

ASSET PURCHASE AGREEMENT

by and among

KTAQ OF DALLAS, LLC
(“*Seller*”)

and

KTAQ OPERATING COMPANY, LLC

and

KTAQ LICENSE COMPANY, LLC
(collectively, “*Buyer*”)

Dated as of September 2, 2011

TABLE OF CONTENTS

	Page
ARTICLE 1 DEFINITIONS	1
ARTICLE 2 PURCHASE AND SALE OF PROPERTIES AND ASSETS	8
2.1 Assets	8
2.2 Excluded Assets	10
2.3 Liabilities	11
2.4 Escrow Agreement and Deposit	12
2.5 Purchase Price, Payment, and Allocation	12
2.6 Adjustments	12
2.7 Closing	13
2.8 Compliance with Bulk Sales	13
ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF SELLER	13
3.1 Corporate Status	13
3.2 No Options	14
3.3 Entity Action	14
3.4 No Defaults	14
3.5 Material Contracts	14
3.6 Financial Information	15
3.7 Liabilities	15
3.8 Taxes	15
3.9 Authorizations	16
3.10 Additional Regulatory Matters	16
3.11 Business Operations	17
3.12 Approvals and Consents	17
3.13 Availability, Title to, and Condition of Assets	17
3.14 Real Property	18
3.15 Environmental Matters	18
3.16 Environmental Studies	19
3.17 Compliance with Law and Regulations	19
3.18 Insurance	19
3.19 Labor, Employment Contracts and Benefit Programs	19
3.20 Litigation	20
3.21 Intellectual Property	20
3.22 Brokers	20
3.23 Conflicting Interests	21
3.24 Matters Arising After the Balance Sheet Date	21
3.25 FAA Compliance	22
3.26 Coverage	22
3.27 Bankruptcy	22
3.28 Promissory Note	22
3.29 Trade Accounts	22
3.30 Powers of Attorney	22
3.31 Records	22
3.32 No Other Representations	22
ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF BUYER	23
4.1 Qualification as a Broadcast Licensee	23

4.2	Status.....	23
4.3	No Defaults	23
4.4	Entity Action.....	24
4.5	Brokers.....	24
4.6	No Actions	24
4.7	Financial Capability	24
4.8	Buyer’s Investigation; Access to Information	24
4.9	No Other Representations	24
ARTICLE 5 COVENANTS OF SELLER PENDING THE CLOSING		24
5.1	Operations of the Business.....	25
5.2	Prohibited Actions	25
5.3	Access to Facilities, Files and Records.....	27
5.4	Representations and Warranties.....	27
5.5	Contract Consents	27
5.6	Notice of Proceedings	27
5.7	Consummation of Agreement	28
5.8	Applications for FCC Consents	28
5.9	FCC Reports/FCC Compliance.....	28
5.10	Publicity	28
5.11	Exclusivity	29
5.12	Confidentiality	29
5.13	Cooperation with Lender	29
5.14	Conveyance Free and Clear of Liens	29
5.15	Control Prior to Closing.....	29
5.16	Must Carry Elections	29
ARTICLE 6 COVENANTS OF BUYER PENDING THE CLOSING		29
6.1	Consummation of Agreement.....	29
6.2	Notice of Proceedings.....	30
6.3	Additional Contracts to be Assumed	30
6.4	Confidentiality	30
6.5	Contract Consents.....	30
6.6	Representations and Warranties.....	31
ARTICLE 7 POST-CLOSING COVENANTS		31
7.1	Litigation Support	31
7.2	Taxes.....	31
7.3	Employees and Station Benefit Plans	31
ARTICLE 8 CONDITIONS TO THE OBLIGATIONS OF SELLER.....		32
8.1	Representations, Warranties and Covenants.....	32
8.2	No Injunction; Absence of Actions.....	33
8.3	Closing Deliveries.....	33
8.4	FCC Order.....	33
8.5	Material Contract Consents.....	33
ARTICLE 9 CONDITIONS TO THE OBLIGATIONS OF BUYER.....		33
9.1	Representations, Warranties and Covenants.....	33
9.2	No Injunction; Absence of Actions.....	34
9.3	Liens Released	34
9.4	Deliveries	34
9.5	Material Contract Consents.....	34

9.6	No Material Adverse Effect.....	34
9.7	FCC Order.....	35
9.8	Subordination and Security Agreement.....	35
9.9	Replacement Tube.....	35
ARTICLE 10 ITEMS TO BE DELIVERED AT THE CLOSING.....		35
10.1	Deliveries by Seller.....	35
10.2	Deliveries by Buyer.....	36
ARTICLE 11 SURVIVAL; INDEMNIFICATION.....		36
11.1	Survival.....	36
11.2	Basic Indemnification.....	37
11.3	Definition of “Deficiencies”.....	37
11.4	Procedures for Establishment of Deficiencies.....	38
11.5	Payment of Deficiencies.....	39
11.6	Limitation on Deficiencies.....	40
11.7	Other Indemnification Provisions.....	40
ARTICLE 12 TERMINATION.....		41
12.1	Termination of Agreement.....	41
ARTICLE 13 MISCELLANEOUS.....		42
13.1	Specific Performance; Liabilities on Termination or Breach.....	42
13.2	Expenses.....	42
13.3	Remedies Cumulative.....	42
13.4	Preservation of Records.....	43
13.5	Non-Assignable Contracts.....	43
13.6	Further Assurances.....	43
13.7	Broadcast Transmission Interruption.....	43
13.8	Employees.....	44
13.9	Receivables.....	44
13.10	Choice of Jurisdiction.....	44
13.11	Waiver of Jury Trial.....	44
13.12	Seller’s Disclosure Schedules.....	45
ARTICLE 14 GENERAL PROVISIONS.....		45
14.1	Successors and Assigns.....	45
14.2	Amendments; Waivers.....	45
14.3	Notices.....	46
14.4	Captions.....	47
14.5	Governing Law.....	47
14.6	Entire Agreement.....	47
14.7	Execution; Counterparts and Facsimile.....	47
14.8	Construction.....	47
14.9	Third-Party Beneficiaries.....	47
14.10	No Party Deemed Drafter.....	47
14.11	Severability.....	47
14.12	Attorneys’ Fees.....	48
14.13	Joint and Several Obligations.....	48
14.14	No Recourse.....	48

LIST OF EXHIBITS

Exhibits:

Exhibit A	Earnest Money Escrow Agreement
Exhibit B	Promissory Note
Exhibit C	Guaranty

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (this “**Agreement**”), made and entered into as of September 2, 2011 (the “**Effective Date**”), is by and among KTAQ of Dallas, LLC, a Delaware limited liability company (“**Seller**”), KTAQ Operating Company, LLC, a Delaware limited liability company, and KTAQ License Company, LLC, a Delaware limited liability company (collectively and individually referred to herein as “**Buyer**”). For purposes of this Agreement, the Seller and Buyer shall be collectively referred to herein as the “**Parties**” and individually as a “**Party**.”

PRELIMINARY STATEMENTS

A. Seller is the licensee of television broadcast station KTAQ (DT-channel 46) licensed to Greenville, Texas (FCC Facility ID Number 442359) (the “**Station**”).

B. Seller operates the Station pursuant to certain licenses, franchises, authorizations and approvals, including associated broadcast auxiliary authorizations issued by the Federal Communications Commission (“**FCC**”).

C. Seller desires to sell, assign, and transfer to Buyer the Station and substantially all of the assets, tangible and intangible, used in the operation of the Station, and Buyer desires to purchase, assume, and receive from Seller the Station and substantially all of the assets, tangible and intangible, used in the operation of the Station, as further set forth in this Agreement.

NOW THEREFORE, in consideration of the premises and the mutual promises, representations, warranties and covenants contained in this Agreement, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

AGREEMENT

ARTICLE 1 DEFINITIONS

“**Accountant**” has the meaning as set forth in Section 2.6(b).

“**Action**” means any action, claim, suit, demand, litigation, arbitration, mediation, hearing, inquiry, investigation or similar event, occurrence, or proceeding.

“**Active Employees**” has the meaning as set forth in Section 7.3(a)(i).

“**Affiliate**” of any Person means (a) any Person that owns or controls, is owned or controlled by, or under common control with, such Person, (b) any Person that is an officer, director, member, general partner or trustee of, or serves in a similar capacity with the specified Person, or for which the specified Person is an officer, director, member, general partner or trustee, or serves in a similar capacity or (c) any member of the immediate family of the specified Person.

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

“**Allocation**” has the meaning set forth in Section 2.5(c).

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

“**Assignment and Assumption Agreement**” has the meaning set forth in Section 10.1(c).

“**Assumed Contract Schedules**” has the meaning set forth in Section 2.1(f).

“**Assumed Liabilities**” has the meaning set forth in Section 2.3(b).

“**Authorizations**” has the meaning set forth in Section 3.9.

“**Balance Sheet**” has the meaning set forth in Section 3.6.

“**Balance Sheet Date**” has the meaning set forth in Section 3.6.

“**Business Day**” means any day other than a Saturday, Sunday or any day of the year on which national banking institutions in the State of New York are not open to the public for conducting business.

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

“**Buyer Indemnitees**” has the meaning set forth in Section 11.2(a).

“**Cash Payment**” has the meaning set forth in Section 2.5(b).

“**Ceiling**” has the meaning set forth in Section 11.6.

“**Claim Notice**” has the meaning set forth in Section 11.4(b).

“**Claims**” has the meaning set forth in Section 2.1(j).

“**Closing**” has the meaning set forth in Section 2.7.

“**Closing Date**” has the meaning set forth in Section 2.7.

“**COBRA**” means the Consolidated Omnibus Budget Reconciliation Act of 1985.

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

“**Commercially Reasonable Efforts**” means efforts that are designed to enable a Party, directly or indirectly, to satisfy a condition to, or otherwise assist in the consummation of, the Transactions and that do not require the performing Party to expend any funds or assume Liabilities other than expenditures and Liabilities that are customary and reasonable in nature and amount in the context of the Transactions.

“**Communications Act**” shall mean the Communications Act of 1934, as amended, and the rules, regulations, and policies of the FCC promulgated thereunder.

“**Confidential Information**” means any information concerning the businesses and affairs of Buyer and the Station. Confidential Information shall not, however, include any information that (a) was publicly known and made generally available in the public domain prior to the time of disclosure by the disclosing party; (b) becomes publicly known and made generally available by the disclosing party or Affiliates of such disclosing party through no action or inaction of the receiving party or Affiliates of such receiving party; (c) is obtained by the receiving party after the Closing Date from a third party without, to the good faith knowledge of the receiving party, a breach of such third party’s obligations of confidentiality (except that if the information specifically relates to the Station, “to the good faith knowledge of the receiving party” shall not apply); or (d) is independently developed by the receiving party without use of or reference to the disclosing party’s confidential or proprietary information.

“**Consent**” means any consent, approval, notification, waiver, or other similar action.

“**Contest Notice**” has the meaning set forth in Section 11.4(b).

“**Contract**” means any legally enforceable agreement, arrangement, or commitment relating to the operation of the Station to which Seller is a party or is bound.

“**Deductible Amount**” has the meaning set forth in Section 11.6.

“**Deficiencies**” has the meaning set forth in Section 11.3.

“**DMA**” has the meaning set forth in Section 3.10(e).

“**DTV**” has the meaning set forth in Section 3.10(d).

“**DTV License**” has the meaning set forth in Section 3.10(d).

“**Escrow Agreement**” has the meaning set forth in Section 2.4.

“**Earnest Money Escrow Deposit**” has the meaning set forth in Section 2.4.

“**Effective Date**” has the meaning set forth in the preamble.

“**Effective Time**” has the meaning set forth in Section 2.6(a).

“**Enforceable**” means a Contract is “Enforceable” if it is the legal, valid, and binding obligation of the applicable Person enforceable against such Person in accordance with its terms, except as such enforceability may be subject to the effects of bankruptcy, insolvency, reorganization, moratorium, or other Laws relating to or affecting the rights of creditors, and general principles of equity.

“**Environmental Laws**” means any and all Laws properly enforced by Government Agencies regulating or imposing standards of Liability, standards of conduct or standards of remediation with respect to protection of public health or environmental media (including without limitation soil, surface water, ground water, stream sediments or air), including, without limitation, the Resource Conservation and Recovery Act, the Toxic Substances Control Act, the Occupational Safety and Health Act of 1970, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Hazardous Materials Transportation Act, the Federal Insecticide, Fungicide, and Rodenticide Act, the Clean Water Act, the Safe Drinking Water Act, the Solid Waste Disposal Act, the Clean Air Act, and applicable state analogues and regulations promulgated thereunder, all as in effect on the Effective Date and as amended.

“**Environmental Permits**” has the meaning set forth in Section 3.15(b).

“**Equity Interests**” means (a) with respect to a corporation, any and all shares of capital stock, (b) with respect to a partnership, limited liability company, trust or similar Person, any and all units, interests, or other partnership/limited liability company interests, and (c) any other direct or indirect equity ownership or participation.

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

“**ERISA Affiliate**” means each business or entity that is a member of a “controlled group of corporations,” under “common control” or an “affiliated service group” with the Seller within the meaning of Sections 414(b), (c), or (m) of the Code, or required to be aggregated with the Seller under

Section 414(o) of the Code, or is under “common control” with the Seller, within the meaning of Section 4001(a)(14) of ERISA.

“**Escrow Agent**” means Sun Trust Bank.

“**Escrow Agreement**” means that certain Earnest Money Escrow Agreement, dated the date of this Agreement, by and among the Escrow Agent, Buyer, and Seller, substantially in the form attached hereto as Exhibit A.

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

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

“**Excluded Liabilities**” has the meaning set forth in Section 2.3(d).

“**FAA**” means the Federal Aviation Administration.

“**FCC**” has the meaning set forth in Preliminary Statement B.

“**FCC Order**” means any Action by the FCC (including any Action taken by the FCC’s staff pursuant to delegated authority) consenting to the assignment of all Authorizations issued to Buyer by the FCC for the Station without any conditions that would restrict, limit, increase the cost or burden of or otherwise adversely affect or impair, in any material respect, the right of Seller or Buyer to the ownership, use, control, enjoyment or operation of the Station or the proceeds therefrom; provided, however, that any condition that requires that the Station be operated in accordance with conditions that are similar to and are not more adverse than those contained in the present Authorizations issued for operation of the Station, shall not be considered to be “conditions” for this purpose.

“**FCC Rules**” means the rules, regulations, and policies of the FCC promulgated under the Communications Act.

“**Final**” means an Order of a Government Agency, or the failure of a Government Agency to act when required by Law to prevent a proposed action, which creates rights (a) that are effective, (b) with respect to which no timely appeal, request for stay, request for reconsideration or other request for review is pending, (c) with respect to which the time for appeal, requesting a stay, requesting reconsideration or requesting other review has expired, and (d) that cannot be set aside *sua sponte*.

“**Final Closing Date**” has the meaning set forth in Section 12.1(d).

“**Financial Statements**” has the meaning set forth in Section 3.6.

“**Funded Indebtedness**” means, with respect to the Seller and its Subsidiaries, (a) all indebtedness for money borrowed (whether in the form of direct loans or capital leases) and purchase money indebtedness, (b) indebtedness of the type described in clause (a) above secured by any Lien upon property owned or leased by the Seller or any Subsidiary, even though the Seller or such Subsidiary has not in any manner become liable for the payment of such indebtedness, (c) interest expense accrued but unpaid, and all prepayment premiums or penalties, on or relating to any of such indebtedness, and (d) indebtedness of the type described in clause (a) above guaranteed, directly or indirectly, by the Seller or any Subsidiary, except as described in clause (a), customary accounts payable for goods and services incurred in the Ordinary Course of Business.

“**GAAP**” means United States generally accepted accounting principles as in effect from time to time.

“**Government Agency**” means any legislature, agency, bureau, branch, department, division, commission, court, tribunal, magistrate, justice or other multi-national organization of any federal, state, county, municipal, local, or foreign government.

“**Guaranty**” has the meaning set forth in Section 10.2(g).

“**Hazardous Materials**” means any substance, pollutant, contaminant, material, or waste, or combination thereof, whether solid, liquid, or gaseous in nature, subject to regulation, liability (as defined under applicable common law), investigation, control, or remediation under any Environmental Law. “**Hazardous Materials**” also means any environmental media, including without limitation soil, sediment and water, containing any of the materials described or set forth in the preceding sentence.

“**Indemnification Claim**” has the meaning set forth in Section 11.4(a).

“**Indemnifying Party**” has the meaning set forth in Section 11.2.

“**Indemnitees**” has the meaning set forth in Section 11.4(a).

“**Intangible Property**” has the meaning set forth in Section 2.1(g).

“**Intellectual Property**” means any (a) copyrights, (b) fictitious business names, trade names, corporate names, trademarks, software, trade secrets, service marks, URLs and domain names and applications, and (c) any issued patents and pending patent applications that, in each case, are related to the Station and owned by Seller.

“**IRS**” means the Internal Revenue Service.

“**Knowledge**” or “**Knowingly**” means, (a) for Seller, the then current actual knowledge of either Everett Strong or Rob Joubran without any obligation to undertake any investigation or inquiry of any kind, and (b) for Buyer, the then current actual knowledge of either Terry London or Phil Hurley, without any obligation to undertake any investigation or inquiry of any kind.

“**Law**” means any law (statutory, common, or otherwise), constitution, treaty, convention, ordinance, equitable principle, code, rule, regulation, executive order, or other similar authority enacted, adopted, promulgated, or applied by any Government Agency, each as amended and now in effect.

“**LBC**” means London Broadcasting Company, Inc.

“**Leased Real Property**” has the meaning set forth in Section 2.1(c).

“**Leased Tower Site Real Property**” means the property subject of the first lease set forth on Schedule 2.1(c).

