) Except as would not, individually or in the aggregate, be reasonably likely to have a Material Adverse Effect, to the Knowledge of the Seller, there are no Actions by or before any court or any Governmental Body which are pending or, to the Knowledge of the Seller, threatened regarding or disputing the ownership, registrability or enforceability, or use by the Seller, of any Purchased Intellectual Property. The Seller is not a party to any outstanding Order

that restricts, in a manner material to the Business, the use or ownership of any Purchased Intellectual Property.

**Section 3.9. Title to Purchased Assets.** The Seller has good and valid title or a valid right to use all of the Purchased Assets free and clear of all Encumbrances, except for Permitted Encumbrances.

**Section 3.10. Contracts.** Except for the Station Agreements, and except as set forth in Schedule 3.10, as of the date of this Agreement, the Seller is not a party to or bound by with respect to the Business:

(a) any contract for the purchase, sale, license or lease of material assets used or to be used primarily in the Business outside of the ordinary course of business which it would reasonably be expected that the Business would make annual payments of \$50,000 or more during any twelve (12) month period or the remaining term of such contract;

(b) any programming agreement relating primarily to the Business;

(c) any contract or agreement that is a “local marketing agreement” or time brokerage agreement, joint sales agreement, shared services agreement, spectrum lease agreement, management services agreement, local news sharing agreement or similar contract;

(d) any material partnership, joint venture or other similar contract or agreement;

(e) any contract or agreement for capital expenditures with respect to the Business for an amount in excess of \$50,000 during any twelve (12) month period or the remaining term of such contract;

(f) any network affiliation Contract (or similar Contract) with a national or international television network;

(g) any Contract relating to the retransmission of any portion of any Station’s signal, including without limitation via cable or satellite systems, other MVPDs, or any other video programming distributor (including without limitation services distributing video programming via the Internet);

(h) any Contract that is a channel sharing agreement with respect to the sharing of spectrum for the operation of two (2) or more separately licensed television stations or similar Contract;

(i) any material real property lease; or

(j) any contract (other than any contract of the type described in clauses (a) through (i) above) that primarily relates to the Business that is not terminable by the Seller without penalty on ninety (90) days’ notice or less and which is reasonably expected to involve the payment by the Seller after the date hereof of more than \$20,000 during any twelve (12) month period or the remaining term of such contract.

**Section 3.11. Status of Contracts.** Except as set forth in Schedule 3.11, each of the Station Agreements constitutes a valid and binding obligation of the Seller, and, to the Knowledge of the Seller, the other parties thereto and is in full force and effect (in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law)). Except as, individually or in the aggregate, has not had and would not be reasonably likely to have a Material Adverse Effect, (i) the Seller is not in breach of, or default under, any Station Agreement and, to the Knowledge of the Seller, no other party to any Station Agreement is in breach of, or default under, any Station Agreement, and (ii) to the Knowledge of the Seller, no event has occurred which would result in a breach of, or default under, any Station Agreement (in each case, with or without notice or lapse of time or both). None of Seller or, to the Knowledge of the Seller, any other party thereto has provided or received any notice of any intention to terminate, any Station Agreement. To the Knowledge of the Seller, no event or circumstance has occurred that, with notice or lapse of time or both, would constitute an event of default under any Station Agreement or result in a termination thereof or would cause or permit the acceleration or other changes of any right or obligation or the loss of any benefit thereunder. Copies of each of the Station Agreements, together with all amendments thereto, have heretofore been made available to the Buyer by the Seller. There are no material disputes pending or threatened under any Station Agreements included in the Purchased Assets.

**Section 3.12. MVPD Matters.** To the Knowledge of Seller, there is no MVPD in the Station's Market that is retransmitting any Programming Stream of either Station. There is no retransmission consent Contract by and between Seller and any MVPD with respect to either Station.

**Section 3.13. No Violation, Litigation or Regulatory Action.** Except as set forth in Schedule 3.13:

(a) Seller has materially complied and is in material compliance with all Laws and Orders which are applicable to the Purchased Assets, each Station or the Business.

(b) Since January 1, 2019, the Seller has not received any written notice of violation of any applicable Laws.

(c) Seller has complied, in all material respects, with all applicable Laws relating to COVID-19, including those relating to (i) shelter-in-place and quarantine orders and (ii) the maintenance of safe and acceptable working conditions, including by making disclosures regarding positive cases of COVID-19 among employees or service providers of the Stations.

(d) There are no Actions by or before any court or any Governmental Body which are pending or, to the Knowledge of the Seller, threatened against the Seller, in respect of the Purchased Assets, either Station or the Business; or that challenge or seek to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement. No event has occurred or circumstances exist that may give rise to, or serve as a basis for, any such Action.

(e) There are no outstanding Orders and no unsatisfied judgments, penalties or awards against, relating to or affecting the Business, either Station or the Purchased Assets.

**Section 3.14. No Finder.** Neither Seller nor any of its Affiliates is obligated to pay any fee or commission to any broker, finder or intermediary for or on account of the transactions contemplated by this Agreement for which the Buyer may become liable.

**Section 3.15. Employees.** Since January 1, 2019, the Seller has had no Employees other than Neal Rosenbaum and has not maintained any Employment Plan.

## **ARTICLE IV**

### **REPRESENTATIONS AND WARRANTIES OF THE BUYER**

As an inducement to the Seller to enter into this Agreement and to consummate the transactions contemplated hereby, the Buyer represents and warrants to the Seller as follows:

**Section 4.1. Organization.** The Buyer is organized, validly existing and in good standing under the laws of the state of its organization. The Buyer has the requisite organizational power and authority to own, lease and operate the properties and assets used in connection with its business as currently being conducted or to be acquired pursuant hereto.

**Section 4.2. Authority of the Buyer.**

(a) The Buyer has the requisite organizational power and authority to execute and deliver this Agreement and all of the other agreements and instruments to be executed and delivered by the Buyer pursuant hereto (collectively, the “Buyer Ancillary Agreements”), to consummate the transactions contemplated hereby and thereby and to comply with the terms, conditions and provisions hereof and thereof.

(b) The execution, delivery and performance of this Agreement and the Buyer Ancillary Agreements by the Buyer have been duly authorized and approved by all necessary organizational action on the part of the Buyer and do not require any further authorization or consent on the part of the Buyer. This Agreement is, and each other Buyer Ancillary Agreement when executed and delivered by the Buyer and the other parties thereto will be, a legal, valid and binding agreement of the Buyer enforceable in accordance with its respective terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors’ rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(c) Except for the FCC Consents and as set forth in Schedule 4.2, none of the execution, delivery and performance by the Buyer of this Agreement, or by the Buyer of the Buyer Ancillary Agreements to which it is a party, the consummation by the Buyer of the transactions contemplated hereby or thereby or compliance by the Buyer with or fulfillment by the Buyer of the terms, conditions and provisions hereof or thereof will:

(i) conflict with, result in a breach of the terms, conditions or provisions of, or constitute a default, an event of default or an event creating rights of acceleration, termination or cancellation or a loss of rights under, or result in the creation or imposition of any Encumbrance upon any assets of the Buyer under, (A) the certificate of incorporation, bylaws or other organizational documents of the Buyer, (B) any Law, judgment, order, award or decree to which Buyer is a party or is bound, or (C) any material indenture, note, mortgage, lease, guaranty or material agreement, or any judgment, order, award or decree, to which the Buyer is a party; or

(ii) require the approval, consent, authorization or act of, or the making by the Buyer of any declaration, filing or registration with, any third Person or any foreign, federal, state or local court or Governmental Body.

