

ASSET PURCHASE AGREEMENT

dated as of February 25, 2011

between

SHOOTINGSTAR BROADCASTING OF NEW ENGLAND, LLC

and

CARLISLE ONE MEDIA, INC.

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## ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this "*Agreement*"), dated as of February 25, 2011, is among SHOOTINGSTAR BROADCASTING OF NEW ENGLAND, LLC, a Delaware limited liability company ("*Seller*"), and new CARLISLE ONE MEDIA, INC., a New Hampshire corporation ("*Buyer*").

### RECITALS

Seller is the owner and licensee of Station WZMY-TV, Derry, NH, Facility ID No. 14682 (the "*Station*"), pursuant to licenses issued by the Federal Communications Commission (the "*FCC*"); and

Buyer desires to purchase from Seller substantially all of the assets and assume substantially all of the liabilities, and Seller desires to sell to Buyer substantially all of the assets and transfer substantially all of the liabilities, related to the conduct of the Station on the terms and subject to the conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants and agreements to be derived from this Agreement, Buyer and Seller hereby agree as follows:

### ARTICLE I DEFINITIONS

#### Section 1.01 *Definitions.*

As used in this Agreement, the following terms shall have the following meanings:

"*Accounting Firm*" means the firm of independent certified public accountants selected by the mutual agreement of the regular independent auditors for Seller and Buyer.

"*Accounts Payable*" means, with respect to the Business, the accrued or outstanding accounts payable, including unpaid commissions due to employees and national sales representatives of Seller, arising out of the Business relating to the time period prior to the Effective Time (whether or not invoiced as of the Effective Time).

"*Accounts Receivable*" means all accounts receivable (other than accounts receivable relating to Tradeout Agreements or film and program barter agreements), and all rights to receive payments under any notes, bonds and other evidences of indebtedness and all other rights to receive payments, in each case, as to the Station, arising out of sales occurring in the conduct of the Station prior to the Effective Time or for services performed or delivered by the Seller prior to the Effective Time.

"*Action*" means any claim, action, suit, arbitration, inquiry, demand, hearing, proceeding or investigation by or before any Governmental Authority.

"*Affiliate*" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with such first-named Person.

*"Ancillary Agreements"* means, as to either party hereto, all of the documents and instruments required to be executed pursuant to this Agreement by such party in connection with this Agreement or the transactions contemplated hereby.

*"Balance Sheet Date"* means December 31, 2010.

*"Business"* means the business and operations of the Station.

*"Business Contract"* means any Contract to which Seller is a party and which is used or held for use primarily in connection with the Business or is necessary for the operation of the Business.

*"Business Day"* means any day that is not a Saturday, a Sunday or other day on which banks are required or authorized by Law to be closed in the City of New York.

*"Communications Act"* means collectively, the Communications Act of 1934, as amended, the Telecommunications Act of 1996, the Children's Television Act of 1990, and the rules and regulations promulgated under the foregoing, in each case, as in effect from time to time.

*"Contracts"* means contracts, agreements, leases, mortgages, non-governmental licenses, sales and purchase orders, indentures, notes, bonds, instruments, franchise agreements, concession agreements and other binding agreements (including Leases and employment agreements), written or oral (including any amendments, modifications and supplements thereto, and any assignments thereof).

*"Copyrights"* means all foreign and domestic copyrightable works and other works of authorship, whether or not protectable by copyright (including advertisements, commercials and promotional materials, graphics, photographs, programs and programming material, and jingles), copyrights, copyright applications, registrations and similar rights, software interfaces (e.g., APIs), software programs and software applications (including object code and source code and, in particular, Station Allocated Software), Internet websites, including all content and materials displayed on and/or accessible through such sites to the extent owned by Seller, including all ownership and use rights of Seller with respect thereto, held by or on behalf or for the benefit of Seller primarily for use by the Station in connection with the Business, including those registered copyrights and copyright applications identified on Disclosure Schedule Section 3.06(a), and all rights to use and extensions, modifications, renewals and restorations of any of the foregoing.

*"Domain Names"* means domain names and registrations held by or on behalf or for the benefit of Seller primarily for use by the Station in connection with the Business, including those registered domain names identified on Disclosure Schedule Section 3.06(a), and all rights to use, and extensions and renewals of any of the foregoing, but excluding Domain Names identified on Schedule 2.02(k).

*"Effective Time"* means 12:01 a.m., Eastern time, on the Closing Date.