“**Legal Expenses**” shall mean any and all reasonable fees (whether of attorneys, accountants or other professionals), costs and expenses of any kind reasonably incurred by any Person identified herein in investigating, preparing for, defending against, or providing evidence, producing documents or taking other action with respect to any threatened or asserted claim.

“**Lender**” means Texas Bank and Trust Company or a replacement lender.

“**Liability**” means any debt, liability or obligation and including all costs and expenses relating thereto.

“**Liens**” shall mean any of the following items other than Permitted Liens: any mortgage; deed of trust; pledge; hypothecation; security interest; community property interest; equitable interest; right of first refusal; encumbrance; easement; covenant; claim; lien; or charge of any kind; whether voluntarily incurred or arising by operation of Law or otherwise, affecting the Assets.

“**Market MVPD System**” means any MVPD operating within the Station’s market, as defined in 47 C.F.R. §§ 76.55(e) and 76.66(e).

“**Material Adverse Effect**” means, subject to the exceptions set forth in Section 9.6(b), any change that has had a materially adverse effect on the operations, business, financial condition or results of operations of the Station or the Assets.

“**Material Contract**” has the meaning set forth in Section 3.5.

“**MVPD**” shall mean multichannel video programming distributor as such term is defined in Section 602(13) of the Communications Act, 47 U.S. C. § 522(13).

“**Order**” means any order, ruling, decision, decree, writ, subpoena, mandate, command, directive, award, judgment, injunction, or other similar determination or finding by, before, or under the supervision of any Government Agency, arbitrator, or mediator.

“**Ordinary Course of Business**” means the ordinary course of business consistent with past custom and practice (including with respect to quantity and frequency).

“**Organizational Documents**” means the articles of incorporation, certificate of formation, certificate of incorporation, charter, bylaws, articles of formation, articles of organization, regulations, operating agreement, certificate of limited partnership, partnership agreement, limited liability company agreement and all other similar documents, instruments or certificates executed, adopted, or filed in connection with the creation, formation, organization or governance of a Person, including any amendments thereto.

“**Owned Improvements**” has the meaning set forth in Section 3.14(b).

“**Parties**” has the meaning set forth in the preamble.

“**Permitted Liens**” mean (i) Liens related to the Station for Taxes not yet due and payable; (ii) mechanics’, carriers’, workmen’s, repairmen’s or other like Liens arising or incurred in the Ordinary Course of Business relating to Liabilities that are not past due and that do not, in the aggregate, impair and are, in the aggregate, not reasonably likely to impair, the continued use and operation of the Assets as currently conducted; (iii) Liens arising under original purchase price conditional sales contracts and equipment leases with third parties entered into in the Ordinary Course of Business pursuant to Contracts set forth in the Disclosure Schedules (other than Schedule 2.2(h) and Schedule 3.23 of the Disclosure Schedules); (iv) other imperfections of title, if any, that do not, in the aggregate, impair, and are, in the aggregate, not reasonably likely to impair, the continued use and operation of the Assets as currently conducted; (v) easements, covenants, rights-of-way and other similar restrictions of record set forth in the Seller’s Disclosure Schedules (other than Schedule 2.2(h) and Schedule 3.23 of the Disclosure Schedules); and (vi) zoning, building and other similar restrictions that do not, in the aggregate, impair

and are, in the aggregate, not reasonably likely to impair, the continued use and operation of the Assets as currently conducted.

“**Person**” means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, other entity, or a governmental entity (or any department, agency, or political subdivision thereof).

“**Program License Agreements**” has the meaning set forth in Section 2.1(d).

“**Promissory Note**” has the meaning set forth in Section 2.5(b).

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

“**Real Property Leases**” has the meaning set forth in Section 2.1(c).

“**Receivables**” has the meaning set forth in Section 2.2(e).

“**Replacement Tube**” has the meaning set forth in Section 5.1(d).

“**Representatives**” has the meaning set forth in Section 5.12.

“**Retransmission Consent Agreement**” means an agreement pursuant to which Seller has granted a MVPD consent pursuant to Section 325(b) of the Communications Act and the rules, regulations and published rules of the FCC to the nonexclusive retransmission of the signal of the Station by such MVPD.

“**Securities Act**” means The Securities Act of 1933 (15 U.S.C. § 77a et seq.), as amended.

“**Security Agreement**” has the meaning set forth in Section 9.8.

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

“**Seller Indemnitees**” has the meaning set forth in Section 11.2(b).

“**Seller’s Disclosure Schedules**” has the meaning set forth in Article 3.

“**Station**” has meaning set forth in Preliminary Statement A.

“**Station Benefit Plan**” means any non-qualified deferred compensation plan, qualified defined contribution plan, qualified defined benefit plan, welfare benefit plan or other material employee benefit plan or fringe benefit plan or program that Seller maintains or to which Seller contributes.

“**Subordination Agreement**” has the meaning set forth in Section 9.8.

“**Subsidiary**” means any corporation, partnership, limited liability company or other legal entity with respect to which a specified Person (or a Subsidiary thereof) owns a majority of the common stock, partnership interests, membership interests or other entity interests or has the power to vote or direct the voting of sufficient securities to elect a majority of the directors, managers or general partners.

“**Survival Period**” has the meaning set forth in Section 11.1.

“**Superior Claims**” has the meaning set forth in Section 11.1.

“**Tangible Personal Property**” has the meaning set forth in Section 2.1(a).

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

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

“**Trade Accounts**” has the meaning set forth in Section 2.3(e).

“**Transactions**” means (a) the sale of the Assets by Seller to Buyer and Buyer’s delivery of the Purchase Price therefor; (b) the execution, delivery, and performance of all of the documents, instruments, and agreements to be executed, delivered, and performed in connection herewith; and (c) the performance by Buyer and Seller of their respective covenants and obligations (pre- and post-Closing) under this Agreement.

“**Transmission Interruption**” has the meaning set forth in Section 13.7(b).

“**Treasury Regulations**” means the temporary and final regulations promulgated under the Code.

“**WARN Act**” has the meaning set forth in Section 3.19(b)(iii).

ARTICLE 2 PURCHASE AND SALE OF PROPERTIES AND ASSETS

2.1 Assets. On the terms and subject to the conditions set forth in this Agreement, at the Closing, Seller agrees to sell, transfer, assign, convey and deliver to Buyer and Buyer agrees to purchase all properties and assets, real, personal and mixed, tangible and intangible, of every type and description, wherever located (except for Excluded Assets) that are owned or leased by Seller and used or held for use by the Station, including, without limitation, the property and assets (except the Excluded Assets) that are acquired between the Effective Date and the Closing Date and are used or held for use in the operations of the Station (collectively, the “**Assets**”), free and clear of all Liens (except for Permitted Liens). Except to the extent set forth in Section 2.3 hereof, Buyer is not assuming any Liabilities of Seller, whether relating to the Assets or not. The Assets shall be purchased by KTAQ License Company, LLC and KTAQ Operating Company, LLC acting collectively as Buyer; provided, pursuant to the terms of this Agreement, KTAQ License Company, LLC shall specifically acquire the Assets addressed in Section 2.1(b) and KTAQ Operating Company, LLC shall acquire all of the other Assets. Without limiting the foregoing, the Assets shall include the following, except to the extent that any of the following are included within the Excluded Assets:

(a) *Tangible Personal Property*. All equipment, machinery, transmitters, dishes, electrical devices, antennae, cables, tower equipment, distribution systems, amplifiers, microwave equipment and links, converters, testing equipment, generators, computers and computer equipment, furniture, fixtures, office materials and supplies, hardware, tools, spare parts, vehicles, towers, software, prize inventory, all contract rights, guaranties, and warranties of any nature, all architects’, engineers’, surveyors’ and other real estate professionals’ plans, specifications, certifications, contracts, reports, data

or other technical descriptions, reports or audits, the Replacement Tube and other tangible personal property owned or leased by Seller on the Effective Date, including, without limitation the tangible personal property described on attached Schedule 2.1(a), together with any additions, modifications, alterations, or improvements between the date of this Agreement and the Closing Date (collectively, the “**Tangible Personal Property**”).

(b) *Authorizations.* All rights in and to the Authorizations issued to Seller or any Affiliate of Seller, including, without limitation, all rights in and to the call letters “KTAQ”, and all broadcast auxiliary and other authorizations of the FCC associated with the operation of the Station, all of the Authorizations listed on attached Schedule 2.1(b), including without limitation, all amendments and all applications therefor, together with any renewals, extensions or modifications thereof and additions thereto and all public inspection files and other required records of Seller, including, without limitation, those required by the FCC.

(c) *Leased Real Property.* (i) Any interests of Seller in leased real property, including, without limitation, land, easements, air rights, rights of way, buildings (collectively, the “**Leased Real Property**”), and (ii) Seller’s interests as a tenant or licensee, as the case may be, under all real property leases listed on Schedule 2.1(c) (collectively, “**Real Property Leases**”), and Seller’s interests in any additions, improvements, appurtenances (such as appurtenant rights in and to public streets), and alterations thereto made between the date of this Agreement and the Closing Date.

(d) *Program License Agreements.* All program license agreements and rights to broadcast programs and films, whether for cash or barter (the “**Program License Agreements**”), held by Seller as of the Effective Date, including, without limitation, those listed on Schedule 2.1(d), together with all Program License Agreements that have been or will have been entered into in the Ordinary Course of Business of the Station between the date of this Agreement and the Closing Date, except those entered into after the execution of this Agreement that Buyer elects not to assume pursuant to Section 6.3; provided, however, Buyer is under no obligation to assume any Liability under any material Program License Agreement existing as of the date of this Agreement that is not listed on Schedule 2.1(d).

(e) *Agreements for Sale of Time.* All orders and agreements now existing including, without limitation, all of those listed on attached Schedule 2.1(e), and all of those entered into in the Ordinary Course of Business between the Effective Date and the Closing Date, for the sale of advertising time on the Station (including Trade Accounts to the extent provided in Section 2.3(e)), except those which on the Closing Date have already been filled or have expired.

(f) *Other Contracts.* All Contracts of any kind in connection with the business and operations of the Station, including, without limitation, security interests, guaranties, other similar arrangements and rights thereunder that are either: (i) in existence as of the date of this Agreement including, without limitation, all of those listed on attached Schedule 2.1(f), (ii) entered into in the Ordinary Course of Business of the Station between the date of this Agreement and the Closing Date; except those entered into after the execution of this Agreement that Buyer elects not to assume pursuant to Section 6.3, (iii) approved by Buyer pursuant to Section 5.2, and/or (iv) approved by Buyer pursuant to Section 6.3; provided, however, Buyer is under no obligation to assume any Liability under any Contract existing as of the date of this Agreement that is not listed on Schedules 2.1(c), 2.1(d), 2.1(e), or 2.1(f), (collectively, the “**Assumed Contract Schedules**”) or that Buyer elects not to assume pursuant to Section 6.3.

(g) *Intangible Property.* All trademarks, trade names (including, without limitation, service marks, jingles, slogans, logotypes, remedies against infringements thereof, and rights to protection of interests therein under the Laws of all jurisdictions), domain names, website and other intangible rights

and Intellectual Property in each case owned by Seller, including, without limitation, all of those listed on attached Schedule 2.1(g) (which such schedule shall be delivered by Seller promptly after the Effective Date), and those acquired by Seller between the Effective Date and the Closing Date (collectively, the “**Intangible Property**”).

(h) *Programming and Copyrights.* All programs and programming materials and elements of whatever form or nature that have been created or produced by Seller as of the date of this Agreement, whether recorded on tape or any other substance or intended for live performance, and whether completed or in production, and all related common Law and statutory copyrights owned by or licensed or sublicensed to Seller, together with all such programs, materials, elements and copyrights acquired by Seller between the Effective Date and the Closing Date.

(i) *Files and Records.* Except to the extent specifically included within the Excluded Assets, all files and other records of Seller relating to the Station and the Assets (other than duplicate copies of such files) including, without limitation, all books, files, ledgers, documents, architectural plans, specifications, creative materials, advertising and promotional materials, and other printed or written materials, correspondence, studies, reports, projections, schematics, blueprints, engineering data, customer lists, reports, specifications, signal and program carriage, projections, statistics, creative materials, mats, plates, negatives and other advertising, marketing or related materials, dealings with governmental authorities (including all reports filed by or on behalf of Seller with the FCC and statements of account filed by or on behalf of Seller with the U.S. Copyright Office) and all other business, technical and financial information regardless of the media on which stored.

(j) *Claims.* Any and all of Seller’s claims and rights against third parties relating to the Station, including, without limitation, all rights under manufacturers’ and vendors’ warranties, and all deposits, refunds, rights to recovery and rights of setoff and recoupment (collectively, the “**Claims**”).

(k) *Prepaid Items.* All prepaid expenses, prepaid *ad valorem* taxes and any other prepayments (which shall be prorated, if applicable, as provided in Section 2.6) and rent, utility and other deposits held by third parties, in each case relating to the Station.

(l) *Goodwill.* All of Seller’s goodwill in, and going concern value of, the Station.

2.2 Excluded Assets. The following assets of Seller, to the extent in existence on the Closing Date (collectively, the “**Excluded Assets**”), shall be retained by Seller:

(a) *Certain Assets.* Pension, 401(k), profit sharing and savings plans and trusts and any other “employee benefit plan” within the meaning of Section 3(3) of ERISA and any assets thereof, including without limitation all of the assets of the Station Benefit Plans.

(b) *Entity Records.* The minute books, equity records, equityholder lists and similar entity records of Seller.

(c) *Employee Personal Property.* Any personal property located at Seller’s offices but owned by any Active Employee.

(d) *Cash and Investments.* All of Seller’s cash on hand and in bank accounts and any other cash equivalents, including without limitation checking accounts, savings accounts, certificates of deposit, commercial paper, treasury bills, securities, and money market accounts.

(e) *Receivables.* Except as provided otherwise in Section 2.3(e), all receivables of Seller through the Effective Time (the “**Receivables**”).

(f) *Insurance Policies.* All insurance policies and rights to proceeds thereof relating to the assets, properties, business or operations of Seller, including, without limitation, the Station and the Assets.

(g) *Taxes.* Any claim, right or interest of Seller or any of its Affiliates in or to any refund, rebate, abatement or other recovery for Taxes, together with any interest due thereon or penalty rebate arising therefrom, for any Tax period (or portion thereof) ending on or before the Closing Date.

(h) *Other Excluded Assets.* All rights of Seller under this Agreement, the Promissory Note, the Guaranty, the Subordination Agreement, the Security Agreement and the other assets and properties of the Seller as listed on Schedule 2.2(h).

Nothing herein contained shall be deemed to sell, transfer, assign or convey the Excluded Assets to Buyer, and Seller shall retain all right, title and interest to, in and under the Excluded Assets.

2.3 Liabilities. On the terms and subject to the conditions set forth in this Agreement, at the Closing and effective as of the Effective Time:

(a) *Security Interests.* The Assets shall be sold and conveyed to Buyer free and clear of all Liens (except for Permitted Liens).

(b) *Assumed Liabilities.* Except as otherwise provided herein and subject to the terms and conditions of this Agreement, simultaneously with the sale, transfer, conveyance and assignment to Buyer of the Assets at the Effective Time, Buyer shall assume and shall hereafter pay, satisfy, discharge, perform and fulfill all of the following Liabilities relating to the operation of the Station and the Assets as they become due (collectively, the “**Assumed Liabilities**”): (i) all Liabilities arising or to be performed after the Effective Time under the Contracts listed on the Assumed Contract Schedules which are being assigned by Seller to Buyer and assumed by Buyer (excluding any Liabilities related to any breaches thereof existing on or before the Effective Time), (ii) the Permitted Liens (with the exception of liens for Taxes, which shall be prorated as of the Effective Time in accordance with Section 2.6), and (iii) all Trade Accounts, to the extent provided for in Section 2.3(e). Buyer shall assume and shall hereafter pay, satisfy, discharge, perform and fulfill all of the Assumed Liabilities as they become due, without any charge or cost to Seller, except as otherwise provided in this Agreement. Buyer agrees to indemnify and hold harmless the Seller Indemnitees in accordance with Section 11.3(b)(iii) and the other provisions of Article 13.

(c) *Excluded Liabilities.* Other than the Assumed Liabilities, Buyer shall not assume or be liable for, and does not undertake or attempt to assume or discharge any obligation of Seller.

(d) *Retained Obligations of Seller.* Seller shall retain and shall hereafter pay, satisfy, discharge, perform and fulfill all obligations other than the Assumed Liabilities (the “**Excluded Liabilities**”), as they become due, without any charge or cost to Buyer except as otherwise provided in this Agreement. Seller agrees to indemnify and hold Buyer and its successors and assigns harmless from and against any and all such Excluded Liabilities in accordance with the terms of Article 11.

(e) *Trade Accounts.* Seller’s trade and barter accounts, trade contracts and trade commitments receivable and payable (the “**Trade Accounts**”) as of July 31, 2011 as listed on Schedule 2.3(e), which, if applicable, lists Seller’s gross dollar obligations to provide airtime assets

available to Seller. Seller will transfer all Trade Accounts to Buyer at the Closing, effective as of the Effective Time, and Buyer shall assume the Trade Accounts.

2.4 Escrow Agreement and Deposit. Within one Business Day of the execution of this Agreement, Buyer shall deliver to the Escrow Agent the sum of Nine Hundred Thousand Dollars (\$900,000) in cash (the “**Earnest Money Escrow Deposit**”). The Earnest Money Escrow Deposit shall be held by the Escrow Agent in accordance with the terms of the Escrow Agreement. At the Closing, the Earnest Money Escrow Deposit shall be paid to Seller by the Escrow Agent, on behalf of Buyer, and credited dollar-for-dollar against the Cash Payment component of the Purchase Price. Any and all accrued interest relating to the Earnest Money Escrow Deposit shall be paid to Buyer at Closing. If the Closing does not take place in accordance with the terms of this Agreement, then the Earnest Money Escrow Deposit will be delivered to Seller or Buyer in accordance with the terms and conditions set forth in Section 12.1 and the Escrow Agreement.