**Section 4.3. Litigation.** None of the Buyer nor any of its Affiliates is a party to any Action pending or, to the knowledge of the Buyer, threatened which challenge or seek to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement. There is no Order to which the Buyer or any of its Affiliates is subject which restricts the transactions contemplated by this Agreement.

**Section 4.4. No Finder.** None of the Buyer nor any of its Affiliates, or any party acting on any of their behalf has paid or become obligated to pay any fee or commission to any broker, finder or intermediary for or on account of the transactions contemplated by this Agreement other than with respect to Patrick Communications.

**Section 4.5. Qualifications as FCC Licensee.** The Buyer is legally, financially and otherwise qualified to be the licensee of, and to acquire, own, operate and control, the Stations under the Communications Act, including the provisions relating to media ownership and attribution, foreign ownership and control, and character qualifications. There are no facts or circumstances that would, under the Communications Act or any other applicable Laws, (i) disqualify the Buyer as the assignee of the FCC Authorizations with respect to the Stations or as the owner and operator of the Stations, (ii) delay the FCC's processing of the FCC Applications, or (iii) cause the FCC to impose a material condition or conditions on its granting of any FCC Consent. No divestiture or other disposition by the Buyer or any of its Affiliates of any asset or property is necessary for the FCC Consent to be obtained under the Communications Act.

## **ARTICLE V**

### **ACTION PRIOR TO THE CLOSING DATE**

The respective parties hereto covenant and agree to take the following actions between the date hereof and the Closing Date:

#### **Section 5.1. Access to the Business.**

(a) Upon the written request of the Buyer, the Seller (i) shall use reasonable efforts to afford to the officers and authorized representatives of the Buyer (including independent public accountants, attorneys and consultants) reasonable access during normal business hours, and upon reasonable prior notice, to the offices, properties, employees and business and financial

records of the Business to the extent reasonably necessary for the Buyer's transition planning; (ii) shall furnish to the Buyer or its authorized representatives such additional information concerning the Business as shall be reasonably requested to the extent reasonably necessary for Buyer's transition planning; and (iii) instruct the representatives of Seller to cooperate with Buyer in its investigation of the Business; provided, however, that the Seller shall not be required to violate any obligation of confidentiality or other obligation under applicable Law to which the Seller is subject in discharging their obligations pursuant to this Section 5.1.

(b) The Buyer agrees that any such access shall be conducted in such a manner as not to interfere unreasonably with the operations of Business or the Seller. Notwithstanding the foregoing, the Seller shall not be required to (i) take any action which would constitute a waiver of attorney-client or other privilege or would compromise the confidential information of the Seller not related to the Business, (ii) supply the Buyer with any information which, in the reasonable judgment of the Seller, is under a contractual or legal obligation not to supply or (iii) permit the Buyer or any of its Affiliates to conduct any sampling of soil, sediment, groundwater, surface water or building material. Any information disclosed to the Buyer by the Seller under this Section 5.1 shall be held in accordance with Section 11.1 hereof.

## **Section 5.2. Notification of Certain Matters.**

(a) The Buyer, on the one hand, and the Seller, on the other hand, shall promptly notify the other upon becoming aware of any material breach of any representation or warranty contained in this Agreement including, in the case of the Buyer, upon any of its officers, employees or authorized representatives becoming aware of such a breach as a result of the access to the Business permitted by Section 5.1.

(b) Each party shall promptly notify the other of any Action that shall be instituted or threatened against such party to restrain, prohibit or otherwise challenge the legality of any transaction contemplated by this Agreement. The Seller shall promptly notify the Buyer, and the Buyer shall promptly notify the Seller, of any lawsuit, claim, proceeding or investigation that may be threatened, brought, asserted or commenced against the other which would have been listed in Schedule 3.13 or would be an exception to Section 4.3 if such lawsuit, claim, proceeding or investigation had arisen prior to the date hereof.

(c) Seller shall promptly notify Buyer in writing of: (i) any fact, circumstance, event or action the existence, occurrence or taking of which (A) has had, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, or (B) has resulted in, or could reasonably be expected to result in, the failure of any of the conditions set forth in ARTICLE VIII to be satisfied; (ii) any notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with the transactions contemplated by this Agreement; (iii) any notice or other communication from any Governmental Body in connection with the transactions contemplated by this Agreement; and (iv) any Actions commenced or, to the Knowledge of the Seller, threatened against, relating to or involving or otherwise affecting the Business, the Purchased Assets or the Assumed Liabilities that, if pending on the date of this Agreement, would have been required to have been disclosed under this Agreement or that relates to the consummation of the transactions contemplated by this Agreement.

(d) Buyer's receipt of information pursuant to this Section shall not operate as a waiver or otherwise affect any representation, warranty or agreement given or made by Seller in this Agreement and shall not be deemed to amend or supplement the Schedules to this Agreement.

### **Section 5.3. FCC Consents; Other Consents and Approvals.**

(a) As promptly as practicable after the date hereof, but in any event no later than ten (10) Business Days after the date hereof, (i) the Seller and the Buyer shall file, and shall cause their respective Affiliates to file, with the FCC the necessary applications requesting its consent to the Assignment of FCC Authorizations to the Buyer, as contemplated by this Agreement (the "License Assignment Application(s)"), provided that the applications for the assignment of the FCC Authorizations for WYSJ and for the assignment of the FCC Authorizations for WJHJ shall be filed as separate applications, and (ii) the Buyer shall prepare and file with the FCC the Channel Change Petition and the Minor Mod Application (the License Assignment Application, Channel Change Petition and Minor Mod Application are collectively referred to as the "FCC Applications"). The Seller and the Buyer shall use their respective reasonable best efforts to, and shall cause their respective Affiliates to, cooperate in the preparation of such applications and will diligently take, or cooperate in the taking of, all necessary, desirable and proper steps, provide any additional information required by the FCC and shall use reasonable best efforts to obtain promptly the FCC Consents. The Seller, on the one hand, and the Buyer, on the other hand, shall bear the cost of FCC filing fees relating to the License Assignment Application(s) equally. The Buyer shall bear the cost of FCC filing fees relating to the Channel Change Petition and the Minor Mod Application. The Seller hereby grants its permission for the Buyer to file with the FCC (A) the Channel Change Petition, and (B) pursuant to section 73.3517(a) of the FCC's rules, the Minor Mod Application, in each case in its own name and contingent upon Closing, and upon request by the Buyer shall provide the Buyer with a separate written document confirming such permission to be filed with the FCC. The Buyer and the Seller shall oppose any petitions to deny or other objections filed with respect to the FCC Applications to the extent such petition or objection relates to any such party. Neither the Seller nor the Buyer shall, and each shall cause its Affiliates not to, take any intentional action that would, or intentionally fail to take such action the failure of which to take would, reasonably be expected to have the effect of materially delaying the receipt of the FCC Consents. As may reasonably be necessary to facilitate the grant of the FCC Consents, in the event that in order to obtain the FCC Consents in an expeditious manner: (y) it is necessary for the Buyer or any of its Affiliates to enter into a customary assignment, assumption, tolling, or other similar arrangement with the FCC to resolve any complaints with the FCC relating to either Station, the Buyer shall enter, or cause its Affiliates, as applicable, to enter, into such a customary assignment, assumption, tolling or other arrangement with the FCC; provided, however, that neither the Buyer nor its Affiliates shall be required to become a party to, or assume under the terms of this Agreement, any consent decree that arises out of the matters disclosed on Schedule 3.13; or (z) it is necessary for Buyer or any of its Affiliates to assume, as between the parties and the FCC, the position of the applicant before the FCC with respect to any pending Renewal Application, Buyer shall, or shall cause its Affiliates, as applicable, to assume such position.