*"Employee Plan"* means any (a) employee benefit plan, arrangement or policy subject to ERISA, including any retirement, pension, deferred compensation, severance, profit sharing,

savings, group health, dental, life insurance, disability or cafeteria plan, policy or arrangement; (b) stock option, stock purchase or equity-based compensation plan; (c) bonus or incentive arrangement; (d) severance or termination agreements, policies or arrangements that are not covered by ERISA; and (e) other employee benefit plan, program, policy or arrangement, in each case, maintained or contributed to or required to be maintained or contributed to by Seller or any of its Affiliates for the benefit of any current or former Station Employee.

*“Environmental Laws”* means any Law, whether local, state, or federal, including the Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”), 42 U.S.C. 9601 et seq., as amended, the Resource Conservation and Recovery Act (“RCRA”), 42 U.S.C. 6901 et seq., as amended, the Clean Air Act (“CAA”), 42 U.S.C. 7401 et seq., as amended, the Clean Water Act (“CWA”), 33 U.S.C. 1251 et seq., as amended, the Occupational Safety and Health Act (“OSHA”), 29 U.S.C. 655 et seq., as amended, and any other federal, state, local or municipal laws, statutes, regulations, rules or ordinances relating to: (a) Releases or threatened Releases of Hazardous Material into the environment; (b) Remedial Actions; (c) the presence, use, production, generation, treatment, storage, disposal, labeling, testing, processing, handling, discharging or shipment of Hazardous Material; (d) the regulation of storage tanks; or (e) otherwise relating to protection of public health and safety, worker health and safety, pollution or the protection of the environment.

*“Environmental Permits”* means all permits, licenses, registrations, and other authorizations required under applicable Environmental Laws.

*“Equipment”* means all machinery, equipment, computers and motor vehicles owned or leased by Seller and used in the Business, and furniture, fixtures, furnishings, tools, toolings, parts, blank films and tapes and other items of tangible personal property owned or leased by Seller and used in the operation of the Business, including those listed on Disclosure Schedule Section 1.01(a).

*“ERISA”* means the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder.

*“Estimated Adjustment”* shall mean, with respect to the Estimated Settlement Statement, an amount equal to the Buyer Prorated Amount minus the Seller Prorated Amount, which amount shall be expressed as a positive or negative number.

*“FCC Consent”* means the FCC’s grant of its consent to the assignment of the FCC Licenses from Seller to Buyer.

*“FCC Licenses”* means the FCC licenses, permits, approvals and other authorizations identified on Disclosure Schedule Section 3.12(a)(1), and any other license, permit or other authorization, including any temporary waiver or special temporary authorization, issued by the FCC for the ownership and use in the operation of the Station, and any renewals, extensions or modifications thereof.

*“Final Adjustment”* shall mean, with respect to the Final Settlement Statement, an amount equal to the Buyer Prorated Amount minus the Seller Prorated Amount, which amount shall be expressed as a positive or negative number.

*“Final Order”* means an action by the FCC (a) that has not been vacated, reversed, stayed, enjoined, set aside, annulled or suspended; (b) with respect to which no request for stay, motion or petition for rehearing, reconsideration or review, or application or request for review or notice of appeal or *sua sponte* review by the FCC is pending; and (c) as to which the time for filing any such request, motion, petition, application, appeal or notice, and for the entry of orders staying, reconsidering or reviewing on the FCC’s own motion has expired.

*“GAAP”* means United States generally accepted accounting principles as in effect on the Balance Sheet Date, consistently applied.

*“Governmental Authority”* means any federal, state or local or any foreign government, legislature, governmental entity, regulatory or administrative authority, agency or commission or any court, tribunal, or judicial or arbitral body.

*“Governmental Order”* means any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority.

*“Hazardous Material”* means without regard to amount and/or concentration (a) any element, compound, chemical or other substance that is defined, listed or otherwise classified as a contaminant, pollutant, toxic pollutant, toxic or hazardous substance, extremely hazardous substance or chemical, hazardous waste, medical waste, biohazardous or infectious waste, special waste, or solid waste under Environmental Laws; (b) polychlorinated biphenyls, petroleum or petroleum compounds, asbestos or any asbestos containing materials; (c) any substance exhibiting a hazardous waste characteristic, including but not limited to corrosivity, ignitability, toxicity or reactivity, as well as any radioactive or explosive materials; and (d) any substance that poses a hazard to human health, safety, natural resources, employees or the environment.