2.5 Purchase Price, Payment, and Allocation.

(a) *Purchase Price.* In addition to the assumption of the Assumed Liabilities, the aggregate purchase price, giving effect to the credit provided in Section 2.4, to be paid for the Assets will be Eighteen Million Dollars (\$18,000,000) as adjusted by Section 2.6 (the “**Purchase Price**”).

(b) *Method of Payment.* The Purchase Price shall be paid by Buyer at Closing as follows: (i) Fourteen Million Dollars (\$14,000,000) (the “**Cash Payment**”) in cash by wire transfer pursuant to the instructions of Seller, which instructions shall be delivered to Buyer at least five (5) Business Days before the Closing of which \$13,100,000 will be paid directly by Buyer and \$900,000 will be paid from the Escrow Agent on behalf of Buyer; and (ii) Four Million Dollars (\$4,000,000) payable in the form of a promissory note issued to Seller by Buyer, substantially in the form attached hereto as Exhibit B (the “**Promissory Note**”).

(c) *Allocation of Purchase Price.* After Closing, Buyer and Seller shall jointly prepare, and agree on, an allocation schedule which shall allocate the Purchase Price (including the Assumed Liabilities) among the Authorizations and other Assets for Tax purposes (the “**Allocation**”). Seller and Buyer agree (i) to jointly complete IRS Form 8594 in the manner required by Section 1060 of the Code, the regulations thereunder and the Allocation, and to separately file such IRS Form 8594 with its federal income tax return for the tax year in which the Closing occurs and (ii) that neither Seller nor Buyer will take a position on any tax return inconsistent with the Allocation without the written consent of the other Party; provided, however, that nothing contained herein shall prevent Buyer or Seller from settling any proposed deficiency or adjustment by any taxing authority based on or arising out of the Allocation, and neither Buyer nor Seller shall be required to litigate before any court, any proposed deficiency or adjustment by any taxing authority challenging such Allocation. Notwithstanding anything to the contrary in this Agreement, the provisions of this Section 2.5(c) shall survive the Closing.

2.6 Adjustments.

(a) *General Rule.* The operation of the Station and the income and normal operating expenses attributable thereto, through 11:59:59 p.m. (Central Time) at the end of the Closing Date (the “**Effective Time**”) shall be for the account of Seller and thereafter for the account of Buyer and, if any income or expense is properly allocable or credited, then it shall be allocated, charged or prorated accordingly. All Taxes (including, without limitation, real property taxes, personal property taxes, or similar ad valorem obligations), expenses for goods or services received both before and after the Effective Time, power and utilities charges, frequency discounts, prepaid cash, time sales agreements, commissions, wages, vacation or sick days, payroll taxes and rents, deposits and similar prepaid and

deferred items (including, without limitation, accruals and deferrals under Contracts and Program License Agreements) shall be prorated between Seller and Buyer as of the Effective Time, in accordance with the principles of the immediately preceding sentence. At Closing, the Parties shall make all known prorations and estimate any remaining prorations. Notwithstanding the foregoing, the accounts receivable of the Station and liabilities for accrued vacation and sick days of employees are being exclusively retained by Seller, and shall not be adjusted or pro-rated.

(b) *Adjustment Schedule.* Buyer will prepare and deliver to Seller within ninety (90) days after the Closing Date a report computing the details of the determination, in accordance with the provisions of Section 2.6(a), of the final prorations as compared to the estimated prorations made at Closing. Within thirty (30) days after receiving the report, Seller will provide Buyer with any objections to the computations. If Seller has no objections, the Party obligated to make payment under the report will do so within five (5) Business Days after the expiration of the 30-day period. Any disagreement that cannot be resolved by the Parties within thirty (30) days will be resolved by Seller and Buyer each selecting their own reasonably agreeable certified public accountant knowledgeable in the broadcast industry (the “**Accountant**”) to resolve the dispute; provided, however, that the Parties shall use reasonable efforts to mutually agree on one Accountant (in which case the cost shall be shared equally by the Parties) and if, and only if, the Parties are unable to so agree, then each Party shall utilize their own Accountant. If these two Accountants cannot resolve the dispute within thirty (30) days after submission to them, then the two Accountants shall select a third Accountant and the agreement of two of the three Accountants shall be binding on the Parties and subject to judicial enforcement. Each Party shall bear the costs of its own Accountant and one-half of the cost of the third Accountant.

(c) *Character of Payments.* Any payments made pursuant to this Section 2.6 shall be treated by both Parties as adjustments to the Purchase Price for all purposes.

2.7 Closing. The consummation of the Transactions provided for in this Agreement (the “**Closing**”) shall take place at the offices of Akin Gump Strauss Hauer and Feld, LLP, 1700 Pacific Avenue, Suite 4100, Dallas, Texas 75201 at 11:00 a.m., or such other time and place (including by facsimile or electronic exchange) as Buyer and Seller may agree to, on the last business day of the first month during which all conditions to the obligations of the Parties set forth in Article 8 and Article 9 (other than such conditions as may, by their terms, be satisfied only at the Closing or on the Closing Date) are satisfied or to the extent permitted by applicable Law, waived. The date on which the Closing is to occur is referred to herein as the “**Closing Date.**”

2.8 Compliance with Bulk Sales. The Parties hereto hereby waive compliance with bulk sales Laws.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF SELLER

Except as set forth in the disclosure schedules attached hereto (as such disclosure schedules may be supplemented, amended or updated in accordance with this Agreement, collectively the “**Seller’s Disclosure Schedules**”), Seller represents and warrants to Buyer that the statements contained in this Article 3 are correct and complete as of the date of this Agreement and will be correct and complete as of the Closing Date as though made then and as though the Closing Date were substituted for the date of this Agreement throughout this Article 3.

3.1 Corporate Status. Seller is a Delaware limited liability company duly organized and validly existing under the Laws of the State of Delaware, and is duly qualified to transact business in the State of Delaware and every state in which the failure to be so qualified would have a Material Adverse

Effect on the Station or the Assets. Seller has the requisite power and authority to carry on its business as it is now being conducted and to own and operate the Station. Seller has delivered to the Buyer copies of Seller's Organizational Documents, as amended to date.

3.2 No Options. Except for this Agreement and the transactions contemplated hereby, no Affiliate of Seller has an interest in, or option to acquire, any of the Assets.

3.3 Entity Action. Seller has the relevant entity power and authority necessary to execute and deliver this Agreement and to perform and consummate the Transactions. All actions and proceedings necessary to be taken by or on the part of Seller in connection with the performance, execution and delivery of this Agreement and the completion of the Transactions through the Closing Date have been (or, to the extent executed as of the Closing Date, will be at the Closing Date) duly and validly taken. This Agreement has been duly and validly authorized, executed, and delivered by Seller and, assuming the due authorization, execution and delivery by the other parties hereto, this Agreement is enforceable against Seller in accordance with and subject to its terms.

3.4 No Defaults. Neither the execution, delivery, or performance by Seller of this Agreement nor the consummation by Seller of the transactions contemplated hereby, is an event that, of itself or with the giving of notice or the passage of time or both, will: (a) violate any provision of the Organizational Documents of Seller; (b) assuming that the consents: (i) required in connection with any assignment to Buyer of the Contracts listed on the Assumed Contract Schedules or (ii) otherwise contemplated by this Agreement are obtained, constitute a violation of or result in any breach of or any default under, result in any termination of, or cause any acceleration of any obligation of Seller under any Contract to which Seller is party or by which it is, or the Assets are, bound, which violation, breach or default would have a Material Adverse Effect or materially affect the ability of Seller to enter into this Agreement or consummate the transactions contemplated hereby; or (c) subject to the receipt of the FCC Order, violate any Order or Law applicable to Seller, the Station or the Assets which violation would have a Material Adverse Effect or materially affect the ability of Seller to enter into this Agreement or consummate the transactions contemplated hereby.

3.5 Material Contracts.

(a) Schedule 3.5(a) of the Seller's Disclosure Schedules sets forth a list of the following Contracts to which Seller is a party and which are executory as of the date of this Agreement (collectively, the "**Material Contracts**"):

(i) Contracts for the employment of any officer or individual employee on a full-time or part-time basis involving annual base salary payments to such Persons in excess of \$50,000;

(ii) Contracts relating to the purchase or sale of merchandise, programming or software or for the rendition of services or provision of goods by the Seller or to the Seller which involves annual payments by, or revenue to, Seller in excess of \$100,000;

(iii) Contracts relating to the sale of any assets, properties or rights other than the transactions contemplated by this Agreement or the sale of services or products in the Ordinary Course of Business;

(iv) Contracts with respect to the lending or investing of funds other than customer advances and trade or customer accounts receivable;

(v) Contracts with respect to any Intellectual Property, other than customer or vendor contracts entered into in the Ordinary Course of Business;

(vi) Contracts (or group of related Contracts with the same party) for the purchase or sale of products or services by Seller under which the undelivered balance of such products and services has a selling price in excess of \$100,000;

(vii) Contracts governing the ownership or disposal of any Equity Interests of any Person (including Seller); or

(viii) Contract with a term of greater than twelve (12) months that cannot be terminated by the Seller with less than sixty (60) days' notice.

(b) Seller is not in violation or breach of any of the terms, conditions or provisions of any Program License Agreement or other Material Contract, except where any such violation or breach would not have a Material Adverse Effect. To Seller's Knowledge, no other party to a Material Contract is in default or breach under any such Material Contracts.

Each Material Contract is the legal, valid and binding obligations of Seller and are Enforceable against Seller in accordance with their respective terms. The Seller has furnished to the Buyer copies of all Material Contracts and all amendments, modifications, extensions and renewals thereof.

3.6 Financial Information. Schedule 3.6 of the Seller's Disclosure Schedules contains the unaudited balance sheet of Seller as of July 31, 2011 (the "**Balance Sheet**") and the related unaudited statement of income for the seven-month period then ended (collectively, the "**Financial Statements**"). The Financial Statements have been prepared in accordance with GAAP applied on a consistent basis in all material respects throughout the periods covered thereby, present fairly in all material respects the financial condition of the Seller as of such dates and the results of operations of the Seller for such periods, are correct and complete in all material respects, and are consistent in all material respects with the books and records of Seller; provided, however, that the Financial Statements are subject to normal year-end adjustments and lack footnotes and other presentation items. For purposes hereof, July 31, 2011 is referred to herein as the "**Balance Sheet Date**".

3.7 Liabilities. To Seller's Knowledge, there are no Liabilities of Seller except for (a) Liabilities disclosed in this Agreement or the Seller's Disclosure Schedules hereto, or quantified on the face of the Financial Statements (including in any notes thereto) and not heretofore paid or discharged, and (b) Liabilities that have arisen after the Balance Sheet Date in the Ordinary Course of Business that, individually or in the aggregate, are not material and are of the same character and nature as the Liabilities quantified on the face of the Financial Statements. As of the Closing Date, the Seller has no Funded Indebtedness.

3.8 Taxes.

(a) All Tax Returns required to have been filed with any jurisdiction with respect to Seller and the operation of the Station have been duly and timely filed by Seller and each such Tax Return correctly reflects the amount of Taxes required to be reported and paid. Seller has paid all material Taxes due and payable that it is required to pay or accrue before the Effective Date, except to the extent that such amounts are reserved for in the Balance Sheet. There are no material Taxes that are past due. No consent extending the applicable statute of limitations has been filed by or with respect to Seller with respect to any of such Taxes for any years. There is no Action pending or, to Seller's Knowledge, threatened, regarding any Taxes or any Tax Return of Seller. All of such Tax Returns, reports and

estimates are true and complete in all respects, and were prepared in compliance with all applicable Laws and regulations.

(b) Seller has withheld and paid all Taxes required to have been withheld and paid in connection with any amounts paid or owing to any employee and all Forms W-2 required with respect thereto have been properly completed and timely filed.

(c) There are no Tax deficiencies (including penalties and interest) of any kind assessed against or relating to either Seller or the Assets with respect to any Taxable periods ending on or before, or including, the Effective Date of a character or nature that would result in Liens or claims on any of the Assets or on Buyer's title or use of the Assets or that would result in any claim against Buyer.

(d) Seller is not currently the beneficiary of any extension of time within which to file any Tax Return.

(e) Seller is not a party to any Tax allocation or sharing agreement. Seller has no Liability for the Taxes of any Person as a transferee or successor, by contract or otherwise.

3.9 Authorizations. Seller holds all licenses, permits, franchises, authorizations and approvals, including associated broadcast auxiliary authorizations, antenna structure registrations, or authorizations of any Government Agency required for the operation of the Station in the manner operated as of the Effective Date, including, without limitation, all amendments and all applications therefor, together with any renewals, extensions or modifications thereof and additions thereto (collectively, the "**Authorizations**"), and all of such authorizations are listed on Schedule 3.9 of the Seller's Disclosure Schedules. The Authorizations constitute all of the licenses and authorizations required under the Communications Act and FCC Rules for the operation of the Station in the manner operated as of the Effective Date. Except as set forth on Schedule 3.9, the Authorizations have not been revoked, suspended, canceled, rescinded or terminated and have not expired and are not subject to any conditions (other than conditions appearing on the face of the Authorization or generally imposed on television broadcast licenses). There is no Action pending or, to Seller's Knowledge, threatened by or before the FCC to revoke, suspend, cancel, rescind or modify any of the Authorizations (other than proceedings to amend FCC Rules of general applicability) and there is not now issued or outstanding, or, to Seller's Knowledge, pending or threatened by or before the FCC, any order to show cause, notice of violation, notice of apparent Liability, or notice of forfeiture or complaint against Seller or the Station. The Station is operating in all material respects in compliance with the Authorizations, the Communications Act and the FCC Rules.

3.10 Additional Regulatory Matters.

(a) *Reports.* All reports and filings required to be filed with the FCC by Seller have been timely filed (including but not limited to reporting required to be filed with the FCC relating to children's television programming and advertising and political advertising) except where the failure to timely file such reports and filings would not reasonably be expected to have a Material Adverse Effect. Seller maintains appropriate public files at the Station as required by FCC Rules except where the failure to be in compliance would not reasonably be expected to have a Material Adverse Effect. All fees required to be paid to the FCC have been timely paid.

(b) *RF Radiation.* To Seller's Knowledge, the operation of the Station does not cause or result in exposure of workers or the general public to levels of radio frequency radiation in violation of FCC rule Section 1.130 or FCC OST/OET Bulletin Number 65.

(c) *Network Affiliation Agreements.* The Seller is not a party to any network affiliation agreements and no such agreements are in effect with respect to the Station.

(d) *Digital Television.* The Station currently is licensed to and is operating its post-transition digital television (“DTV”) service on channel 46 (“DTV License”). Seller has not received any written complaints from any viewers indicating that such viewers have experienced any difficulties receiving a DTV signal from the Station following the Station’s transition to all-digital broadcasts on June 12, 2009 that are material to the Station. There are no pending petitions for rulemaking or notices of proposed rulemaking to reallocate the DTV allotment of the Station or, to the Knowledge of Seller, to reallocate the allotment of any other broadcast station that would reasonably be expected to have a Material Adverse Effect on the Station.

(e) *MVPD Matters.* The Station’s signal is carried on all of the MVPDs with at least 5,000 subscribers serving the Station’s Designated Market Area (“DMA”) (as such term is defined in Section 76.55(e)(2) of the FCC’s Rules) pursuant to the must-carry notices or retransmission consent notices/retransmission consent agreements that are listed on Schedule 3.10(e) of the Seller’s Disclosure Schedules. Seller has made available to Buyer copies of the Retransmission Consent Agreements set forth on Schedule 3.10(e) of the Seller’s Disclosure Schedules. The Station has provided timely notice to each Market MVPD System of its election of either mandatory carriage or retransmission consent with respect to the three (3) year period commencing January 1, 2009, and Schedule 3.10(e) of the Seller’s Disclosure Schedules sets forth whether the Station has elected mandatory carriage or retransmission consent with respect to each such Market MVPD System for such period. As of the Effective Date, to Seller’s Knowledge, no petition for special relief to modify the area in which the Station is entitled to exercise mandatory carriage rights, and no mandatory carriage complaint on behalf of the Station, is currently pending before the FCC. The technical quality of the video and audio components of the broadcast signals, as delivered to each MVPD in the Station’s DMA, meets the “good quality” technical standard set forth in 47 C.F.R. 76.55(c)(3) (or any successor provision thereto). Seller has no Knowledge of any reason that a MVPD might terminate carriage during the current term of the Station’s right to carriage by such MVPD (whether pursuant to must carry rights or retransmission consent) and no MVPD has notified Seller or Station in writing of any signal quality deficiency or copyright indemnity or other prerequisite to carriage of any or all of the Stations’ signals, and no MVPD has declined or threatened to decline such carriage or failed to respond to a request for carriage or sought any form of relief from carriage at the FCC. Schedule 3.10(e) of the Seller’s Disclosure Schedules contains a list, including channel positions, of all MVPDs with at least 5,000 subscribers in the Station’s DMA on which the Station’s signal is presently carried and indicates the format(s) in which such MVPD carries the Station’s signal (e.g., standard-definition digital, high-definition digital, etc.).

3.11 Business Operations. The only business Seller has conducted since its formation is the operation of the Station.

3.12 Approvals and Consents. The only material consents of Persons who are not a party to this Agreement that are legally or contractually required to be obtained by Seller in connection with this Agreement are those that are contemplated by Section 8.5. Except for the FCC Order, no material Authorization of, or filing with, any Government Agency is required of Seller in connection with the execution, delivery and performance of this Agreement or the consummation of the transactions contemplated hereby.

3.13 Availability, Title to, and Condition of Assets.

(a) To Seller’s Knowledge, the Assets constitute all the assets necessary to conduct the operation of the Station as presently conducted by the Seller.