(b) Subject to the terms and conditions herein, the Seller and the Buyer shall, use their respective reasonable best efforts to consummate and make effective the transactions contemplated hereby and to cause the conditions set forth in ARTICLE VII and ARTICLE VIII to be satisfied as promptly as reasonably practicable after the date hereof, including (i) the obtaining



of all necessary consents, approvals, waivers and authorizations of, actions or nonactions by, and making of all required filings and submissions with, any Governmental Body or any third party required in connection with the transactions contemplated by this Agreement, (ii) cooperating with each other in (A) determining which filings are required to be made prior to the Closing with, and which consents, approvals, permits, notices or authorizations are required to be obtained prior to Closing from, Governmental Bodies or third parties in connection with the execution and delivery of this Agreement and related agreements, and consummation of the transactions contemplated hereby and thereby and (B) timely making all necessary filings and timely seeking all consents, approvals, permits, notices or authorizations, (iii) the defending of any lawsuits or other legal proceedings, whether judicial or administrative, challenging this Agreement or the consummation of the transactions performed or consummated by such party in accordance with the terms of this Agreement, including seeking to have any stay or temporary restraining order entered by any court or other Governmental Body vacated or reversed and (iv) taking, or causing to be taken, all other actions and doing, or causing to be done, and cooperating with each other in order to do, all other things necessary or appropriate to consummate the transactions contemplated hereby as soon as practicable. The Buyer agrees not to, and shall cause its Affiliates not to, take any action that would reasonably be expected to materially delay, materially impede or prevent receipt of the Governmental Consents.

(c) The Seller and the Buyer shall, and shall cause their respective Affiliates to use reasonable best efforts to obtain all consents and amendments from the parties to the Station Agreements which are required by the terms thereof or this Agreement for the consummation of the transactions contemplated by this Agreement; provided, further, that the parties acknowledge and agree that such third party consents are not conditions to Closing, except for the certain third party consents applicable to the Stations set forth on Schedule 5.3(c) (the “Required Consents”).

#### **Section 5.4. Operations of the Stations Prior to the Closing Date.**

(a) Prior to the Closing Date, except as approved by the Buyer (which approval shall not be unreasonably withheld, delayed or conditioned), the Seller shall use its commercially reasonable efforts to operate and carry on the Business in all material respects in the ordinary course of the Business, and to the extent consistent therewith (i) keep and maintain the Purchased Assets in good operating condition and repair (wear and tear in ordinary usage excepted), (ii) maintain the business organization of each Station intact, (iii) preserve the goodwill of others having business relations with the Business, including contractual partners, and (iv) comply in all material respects with any and all COVID-19 Measures as may be in effect from time to time.

(b) Notwithstanding Section 5.4(a) and subject to Section 6.2 regarding control of each Station, except (w) as expressly contemplated by this Agreement, (x) as set forth in Schedule 5.4(b), (y) as required by applicable Laws or by any Governmental Body of competent jurisdiction, or (z) with the prior written consent of the Buyer (which consent shall not be unreasonably withheld, delayed or conditioned), the Seller shall not, and shall cause each of its Affiliates not to, in respect of either Station:

(i) enter into any Contract or commitment that would be binding on the Buyer after the Closing Date and that involves the payment or potential payment of more than \$20,000 per annum;

(ii) other than those capital expenditures listed in Schedule 5.4(b)(ii), make or authorize any new capital expenditures, other than capital expenditures to address exigent circumstances that do not exceed \$20,000 individually or \$50,000 in the aggregate;

(iii) sell, lease (as lessor), transfer or otherwise dispose of or mortgage or pledge, or impose or suffer to be imposed any Encumbrance on, any of the material assets or properties relating to the Purchased Assets, other than the sale, lease (as lessor), transfer or other disposal of property in the ordinary course of the Business or pursuant to existing Contracts or commitments, and other than Permitted Encumbrances;

(iv) fail to use all commercially reasonable efforts to maintain in full force and effect in accordance with their respective terms and conditions, any of the material FCC Authorizations, and shall not take any action that could, nor fail to take any action within its control where the failure to take such action could, reasonably be expected to cause the FCC or any other Governmental Body to institute proceedings for the suspension, revocation or adverse modification of any of the material FCC Authorizations in any material respect; or

(v) agree or commit to do any of the foregoing.

**Section 5.5. Public Announcement.** Neither the Seller, the Buyer nor any of their Affiliates shall, without the approval of the other, make any press release or other public announcement concerning the transactions contemplated by this Agreement, except as and to the extent that any such party shall be so obligated by Laws or by the rules, regulations or policies of any national securities exchange or association.

**Section 5.6. Exclusivity.** During the period from the date hereof to the earlier of the date of termination of this Agreement pursuant to Section 10.1 or the Closing Date, Seller shall not, and shall not authorize or cause any of its or their Affiliates and representatives to, directly or indirectly (a) solicit, initiate, facilitate or encourage any Competing Transaction or any inquiries or the making of any proposal that constitutes or could reasonably be expected to lead to a Competing Transaction, or (b) enter into, continue or otherwise participate in any discussions or negotiations regarding, or furnish to any Person any information with respect to, or otherwise cooperate in any way with, or execute or enter into any Contract with respect to, any Competing Transaction. Upon execution and delivery of this Agreement, Seller shall, and shall instruct its and Affiliates and representatives to, immediately cease all existing discussions or negotiations with any Person (other than Buyer and its Affiliates) conducted on or before the date hereof with respect to any Competing Transaction unless and until this Agreement is terminated pursuant to Section 10.1.

**Section 5.7. WJHJ Permit.** The parties acknowledge that WJHJ has obtained from the FCC the WJHJ Permit. Without limiting the generality of Section 5.4 hereof, Seller and WJHJ shall, at all times following the date hereof, conduct in good faith its normal course operations of all matters subject to the WJHJ Permit, including the timely construction of the facilities mentioned therein, in the ordinary course of Business and consistent with past practice. Seller agrees to consult with Buyer in respect of any and all material decisions in respect of the facilities subject

to the WJHJ Permit, and shall provide Buyer reasonably prompt and timely notice of any material developments regarding the WJHJ Permit, or the matters subject thereto.