*“Indebtedness”* means (a) all liabilities for borrowed money, whether current or funded, secured or unsecured, all obligations evidenced by bonds, debentures, notes or similar instruments, and all liabilities in respect of mandatorily redeemable or purchasable capital stock or securities convertible into capital stock; (b) all liabilities for the deferred purchase price of property or services; (c) all liabilities in respect of any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which liabilities are required to be classified and accounted for under GAAP as capital leases; (d) all liabilities for the reimbursement of any obligor on any letter of credit, banker’s acceptance or similar credit transaction, whether or not securing obligations of a type described in clauses (a), (b), (c) or (d) above to the extent of the obligation secured; and (e) all liabilities as guarantor of any obligation of another Person of the type described in clauses (a), (b), (c) or (d) above.

*“Intangible Property”* means (a) Copyrights; (b) Trademarks, including all of the rights, in and to the Station’s call letters and any derivative thereof; (c) Trade Secrets; (d) Domain Names; (e) copies and tangible embodiments of and any documentation (e.g., user manuals) relating to any of the foregoing (in whatever form or medium); (f) licenses granting any rights with respect to any of the foregoing; (g) rights to sue with respect to past, current and future infringements of any of the foregoing; and (h) all goodwill, if any, associated therewith.



“*IRS*” means the Internal Revenue Service.

“*Knowledge of Seller*” means the actual knowledge, after due inquiry, of Diane Sutter, Keith Webb, and senior management of New Age Media of Maine, LLC.

“*Law*” means any United States (federal, state, local) or foreign law, constitution, treaty statute, ordinance, regulation, rule, code, order, judgment, injunction, writ or decree.

“*Leases*” means those leases, subleases, licenses or other occupancy agreements (including any and all assignments, amendments and other modifications of such leases, subleases, licenses and other occupancy agreements) pertaining to Real Property, listed in Disclosure Schedule Section 3.07(b).

“*Liabilities*” means any debt, obligation or liability of any kind or nature, whether accrued or fixed, absolute or contingent, determined or determinable, matured or unmatured, and whether due or to become due, asserted or unasserted, or known or unknown.

“*Lien*” means, with respect to any property or asset, any mortgage, lien, pledge, restriction on transfer (such as a right of first refusal or other similar right), defect of title, charge, security interest or encumbrance of any kind or nature whatsoever, whether voluntarily incurred or arising by operation of Law or otherwise, in respect of such property or asset.

“*Management Agreement*” shall mean that certain management agreement dated December 7, 2009, among Seller, as Licensee, and New Age Media of Maine, LLC, (“New Age”), as Manager.

“*Market*” means the Boston, Massachusetts/Manchester, New Hampshire Nielsen Designated Market Area.

“*Material Adverse Effect*” means a material adverse effect on (a) the financial condition, assets, operations or results of operations of the Business taken as a whole; provided, however, that any material adverse effect primarily attributable to (i) any event, state of facts or circumstances or development affecting television programming services generally or the television broadcast industry generally (including legislative or regulatory matters), (ii) general or local economic conditions, including any downturn caused by acts of war or terrorism or a natural disaster, such as an earthquake or hurricane, (iii) the announcement of this Agreement, (iv) termination or uncured default of the Management Agreement by the Manager thereunder; or (v) changes in GAAP or the interpretation thereof, in each case shall not constitute a Material Adverse Effect to the extent not disproportionately affecting the Business relative to other businesses operating in the same industry; or (b) the ability of Seller to materially perform its obligations under this Agreement or any Ancillary Agreement.

“*Permitted Liens*” means, as to the Purchased Assets (a) Liens arising under Assumed Contracts (other than as a result or consequence of a breach thereof); (b) Liens for Taxes, assessments and governmental charges not yet due and payable; (c) zoning laws and ordinances and similar Laws that are not violated by any existing improvement or that do not prohibit or materially inhibit the use of the Real Property as currently used in the operation of the Station; (d) any right reserved to any Governmental Authority to regulate the affected property (including

restrictions stated in the Permits); (e) in the case of any leased asset, (i) the rights of any lessor under the applicable lease agreement or any Lien granted by any lessor, and (ii) any statutory Lien for amounts that are not yet due and payable or are being contested in good faith through appropriate proceedings, provided that the amount of any such statutory Lien is not material and that Seller agrees to pay such amount or Buyer receives an appropriate credit under Section 2.08 hereof; (f) the rights of any lessee or licensee under Leases included in the Assumed Contracts; (g) easements, rights of way, restrictive covenants and other encumbrances, encroachments or other similar matters affecting title that do not detract from the current use of the applicable Real Property, require the removal, alteration or loss of any improvement located thereon, or otherwise materially interfere with the current use or occupancy of such Real Property; (h) inchoate materialmen's, mechanics', workmen's, repairmen's or other like Liens arising in the ordinary course of business that will be discharged in full by the Closing if Seller has knowledge of such Liens; (j) any state of facts an accurate survey would show, provided same does not render Seller unable to convey good and marketable title to the Owned Real Property at Closing or prevent the Real Property from being utilized in the same manner in all material respects as currently used; or (k) any other Liens that will be discharged by Seller at its sole cost and expense prior to Closing.