(b) The Seller has either good and marketable title to, or a valid leasehold interest in, all of the Assets, in each case free and clear of all Liens (except the Permitted Liens). Except as set forth on Schedule 2.1(c), the Seller does not own a leasehold interest in any of the Assets or in any other assets used in operating the Station.

(c) All buildings, machinery, equipment, and other tangible assets included as part of the Assets and Tangible Personal Property, whether owned or leased, are free from material defects (patent and latent), have been maintained in accordance with normal industry practice, are in good operating condition (subject to normal wear and tear), and are suitable for the purposes for which they are presently used.

(d) To Seller's Knowledge, no ownership of Assets or Tangible Personal Property is evidenced by a certificate of title or similar certificate.

3.14 Real Property.

(a) *Leases.* Seller does not lease any real property, as lessor, and Seller has delivered to Buyer copies of all Real Property Leases (including all renewals, extensions, and modifications currently in effect as of the Effective Date).

(b) *Interests.* Seller has not received any written or, to Seller's Knowledge, oral notice alleging that the Leased Real Property fail to comply with applicable zoning Laws or the building, health, fire and environmental protection codes of applicable Government Agencies.

(c) *All Leases.* The Real Property Leases constitute all the real property leases to which Seller is lessee or sub-lessee, and the Leased Real Property is the only real property now leased by Seller and used by Seller in the operation of the Station as the Station is presently operated.

(d) *Valid Leasehold Interest.* With respect to each Real Property Lease, (i) neither Seller nor, to Seller's Knowledge, any other party thereto is in material default under, or in material breach of, such Real Property Lease, and (ii) Seller has not given nor received any written or, to Seller's Knowledge, oral notice of default or termination.

(e) *Owned Real Property.* Seller does not own any real property.

3.15 Environmental Matters. To the Seller's Knowledge:

(a) Seller is in material compliance with Environmental Laws except where the failure to comply has not had a Material Adverse Effect;

(b) Seller holds all material Authorizations necessary for the current use, occupancy or operation of the Station under applicable Environmental Laws ("**Environmental Permits**") and to the Seller's Knowledge, all such material Environmental Permits are set forth on Schedule 3.15(b);

(c) Seller is in material compliance with any such Environmental Permits;

(d) none of the following exists on the Leased Tower Site Real Property: (i) under or above-ground storage tanks (except for a fuel tank used in connection with a power generator on the Leased Real Property); (ii) friable asbestos-containing materials; (iii) materials or equipment containing polychlorinated biphenyls; or (iv) landfills, surface impoundments, or disposal areas;

(e) Hazardous Material have not been Released at, on, in, under or from the Leased Real Property by Seller or, to Seller's Knowledge, by any other Person;

(f) Seller has not treated, recycled, stored, disposed of, arranged for or permitted the disposal of, transported, handled, or released any substance, including any Hazardous Materials, or owned or operated any property or facility (and no such property or facility is contaminated by any such substance) in any material manner that has given or would give rise to any damages, including any damages for response costs, corrective action costs, personal injury, property damage or natural resources damages, pursuant to any Environmental Law; and

(g) Seller has not, either expressly or by operation of Law, assumed or undertaken any Liability, including any obligation for corrective or remedial action, of any other Person relating to Environmental Law with respect to the Station or the Assets.

The representations and warranties contained in this Section 3.15 are the sole and exclusive representations and warranties of the Seller pertaining or relating to any Environmental Laws.

3.16 Environmental Studies. To the Seller's Knowledge, there are no environmental reports, studies or analyses in the possession of Seller relating to the Leased Real Property or the operation of the Station concerning: (a) Hazardous Materials; (b) compliance with or Liability under applicable Environmental Laws; or (c) compliance with Environmental Permits, if any.

3.17 Compliance with Law and Regulations. Seller is, in all material respects, in compliance with all requirements of Law applicable to the Station and the Assets except where the failure to be in compliance would not reasonably be expected to have a Material Adverse Effect. Seller has not received any written notice from any Government Agency that the Seller, the Station or its Assets fails to comply with any Law applicable to the Station.

3.18 Insurance. Schedule 3.18 of the Seller's Disclosure Schedules lists all insurance policies to which the Seller is a party or a named insured.

3.19 Labor, Employment Contracts and Benefit Programs.

(a) *Collective Bargaining Agreements.* There are no collective bargaining agreements between Seller or its Affiliates and the Active Employees. Seller has provided Buyer with all copies of any written agreements relating to the terms and conditions of employment or termination of employment covering the Active Employees, and all Active Employees are employees-at-will. To Seller's Knowledge, Seller is not engaged, and has not engaged, in any material unlawful employment practice, and there are no Actions against Seller pending or threatened before any Government Agency. There is no strike, picketing, slowdown or work stoppage by or concerning such employees pending against or involving Seller. No union representation question is pending or, to Seller's Knowledge, threatened with respect to any of the Active Employees.

(b) *Employees.*

(i) Schedule 3.19(b) of the Seller's Disclosure Schedules lists the name and title of the employees of the Seller or its Affiliates who provide services to the Station on a full time basis as of the Effective Date (the "**Active Employees**"). Prior to the date hereof, Seller has provided to Buyer with each Active Employee's current annual base salary and other compensation arrangements, including bonuses, vehicle usage, severance or other perquisites.

(ii) Except for the assumption of the Assumed Liabilities, the consummation of the transactions contemplated hereby will not cause Buyer to incur or suffer any Liability relating to, or obligation to pay, severance, termination or other payments to any Person or any Liability or obligation to pay with respect to any Station Benefit Plans.

(iii) Seller has not violated the Worker Adjustment and Retraining Notification Act (the “**WARN Act**”) or any similar state or local law.

(c) *Employee Benefit Plans.* Seller does not maintain or contribute to any employee benefit plan that is subject to Title IV of ERISA. With respect to any employee benefit plan, within the meaning of Section 3(3) of ERISA, which is subject to ERISA and which is sponsored, maintained or contributed to, or has been sponsored, maintained or contributed to, within six years prior to the Closing Date, by Seller or any ERISA Affiliate, (i) no unsatisfied withdrawal Liability, within the meaning of Section 4201 of ERISA, has been incurred; (ii) no unsatisfied Liability to the Pension Benefit Guaranty Corporation has been incurred by Seller or any ERISA Affiliate; (iii) no accumulated funding deficiency, whether or not waived, within the meaning of Section 302 of ERISA or Section 412 of the Code has been incurred; and (iv) all contributions (including installments) to such plan required by Sections 302 and 303 of ERISA and Sections 412 and 430 of the Code have been timely made. With respect to any kind of employee benefit plan sponsored, maintained or contributed to by Seller or any ERISA Affiliate currently or within six years prior to the Closing Date, such plan has been funded and maintained in compliance with all Laws applicable thereto and the requirements of such plan’s governing documents. To Seller’s Knowledge, none of the Assets is or would reasonably be expected to become the subject of any Lien arising under ERISA or Section 430(k) of the Code.

(d) *COBRA.* Schedule 3.19(d) of the Seller’s Disclosure Schedules lists each person who is currently on COBRA continuation coverage, or entitled to elect such coverage, and a description of the related premium payments.

3.20 Litigation. There is no Action pending or, to Seller’s Knowledge, threatened against Seller. Seller is not bound by any Order relating to the Station or the Assets which require the Seller to perform obligations after the date hereof other than obligations required under Laws or Orders generally applicable to companies engaged in the general television broadcasting business.

3.21 Intellectual Property. To Seller’s Knowledge, Seller has all right, title and interest in and to all Intellectual Property owned by Seller and used in the operation of the Station as presently operated. As of the date hereof, Seller has not received written or, to Seller’s Knowledge, oral notice of any Action alleging that (i) the Seller does not own any Intellectual Property, or (ii) any Intellectual Property infringes upon the intellectual property rights of a third party. To the Seller’s Knowledge, Seller has taken all reasonably necessary action to maintain and protect each item of Intellectual Property that it owns so as not to adversely affect the validity or enforceability thereof. Seller owns or possesses adequate licenses or other rights to use all copyrights, trademarks, service marks, trade names, logotypes and other intangible rights used to operate the Station. The Seller is not a party to any Contract with respect to any Intellectual Property owned by Seller and used in the operation of the Station as presently conducted other than customer or vendor contracts entered into in the Ordinary Course of Business.

3.22 Brokers. There is no broker or finder or other Person who has any valid claim through Seller against any of the Parties to this Agreement other than Seller for a commission or brokerage fee or payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement of, or action taken by, Seller.

3.23 Conflicting Interests. Neither Seller nor any director, officer, member, manager or partner of Seller has any financial interest in any Asset (other than via ownership thereof), supplier, advertiser or customer of Seller or in any other business enterprise with which the Station or Seller engages in business. The ownership of less than one percent (1%) of the outstanding capital stock of a publicly-held corporation shall not be deemed to be a violation of this representation and warranty. Schedule 3.23 of the Seller's Disclosure Schedules lists all Contracts with Affiliates of the Seller, none of those, nor the Contract listed on Schedule 2.2(h) of the Disclosure Schedules, contain or create obligations that are binding on any successor of Seller's assets in any respects.

3.24 Matters Arising After the Balance Sheet Date. Except for the transactions contemplated by this Agreement, since the Balance Sheet Date, the Seller has operated the Station in the Ordinary Course of Business. Without limiting the generality of the foregoing, except for the transactions contemplated by this Agreement, between the Balance Sheet Date and the date of this Agreement:

(a) There has not been an Event of Loss in excess of \$250,000 (except where such damage or loss was covered by insurance and repair or replacement of the damaged or lost assets has been completed);

(b) Seller has not sold, leased, transferred, or assigned any of its assets, tangible or intangible, other than for a fair consideration in the Ordinary Course of Business and for sales not exceeded \$100,000 singularly or \$500,000 in the aggregate;

(c) Seller has not entered into any Contract outside the Ordinary Course of Business involving a commitment by Seller to pay more than \$100,000 that cannot be terminated by the Seller with less than sixty (60) days prior written notice;

(d) Neither Seller nor any party to a Contract with the Seller has accelerated, terminated, modified or cancelled any Contract involving more than \$50,000 to which Seller is a party or by which it is bound;

(e) No material Lien (other than Permitted Liens) has been imposed upon any of the Assets;

(f) Seller has not issued any note, bond or other debt security or created, incurred, assumed or guaranteed any indebtedness either involving more than \$100,000 individually or \$500,000 in the aggregate or made any loan to any of its shareholders, officers or employees outside the Ordinary Course of Business;

(g) Seller has not delayed or postponed the payment of accounts payable or other Liabilities either involving more than \$100,000 (individually) or outside the Ordinary Course of Business;

(h) Seller has not canceled, compromised, waived, or released any Action (or series of related Actions) either involving more than \$100,000 or outside the Ordinary Course of Business;

(i) Seller has not (i) entered into any employment, collective bargaining, or similar Contract with any of the Active Employees or materially modified the terms of any such existing Contract or (ii) committed to pay any bonus or granted any increase in the base compensation of any Active Employees outside the Ordinary Course of Business; and

(j) Seller has not made any change in any of its accounting methods, policies, procedures, practices or methods with respect to applying such principles for U.S. federal and state Tax purposes.

3.25 FAA Compliance. To the Seller's Knowledge, (i) Seller and the Assets are in material compliance with the rules and regulations of the FAA applicable to the Station and (ii) all towers used by the Station are in material compliance with all painting, lighting and tower registration requirements of the FAA, the FCC and any other Governmental Agency.

3.26 Coverage. Attached as Schedule 3.26 of the Seller's Disclosure Schedules lists all the cable systems in the Station's DMA which list sets forth which systems carry the Station and whether carriage is pursuant to must carry or retransmission consents.

3.27 Bankruptcy. Seller is not currently insolvent or the subject of bankruptcy or any similar proceeding, nor will Seller be rendered insolvent by any of the Transactions. As used in this Section 3.27, "insolvent" means that the sum of the Liabilities of the Seller exceeds the fair present value of the Seller's Assets. The Seller is not entering into this Agreement or any of the Transactions with the intent to defraud, hinder or delay any other party from collecting on a Liability of the Seller.

3.28 Promissory Note. Seller (a) understands that the Promissory Note has not been, and will not be, registered under the Securities Act, or under any state securities Laws, and is being offered and sold in reliance upon federal and state exemptions for transactions not involving any public offering, (b) is acquiring the Promissory Note solely for Seller's own account for investment purposes, and not with a view to the distribution thereof, (c) is a sophisticated investor with knowledge and experience in business and financial matters, (d) has received certain information concerning Buyer and has had the opportunity to obtain additional information as desired to evaluate the merits and the risks inherent in holding the Promissory Note, (e) is able to bear the economic risk and lack of liquidity inherent in holding the Promissory Note, and (f) is an "accredited investor" as defined in Regulation D promulgated under the Securities Act.

3.29 Trade Accounts. All of the Trade Accounts are Enforceable, represent bona fide transactions, arose in the Ordinary Course of Business and are properly reflected on Seller's books and records. None of the obligations related to the Trade Accounts are past due or subject to any penalty fees. None of the Trade Accounts have been, or, to Seller's Knowledge, threatened to be, accelerated from the performance due dates reflected on Seller's books and records. Seller has not delayed or accelerated the performance of obligations related to Trade Accounts outside the Ordinary Course of Business.

3.30 Powers of Attorney. There are no outstanding powers of attorney executed on behalf of Seller other than those powers of attorney used in the Ordinary Course of Business.

3.31 Records. Seller has kept books and records which accurately and fairly reflect, in all material respects, its transactions and dispositions of its assets.

3.32 No Other Representations

. Notwithstanding anything contained in this Agreement to the contrary, Seller acknowledges and agrees that except for the representations and warranties expressly given by the Buyer in Article 4, Buyer is not making any representations or warranties whatsoever, express or implied. Any claims Seller may have for any breach of any representation or warranty shall be based solely on the representations and warranties of Buyer set forth in Article 4 hereof in accordance with the terms of this Agreement, including Article 11.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller that the statements contained in this Article 4 are correct and complete as of the date of this Agreement and will be correct and complete as of the Closing Date as though made then and as though the Closing Date were substituted for the date of this Agreement throughout this Article 4, except as set forth in any applicable section in the disclosure schedules delivered by Buyer to Seller on the Effective Date. Such disclosure schedules will be arranged in sections corresponding to the lettered and numbered sections contained in this Article 4.

4.1 Qualification as a Broadcast Licensee. Buyer is familiar with the Communications Act and the existing rules, regulations and policies of the FCC. Buyer is legally and financially qualified under the Communications Act and the rules, regulations and published policies of the FCC to acquire the Station from Seller. To Buyer's Knowledge, there is no fact or condition that would, under the Communications Act and the existing rules, regulations and published policies of the FCC, disqualify Buyer as owner and operator of the Station or constitute grounds for the filing by any party of a petition to deny or objections related to the qualifications of Buyer that would reasonably be expected to result in a material delay of the issuance of the FCC Order. To Buyer's Knowledge, no waiver of any FCC rule, regulation or published policy existing as of the date of this Agreement will be required, with respect to Buyer, to obtain the FCC Order. To Buyer's Knowledge, (i) there is not any fact or condition relating to Buyer that will prevent Buyer from obtaining the Final FCC Order in due course, and without material delay, and (ii) there is not any basis for, or any particular reason for any particular Party to file a petition to deny or informal objection with the intention of delaying or preventing the receipt by Buyer and Seller of the Final FCC Order.

4.2 Status.

(a) *Buyer.* Buyer is a Delaware limited liability company duly organized, in good standing and validly existing under the Laws of the State of Delaware. Buyer is duly qualified to transact business in the State of Delaware, and is, and will be at the Closing, duly authorized to transact business in the State of Texas. Buyer has the requisite power and authority to carry on its business and to enter into and complete the transactions contemplated by this Agreement.

(b) *Approvals and Consents.* There are no approvals or consents of any Persons not a party to this Agreement that are legally or contractually required to be obtained by Buyer in connection with the consummation of the transactions contemplated by this Agreement other than the FCC Order. Except for the FCC Order, no material Authorization of, or filing with, any Government Agency is required of Buyer in connection with the execution, delivery and performance of this Agreement or the consummation of the transactions contemplated hereby.

4.3 No Defaults. Neither the execution, delivery and performance by Buyer of this Agreement nor the consummation by Buyer of the Transactions contemplated hereby is an event that, of itself or with the giving of notice or the passage of time or both, will: (a) violate any provision of the Organizational Documents of Buyer; (b) constitute a violation of or result in any breach of or any default under, result in any termination or modification of, or cause any acceleration of any obligation under any contract, mortgage, indenture, agreement, lease or other instrument to which Buyer is a party or by which it is bound or the assets of it are bound, or by which it may be affected, or result in the creation of any Lien on any of the assets of Buyer; or (c) subject to receipt of the FCC Order, violate any Order or Law of any Government Agency applicable to Buyer or the assets of Buyer which would materially affect the ability of Buyer to enter into this Agreement or consummate the transactions contemplated hereby.

4.4 Entity Action. Buyer has the relevant entity power and authority necessary to execute and deliver this Agreement and to perform and consummate the Transactions. All actions and proceedings necessary to be taken by or on the part of Buyer or its members in connection with the performance, execution and delivery of this Agreement and the completion of the Transactions through the Closing Date have been duly and validly taken, and this Agreement has been (or, to the extent executed as of the Closing Date, will be at the Closing Date) duly and validly authorized, executed and delivered by Buyer and assuming the due authorization, execution and delivery by the other Parties hereto, this Agreement is Enforceable against Buyer in accordance with and subject to its terms.

4.5 Brokers. There is no broker or finder or other Person who would have any valid claim against any of the Parties to this Agreement for a commission or brokerage fee or payment in connection with this Agreement or the Transactions contemplated hereby as a result of any agreement of or action taken by Buyer.