## ARTICLE VI

### ADDITIONAL AGREEMENTS

#### **Section 6.1. Taxes.**

(a) The Seller shall prepare and timely file or shall cause to be prepared and timely filed each Tax Return for Prorated Taxes that is due on or before the Closing Date. The Buyer shall pay to the Seller promptly upon demand the amount of any Taxes shown as due thereon to the extent constituting an Assumed Liability. The Buyer shall prepare and timely file or shall cause to be prepared and timely filed each Tax Return for Prorated Taxes that is due after the Closing Date. The Seller shall pay to the Buyer promptly upon demand the amount of any Taxes shown as due thereon to the extent constituting an Excluded Liability.

(b) In determining Excluded Liabilities and Assumed Liabilities with respect to Taxes, Prorated Taxes for any Straddle Period shall be prorated between the portion of such Straddle Period ending on the Closing Date and the portion of such Straddle Period beginning after the Closing Date on a *per diem* basis.

(c) The Seller and the Buyer shall (i) provide assistance to each other party as reasonably requested in preparing and filing Tax returns with respect to the Business and the Purchased Assets; (ii) make available to each other party as reasonably requested all information, records, and documents relating to Taxes concerning the Business or the Purchased Assets; (iii) retain any books and records that could reasonably be expected to be necessary or useful in connection with any preparation by any other party of any Tax Return, or for any audit relating to Taxes with respect to the Business or the Purchased Assets; and (iv) cooperate fully, as and to the extent reasonably requested by any other party, in connection with any examination or audit with respect to Taxes relating to the Business or the Purchased Assets.

(d) Any Transfer Taxes shall be borne by the Buyer as an Assumed Liability. The Seller and the Buyer shall reasonably cooperate in the preparation, execution and filing of all Tax Returns, questionnaires, applications or other documents regarding any such Transfer Taxes.

**Section 6.2. Control of Operations Prior to Closing Date.** Notwithstanding anything contained herein to the contrary, the sale of the Purchased Assets contemplated hereby shall not be consummated prior to the grant by the FCC of the FCC Consent with respect to the License Assignment Application(s). The Seller and the Buyer acknowledge and agree that at all times commencing on the date hereof and ending on the Closing Date, (x) nothing in this Agreement, including Section 5.4, shall be construed to give the Buyer any right to control, direct or otherwise supervise, or attempt to control, direct or otherwise supervise, any of the management or operations of any Station, and the Seller shall have complete control and supervision of the programming, personnel, finances, operations, policies and all other matters relating to the Stations.

**Section 6.3. Bulk Transfer Laws.** The Buyer hereby waives compliance by the Seller with the provisions of any so-called bulk sales or bulk transfer law of any jurisdiction in connection with the sale of the Purchased Assets to the Buyer hereunder.

## **ARTICLE VII**

### **CONDITIONS PRECEDENT TO OBLIGATIONS OF THE SELLER**

The obligations of the Seller under this Agreement to consummate the sale of the Purchased Assets contemplated hereby shall be subject to the satisfaction, fulfillment or, where legally possible, waiver, on or prior to the Closing Date, of the following conditions:

**Section 7.1. No Breach of Covenants and Warranties.** (a) The Buyer shall have performed and complied in all material respects with its covenants and agreements contained herein required to be performed or complied with by it as of or prior to the Closing; and (b) each of the representations and warranties of the Buyer contained in this Agreement shall be true and correct on the Closing Date as though made on the Closing Date (except to the extent that they expressly speak as of a specific date or time other than the Closing Date, in which case they need only have been true and correct as of such specified date or time), except where the failure of such representations and warranties to be true and correct (without giving effect to any qualifiers or exceptions relating to “materiality” set forth in such representations and warranties), individually or in the aggregate, has not had and would not be reasonably likely to have a material adverse effect on the ability of the Buyer to perform its obligations under this Agreement. In addition, the Buyer shall have delivered to the Seller a certificate, dated as of the Closing Date, signed by an executive officer of the Buyer and certifying as to the satisfaction of the conditions specified in this Section 7.1.

**Section 7.2. No Restraint.** There shall not be in effect any Order (whether temporary, preliminary or permanent) issued by any U.S. federal or state court of competent jurisdiction preventing the consummation of the sale of the Purchased Assets contemplated hereby. Further, no Action shall have been commenced against Buyer or Seller, which would prevent the Closing. No injunction or restraining order shall have been issued by any Governmental Body, and be in effect, which restrains or prohibits any transaction contemplated hereby.

**Section 7.3. Certain Governmental Approvals.** The FCC Consent with respect to the License Assignment Application(s) shall have been granted and shall be effective.

**Section 7.4. Closing Deliveries.** The Buyer shall have made, or stand ready at the Closing to make, the deliveries contemplated by Section 2.8 to the Seller.

**Section 7.5. Required Consents.** The Required Consents shall have been obtained.

## **ARTICLE VIII**

### **CONDITIONS PRECEDENT TO OBLIGATIONS OF THE BUYER**

The obligations of the Buyer under this Agreement to consummate the sale of the Purchased Assets contemplated hereby shall, be subject to the satisfaction, fulfillment or, where legally possible, waiver on or prior to the Closing Date, of the following conditions:

**Section 8.1. No Breach of Covenants and Warranties.** (a) The Seller shall have performed and complied with in all material respects its covenants and agreements contained herein required to be performed or complied with by it as of or prior to the Closing; and (b) each of the representations and warranties of the Seller contained in this Agreement shall be true and correct on the Closing Date as though made on the Closing Date (except to the extent that they expressly speak as of a specific date or time other than the Closing Date, in which case they need only have been true and correct as of such specified date or time), except where the failure of such representations and warranties to be true and correct (without giving effect to any qualifiers or exceptions relating to “materiality” or “Material Adverse Effect” set forth in such representations and warranties), would not, individually or in the aggregate, be reasonably likely to have a Material Adverse Effect. In addition, the Seller shall have delivered to the Buyer a certificate, dated as of the Closing Date, signed by an executive officer of the Seller and certifying as to the satisfaction of the conditions specified in this Section 8.1.

**Section 8.2. No Restraint.** There shall not be in effect any Order (whether temporary, preliminary or permanent) issued by any U.S. federal or state court of competent jurisdiction preventing the consummation of the sale of the Purchased Assets contemplated hereby. Further, no Action shall have been commenced against Buyer or Seller, which would prevent the Closing. No injunction or restraining order shall have been issued by any Governmental Body, and be in effect, which restrains or prohibits any transaction contemplated hereby.

**Section 8.3. Certain Governmental Approvals.** The FCC Consents shall have been granted and shall be effective, and each FCC Authorization shall, following the Closing, be in full force and effect on the same terms and conditions as existed immediately prior to the Closing Date; provided, however, that the condition set forth in this Section 8.3 shall not be deemed satisfied if any FCC Consent is conditioned on the agreement of Buyer or any of its Affiliates to become a party to, or to assume, any consent decree that arises out of the matters disclosed on Schedule 3.13.

**Section 8.4. Closing Deliveries.** The Seller shall have made, or stand ready at the Closing to make, the deliveries contemplated by Section 2.8 to the Buyer.