*"Person"* means any natural person, general or limited partnership, corporation, limited liability company, firm, association, trust or other legal entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

*"Program Rights"* means all rights existing or obtained after the date of this Agreement and prior to the Closing Date in accordance with the terms of this Agreement to distribute via any modality any works of authorship, including television programs or shows, by or on behalf or for the benefit of the Station, including as part of the Station's programming, and all film and program barter agreements, news agreements, and syndication.

*"Real Property"* means the real property owned, leased, subleased or licensed by Seller or its Affiliates and used primarily in the conduct of the Business, including the property described in Disclosure Schedule Section 3.07(a) and Disclosure Schedule Section 3.07(b), together with all right, title and interest of Seller in all buildings, towers, improvements, fixtures and structures located thereon.

*"Release"* means any release, spill, emission, leaking, emptying, injection, pouring, deposit, disposal, discharge, dispersal, escaping, pumping, leaching or migration into the environment (including ambient air, surface water, groundwater, land surface or subsurface strata).

*"Remedial Action"* means all actions taken (a) to clean up, remove, remediate, contain, treat, monitor, assess, evaluate or in any other way address Hazardous Material in the environment; (b) to prevent or minimize a Release or threatened Release of Hazardous Material so it does not migrate or endanger or threaten to endanger public health or welfare or the environment; (c) to perform pre-remedial studies and investigations and post-remedial operation and maintenance activities; or (d) pursuant to 42 U.S.C. 9601.

*"Seller Representative"* means Diane Sutter or such other representative of Seller as may be designated by Seller to Buyer from time to time.

*"Station Employees"* means, as to employees of Seller, the full-time, part-time and per-diem employees employed primarily in the operation of the Station.

*"Tax" or "Taxes"* means all federal, state, local or foreign income, excise, gross receipts, ad valorem, sales, use, employment, franchise, profits, gains, property, transfer, use, payroll, intangible or other taxes, fees, stamp taxes, duties, charges, levies or assessments of any kind whatsoever (whether payable directly or by withholding), together with any interest and any penalties, additions to tax or additional amounts imposed by any Tax authority with respect thereto.

*"Trademarks"* means all foreign and domestic trade names, trademarks, service marks, trade dress, slogans, logos, call letters, corporate names and telephone numbers containing or reflecting any of the foregoing, and all other indicia of origin, trademark and service mark registrations and applications (other than as included in the Excluded Assets) owned, used, licensed by or leased by or on behalf or for the benefit of Seller primarily for the Station in connection with the operation of the Business, including those set forth on Disclosure Schedule Section 3.06(a), and the goodwill appurtenant thereto, and all extensions, modifications and renewals of any of the foregoing.

*"Tradeout Agreement"* means any Contract, film and program barter agreements and other Program Rights agreements, pursuant to which Seller has agreed to sell or trade commercial air time or commercial production services of the Station in consideration for any property or service in lieu of or in addition to cash.

*"Trade Secrets"* means all proprietary and/or confidential information of Seller (including ideas, formulas, compositions, know-how, research and development information, drawings, specifications, designs, plans, proposals, technical data, processes, techniques, databases, financial, marketing and business data, pricing and cost information, business and marketing plans, and past and present customer, advertiser, website visitor, and supplier lists and information) useful in the operation of the Station (other than as included in the Excluded Assets) that is not generally known and is used primarily in the operation of the Station.

*"Transfer Taxes"* means all sales, use, registration stamp, recording, documentary, conveyancing, transfer and similar Taxes.

#### Section 1.02 *Other Defined Terms.*

The following terms have the meanings defined for such terms in the Sections set forth below:

Agreement	Preamble
Assumed Contracts	Section 2.01(c)
Assumed Liabilities	Section 2.03
Buyer	Preamble
Buyer Indemnified Parties	Section 10.03(a)
Buyer Prorated Amount	Section 2.08(a)