4.6 No Actions. There are no Actions pending or, to the Buyer's Knowledge, threatened against the Buyer that are reasonably likely to prohibit the ability of the Buyer to enter into this Agreement or consummate the Transactions.

4.7 Financial Capability. At Closing, the Buyer will have sufficient financing available to pay the Cash Payment component of the Purchase Price and any expenses incurred by the Buyer in connection with the Transactions contemplated by this Agreement.

4.8 Buyer's Investigation; Access to Information. The Buyer is a sophisticated purchaser and has made its own investigation, review and analysis regarding the Assets, the Station, the financial condition and operations of Seller, and the transactions contemplated hereby, which investigation, review and analysis were conducted by Buyer together with expert advisors that it has engaged for such purpose. The Buyer has reviewed or been afforded the full opportunity to review all information (including documents and other information at Seller's facilities and in electronic form) provided to it by the Seller and its representatives and has had the opportunity to ask questions of and receive answers to its satisfaction from the Seller and its representatives concerning the Assets, the Station and the financial condition and operations of Seller, and to obtain any additional information reasonably requested by it. The foregoing, however, does not in any way limit or modify the right of the Buyer to rely upon the representations and warranties in Article 3.

4.9 No Other Representations. Notwithstanding anything contained in this Agreement to the contrary, the Buyer acknowledges and agrees that except for the representations and warranties expressly given by the Seller in Article 3 (as modified by the Seller's Disclosure Schedules hereto as, subject to the restrictions of Section 13.12(b), supplemented or amended) the Seller is not making any representations or warranties whatsoever, express or implied, with respect to the Assets or the Station. Any claims the Buyer may have for any breach of any representation or warranty shall be based solely on the representations and warranties of the Seller set forth in Article 3 hereof (as modified by the Seller's Disclosure Schedules hereto, as subject to the restrictions of Section 13.12(b), supplemented or amended) in accordance with the terms of this Agreement, including Article 11.

ARTICLE 5 COVENANTS OF SELLER PENDING THE CLOSING

Except (i) as otherwise contemplated by this Agreement, or (ii) with the prior written consent of the Buyer (which consent shall not be unreasonably withheld, delayed or conditioned, provided, however, that Seller shall not under any circumstances be deemed to be in violation of any covenants of Seller set forth in this Article 5 based upon Seller's failure to take any action which Buyer has refused to consent to

in accordance with the standard in clause (ii)), Seller covenants and agrees that, from the Effective Date until the completion of the Closing:

5.1 Operations of the Business.

(a) *Ordinary Operations.* Until the Closing, Seller will use its Commercially Reasonable Efforts to carry on operations of the Station and keep its books and accounts, records and files in the Ordinary Course of Business, including, but not limited to, spending amounts on advertising, promotions and marketing of the Station between the date of this Agreement and the Closing Date in a manner consistent with the Ordinary Course of Business. Seller shall operate the Station in compliance with the terms of the Authorizations and all applicable Laws, rules and regulations, including, without limitation, FCC Rules. Seller shall promptly notify Buyer (but in no event later than seven (7) Business Days) of any material loss of carriage or change in channel position on any MVPD system in the Station's DMA, or the cessation of broadcasting or reduction by the Station of its authorized power for more than twenty-four (24) consecutive hours and (ii) take all appropriate, reasonable action to protect the present service areas of the Station from increased electrical interference from other stations, existing or proposed (without any obligation to initiate litigation or other legal action of any kind), and to exercise reasonable efforts to maintain carriage of the Station's signals on all MVPD systems in the Station's DMA.

(b) *Current Statements.* Seller shall provide Buyer with copies of Seller's customary monthly internal balance sheets and related statements of operations for the monthly accounting periods between the Effective Date and the Closing Date, by the thirtieth (30th) day of each month for the preceding calendar month, which statements shall be in Seller's standard internal format. In addition, Seller shall provide to Buyer upon a reasonable request from Buyer from time to time reasonable financial information to permit Buyer to compute readily the income from operations and broadcast cash flow of the Station for the then current month, and, if required by Buyer's lender and at Buyer's expense, permit a review by an independent firm of certified public accountants of the cash flow of the Station. Buyer understands that the financial information will be provided by Seller to Buyer as an accommodation only, without representation or warranty of any kind, and that the closing of the Transactions in accordance with this Agreement is not in any way contingent upon the approval by Buyer or Buyer's lender of the financial information provided by Seller in accordance with this Section 5.1.

(c) *Preserve Business.* While operating the Station, Seller shall use its Commercially Reasonable Efforts to preserve the present operations and the goodwill of the Station and the suppliers, advertisers, and customers having business relationships with the Station in each case in the Ordinary Course of Business. Except as otherwise contemplated by this Agreement (including Section 5.8 hereof), Seller shall timely pay all fees due to the FCC.

(d) *Assets in Good Repair.* All Tangible Personal Property shall be maintained in good operating condition and repair, reasonable wear and tear excepted, in the Ordinary Course of Business, and Seller shall maintain adequate and usual supplies of office supplies, spare parts and other materials in the Ordinary Course of Business, Seller shall maintain in effect the casualty and Liability insurance on the Assets heretofore in force. After the date hereof and prior to the Closing, Seller shall purchase one (1) inductive output tube for the Station's existing transmitter that is reasonably satisfactory to Buyer (the "**Replacement Tube**").

5.2 Prohibited Actions. Before the Closing Date, Seller shall not:

(a) Sell, lease or transfer or agree to sell, lease or transfer, any Assets, with an aggregate fair market value greater than \$100,000, except for incidental sales or leases, in the Ordinary

Course of Business, of Assets that are being replaced by assets of comparable or superior kind, condition and value;

(b) Except as may be required by existing written plans or agreements, (i) grant any general increase in the compensation to any of the Active Employees (except in the Ordinary Course of Business), (ii) establish or modify any severance plan, (iii) pay any substantial bonuses (except in the Ordinary Course of Business), or (iv) materially change any benefits offered to the Active Employees or enter into any independent contractor agreement with any Person;

(c) Renegotiate, modify, renew, amend, or terminate (i) any Material Contract or (ii) any Contract (to which Seller is a party and which is executory as of the date hereof) relating to the purchase or sale of merchandise, programming or software or for the rendition of services or provision of goods by the Seller or to the Seller which involves payments by, or revenue to, Seller in excess of \$50,000;

(d) Make any material change in the Station's buildings, leasehold improvements or fixtures;

(e) Enter into any Contracts with any Active Employee or any Affiliate of Seller (or any director, officer, shareholder or employee of such Affiliate) with respect to the Station or the Assets other than in the Ordinary Course of Business;

(f) Enter into any barter or trade Contracts that are prepaid other than in the Ordinary Course of Business;

(g) (i) Take any action that would result in (y) the Authorizations being materially adversely modified, revoked, suspended, canceled, rescinded, not renewed, or terminated, or (z) a reduction in coverage of the respective present service areas and population coverage of the Station or (ii) otherwise make or attempt to make any material adverse change in the Authorizations other than as may be required by applicable Law;

(h) Delay or postpone the payment of accounts payable, performance of Trade Accounts and other Liabilities beyond their due date or accelerate the collection of accounts receivable, other than in the Ordinary Course of Business;

(i) Enter into any Material Contract (or series of related Contracts) involving an aggregate consideration in excess of \$100,000 other than in the Ordinary Course of Business;

(j) Incur any Funded Indebtedness or issue any securities evidencing Funded Indebtedness;

(k) Enter into any employment Contract having annual compensation in excess of \$100,000 or any collective bargaining agreement or modify the material terms of any such employment Contract or collective bargaining agreement other than in the Ordinary Course of Business;

(l) Change its accounting principles or policies or change its depreciation or amortization policies or rates theretofore adopted;

(m) Create any material Lien on any of the Assets other than Permitted Liens;

(n) Use or disclose to any Person, except as required by Law or Order and except in the Ordinary Course of Business and subject to obligations of confidentiality, any Confidential Information;

(o) Change the call letters of the Station;

(p) Enter into, modify, amend or extend a Retransmission Consent Agreement to the extent such Retransmission Consent Agreement covers the Station if such new agreement, modification, amendment or extension would not terminate with respect to the Station on or before the Closing or enter into any new Retransmission Consent Agreement or similar agreement; or

(q) Authorize any of the foregoing or enter into any agreement to do any of the foregoing.

5.3 Access to Facilities, Files and Records. At the reasonable request of Buyer and on reasonable advance notice, Seller shall, from time to time, give or cause to be given to Buyer's officers, employees, accountants, counsel, agents, consultants and representatives and Buyer's potential financing sources (and its respective representatives and agents) access during normal business hours throughout the period prior to the Closing Date to: (a) all facilities, properties, personnel, accounts, books, records, deeds, title papers, insurance policies, agreements, contracts, commitments, records and files of every character, including, without limitation, equipment, machinery, fixtures, furniture, vehicles, notes, accounts payable and receivable, and all financial, operating and other data relating to the Station, as well as to the executive officers of the Station; and (b) all such other information concerning the Station and the Assets as Buyer may reasonably request. All access and inspections shall be (i) coordinated through the Seller, (ii) subject to such reasonable restrictions as Seller requires for the purposes of minimizing disruption with the conduct of the business of the Station and minimizing unnecessary speculation and rumors among Station employees and personnel, and (iii) be subject to restrictions under applicable Law.

5.4 Representations and Warranties. Seller shall give written notice to Buyer promptly (but in no event later than seven (7) Business Days) upon learning of the occurrence of any event that has constituted a material breach of any of Seller's representations or warranties contained in Article 3 of this Agreement.

5.5 Contract Consents. Seller shall use Commercially Reasonable Efforts to obtain the consent or approval of any third Person, including providing adequate notice of the assignment where applicable, required under any Contract listed on the Assumed Contract Schedules, provided that Seller shall not under any circumstances be required to agree to (i) any changes in the terms of any Contract as a condition to obtaining the consent or approval of any third Person, or (ii) incur material expenses or any liabilities in connection with the foregoing.

5.6 Notice of Proceedings. Seller will promptly notify Buyer in writing upon: (a) receiving written notice of any Order or Action restraining or enjoining the consummation of this Agreement or the transactions contemplated hereunder; (b) receiving any written notice from any Government Agency of its intention (i) to institute an investigation into, or institute an Action to restrain or enjoin the consummation of this Agreement or the Transactions, or (ii) to nullify or render ineffective this Agreement or the Transactions if consummated; or (c) the commencement of any Action involving any of the Authorizations which would reasonably be expected to have a Material Adverse Effect, other than Actions of general applicability to the television broadcasting industry that do not have a materially disproportionate impact on the Station.

5.7 Consummation of Agreement. Upon the terms and subject to the conditions contained in this Agreement, Seller shall use its Commercially Reasonable Efforts (i) to fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement, (ii) to cause the transactions contemplated by this Agreement to be fully carried out through Closing, and (iii) to cooperate with Buyer in connection with the foregoing.

5.8 Applications for FCC Consents. As promptly as practicable after the date of this Agreement, and in no event later than ten (10) Business Days after the execution of this Agreement, Seller and Buyer shall cause to be filed an application with the FCC requesting the FCC Order. Buyer and Seller shall promptly provide to each other and the FCC all documents, information, and materials as may be reasonably required in connection with the filing of the application with the FCC. Seller and Buyer shall use their Commercially Reasonable Efforts to take all steps that are proper, necessary or desirable to expedite the preparation of such applications and their prosecution to a favorable conclusion. Each Party shall promptly provide the other with a copy of any material pleading, order or other document served on such Party or filed or served by such Party relating to such application. If required by the FCC, Seller shall use Commercially Reasonable Efforts to enter into an assignment, tolling or similar agreement to the extent reasonably necessary to facilitate the grant of the FCC Order, and Seller shall consult with the Buyer before entering any such agreement. Seller and Buyer shall furnish all information required by the FCC in connection with the applications. Seller and Buyer will use their respective Commercially Reasonable Efforts to oppose any petitions to deny or other objections that may be filed with respect to the FCC application and any requests for reconsideration or review of the FCC Order, provided, however, that neither Buyer nor Seller shall have any obligation to participate in any evidentiary hearing on any FCC application. Neither Seller nor Buyer nor any Affiliate of either Party nor any station in which either Party has an attributable interest (as defined by the FCC Rules) will take any action that it knows or reasonably should know would adversely affect or delay the grant of FCC Order, or adversely affect or delay the FCC Order becoming Final. If Closing occurs hereunder before the FCC Order becoming Final, then the Parties' obligations under this Section 5.8 shall survive the Closing until the FCC Order and all such consents and extensions in connection therewith become Final. Each Party shall bear one-half of the cost of application filing fees relating to the FCC Order and the assignment of the Authorizations to Buyer. Each of Buyer and Seller shall pay fifty percent (50%) of the filing fee directly to the FCC concurrently with the submission of the applications to the FCC.

5.9 FCC Reports/FCC Compliance. From and after the date of this Agreement and until the Closing, at Buyer's request, Seller will furnish Buyer with a copy of any of Seller's reports filed with the FCC with respect to the Station within ten (10) days after each such report has been filed.

5.10 Publicity. Seller shall publish and broadcast a public notice concerning the filing of the application for assignment of the Authorizations in accordance with the requirements of Section 73.3580 of the FCC's rules. Prior to Closing, neither Seller, nor Buyer, nor any of their respective Affiliates shall issue or cause the publication of any other announcement or press release or any other public statement or any correspondence or other communication with respect to the execution of this Agreement without the prior written consent of the other Party unless required by Law (in the reasonable opinion of counsel) in which case the Buyer and the Seller shall have the right to review such press release, announcement or communication prior to its issuance, distribution or publication. Buyer and Seller shall use Commercially Reasonable Efforts to coordinate the announcement of the transactions contemplated by this Agreement. Notwithstanding the foregoing, after the initial announcement of the transactions contemplated hereby by the Parties, each Party may issue further press releases, tombstones and similar announcements without the consent of the other Party provided that such announcements are consistent with, and not broader in scope with respect to the information they disclose, than the announcements previously mutually agreed.

5.11 Exclusivity. Seller will not (a) solicit, initiate or encourage the submission of any proposal or offer from any Person relating to the acquisition of any of the voting securities, or any interest in any portion of the assets of Seller outside the Ordinary Course of Business (including any acquisition structured as a merger, consolidation, or share exchange), or (b) participate, without limitation, in any discussions or negotiations regarding, furnish any information with respect to, assist or participate in, or facilitate in any other manner any effort or attempt by any Person to do or seek any of the foregoing.

5.12 Confidentiality. Any and all confidential information, disclosures, knowledge or facts regarding Buyer and its operations derived from or resulting from Seller's acts or conduct (including, without limitation, acts or conduct of Seller's managers, partners, officers, employees, accountants, counsel, agents, consultants or representatives, or any of them (collectively, "**Representatives**")) obtained by Seller (or their Representatives) pursuant to or in connection with this Agreement, shall not be divulged, disclosed or communicated to any other Person, except as required by Law and to Seller's Representatives and their respective attorneys for the purpose of consummating the transactions contemplated by this Agreement and Seller shall be responsible for any breach of confidentiality by any such Person. If this Agreement terminates before Closing, Seller shall return promptly any confidential information obtained regarding Buyer and Seller shall instruct their Representatives also to return any such information.

5.13 Cooperation with Lender. Seller shall provide assistance and cooperation to Buyer in order to assist Buyer in obtaining financing from the Lender for use in connection with the Transactions contemplated by this Agreement by providing factual information with respect to the Station and by taking such further action as reasonably requested by Buyer.

5.14 Conveyance Free and Clear of Liens. Except for Permitted Liens, at or prior to the Closing, Seller shall obtain the release of all Liens disclosed in the Seller's Disclosure Schedules and any other Liens on the Assets, and shall duly file releases of all such Liens in each Government Agency or office in which any such Lien or evidence thereof shall have been previously filed, and Seller shall transfer and convey, or cause to be transferred and conveyed, to Buyer at Closing good, indefeasible and marketable title (but in the case of Leased Real Property, a valid leasehold interest) to all of the Assets free and clear of all Liens, except for Permitted Liens.

5.15 Control Prior to Closing. Between the Effective Date and the Closing Date, Buyer shall not directly or indirectly control, supervise or direct, or attempt to control, supervise or direct, the operation of the Station. Such operation, including complete control and supervision of all programs, employees and policies, shall be the sole responsibility of Seller. Neither title nor right to possession of the Assets of the Station shall pass to Buyer until the Closing in accordance with the terms and conditions of this Agreement.

5.16 Must Carry Elections. Seller shall affirmatively make all applicable must carry elections for all MVPDs operating within the Station's DMA on or prior to October 1, 2011 and will cooperate with Buyer and Buyer's consultant to ensure such elections are timely and correctly made.

ARTICLE 6 COVENANTS OF BUYER PENDING THE CLOSING

Buyer covenants and agrees that from the date of this Agreement until the completion of the Closing:

6.1 Consummation of Agreement. Upon the terms and subject to the conditions contained in this Agreement, Buyer shall use its Commercially Reasonable Efforts (i) to fulfill and perform all

conditions and obligations on its part to be fulfilled and performed under this Agreement, (ii) to cause the transactions contemplated by this Agreement to be fully carried out through Closing, and (iii) to cooperate with Seller in connection with the foregoing.

6.2 Notice of Proceedings. Buyer will promptly notify Seller in writing upon: (a) receiving written notice of any Order or Action restraining or enjoining the consummation of this Agreement or the transactions contemplated hereunder; or (b) receiving any written notice from any Government Agency of its intention (i) to institute an investigation into, or institute an Action to restrain or enjoin the consummation of this Agreement or the Transactions, or (ii) to nullify or render ineffective this Agreement or the Transactions if consummated.