**Section 8.5. Required Consents.** The Required Consents shall have been obtained and delivered to the Buyer.

## ARTICLE IX

### INDEMNIFICATION

**Section 9.1. Indemnification by the Seller.** From and after the Closing, the Seller agrees to indemnify and hold harmless the Buyer Group Members from and against any and all Losses and Expenses imposed upon, or incurred or suffered by, any Buyer Group Member as a result of or arising out of:

(a) any breach by the Seller of, or any other failure of the Seller to perform, any of its covenants, agreements or obligations pursuant to this Agreement, the other Ancillary Agreements or any certificate or instrument delivered by or on behalf of Seller pursuant to this Agreement;

(b) any breach of any warranty or the inaccuracy of any representation of the Seller contained in this Agreement, the other Ancillary Agreements or any certificate or instrument delivered by or on behalf of Seller pursuant to this Agreement; or

(c) the failure of the Seller to perform any Excluded Liabilities;

provided, however, that the Seller shall not be required to indemnify and hold harmless any Buyer Group Member with respect to Loss and Expense to the extent that such Loss or Expense was included in the calculation of the Closing Date Adjustments, at Closing or pursuant to Section 2.6, and provided further, that Seller shall not be required to indemnify any Buyer Group Member with respect to any Loss or Expense pursuant to Section 9.1(b) hereof to the extent the aggregate Losses and Expenses of all Buyer Group Members for which Seller shall be liable under Section 9.1(b) hereof exceeds Two Hundred Thirty Thousand Dollars (\$230,000.00) (which amount shall be reduced to One Hundred Eighty Five Thousand (\$185,000.00) in the event that the WJHJ Closing does not occur). The indemnification provided for in this Section 9.1 shall terminate twelve (12) months after the Closing Date (and no claims shall be made by any Buyer Group Members under this Section 9.1 thereafter), except that the indemnification by the Seller shall continue in any event as to:

(i) the representations and warranties in Section 3.1 (Organization), Section 3.2(a)-(b) (Authority), Section 3.5 (Taxes), Section 3.9 (Title to Purchased Assets) and Section 3.14 (No Finder) (the “Seller Fundamental Representations”) as to all of which no time limitation shall apply other than the full period of any applicable statute of limitations;

(ii) the covenants of the Seller set forth in Section 6.1 (Taxes), Section 11.1 (Confidential Nature of Information) or Section 11.9 (Expenses), as to all of which no time limitation shall apply other than the full period of any applicable statute of limitations;

(iii) any Loss or Expense incurred by any Buyer Group Member in connection with or arising out of the failure of the Seller to pay or perform any Excluded Liability, as to which no time limitation shall apply; and

(iv) any Loss or Expense of which any Buyer Group Member has notified the Seller in accordance with the requirements of Section 9.3 on or prior to the date such indemnification would otherwise terminate in accordance with this Section 9.1, as to which the obligation of the Seller shall continue until the Liability of the Seller shall have been determined pursuant to this ARTICLE IX, and the Seller shall have reimbursed all Buyer Group Members for the full amount of such indemnifiable Loss and Expense (if any) for which it is liable in accordance with this ARTICLE IX.

**Section 9.2. Indemnification by the Buyer.** From and after the Closing, the Buyer agrees to indemnify and hold harmless Seller Group Members from and against any and all Losses and Expense imposed upon, or incurred or suffered by, any Seller Group Member as a result of or arising out of:

(a) any breach by the Buyer of, or any other failure of the Buyer to perform, any of its covenants, agreements or obligations in this Agreement, the other Ancillary Agreements or any certificate or instrument delivered by or on behalf of Buyer pursuant to this Agreement;

(b) any breach of any warranty or the inaccuracy of any representation of the Buyer contained in this Agreement, the other Ancillary Agreements or any certificate or instrument delivered by or on behalf of Buyer pursuant to this Agreement; or

(c) the failure of the Buyer to perform any of the Assumed Liabilities;

provided, however, that the Buyer shall not be required to indemnify and hold harmless the Seller with respect to Loss and Expense to the extent that such Loss or Expense was included in the calculation of the Closing Date Adjustments, at Closing or pursuant to Section 2.7. The indemnification provided for in this Section 9.2 shall terminate twelve (12) months after the Closing Date (and no claims shall be made by any Seller Group Members under this Section 9.2 thereafter), except that the indemnification by the Buyer shall continue in any event as to:

(i) the representations and warranties in Section 4.1 (Organization), Section 4.2(a)-(b) (Authority of the Buyer), and Section 4.4 (No Finder) (the “Buyer Fundamental Representations”) as to all of which no time limitation shall apply other than the full period of any applicable statute of limitations;

(ii) the covenants of the Buyer set forth in Section 6.1 (Taxes), Section 11.1 (Confidential Nature of Information) or Section 11.9 (Expenses), as to all of which no time limitation shall apply other than the full period of any applicable statute of limitations;

(iii) any Loss or Expense incurred by any Seller Group Member in connection with or arising out of the failure of the Buyer to pay or perform any Assumed Liability, as to which no time limitation shall apply; and

(iv) any Loss or Expense of which any Seller Group Member has notified the Buyer in accordance with the requirements of Section 9.3 on or prior to the date such indemnification would otherwise terminate in accordance with this Section 9.2, as to which the obligation of the Buyer shall continue until the liability of the Buyer shall have been determined pursuant to this ARTICLE IX, and the Buyer shall have reimbursed all Seller Group Members for the full amount of such indemnifiable Loss and Expense (if any) for which it is liable in accordance with this ARTICLE IX.

### **Section 9.3. Notice of Claims; Determination of Amount.**

(a) Any party seeking indemnification hereunder (the “Indemnified Party”) shall give promptly to the party or parties, as applicable, obligated to provide indemnification to such Indemnified Party (the “Indemnitor”) a written notice (a “Claim Notice”) describing in reasonable detail the facts giving rise to the claim for indemnification hereunder and shall include in such Claim Notice (if then known) the estimated amount or the method of computation of the estimated amount of such claim. The failure of any Indemnified Party to give the Claim Notice promptly as required by this Section 9.3 shall not affect such Indemnified Party’s rights under this

ARTICLE IX except to the extent such failure is actually materially prejudicial to the rights and obligations of the Indemnitor.

(b) After the giving of any Claim Notice pursuant hereto, the amount of indemnification to which an Indemnified Party shall be entitled under this ARTICLE IX shall be determined: (i) by the written agreement between the Indemnified Party and the Indemnitor; (ii) by a final judgment or decree of any court of competent jurisdiction; or (iii) by any other means to which the Indemnified Party and the Indemnitor shall agree. The judgment or decree of a court shall be deemed final when the time for appeal, if any, shall have expired and no appeal shall have been taken or when all appeals taken shall have been finally determined. The Indemnified Party shall have the burden of proof in establishing the amount of Losses and Expenses suffered by it.

#### **Section 9.4. Third Person Claims.**

(a) Notwithstanding anything to the contrary contained in Section 9.3, in order for a party to be entitled to any indemnification provided for under this Agreement in respect of, arising out of or involving a claim or demand made by any third Person against the Indemnified Party (a “Third-Party Claim”), such Indemnified Party must notify the Indemnitor in writing, and in reasonable detail, of the third Person claim promptly, but in any event within thirty (30) days, after receipt by such Indemnified Party of written notice of the Third-Party Claim, which such notification must include a copy of the written notice of the Third-Party Claim that was received by the Indemnified Party (the “Third Person Claim Notice”).