6.3 Additional Contracts to be Assumed. From time to time following the date of this Agreement, Seller may request (the “**Additional Contract Request**”) in writing (including by email to phurley@londonbroadcastingcompany.com and terry@londonbroadcastingcompany.com with a copy, which shall not constitute notice, to jdeeken@akingump.com) that Buyer permit additional Contracts (including Contracts for Trade Accounts) to be added to the Assumed Contract Schedules referenced in Article 2 of this Agreement and to be assigned to and assumed by Buyer at the Closing in accordance with the terms of this Agreement (collectively, the “**Additional Contracts**”). Buyer shall have seven (7) Business Days from the date of receipt of Seller’s Additional Contract Request to either reject or accept such Additional Contracts to or from, as the case may be, the Assumed Contract Schedules; provided, however, if Buyer fails to respond to Seller’s Additional Contract Request, then such Additional Contracts shall automatically be deemed to be include within the Assumed Contract Schedules without any further action of either Party and, at the Effective Time, such Additional Contracts (along with the other Contracts on the Assumed Contract Schedules) will be assigned to, and assumed by, Buyer at the Effective Time. If Buyer accepts the Additional Contracts, such Additional Contracts shall be added to the Assumed Contract Schedules and, at the Effective Time, each such accepted Additional Contracts shall be deemed an Asset acquired by Buyer pursuant to Section 2.1 and the obligations and Liabilities of Seller under any such accepted Additional Contracts shall be deemed an Assumed Liability assumed by Buyer pursuant to Section 2.3.

6.4 Confidentiality. Any and all information, disclosures, knowledge or facts regarding Seller, the Assets and the Station and their operations derived from or resulting from Buyer’s acts or conduct (including, without limitation, acts or conduct of Buyer’s Representatives) obtained by Buyer (or its Representatives) pursuant to or in connection with this Agreement, shall, except after Closing to the extent related solely to the Station or the Assets, be confidential and shall not be divulged, disclosed or communicated to any other Person, except as required by Law and to Buyer’s Representatives and their respective attorneys for the purpose of consummating the transactions contemplated by this Agreement and Buyer shall be responsible for any breach of confidentiality by any such Person. If this Agreement terminates before Closing, Buyer shall return promptly any confidential information obtained regarding Seller, the Station or the Assets and Buyer shall instruct its Representatives also to return any such information.

6.5 Contract Consents. Buyer shall use its Commercially Reasonable Efforts and shall otherwise cooperate with Seller in the effort to obtain the consent or approval of any third Person required under any Contract listed on the Assumed Contract Schedules to assign such Contract from Seller to Buyer; provided that Buyer shall not under any circumstances be required to agree to (i) any changes in the terms of any Contract as a condition to obtaining the consent or approval of any third Person, or (ii) incur material expenses or any liabilities in connection with the foregoing.

6.6 Representations and Warranties. Buyer shall give detailed written notice to Seller promptly upon learning of the occurrence of any event that would cause or constitute a breach of any of Buyer's representations or warranties contained in this Agreement.

ARTICLE 7 POST-CLOSING COVENANTS

7.1 Litigation Support. So long as any Party is actively contesting or defending against any Action in connection with (a) the Transactions (other than Actions amongst the Parties) or (b) any fact, situation, circumstance, status, condition, activity, practice, plan, occurrence, event, incident, action, failure to act, or transaction on or prior to the Closing Date involving the Station, each other Party will cooperate, at the requesting Party's expense, with such requesting Party and such Party's counsel in the contest or defense, make available its personnel, and provide such testimony and access to its books and records as will be reasonably necessary in connection with the contest or defense, at the sole cost and expense of the contesting or defending Party (unless the contesting or defending Party or one of its Affiliates is entitled to indemnification therefor under Article 11).

7.2 Taxes.

(a) Seller shall not permit to exist any Tax deficiencies (including penalties and interest) of any kind assessed against or relating to Seller with respect to any Taxable periods ending on or before, or including, the Closing Date of a character or nature that could reasonably be expected to result in Liens (other than Permitted Liens) or claims on any of the Assets or on Buyer's title or use of the Assets following the Closing or that would reasonably be expected to result in any claim against Buyer.

(b) Any sales Tax, use Tax, real property transfer Tax, documentary stamp Tax, registration Tax, conveyance fee, recording charge, or similar fees, charges, or Tax attributable to the sale or transfer of the Assets will be paid half by Seller and half by Buyer; provided, however, Seller shall bear 100% of the Tax, penalties or interest recognized on the gains from such sale or transfer. Buyer agrees to timely sign and deliver such certificates or forms as may be necessary or appropriate to establish an exemption from (or otherwise reduce), or make a report with respect to, such Taxes. Seller will, at its own expense, file all necessary Tax Returns and other documentation with respect to all such Taxes, fees and charges, and, if required by applicable Law, the Parties will, and will cause its Affiliates to, join in the execution of any such Tax Returns and other documentation.

7.3 Employees and Station Benefit Plans.

(a) *Salaries and Benefits.*

(i) Seller will be responsible for: (A) the payment of all wages and other remuneration due to employees with respect to their services as employees of Seller, including pro rata bonus payments; (B) the payment of any termination or severance payments and the provision of health plan continuation coverage to any "M&A qualified beneficiaries" (within the meaning of Section 54.4980B-9, Q&A-4 of the Treasury Regulations) in accordance with the requirements of Sections 601 through 608 of ERISA and Sections 54.4980B-1 through -10 of the Treasury Regulations for employees who are not hired by Buyer; and (C) any and all payments to employees required under the WARN Act for termination of employees for employees who are not hired by Buyer.

(ii) Seller will retain sole responsibility for benefits attributable to claims incurred by the Active Employees (or their dependents) through the time that the Active

Employees cease to be participants under the Station Benefit Plans. Buyer will have sole responsibility for benefits attributable to claims made by Active Employees hired by Buyer, if any, (or their dependents) incurred from and after the Effective Time. Except as provided by the terms of the relevant Station Benefit Plan, a claim will be deemed to be incurred, in the case of hospital, medical or dental benefits, when the services that are subject of the charge are performed and, in the case of other benefits (such disability or life insurance), when an event has occurred or when a condition has been diagnosed that entitles the employee to the benefit pursuant to the terms of the Station Benefit Plan.

(iii) For purposes of clarity, Buyer is not assuming any Station Benefit Plans or any compensation obligations of Seller and Seller shall retain any and all obligations to pay bonuses to its employees including those under Contracts listed on Appendix 3.24(i) to the Disclosure Schedules (it being understood that Buyer shall be responsible for any bonus plans it puts in place for any employees it hires, if any).

(b) *Employees.* Buyer will set its own initial terms and conditions of employment for employees and others it may hire, including work rules, benefits and salary and wage structure, all as permitted by Law, which will differ from those provided by Seller. Buyer shall determine, in its own discretion, which Active Employees, if any, to whom to offer employment; provided, however, that on or before November 1, 2011, Buyer shall notify Seller in writing specifying which of the Active Employees, if any, Buyer has offered, or will offer, employment to any Active Employees as of the Effective Time. Buyer is not obligated to and will not assume any collective bargaining agreements under this Agreement. Seller will be solely liable for any severance payment required to be made to its employees due to the Transactions.

(c) *General Employee Provisions.*

(i) Buyer will not have any Liability or obligation, whether to Active Employees, former employees, their beneficiaries or any other Person, with respect to any Station Benefit Plans, practices, programs or arrangements (including the establishment, operation or termination thereof and the notification and provision of COBRA coverage extension) maintained by Seller.

(ii) In addition to the limitations of Section 14.9, the covenants set forth in this Section 7.3 and Section 13.8 are for the sole benefit of the Parties and no rights, compensation or benefits are conferred by this Section 7.3 on any other Person. This Agreement does not amend, nor may it be deemed to amend, any Station Benefit Plan or any benefit plan maintained by Buyer.

ARTICLE 8 CONDITIONS TO THE OBLIGATIONS OF SELLER

The obligations of Seller under this Agreement are, at Seller's option, subject to the fulfillment of the following conditions before or on the Closing Date:

8.1 Representations, Warranties and Covenants.

(a) *Representations True.* Each of the representations and warranties of Buyer contained in this Agreement that are (i) qualified as to materiality or Material Adverse Effect shall be true and correct in all respects and (ii) not so qualified shall be true and correct in all material respects, as of the date of this Agreement and as of the Closing Date as though made on the Closing Date with the

Closing Date substituted for the date of this Agreement throughout Article 4, except to the extent such representations and warranties expressly relate to an earlier date (in which case such representations and warranties qualified as to materiality or Material Adverse Effect shall be true and correct in all respects, and those not so qualified shall be true and correct in all material respects, on and as of such earlier date);

(b) *Buyer Performance.* Buyer must have performed and complied with all of its covenants and obligations required by this Agreement to be performed or complied with at or prior to Closing (singularly and in the aggregate) in all material respects (except with respect to any covenants including the word “material” or words of similar import, such covenants shall have been complied with in all respects); and

(c) *Certificate of Buyer.* Buyer shall have furnished Seller with a certificate, dated the Closing Date and duly executed by an officer or manager of Buyer to the effect that the conditions set forth in Section 8.1(a) and Section 8.1(b) have been satisfied.

8.2 No Injunction; Absence of Actions.

(a) *No Injunction.* No Party shall be subject to any restraining order or injunction then currently in effect restraining or prohibiting the consummation of the Transactions contemplated hereby.

(b) *No Actions.* No Action that is reasonably likely to succeed on the merits shall be pending before any Government Agency in which it is sought to restrain or prohibit, or obtain damages or other relief in connection with, this Agreement or the consummation of the transactions contemplated hereby.

8.3 Closing Deliveries. Buyer shall have complied with each and every one of its obligations set forth in Section 10.2.

8.4 FCC Order. The FCC Order shall have been granted, shall be in effect and shall have become Final.

8.5 Material Contract Consents. Buyer and Seller shall have obtained all consents and approvals for the transactions contemplated by this Agreement for the Contracts listed on Schedule 8.5 (the “**Material Contract Consents**”).

If any of the conditions set forth in this Article 8 have not been satisfied, Seller may nevertheless waive such condition (other than the FCC Order which condition cannot be waived), but only in writing, and proceed with the consummation of the transactions contemplated hereby.

ARTICLE 9 **CONDITIONS TO THE OBLIGATIONS OF BUYER**

The obligations of Buyer under this Agreement are, at its option, subject to the fulfillment of the following conditions before or on the Closing Date or by the dates otherwise required in this Agreement:

9.1 Representations, Warranties and Covenants.

(a) *Representations True.* Each of the representations and warranties of Seller contained in Article 3 of this Agreement that are (i) qualified as to materiality or Material Adverse Effect shall be true and correct in all respects and (ii) not so qualified shall be true and correct in all material

respects, as of the date of this Agreement and as of the Closing Date as though made at and as of the Closing Date, except to the extent such representations and warranties expressly relate to an earlier date (in which case such representations and warranties qualified as to materiality or Material Adverse Effect shall be true and correct in all respects, and those not so qualified shall be true and correct in all material respects, on and as of such earlier date);

(b) *Seller's Performance.* Seller must have performed and complied with all of its covenants to be performed or complied with at or prior to Closing (singularly and in the aggregate) in all material respects (except with respect to any covenants including the word "material" or words of similar import, such covenants shall have been complied with in all respects); and

(c) *Seller's Certificates.* Seller shall have furnished Buyer with certificates, dated the Closing Date and duly executed by an officer of Seller, to the effect that the conditions set forth in Section 9.1(a) and Section 9.1(b) have been satisfied.

9.2 No Injunction; Absence of Actions.

(a) *No Injunction.* No Party shall be subject to any restraining order or injunction then currently in effect restraining or prohibiting the consummation of the Transactions.

(b) *No Actions.* No Action that is reasonably likely to succeed on the merits shall be pending before any Government Agency in which it is sought to restrain or prohibit, or obtain damages or other relief in connection with, this Agreement or the consummation of the transactions contemplated hereby.

9.3 Liens Released. All Liens (other than the Permitted Liens) pertaining to the Assets shall be released of record and there shall be no liens in respect of the Assets, except for the Permitted Liens.

9.4 Deliveries. Seller shall have complied with each and every one of its respective obligations set forth in Section 10.1.

9.5 Material Contract Consents. Buyer and Seller shall have obtained the Material Contract Consents.

9.6 No Material Adverse Effect.

(a) Subsequent to the date of this Agreement, no event or series of events shall have occurred and be in existence and continuing as of the Closing Date that, singularly or in the aggregate, has had a Material Adverse Effect on the Assets or the Station.

(b) For purposes of this Agreement, any circumstance, state of facts or matters, change, decrease in revenue, effect, event, occurrence, action or omission resulting from any of the following will not constitute a Material Adverse Effect: (i) actions taken by Buyer in breach or default of this Agreement; (ii) the announcement of this Agreement or the pendency of the Transactions; (iii) changes in general economic or political conditions or economic or capital markets, including changes in interest rates or currency rates and changes in the lending industry or lending environment (other than any such changes that disproportionately affect the Station's business in any material respect compared to other similarly situated television broadcasting businesses); (iv) changes in any applicable Law or GAAP (other than any such changes that disproportionately affect the Station's business in any material respect compared to other similarly situated television broadcasting businesses); (v) changes that result from factors, conditions or trends generally affecting television broadcasting businesses (including

changes in commodity prices, general market prices, political advertising cycles and regulatory changes affecting television broadcasting businesses generally other than any such changes that disproportionately affect the Station's business in any material respect compared to other similarly situated television broadcasting businesses); (vi) changes in general national or international political conditions (other than any such changes that disproportionately affect the Station's business in any material respect compared to other similarly situated television broadcasting businesses); or (vii) any failure by the Station's business in and of itself to meet any estimates, expectations, projections or forecasts of revenue or earnings.

9.7 FCC Order. The FCC Order shall have been granted, shall be in effect and shall have become Final.

9.8 Subordination and Security Agreement. The Parties shall have executed and delivered a subordination agreement and security agreement in a form reasonably satisfactory to the Parties (the "**Subordination Agreement**" and the "**Security Agreement**"), whereby Seller's rights and claims with respect to the Promissory Note, the Security Agreement and related loan documents are subordinated to the rights and claims of the Lender.

9.9 Replacement Tube

Seller shall have purchased and currently possess the Replacement Tube in accordance with Section 5.1(d).

If any of the conditions set forth in this Article 9 have not been satisfied, Buyer may nevertheless waive such condition (other than the FCC Order which condition cannot be waived), but only in writing, and proceed with the consummation of the transactions contemplated hereby.

ARTICLE 10 ITEMS TO BE DELIVERED AT THE CLOSING

10.1 Deliveries by Seller. At the Closing, Seller shall deliver to Buyer, duly executed by Seller or such other signatory as may be required by the nature of the document:

(a) *Bills of Sale*. Bills of Sale in a form reasonably satisfactory to the Parties;

(b) *Resolutions*. Certified copies of resolutions, duly adopted by the manager and member of the Seller, which shall be in full force and effect at the time of the Closing, authorizing the execution, delivery and performance by the Seller of this Agreement and the consummation of the Transactions contemplated hereby;

(c) *Assignment of Contracts*. An Assignment and Assumption Agreement (the "**Assignment and Assumption Agreement**") covering each Contract on the Assumed Contract Schedules (as may be supplemented pursuant to Section 6.3), in a form reasonably satisfactory to the Parties, to be executed on the Seller's behalf;

(d) *Officer's Certificate*. An Officer's Certificate for the Seller, in a form reasonably satisfactory to the Parties, duly executed on the Seller's behalf;

(e) *Material Contract Consents*. The Material Contract Consents in form and content reasonably satisfactory to Buyer;

- Seller;
- (f) *Subordination Agreement.* The Subordination Agreement, duly executed by Seller;
 - (g) *Security Agreement.* The Security Agreement, duly executed by Seller; and
 - (h) *Release of Liens.* Documents, in a form reasonably satisfactory to counsel for the Buyer, evidencing the release of all Liens on the Assets.

10.2 Deliveries by Buyer. At the Closing, Buyer shall deliver to Seller, duly executed by Buyer or such other signatory as may be required by the nature of the document:

- (a) *Cash Payment.* A wire transfer in an amount equal to the Cash Payment;
- (b) *Promissory Note.* The Promissory Note, duly executed by Buyer.
- (c) *Assignment and Assumption Agreement.* The Assignment and Assumption Agreement, to be executed on the Buyer's behalf;
- (d) *Resolutions.* Certified copies of resolutions, duly adopted by the managers of Buyer, which shall be in full force and effect at the time of the Closing, authorizing the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby by Buyer;
- (e) *Officer's Certificate.* An Officer's Certificate, in a form reasonably satisfactory to the Parties, duly executed on Buyer's behalf;
- (f) *Security Agreement.* The Security Agreement, duly executed by Buyer; and
- (g) *Guaranty.* A Guaranty in the form of Exhibit C (the "**Guaranty**") in favor of Seller and duly executed by LBC.

ARTICLE 11 SURVIVAL; INDEMNIFICATION

11.1 Survival. All representations and warranties contained in this Agreement, or in any certificate delivered hereunder or thereunder, shall survive the Closing, until fifteen (15) months following the Closing Date whereupon all such representations and warranties with respect thereto, shall expire and terminate and shall be of no further force or effect; provided, however, that (i) Seller's representations and warranties contained in Section 3.3 (entity action), Section 3.22 (brokers), Section 3.13(b) (title to Assets) and Section 3.8 (taxes), (ii) Buyer's representations and warranties contained in Section 4.4 (entity action) and Section 4.5 (brokers), and (iii) any claims by either Party for intentional misrepresentations (collectively, "**Superior Claims**") may be asserted at any time on or before the expiration of the statute of limitations period under applicable Law (in each case, the "**Survival Period**"); provided, further, however, if a Deficiency is asserted by a Person entitled to indemnification under this Article 11 and such Person shall have given notice (stating in reasonable detail the basis of the Deficiency based upon information reasonably available to such Person) to the indemnifying party in accordance with this Article 11 before the expiration of the applicable Survival Period, such asserted Deficiency shall survive until the existence of such Deficiency has been finally established and the Deficiency is resolved as provided in this Agreement.