(b) In the event of the initiation of any legal proceeding against the Indemnified Party by a third Person, the Indemnitor shall have the sole and absolute right after the receipt of a Third Person Claim Notice, at its option and at its own expense, to be represented by counsel of its choice and to control, defend against, negotiate, settle or otherwise deal with any proceeding, claim, or demand which relates to any loss, liability or damage indemnified against hereunder; provided, however, that (i) the Indemnified Party may participate in any such proceeding with counsel of its choice and at its expense and (ii) if the Indemnitor is Seller, such Indemnitor shall not have the right to defend or direct the defense of any such Third-Party Claim that (x) is asserted directly by or on behalf of a Person that is a supplier or customer of the Business, or (y) seeks an injunction or other equitable relief against the Indemnified Party. The parties hereto agree to cooperate fully with each other in connection with the defense, negotiation or settlement of any such proceeding, claim or demand. Prior to the time the Indemnified Party is notified by the Indemnitor as to whether the Indemnitor will assume the defense of such proceeding, claim or demand, the Indemnified Party shall take all actions reasonably necessary to timely preserve the collective rights of the parties with respect to such proceeding, claim or demand, including responding timely to legal process. To the extent the Indemnitor elects not to defend such proceeding, claim or demand (or fails to confirm its election) within fifteen (15) days after the giving by the Indemnified Party to the Indemnitor of a Third Person Claim Notice, the Indemnified Party may retain counsel, reasonably acceptable to the Indemnitor, at the expense of the Indemnitor, and control the defense of, or otherwise deal with, such proceeding, claim or demand. Regardless of which party assumes the defense of such proceeding, claim or demand, the parties agree to cooperate with one another in connection therewith. Such cooperation shall include providing records and information that are relevant to such proceeding, claim or demand, and making each parties’ employees and officers available on a mutually convenient basis to provide



additional information and explanation of any material provided hereunder and to act as a witness or respond to legal process. Whether or not the Indemnitor assumes the defense of such proceeding, claim or demand, the Indemnified Party shall not admit any liability with respect to, or settle, compromise or discharge, such proceeding, claim or demand without the Indemnitor's prior written consent (which consent shall not be unreasonably withheld, conditioned or delayed). The Indemnitor shall not consent to a settlement of, or the entry of any judgment arising from, any such proceeding, claim or demand without the Indemnified Party's prior written consent (which consent shall not be unreasonably withheld, conditioned or delayed) unless such settlement or judgment (a) relates solely to monetary damages for which the Indemnitor shall be responsible, (b) does not result in any finding or admission of any liability, wrongdoing, or other fault with respect to any Indemnified Party, and (c) includes as an unconditional term thereof the release of the Indemnified Party(ies) from all liability with respect to such proceeding, claim or demand, in which event no such consent shall be required. After any final judgment or award shall have been rendered by a court, arbitration board or administrative agency of competent jurisdiction and the time in which to appeal therefrom has expired, or a settlement shall have been consummated, or the Indemnified Party and the Indemnitor shall arrive at a mutually binding agreement with respect to each separate matter alleged to be indemnified by the Indemnitor hereunder, the Indemnified Party shall forward to the Indemnitor notice of any sums due and owing by it with respect to such matter and the Indemnitor shall pay all of the sums so owing to the Indemnified Party by wire transfer, certified or bank cashier's check within thirty (30) days after the date of such notice.

(c) The party that has assumed the control or defense of any such proceeding, claim or demand made by a third Person against the other party shall (a) provide the other party with the right to participate in any meetings or negotiations with any Governmental Body or other third Person and reasonable advance notice of any such meetings or negotiations, (b) provide the other party with the right to review in advance and provide comments on any draft or final documents proposed to be submitted to any Governmental Body or other third Person, and (c) keep the other party reasonably informed with respect to such proceeding, demand or claim, including providing copies of all documents provided to, or received from, any Governmental Body or any other third Person in connection with such proceeding, demand or claim. The Buyer Group Members, on the one hand, and the Seller Group Members, on the other hand, covenant and agree to maintain the confidence of all such drafts and comments provided by the other.

To the extent of any inconsistency between this Section 9.4 and Section 6.1(c) with respect to Taxes, the provisions of Section 6.1(c) shall control.

#### **Section 9.5. Limitations; Subrogation; Exclusive Remedies.**

(a) In any case where the Indemnified Party actually recovers from third Persons any amount in respect of a matter with respect to which the Indemnitor has indemnified it pursuant to this ARTICLE IX, the Indemnified Party shall promptly pay over to the Indemnitor the amount so recovered (after deducting therefrom the full amount of the expenses incurred by it in procuring such recovery), but not in excess of any amount previously so paid by the Indemnitor to or on behalf of the Indemnified Party in respect of such matter.

(b) For purposes of this ARTICLE IX, any inaccuracy in or breach of any representation or warranty shall be determined without regard to any materiality, Material Adverse

Effect or other similar qualification contained in or otherwise applicable to such representation or warranty for both purposes of determining whether an inaccuracy or breach has occurred and the amount of Losses or Expenses arising from such inaccuracy or breach.

(c) Other than claims arising from fraud, criminal activity or willful misconduct on the part of a party hereto in connection with the transactions contemplated by this Agreement, except for remedies that cannot be waived as a matter of law and injunctive and provisional relief, if the Closing occurs, this ARTICLE IX shall be the exclusive remedy for breaches of this Agreement (including any covenant, obligation, representation or warranty contained in this Agreement or in any certificate delivered pursuant to this Agreement) or otherwise relating to the subject matter of this Agreement, including any claims arising under any Environmental Laws. Nothing in this Section 9.5 shall limit any Person's right to seek and obtain any equitable relief to which any Person shall be entitled or to seek any remedy on account of any party's fraudulent, criminal or intentional misconduct.

**Section 9.6. No Special Damages.** Notwithstanding anything to the contrary contained in this Agreement, none of the parties hereto shall have any liability under any provision of this Agreement for any punitive damages relating to the breach or alleged breach of this Agreement, regardless of whether such damages were foreseeable, except to the extent such damages are payable to a third Person, such damages arise from the liable party's fraud, criminal activity or willful misconduct or to the extent actually awarded to a Governmental Body or other third party.

## ARTICLE X

### TERMINATION

#### **Section 10.1. Termination.**

(a) Notwithstanding anything contained in this Agreement to the contrary, this Agreement may be terminated at any time prior to the Closing:

- (i) by the mutual written consent of the Seller and the Buyer;
- (ii) by the Seller, if a breach or failure to perform any of the covenants or agreements of the Buyer contained in this Agreement shall have occurred, or there shall be any inaccuracy of any of the representations or warranties of the Buyer contained in this Agreement, and such breach, failure to perform or inaccuracy either individually or in the aggregate would, if occurring or continuing on the Closing Date, give rise to the failure of a condition set forth in Section 7.1, and such breach, failure to perform or inaccuracy if curable, is not cured by, on or before the earlier of (i) the Termination Date or (ii) sixty (60) days following receipt of written notice by the Buyer, or which by its nature or timing cannot be cured prior to the Termination Date; provided, however, that the Seller shall not have the right to terminate this Agreement pursuant to this Section 10.1(a)(ii) if Seller is then in breach of any of its respective covenants or agreements contained in this Agreement or any of the representations or warranties of the Seller contained in this Agreement shall be inaccurate, and, in any such case would give rise to the failure of a condition set forth in Section 8.1;