11.2 Basic Indemnification.

(a) *Buyer Indemnitees.* Subject to the terms and conditions of this Article 11, the Seller (an “**Indemnifying Party**”) hereby agrees to indemnify and hold harmless Buyer, its members, managers, directors, officers, agents, representatives, employees and Affiliates, and its successors and assigns (collectively, the “**Buyer Indemnitees**”) from, against and in respect of, and to reimburse Buyer Indemnitees for the amount of any and all Deficiencies specified in Section 11.3(a).

(b) *Seller Indemnitees.* Subject to the terms and conditions of this Article 11, Buyer (an “**Indemnifying Party**”), hereby agrees to indemnify and hold harmless the Seller and its directors, officers, shareholders, agents, representatives, employees and Affiliates, and its respective successors and assigns (collectively, the “**Seller Indemnitees**”) from, against and in respect of, and to reimburse Seller Indemnitees for the amount of any and all Deficiencies specified in Section 11.3(b).

11.3 Definition of “Deficiencies”. Subject to the terms and conditions of this Article 11:

(a) *Deficiencies for Buyer.* As used in this Article 11, the term “**Deficiencies**” when asserted by Buyer Indemnitees or arising out of a third party claim against Buyer Indemnitees shall mean any and all losses, fines, damages, costs, expenses, and claims sustained by Buyer Indemnitees (whether or not resulting from third party claims), directly or indirectly and arising out of, caused by, based on or resulting from:

(i) Any breach by Seller of a representation or warranty of Seller as set forth in Article 3 of this Agreement;

(ii) Any failure of Seller to perform any covenant, obligation or agreement on the part of Seller contained in or made in this Agreement or in an Exhibit, Schedule, certificate, agreement or statement delivered pursuant to this Agreement;

(iii) Any failure by Seller to pay or discharge any of the Excluded Liabilities or any other liability of Seller and Seller Indemnitees (direct or contingent) that is not an Assumed Liability assumed by Buyer pursuant to the provisions of this Agreement;

(iv) With the exception of the Assumed Liabilities and any other obligations or liabilities expressly assumed by Buyer in accordance with the terms of this Agreement, Seller’s operation of the Station or the ownership of the Assets before the Effective Time (including any and all claims, liabilities and obligations arising before the Effective Time or required to be performed by Seller before the Effective Time under any Contract or under this Agreement);

(v) Any severance pay or other payment required to be paid by Seller with respect to any Active Employee terminated by Seller; or

(vi) Any and all suits, proceedings, demands, assessments and judgments and all reasonable fees, costs and expenses of any kind, reasonably arising or incurred in connection with any of the foregoing (including, without limitation, any and all Legal Expenses), subject to compliance with Section 11.4.

(b) *Deficiencies for Seller.* Subject to Section 11.3(c), as used in this Article 11, the term “**Deficiencies**” when asserted by Seller Indemnitees or arising out of a third party claim against

Seller Indemnitees shall mean any and all losses, fines, damages, costs, expenses, and claims sustained by Seller Indemnitees (whether or not resulting from third party claims) directly or indirectly and arising out of, caused by, based on or resulting from:

(i) Any breach by Buyer of any representation or warranty of Buyer as set forth in Article 4 of this Agreement;

(ii) Any failure of Buyer to perform any covenant, obligation or agreement on the part of Buyer contained in or made in this Agreement or in an Exhibit, Schedule, certificate, statement or agreement delivered pursuant to this Agreement, the Promissory Note, or any failure of LBC to perform any covenant, obligation or agreement on the part of LBC contained in the Guaranty;

(iii) Any failure by Buyer to pay or discharge any of the Assumed Liabilities arising after the Effective Time;

(iv) With the exception of the Excluded Liabilities and any other obligations or liabilities expressly assumed by Seller in accordance with the terms of this Agreement, Buyer's operation of the Station or the ownership of the Assets on or after the Effective Time (including any and all claims, liabilities and obligations arising on or after the Effective Time or required to be performed by Buyer on or after the Effective Time under any Contract listed on the Assumed Contract Schedules or under this Agreement); or

(v) Any and all suits, proceedings, demands, assessments and judgments and all fees, costs and expenses of any kind, reasonably arising or incurred in connection with any of the foregoing (including, without limitation, any and all Legal Expenses), subject to compliance with Section 11.4.

(c) *Consequential Damages.* Notwithstanding anything to the contrary contained in this Agreement or provided for under any applicable Law, no Party hereto shall, in any event, be liable to any other Person, either in contract or in tort, for any consequential or punitive damages of such other Person, including loss of future revenue, income or profits, loss of business reputation or opportunity relating to the breach or alleged breach hereof.

11.4 Procedures for Establishment of Deficiencies.

(a) *Claim Asserted.* In the event that any claim ("**Indemnification Claim**") shall be asserted by any third party against Buyer Indemnitees or Seller Indemnitees (Buyer Indemnitees or Seller Indemnitees, as the case may be, hereinafter, the "**Indemnitees**"), which, if sustained, would result in a Deficiency, then the Indemnitees promptly shall notify the Indemnifying Party in writing of such claim, stating the nature, basis and (to the extent known) amount thereof; provided that, failure to give prompt notice shall not jeopardize the right of any Indemnitee to indemnification except to the extent such failure shall have materially and irrevocably prejudiced the ability of the Indemnifying Party to defend such claim. The Indemnifying Party shall have the right, at its sole option, to participate in or defend against any such Indemnification Claim, at the Indemnifying Party's sole expense and through legal counsel reasonably acceptable to the Indemnitees; provided that, in the event the Indemnifying Party elects to defend against such Indemnification Claim (i) within thirty (30) days following the receipt of notice of the Indemnification Claim, the Indemnifying Party notifies the Indemnitee in writing of its election to assume the defense of such Indemnification Claim that the Indemnifying Party will, subject to the limitations and conditions of this Article 11, indemnify the Indemnitee from and against those Deficiencies for which the Indemnifying Party has an obligation to indemnify the Indemnitee under this Article 11, (ii) the

Indemnification Claim involves only money damages and does not seek an injunction or other equitable relief, and (iii) the Indemnifying Party conducts the defense of the Indemnification Claim as reasonably necessary to protect the Indemnitees from Deficiencies arising from such Indemnification Claim. The Indemnitees shall, at their option and expense, have the right to participate in any defense undertaken by the Indemnifying Party with legal counsel of their own selection and at their expense. The Parties will cooperate fully in any such action and shall make available to each other any books or records reasonably necessary to the other party for the defense of such claim. No settlement or compromise of any Indemnification Claim that may result in a Deficiency may be made by the Indemnifying Party without the prior written consent of the Indemnitees (which consent shall not be unreasonably withheld or delayed) unless the claimant and such party provide to such other party an unqualified release from all liability in respect of the Indemnification Claim.

(b) *Notice.* Subject to Section 11.4(a) for third party Indemnification Claims, in the event that the Indemnitees assert the existence of any Deficiency against the Indemnifying Party, such Indemnitees shall give written notice to the Indemnifying Party of the nature and amount of the Deficiency asserted (“**Claim Notice**”). If the Indemnifying Party fails, within a period of thirty (30) days after the receipt of the Claim Notice, to give written notice to the Indemnitees announcing the intent of the Indemnifying Party to contest such assertion of the Indemnitees (such notice by the Indemnifying Party being hereinafter referred to as the “**Contest Notice**”), then the Indemnitees may deliver a second written Claim Notice to the Indemnifying Party. If the Indemnifying Party fails, within a period of fifteen (15) days after the receipt of the second Claim Notice, to deliver the written Contest Notice to the Indemnitees, then such assertion of the Indemnitees shall be deemed accepted and the amount of the Deficiency shall be deemed established. In the event, however, that a Contest Notice is given to the Indemnitees within such thirty (30) day period after receipt of the Claim Notice or within such fifteen (15) day period after receipt of the second Claim Notice, then the contested assertion of a Deficiency shall be resolved pursuant to Section 13.10.

(c) *Agreement.* The Indemnitees and the Indemnifying Party may agree in writing, at any time, as to the existence and amount of a Deficiency, and, on the execution of such agreement such Deficiency shall be deemed established.

11.5 Payment of Deficiencies.

(a) After any Final decision, judgment or award shall have been rendered by a Government Agency of competent jurisdiction and the expiration of the time in which to appeal therefrom, or a settlement shall have been consummated, or the Indemnitees and the Indemnifying Party shall have arrived at a mutually binding agreement with respect to an Indemnification Claim hereunder, the Indemnitee shall forward to the Indemnifying Party notice of any sums due and owing by the Indemnifying Party pursuant to this Agreement with respect to such matter and, subject to Section 11.5(b), the Indemnifying Party shall be required to pay all of the sums so due and owing to the Indemnitee by wire transfer of immediately available funds within ten (10) Business Days after the date of such notice.

(b) The Buyer Indemnitees shall only be entitled to recover any Deficiencies from the Seller pursuant to Seller’s indemnification obligations under Section 11.2(a) by reducing the principal amount outstanding under the Promissory Note by the amount of such Deficiencies; provided, further, that all of the provisions of Article 11 (including the limitations and procedures therein) with respect to the establishment and the amount of such Deficiencies and the determination that such Deficiencies constitute Deficiencies subject to indemnification by the Seller pursuant to Section 11.4 shall be complied with and during the time period that such provisions are being complied with, Buyer shall make payments required under the Promissory Note up to the amount of the alleged Deficiency until such provisions are

complied with and satisfied in full; provided that if Final determination of any Deficiency (whether by order, judgment, decree, settlement or otherwise) of any Indemnification Claim (for which an indemnification notice has been given in good faith and in accordance with this Agreement) has not been reached as of the due date of any payment under the Promissory Note to be made during the last twelve (12) months of the term of the Promissory Note, then Buyer shall pay into an escrow account with the Escrow Agent the amount proposed to be offset under the Promissory Note until final resolution of the underlying Indemnification Claim. The amount of any payment under the Promissory Note which is not then subject to an Indemnification Claim shall be paid to the Seller when due. The terms of the escrow agreement relating to any such escrowed payment shall be substantially similar to that of the Escrow Agreement. Seller acknowledges that, in the event Buyer exercises its setoff rights in compliance with the immediately preceding sentence, the timing and amount of payments required under the Promissory Note shall be affected in the same manner as if Buyer had made a permitted prepayment (without premium or penalty) thereunder. Buyer's exercise of its set off rights in compliance with this Section 11.5 will not constitute an event of default under the Promissory Note.

11.6 Limitation on Deficiencies.

(a) The Seller shall not have any indemnification obligations to the Buyer Indemnitees under Section 11.2(a) for Deficiencies specified in Section 11.3(a)(i) unless the aggregate amount of all Deficiencies to the Buyer Indemnitees finally determined to arise thereunder exceeds \$75,000 (the "**Deductible**"), and, in such event, the Seller shall only be required to pay the amount of all such Deficiencies in excess of the Deductible subject to the Ceiling specified in Section 11.6(b) below; provided that, notwithstanding the foregoing, the Deductible shall be inapplicable to any Superior Claims against the Seller.

(b) There will be an aggregate ceiling (the "**Ceiling**") on the sum of the obligation of a Party under this Agreement to indemnify an Indemnitee from and against Deficiencies directly or indirectly arising out of, caused by, based on or resulting from any misrepresentation and/or any breach of any warranties or representations by a Party; provided that, notwithstanding the foregoing, the Ceiling shall be inapplicable to any Superior Claims. The Ceiling for all Deficiencies which may be recovered by all of the Buyer Indemnitees from the Seller under Section 11.2(a) for Deficiencies specified in Section 11.3(a)(i) shall be \$750,000 in the aggregate, and the Ceiling for all Deficiencies which may be recovered by all of the Seller Indemnitees from the Buyer under Section 11.2(b) for Deficiencies specified in Section 11.3(b)(i) shall be \$900,000 in the aggregate, provided, however, that this Section 11.6(b) shall in no way limit or impair any right of the Seller to receive the Earnest Money Escrow Deposit in accordance with Section 12.1; provided further that in the event the Seller receives the Earnest Money Escrow Deposit in accordance with Section 12.1, no Seller Indemnitee shall also receive indemnity for a Deficiency.

11.7 Other Indemnification Provisions.

(a) Each Indemnitee's rights and remedies set forth in this Agreement will survive the Closing and will not be deemed waived by such Indemnitee's consummation of the Transactions.

(b) The amount of any Deficiencies for which indemnification is provided under this Article 11 shall be net of any amounts recovered by any Indemnitee from any third party, including under insurance policies or otherwise with respect to such Deficiencies (net of any Tax or expenses incurred in connection with such recovery and reasonably anticipated insurance future costs related to such recovery); provided that it shall be in an Indemnitee's sole discretion as to whether to pursue any amounts recoverable from other parties. If an Indemnitee receives any amounts under applicable insurance policies with respect to a Deficiency, from any other third party with indemnification obligations with

respect to a Deficiency, or from any other Person alleged to be responsible for any indemnifiable Deficiencies, subsequent to an indemnification payment with respect to such Deficiency by any Indemnifying Party, then such Indemnitee shall promptly reimburse the Indemnifying Party for any payment made or expense incurred by such Indemnifying Party in connection with providing such indemnification payment up to the amount received by the Indemnitee.

(c) Notwithstanding the fact that any Party may have the right to assert claims for indemnification under or in respect of more than one provision of this Agreement in respect of any fact, event, condition or circumstance, no Party shall be entitled to recover the amount of any Deficiency suffered by such Party more than once in a manner that would result in a duplicative recovery for such Deficiency, regardless of whether such Deficiency may be as a result of a breach of more than one representation, warranty or covenant.

(d) The Seller and the Buyer agree to treat any indemnity payment made pursuant to this Article 11 as an adjustment to the Purchase Price for all income Tax purposes.

(e) The sole and exclusive remedy for any breach or inaccuracy, or alleged breach or inaccuracy, of any representation or warranty in this Agreement or any covenant or agreement to be performed on or prior to the Closing Date, shall be indemnification in accordance with this Article 11; provided, however, that that nothing in this Article 11 shall limit the liability of any Party hereto for fraud or intentional misrepresentation.

ARTICLE 12 TERMINATION

12.1 Termination of Agreement. This Agreement may only be terminated by Buyer or Seller (or both as the case may be), as applicable, under the following circumstances:

(a) by written notice of Seller to Buyer if there has been a material breach by Buyer of its representations, warranties or covenants under this Agreement which is incapable of being cured or, if capable of being cured, shall not have been cured within thirty (30) calendar days after it receives written notice from Seller of such occurrence;

(b) by the mutual written consent of Seller and Buyer;

(c) by written notice of Buyer to Seller as provided in Sections 13.7;

(d) by written notice of either Buyer or Seller (to the other Party) if the FCC Order with respect to all Authorizations issued by the FCC has not been granted, become effective and Final within twelve (12) months after the FCC assignment application is tendered for filing with the FCC (the “**Final Closing Date**”);

(e) by written notice of Buyer to Seller if any of the conditions set forth in Article 9 shall become incapable of being satisfied (other than through the failure of Buyer to comply with its obligations under this Agreement);

(f) by written notice of Seller to Buyer if any of the conditions set forth in Article 8 shall have become incapable of being satisfied (other than through the failure of Seller to comply with its obligations under this Agreement);

(g) by written notice of Buyer to Seller if there has been a material breach by Seller of its representations, warranties or covenants under this Agreement which is incapable of being cured, or, if capable of being cured shall not have been cured within thirty (30) calendar days after it receives written notice from Buyer of such occurrence;

(h) by written notice of either Buyer or Seller (to the other Party) in the event the FCC Order been granted, become effective and Final but the Closing has not occurred within forty days (45) following the date such FCC Order has become Final; provided, that a Party (Buyer or Seller) shall only have the right to terminate this Agreement under this Section 12.1(h) if (i) the other Party's (Buyer or Seller, as applicable) closing conditions, as set forth in Article 8 or Article 9, as applicable, have been satisfied, and (ii) it is not in material breach of this Agreement; or

(i) by written notice of either Buyer or Seller (to the other Party) if the Closing has not otherwise occurred by the Final Closing Date (other than through the failure of the terminating Party to comply with its obligations under this Agreement).

If this Agreement is terminated rightfully in accordance with this Article 12, all further obligations of the Parties hereunder shall terminate, except that all obligations for confidentiality under Section 5.12 and Section 6.4 shall survive such termination for a period of three (3) years. On a termination pursuant to Section 12.1, the Earnest Money Escrow Deposit (together with all accrued interest thereon) shall be returned to Buyer; provided that, if such termination occurred pursuant to Section 12.1(a) and Seller is not in material default of its obligations hereunder, then the Earnest Money Escrow Deposit (together with all accrued interest thereon) shall be delivered to Seller as liquidated damages, which shall be the sole and exclusive remedy of the Seller for any breach of this Agreement by the Buyer, and Seller hereby waives any other claims for damages, specific performance or other remedies (other than forfeit of the Earnest Money Escrow Deposit) in the event of any breach by Buyer of this Agreement. Each Party acknowledges that the agreements contained in this Section 12.1 are an integral part of the transactions contemplated by this Agreement, that the damages resulting from termination or breach of this Agreement are uncertain and incapable of accurate calculation, and that the amount payable under this paragraph is not a penalty, but rather constitutes liquidated damages in a reasonable amount, and that without such agreements the Parties would not enter into this Agreement.

ARTICLE 13 MISCELLANEOUS

13.1 Specific Performance; Liabilities on Termination or Breach. The Parties acknowledge that the operation of the Station is of a special, unique and extraordinary character. On a breach by Seller of its representations, warranties, covenants and agreements under this Agreement that would be material, Buyer shall be entitled to an injunction restraining any such breach or threatened breach or to enforcement of this Agreement by a decree or decrees of specific performance requiring Seller to fulfill its obligations under this Agreement.