(iii) by the Buyer, if a breach or failure to perform any of the covenants or agreements of the Seller contained in this Agreement shall have occurred, or there shall be any inaccuracy of any of the representations or warranties of the Seller contained in this Agreement, and such breach, failure to perform or inaccuracy either individually or in the aggregate would, if occurring or continuing on the Closing Date, give rise to the failure of a condition set forth in Section 8.1, and such breach, failure to perform or inaccuracy if curable, is not cured by, on or before the earlier of (i) the Termination Date or (ii) sixty (60) days following receipt of written notice by the Buyer, or which by its nature or timing cannot be cured prior to the Termination Date: provided, however, that the Seller shall not have the right to terminate this Agreement pursuant to this Section 10.1(a)(iii) if Seller is then in breach of any of its respective covenants or agreements contained in this Agreement or any of the representations or warranties of the Seller contained in this Agreement shall be inaccurate, and, in any such case would give rise to the failure of a condition set forth in Section 7.1;

(iv) by the Seller or the Buyer, if any U.S. federal or state court of competent jurisdiction shall have issued a final and nonappealable Order permanently enjoining or otherwise prohibiting the consummation of the sale of the Purchased Assets contemplated hereby; or

(v) by the Seller or the Buyer if the Closing shall not have been consummated on or before the one (1) year anniversary of the date hereof (the “Termination Date”). Notwithstanding the foregoing, the right to terminate this Agreement under this Section 10.1(a)(v) shall not be available to any party if the failure of the Closing to occur by such date shall be due to the failure of such party to perform or observe the covenants and agreements of such party set forth in this Agreement.

(b) The party desiring to terminate this Agreement pursuant to Section 10.1(a), (other than pursuant to Section 10.1(a)(i)) shall give written notice of such termination to the other party or parties, as applicable.

(c) In the event that this Agreement shall be terminated pursuant to Section 10.1(a), all further obligations of the parties under this Agreement (other than Section 5.5, this ARTICLE X and ARTICLE XI, which, in each case, shall remain in full force and effect) shall be terminated without further liability of any party; provided that nothing herein shall relieve any party from liability for any breach of this Agreement.

**Section 10.2. Withdrawal of Certain Filings.** In the event of termination under the provisions of this ARTICLE X, all filings, applications and other submissions relating to the transactions contemplated by this Agreement as to which termination has occurred shall, to the extent practicable, be withdrawn from the Governmental Body or other Person to which made.

## ARTICLE XI

### GENERAL PROVISIONS

**Section 11.1. Confidential Nature of Information.** Each party agrees that it will treat in confidence all documents, materials and other information which it shall have obtained regarding the other party or parties during the course of the negotiations leading to the consummation of the transactions contemplated hereby (whether obtained before or after the date of this Agreement), the investigation provided for herein and the preparation of this Agreement and other related documents, and, in the event the transactions contemplated hereby shall not be consummated, each party will return to the other party or parties all copies of nonpublic documents and materials which have been furnished in connection therewith. Without limiting the right of either party to pursue all other legal and equitable rights available to it for violation of this Section 11.1 by the other party, it is agreed that other remedies cannot fully compensate the aggrieved party for such a violation of this Section 11.1 and that the aggrieved party shall be entitled to injunctive relief to prevent a violation or continuing violation hereof.

**Section 11.2. Governing Law; Exclusive Jurisdiction; Court Proceedings.** This Agreement and all Actions that may be based upon, arise out of or relate to this Agreement or the negotiation, execution or performance of this Agreement (including any Actions based upon, arising out of or related to any representation or warranty made in or in connection with this Agreement or as an inducement to enter into this Agreement) shall be governed and construed in accordance with the internal Laws of the State of Delaware applicable to contracts made and wholly performed within the State of Delaware, without regard to any applicable conflicts of law principles that would result in the application of the Laws of any other jurisdiction. The parties hereto agree that any Actions seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be brought exclusively in the Chancery Court of the State of Delaware and any state appellate court therefrom or, if such court lacks subject matter jurisdiction, the United States District Court sitting in New Castle County in the State of Delaware, and each of the parties hereby irrevocably consents to the exclusive jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such Actions and irrevocably waives, to the fullest extent permitted by Law, any objection that it may now or hereafter have to the laying of the venue of any such Action in any such court or that any such Actions brought in any such court has been brought in an inconvenient forum. Process in any such Action may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court. Without limiting the foregoing, each party agrees that service of process on such party as provided in Section 11.3 shall be deemed effective service of process on such party. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING (WHETHER IN CONTRACT OR TORT OR OTHERWISE) ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (INCLUDING ANY ACTION, PROCEEDING, CLAIM OR COUNTERCLAIM INVOLVING ANY FINANCING SOURCE AND THEIR RESPECTIVE NONPARTY AFFILIATES).

**Section 11.3. Notices.** Any notice or other communication required or permitted to be delivered to any party under this Agreement shall be in writing and shall be deemed properly delivered, given and received (a) when delivered by hand, by registered mail, by courier or express

delivery service or (b) upon confirmation of receipt (other than an automatically-generated confirmation) when sent by electronic mail to the address or email address, as applicable, set forth beneath the name of such party below (or to such other address or email address, as applicable, as such party shall have specified in a written notice given to the other parties hereto):

If to the Seller:

Jacobs Broadcasting System, Inc.  
708-B Thimble Shoals Blvd.  
Newport News, Virginia 23603  
Email: nealrosenbaum@gmail.com  
Attention: Neal Rosenbaum, President

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

Lerman Senter PLLC  
2001 L Street, NW, Suite 400  
Washington, DC 20036  
Email: dburns@lermansenter.com  
Attention: David Burns

If to the Buyer, to:

WVEC Television, LLC  
c/o TEGNA Inc.  
8350 Broad Street  
Suite 2000  
Tysons, VA 22102  
Email: aharrison@tegnatv.com  
Attention: Akin S. Harrison

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

Covington & Burling LLP  
One CityCenter  
850 Tenth Street NW  
Washington, DC 20001  
Email: progers@cov.com  
Attention: Paul V. Rogers

**Section 11.4. Successors and Assigns; Third Party Beneficiaries.**

(a) This Agreement and all of its terms shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. Except as provided in this Section 11.4(a), this Agreement shall not be assigned by any party hereto. Any party (including, for this purpose, the Buyer) may assign or transfer any of its rights and obligations under this Agreement to any of its Affiliates, provided that no such assignment or transfer

materially delays the grant of the FCC Consents and, provided further, that no such assignment or transfer shall operate to relieve a party of any of its liabilities or obligations hereunder.

(b) Nothing in this Agreement, expressed or implied, is intended or shall be construed to confer upon any Person other than the parties and successors and assigns permitted by this Section 11.4 any right, remedy or claim under or by reason of this Agreement.

**Section 11.5. Access to Records after Closing.**

(a) For a period of six (6) years after the Closing Date, the Seller and its representatives shall have reasonable access to all of the books and records of the Business transferred to the Buyer hereunder to the extent that such access may reasonably be required by the Seller in connection with matters relating to or affected by the operations of the Business prior to the Closing Date. Such access shall be afforded by the Buyer upon receipt of reasonable advance notice and during normal business hours. The Seller shall be solely responsible for any costs or expenses incurred by it pursuant to this Section 11.5(a). If the Buyer shall desire to dispose of any of such books and records prior to the expiration of such six (6) year period, it shall, prior to such disposition, give the Seller a reasonable opportunity, at the Seller's expense, to segregate and remove such books and records as the other party may select.

(b) For a period of six (6) years after the Closing Date, the Buyer and its representatives shall have reasonable access to all of the books and records relating to the Business which the Seller may retain after the Closing Date. Such access shall be afforded by the Seller upon receipt of reasonable advance notice and during normal business hours. The Buyer shall be solely responsible for any costs and expenses incurred by it pursuant to this Section 11.5(b). If the Seller shall desire to dispose of any of such books and records prior to the expiration of such six (6) year period, such party shall, prior to such disposition, give the Buyer a reasonable opportunity, at the Buyer's expense, to segregate and remove such books and records as the other party may select.

**Section 11.6. Entire Agreement; Amendments.** This Agreement, the Exhibits and Schedules referred to herein and the other documents delivered pursuant hereto contain the entire understanding of the parties hereto with regard to the subject matter contained herein or therein, and supersede all prior agreements, understandings or intents between or among any of the parties hereto. The parties hereto, by mutual agreement in writing, may amend, modify and supplement this Agreement.

**Section 11.7. Interpretation.** Article titles and headings to Sections herein are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement. The Schedules and Exhibits referred to herein shall be construed with and as an integral part of this Agreement to the same extent as if they were set forth verbatim herein. For purposes of this Agreement, (a) the words "include," "includes" and "including" shall be deemed to be followed by the words "without limitation," (b) the word "or" is not exclusive and (c) the words "herein", "hereof", "hereby", "hereto" and "hereunder" refer to this Agreement as a whole. Unless the context otherwise requires, references herein (i) to Articles, Sections, Exhibits and Schedules mean the Articles and Sections of, and the Exhibits and Schedules attached to, this Agreement and (ii) to an agreement, instrument or other document means such agreement,

instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof and by this Agreement. This Agreement, the Buyer Ancillary Agreements and the Ancillary Agreements shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. References to a “party hereto” or the “parties hereto” or similar phrases shall refer to the Seller and the Buyer. An asset or right shall be deemed to be “exclusively related” to or “exclusively used in” the Business if in the ordinary course of the Business such asset or right is used solely in the Business and is not used by the other businesses and operations of the Seller. The words “could reasonably be expected” mean as would be determined by a prudent Person with ownership and operating experience of a station in the broadcast television industry, familiar with the general substance of the matter at issue, and similarly situated to the Person making the decision.

**Section 11.8. Waivers.** Any term or provision of this Agreement may be waived, or the time for its performance may be extended, by the party or parties entitled to the benefit thereof. The failure of any party hereto to enforce at any time any provision of this Agreement shall not be construed to be a waiver of such provision, nor in any way to affect the validity of this Agreement or any part hereof or the right of any party thereafter to enforce each and every such provision. No waiver of any breach of this Agreement shall be held to constitute a waiver of any other or subsequent breach.

**Section 11.9. Expenses.** Except as otherwise expressly provided herein, each of the Seller and the Buyer will pay all of its own respective costs and expenses incident to its negotiation and preparation of this Agreement and to its performance and compliance with all agreements and conditions contained herein on its part to be performed or complied with, including the fees, expenses and disbursements of its counsel and accountants.

**Section 11.10. Partial Invalidity.** Wherever possible, each provision hereof shall be interpreted in such manner as to be effective and valid under applicable law, but in case any one or more of the provisions contained herein shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision or provisions had never been contained herein.

**Section 11.11. Execution in Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be considered an original instrument, but all of which shall be considered one and the same agreement, and shall become binding when one or more counterparts have been signed by each of the parties and delivered to each of the Seller and the Buyer.

**Section 11.12. Disclaimer of Warranties.** The Seller makes no representations or warranties with respect to any projections, forecasts or forward-looking information provided to the Buyer. There is no assurance that any projected or forecasted results will be achieved. EXCEPT AS TO THOSE MATTERS EXPRESSLY COVERED BY THE REPRESENTATIONS AND WARRANTIES IN THIS AGREEMENT AND THE CERTIFICATES DELIVERED BY THE SELLER PURSUANT TO SECTION 8.1, THE SELLER IS SELLING THE BUSINESS AND THE PURCHASED ASSETS ON AN “AS IS, WHERE IS” BASIS AND THE SELLER

DISCLAIMS ALL OTHER WARRANTIES, REPRESENTATIONS AND GUARANTIES WHETHER EXPRESS OR IMPLIED. THE SELLER MAKES NO REPRESENTATION OR WARRANTY AS TO MERCHANTABILITY, SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE AND NO IMPLIED WARRANTIES WHATSOEVER. The Buyer acknowledges that neither the Seller nor any of its representatives or Affiliates nor any other Person has made any representation or warranty, express or implied, as to the accuracy or completeness of any memoranda, charts, summaries or schedules heretofore made available by the Buyer or its representatives or Affiliates or any other information which is not included in this Agreement or the Schedules hereto, and neither the Seller nor any of its representatives or Affiliates nor any other Person will have or be subject to any liability to the Buyer, any Affiliate of the Buyer or any other Person resulting from the distribution of any such information to, or use of any such information by, the Buyer, any Affiliate of the Buyer or any of their agents, consultants, accountants, counsel or other representatives. In making its determination to proceed with the transactions contemplated by this Agreement the Buyer and its Affiliates have relied solely on (a) the results of their own independent investigation and (b) the representations and warranties of the Seller expressly and specifically set forth in this Agreement. The Buyer and its Affiliates expressly and specifically disclaim that it they are relying upon or have relied upon any representation or warranty of any kind or nature, whether express or implied, not included in this Agreement that may have been made by any Person, and acknowledge and agree that the Seller expressly and specifically disclaims any such other representations and warranties.

**Section 11.13. Specific Performance.** The parties agree that irreparable damage would occur in the event that any provision of this Agreement was not performed in accordance with its specific terms or was otherwise breached or the Closing was not consummated, and that money damages would not be an adequate remedy, even if available. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions, or any other appropriate form of specific performance or equitable relief, to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof (including the parties' obligations to consummate the Closing) in any court of competent jurisdiction, this being in addition to any other remedy to which they are entitled at law or in equity. Each of the parties agrees that it will not oppose the granting of an injunction, specific performance and other equitable relief on the basis that any other party has an adequate remedy at law or that any award of specific performance is not an appropriate remedy for any reason at law or in equity. Any party seeking an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement shall not be required to post any bond or other security in connection with any such order or injunction.

*[Signatures on following page]*



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

**SELLER**

**JACOBS BROADCASTING SYSTEM, INC.**

By: Neal Rosenbaum  
Name: NEAL ROSENBAUM  
Title: PRESIDENT

**BUYER**

**WVEC TELEVISION, LLC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

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

**SELLER**

**JACOBS BROADCASTING SYSTEM, INC.**

By: \_\_\_\_\_  
Name:  
Title:

**BUYER**

**WVEC TELEVISION, LLC**

By: Tom Cox  
Name: Tom Cox  
Title: SVP