13.2 Expenses. Each Party hereto shall bear all of its expenses incurred in connection with the transactions contemplated by this Agreement including, without limitation, accounting and legal fees incurred in connection herewith except as otherwise provided in Section 5.8 or Section 7.2(b).

13.3 Remedies Cumulative. The remedies provided in this Agreement shall be cumulative and shall not preclude the assertion by any Party hereto of any other rights or the seeking of any other remedies against the other Party hereto.

13.4 Preservation of Records. Buyer will preserve and make available (including the right to inspect and copy) to Seller, its attorneys and accountants, for three (3) years after the Closing Date and during normal business hours, such of the books, records, files, correspondence, memoranda and other documents transferred, limited to the preparation of tax reports and returns and the preparation of financial statements, pursuant to this Agreement as Seller may reasonably require in connection with any such legitimate purpose. Subject to Section 6.4, during the three (3) year period, Buyer will not dispose of or destroy any such books, records, files, correspondence, memoranda or other documents without giving thirty (30) days' prior written notice to Seller, to permit Seller, at its expense, to examine, duplicate or take possession of all or part thereof.

13.5 Non-Assignable Contracts. Nothing contained in this Agreement shall be construed as an assignment or an attempted assignment of any Contract that is by Law non-assignable without the consent of the other party or parties thereto, unless such consent shall be given. Seller shall use its Commercially Reasonable Efforts (and Buyer shall assist Seller) both after and before the Closing to obtain such consents to the assignment or transfer of Contracts to vest in Buyer all of Seller's right, title and interest in such Contracts that are not Excluded Assets, in all cases in which such consent is required for assignment or transfer. If such consent is not obtained, Seller shall cooperate with Buyer in any arrangements reasonably necessary or desirable, on commercially reasonable terms, to provide for Buyer to have the benefits and to have Buyer assume the burdens arising after the Closing Date thereunder, including, without limitation, enforcement for the benefit of Buyer, and payment by Buyer of the costs of enforcing, any and all rights of Seller thereunder against the other party thereto arising out of the cancellation thereof by such other party or otherwise.

13.6 Further Assurances. From time to time before, on and after the Closing Date, each Party hereto will execute all such instruments and take all such actions as any other Party, being advised by counsel, shall reasonably request, without payment of further consideration, as necessary to carry out and effectuate the intent and purpose hereof and all transactions and things contemplated by this Agreement including, without limitation, the execution and delivery of any and all confirmatory and other instruments in addition to those to be delivered on the Closing Date, and any and all actions that may reasonably be necessary or desirable to complete the transactions contemplated hereby. The Parties shall cooperate fully with each other and with their respective counsel and accountants in connection with any steps required to be taken as part of their respective obligations under this Agreement.

13.7 Broadcast Transmission Interruption.

(a) If, during the period commencing on the Effective Date and continuing to the Closing Date, (i) any regular broadcast transmission of the Station is, in the normal and usual manner, interrupted for a period of ninety-six (96) continuous hours or more, or (ii) there is a material loss of carriage or change in channel position of any Market MVPD System outside the Ordinary Course of Business, Seller shall give written notice thereof to Buyer within three (3) Business Days of the occurrence of such event.

(b) If the regular broadcast transmission of the Station is interrupted or the operating power or coverage of either Station is reduced more than forty percent (40%) below the power and coverage of the Station's facilities as reflected on the Authorizations for the Station ("**Transmission Interruption**"), at any time, and such Transmission Interruption continues for more than ninety-six (96) hours within any two week period, or forty-eight (48) consecutive hours on four (4) occasions, whether or not consecutive, then: (i) Seller shall give written notice thereof to Buyer within three (3) Business Day of the occurrence of such event; and (ii) Buyer shall have the right, by giving written notice to Seller, to (A) within three (3) Business Days after receiving notice from Seller of such interruption, to terminate this Agreement without Liability to Seller or Buyer, in which event the Earnest Money Escrow Deposit shall

promptly be returned to Buyer or its designee, together with all accrued interest, or (B) postpone the Closing as provided in this Agreement; provided, however, if Buyer elects to postpone the Closing after the occurrence of such event Buyer shall not be entitled to later terminate this Agreement with respect to the same occurrence.

13.8 Employees. Notwithstanding any provision in this Agreement to the contrary, nothing in this Agreement requires Buyer to employ any employees of Seller or offer any such employment.

13.9 Receivables. On the Closing Date, Seller shall assign to Buyer, for purpose of collection only, all of the Receivables with the exception of the Receivables related to the item set forth on Schedule 2.2(h) of the Disclosure Schedules. For a period of one hundred eighty (180) days after the Closing Date, Buyer will collect such Receivables for Seller's benefit in the normal course of business. Seller will furnish Buyer with a complete list of the Receivables at or as soon as is reasonably possible after the Closing. Buyer will not adjust, compromise or settle any dispute concerning the Receivables without prior written consent of Seller. Every thirty (30) days after the Closing Date, ending one hundred eighty (180) days after the Closing Date, Buyer shall deliver to Seller a written report of the status of such Receivables and along with such report pay to Seller, without setoff, all amounts collected on account of such Receivables during the previous period following the Closing Date. The obligation of Buyer hereunder will be to collect such Receivables in the ordinary and normal course of business and does not extend to the institution of litigation or employment of counsel; however, Seller reserves the right to direct Buyer to engage a collection agency, at the cost of Seller, before the end of the one hundred eighty (180)-day period to collect any then outstanding Receivables. On the day which is one hundred eighty (180) days after the Closing Date, Buyer will then reassign to Seller such Receivables that remain uncollected and provide Seller whatever information concerning the then outstanding Receivables as is reasonably necessary for Seller to engage a collection agency or pursue any other collection practices. Notwithstanding any provision of this Section 13.9 to the contrary, Buyer will have no liability (as defined under applicable common law) under this Section 13.9 except for actions under this Section 13.9 taken by Buyer in bad faith or with gross negligence.

13.10 Choice of Jurisdiction. Any controversy or claim arising out of or related to this Agreement that the Parties are unable to resolve shall be submitted to the state or federal courts located in the State of New York sitting in the County of New York or the United States District Court of the Southern District of New York shall be the sole forums for the resolution of all disputes hereunder, to the jurisdiction of which both Parties submit.

13.11 Waiver of Jury Trial. THE PARTIES HEREBY AGREE TO WAIVE THEIR RESPECTIVE RIGHTS TO JURY TRIAL OF ANY DISPUTE BASED UPON OR ARISING OUT OF THIS AGREEMENT OR ANY OTHER AGREEMENTS RELATING HERETO OR ANY DEALINGS AMONG THEM RELATING TO THE TRANSACTIONS. The scope of this waiver is intended to be all encompassing of any and all actions that may be filed in any court and that relate to the subject matter of this Agreement, including, contract claims, tort claims, breach of duty claims, and all other common law and statutory claims. Each Party acknowledges that this waiver is a material inducement to enter into a business relationship and that they will continue to rely on the waiver in their related future dealings. Each Party further represents and warrants that it has reviewed this waiver with its legal counsel, and that each knowingly and voluntarily waives its jury trial rights following consultation with legal counsel. NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED ORALLY OR IN WRITING, AND THE WAIVER WILL APPLY TO ANY AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS AGREEMENT OR TO ANY OTHER DOCUMENTS OR AGREEMENTS RELATING HERETO. In the event of an action, this Agreement may be filed as a written consent to trial by a court.

13.12 Seller's Disclosure Schedules.

(a) The disclosures in any of Seller's Disclosure Schedules, and those in any supplement thereto, relate only to the representations and warranties in the section or paragraph of this Agreement to which such Schedule expressly relates. Nothing contained in the Seller's Disclosure Schedules is intended to broaden the scope of any representation or warranty contained in this Agreement or to create any covenant unless clearly specified to the contrary in the Seller's Disclosure Schedules. Any description in the Seller's Disclosure Schedules that is made in response to a particular section of this Agreement shall be deemed responsive to any other disclosure obligation in this Agreement to which its applicability is reasonably apparent; provided that no Contract or item shall be deemed to be on the Assumed Contract Schedules unless it is explicitly set forth on the Assumed Contract Schedules. The inclusion of any information in the Seller's Disclosure Schedules is not and shall not be deemed to be a representation, admission or acknowledgement that such information (i) is required by the terms of this Agreement to be disclosed, (ii) is material, (iii) has had or would reasonably be expected to have a Material Adverse Effect, and/or (iv) is outside the Ordinary Course of Business. Any capitalized term used in the Seller's Disclosure Schedules that is not otherwise defined therein shall have the meaning given to such term in this Agreement.

(b) From time to time prior to the Closing, Seller shall have the right to supplement or amend the Seller's Disclosure Schedules with respect to any matter hereafter arising or discovered after the delivery of the Seller's Disclosure Schedules pursuant to this Agreement provided that, for purposes of clarity, the Assumed Contract Schedules can only be amended or supplemented in accordance with Section 6.3. No such supplement or amendment of the Seller's Disclosure Schedules shall have any effect on the satisfaction of the condition to closing set forth in Section 9.1(a) (or any effect on modifying the representations and warranties for purposes of Section 9.1(a)); provided, however, if the Closing shall occur, then the Buyer shall be deemed to have waived any right or claim for any breach of a representation or warranty pursuant to the terms of this Agreement with respect to any and all matters disclosed pursuant to any such supplement or amendment of the Seller's Disclosure Schedules at or prior to the Closing Date.

ARTICLE 14 GENERAL PROVISIONS

14.1 Successors and Assigns. Except as otherwise expressly provided in this Agreement, this Agreement shall be binding on and inure to the benefit of the Parties hereto, and their respective representatives, successors and assigns. Seller may not assign any of their rights or delegate any of their duties hereunder (by operation of law or otherwise) without the prior written consent of Buyer and any assignment without such consent shall be null and void. Buyer may freely assign some or all of its rights and obligations hereunder to (i) any entity controlled by or under common control with Buyer so long as Buyer remains fully obligated hereunder or (ii) after Closing, a subsequent purchaser of the Station or of all or substantially all of the Assets, or in connection with a merger of Buyer and/or its Affiliates. With respect to any permitted assignment hereunder, the Parties shall reasonably cooperate to take actions necessary to effectuate such assignment, including but not limited to cooperating in any appropriate filings with the FCC or other Government Agencies.

14.2 Amendments; Waivers. This Agreement may not be modified or amended orally. The terms, covenants, representations, warranties and conditions of this Agreement may be changed, amended, modified, waived, discharged or terminated only by a written instrument executed by the Parties. The failure of any Party at any time or times to require performance of any provision of this Agreement shall in no manner affect the right of such Party at a later date to enforce the same. No waiver by any Party of any condition or the breach of any provision, term, covenant, representation or warranty

contained in this Agreement, whether by conduct or otherwise, in any one or more instances shall be deemed to be or construed as a further or continuing waiver of any such condition or of the breach of any other provision, term, covenant, representation or warranty of this Agreement, unless otherwise expressly provided.

14.3 Notices. All notices, requests, demands and other communications required or permitted under this Agreement shall be in writing (which shall include notice by facsimile transmission) and shall be deemed to have been duly made and received when personally served, or when delivered by Federal Express or a similar overnight courier service, expenses prepaid, or, if sent by facsimile communications equipment, delivered by such equipment, addressed as set forth below:

(a) If to Seller, then to:

KTAQ of Dallas, LLC
Attn: Mr. Rob Joubran
2909 San Jacinto Street
Dallas, Texas 75204

with a copy, given in the manner prescribed above, to:

Platinum Equity Advisors, LLC
360 North Crescent Drive, South Building
Beverly Hills, California 90210
Attn: Eva M. Kalawski, Esq., General Counsel

with a copy, given in the manner prescribed above, to:

Davis Wright Tremaine LLP
Attn: Marc E. Kenny, Esq.
865 South Figueroa Street, Suite 2400
Los Angeles, California 90017

(b) If to Buyer, then to:

KTAQ Operating Company, LLC
KTAQ License Company, LLC
Attn: Terry London
5052 Addison Circle
Addison, Texas 75001

with a copy, given in the manner prescribed above, to:

Akin Gump Strauss Hauer & Feld, LLP
Attn: James A. Deeken
1700 Pacific Avenue, Suite 4100
Dallas, Texas 75201

Any Party may alter the address to which communications are to be sent by giving the other Parties written notice of such change of address in conformity with the provisions of this Section 14.3 providing for the giving of notice.

14.4 Captions. The captions of Articles and Sections of this Agreement are for convenience only and shall not control or affect the meaning or interpretation of any of the provisions of this Agreement.

14.5 Governing Law. THIS AGREEMENT, THE TRANSACTIONS, OBLIGATIONS OF THE PARTIES HEREUNDER AND ALL QUESTIONS RELATING TO ITS VALIDITY, INTERPRETATION, PERFORMANCE AND ENFORCEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF NEW YORK, WITHOUT GIVING EFFECT TO PRINCIPLES OF CONFLICTS OF LAWS THEREOF.

14.6 Entire Agreement. This Agreement, the Seller's Disclosure Schedules and the other Schedules hereto and thereto and the other documents delivered hereunder and thereunder constitute the full and entire understanding and agreement between the Parties with regard to the subjects hereof and thereof, and supersede all prior agreements, understandings, inducements or conditions, express or implied, oral or written, relating to the subject matter hereof. The express terms hereof control and supersede any course of performance and/or usage of trade inconsistent with any of the terms hereof.

14.7 Execution; Counterparts and Facsimile. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any Party whose signature appears thereon, and all of which shall together constitute one and the same instrument. This Agreement shall become binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of all of the Parties reflected hereon as the signatories, and each Party has delivered to the other an executed counterpart of this Agreement bearing the signature of such Party. Delivery of an executed counterpart of a signature page to this Agreement by facsimile shall be as effective as delivery of a manually executed counterpart of this Agreement.

14.8 Construction. Any reference to any federal, state, local, or foreign Law will be deemed also to refer to Law as amended and all rules and regulations promulgated thereunder, unless the context requires otherwise. The words "include," "includes," and "including" will be deemed to be followed by "without limitation." Pronouns in masculine, feminine, and neuter genders will be construed to include any other gender, and words in the singular form will be construed to include the plural and vice versa, unless the context otherwise requires. The words "this Agreement," "herein," "hereof," "hereby," "hereunder," and words of similar import refer to this Agreement as a whole and not to any particular subdivision unless expressly so limited. The Parties intend that each representation, warranty, covenant, and condition contained in this Agreement will have independent significance. If any condition to Closing contained in this Agreement has not been satisfied in any respect, the fact that there exists another condition relating to the same or similar subject matter (regardless of the relative levels of specificity) that has been satisfied shall not detract from or mitigate the fact that the first condition has not been satisfied.

14.9 Third-Party Beneficiaries. This Agreement is intended to benefit only the Parties to this Agreement, their successors and permitted assigns. No other Person is an intended or incidental beneficiary of this Agreement.

14.10 No Party Deemed Drafter. The parties acknowledge that they have been represented by counsel in connection with this Agreement and the transactions contemplated hereby. Accordingly, any rule of law or any legal decision that would require interpretation of any claimed ambiguities in this Agreement against the party that drafted it has no application and is expressly waived. Provisions of this Agreement shall be interpreted in a reasonable manner to affect the intent of the parties.

14.11 Severability. The provisions of this Agreement will be deemed severable and the invalidity or unenforceability of any provision will not affect the validity or enforceability of the other

provisions hereof; provided that if any provision of this Agreement, as applied to any Party or to any circumstance, is adjudged by a Government Agency, arbitrator, or mediator not to be enforceable in accordance with its terms, the Parties agree that the Government Agency, arbitrator, or mediator making such determination will have the power to modify the provision in a manner consistent with its objectives such that it is enforceable, and/or to delete specific words or phrases, and in its reduced form, such provision will then be enforceable and will be enforced.

14.12 Attorneys' Fees. In the event litigation, mediation, or arbitration is commenced to enforce or construe any of the provisions of this Agreement, to recover damages for breach of any of the provisions of this Agreement, or to obtain declaratory relief in connection with any of the provisions of this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees.

14.13 Joint and Several Obligations. All obligations and undertakings of Buyer under this Agreement shall be the joint and several obligations and liabilities of KTAQ Operating Company, LLC and KTAQ License Company, LLC.

14.14 No Recourse. No past, present or future director, officer, employee, incorporator, member, partner, Affiliate, agent, attorney or representative of the Seller or Buyer shall have any liability for any liabilities of the Seller or Buyer under this Agreement or for any claim based on, in respect of, or by reason of, the transactions contemplated hereby.

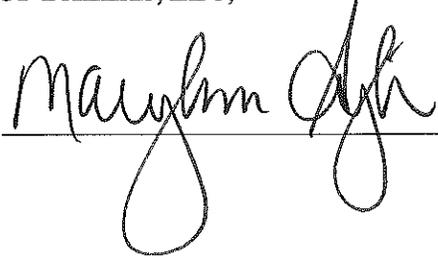
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IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized signatories, all as of the Effective Date.

SELLER:

KTAQ OF DALLAS, LLC,

By:
Name:
Title:



BUYER:

KTAQ OPERATING COMPANY, LLC

By: _____
Name: Terry E. London
Title: President

KTAQ LICENSE COMPANY, LLC

By: _____
Name: Terry E. London
Title: President

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized signatories, all as of the Effective Date.

SELLER:

KTAQ OF DALLAS, LLC,

By: _____
Name:
Title:

BUYER:

KTAQ OPERATING COMPANY, LLC

By: Terry E. London
Name: Terry E. London
Title: President

KTAQ LICENSE COMPANY, LLC

By: Terry E. London
Name: Terry E. London
Title: President