Buyer Warranty Breach	Section 10.02(a)(i)
Cap	Section 10.02(b)
Closing	Section 2.07
Closing Date	Section 2.07
Damaged Asset	Section 5.05
Disclosed Business Contract	Section 3.05(a)
DTV	Section 3.12(e)
Escrow Agent	Section 2.06(b)
Escrow Deposit	Section 2.06(b)
Estimated Settlement Statement	Section 2.08(c)
Excluded Assets	Section 2.02
Excluded Liabilities	Section 2.04
FCC	Recitals
FCC Application	Section 5.08(b)
Final Settlement Statement	Section 2.08(f)
Indemnified Party	Section 10.04(a)
Indemnifying Party	Section 10.04(a)
Leased Real Property	Section 3.07(b)
Losses	Section 10.02(a)
Notice of Disagreement	Section 2.08(f)
Owned Real Property	Section 3.07(a)
Permits	Section 2.01(i)
Prorated Assumed Liabilities	Section 2.08(a)
Prorated Purchased Assets	Section 2.08(a)
Purchased Assets	Section 2.01
Purchase Price	Section 2.06(a)
Reference Financial Statements	Section 3.08(a)
Seller	Preamble
Seller Indemnified Parties	Section 10.02(a)
Seller Prorated Amount	Section 2.08(a)
Seller Warranty Breach	Section 10.03(a)(i)
Settlement Statement	Section 2.08(d)
Station	Recitals
Termination Date	Section 9.01(b)(i)
Transferred Employee	Section 6.01

### Section 1.03 *Terms Generally.*

(a) Words in the singular shall be held to include the plural and vice versa and words of one gender shall be held to include the other gender as the context requires, (b) the terms “hereof,” “herein,” and “herewith” and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole (including the Disclosure Schedules) and not to any particular provision of this Agreement, and Article, Section, paragraph, Exhibit and Disclosure Schedule references are to the Articles, Sections, paragraphs, Exhibits and Disclosure Schedules to this Agreement unless otherwise specified, (c) the word “including” and

words of similar import when used in this Agreement means “including, without limitation,” unless otherwise specified, and (d) the word “or” shall not be exclusive.

## **ARTICLE II PURCHASE AND SALE**

Section 2.01 *Purchase and Sale*. Pursuant to the terms and subject to the conditions of this Agreement, Buyer agrees to purchase from Seller and Seller agrees to sell, convey, transfer, assign and deliver to Buyer at the Closing, free of all Liens other than Permitted Liens, all of Seller’s right, title and interest in, to and under the assets, Contracts, and properties (tangible or intangible) used or held for use primarily in connection with the Business, but excluding the Excluded Assets as hereinafter defined, as such assets, contracts and properties (other than Excluded Assets) shall exist on the date of this Agreement, and not disposed of in accordance with Section 5.01, and all assets of the Business acquired by Seller between the date hereof and the Closing in accordance with the provisions of Section 5.01 (collectively the “*Purchased Assets*”). The Purchased Assets include but are not limited to Seller’s right, title and interest in, to and under, the following assets, properties, interests and rights owned, leased, used or held by or on behalf of or for the benefit of Seller:

- (a) all Real Property;
- (b) all Equipment;
- (c) all Business Contracts that (i) are listed or referenced on Disclosure Schedule Section 3.05(a), (ii) are not required by the terms thereof to be listed on Disclosure Schedule Section 3.05(a), (iii) are referenced in other subsections to this Section 2.01 or the corresponding Section in the Disclosure Schedules (other than Excluded Assets), (iv) are entered into after the date hereof by Seller pursuant to the terms and subject to the conditions of Section 5.01, or (v) are a Lease (collectively, the “*Assumed Contracts*”).
- (d) all prepaid expenses and deposits and ad valorem Taxes to the extent relating to the Business;
- (e) all of Seller’s rights, claims, credits, causes of action or rights of set-off against third parties relating to the Business or the Purchased Assets, including unliquidated rights under manufacturers’ and vendors’ warranties, in each case only to the extent Buyer incurs Losses relating thereto;
- (f) all Intangible Property;
- (g) without limiting Section 2.01(f) above, all Internet websites and related agreements, content, databases, software, licenses, and domain name registrations relating primarily to the Business, as set forth on Disclosure Schedule Section 3.06(a);
- (h) all FCC Licenses and all transferable municipal, state and federal franchises, licenses, permits or other governmental authorizations relating primarily to the operation of the Business and/or use of the Purchased Assets (the “*Permits*”) and all applications

for any of the foregoing, together with any renewals, extensions, or modifications thereof and additions thereto;

(i) all prepayments under advertising sales Contracts for committed air time for advertising on the Station that has not been aired prior to the Closing Date;

(j) all information and data, FCC logs and other compliance records, sales and business records, books of account, files, invoices, inventory records, general, financial, accounting and real property Tax records, personnel and employment records for Transferred Employees (to the extent permitted by Law), and all engineering information, sales and promotional literature, manuals and data, sales and purchase correspondence, lists of present and former suppliers and lists of present and former customers, and all other books, documents and records, or in each case copies thereof, to the extent primarily relating to or used primarily in connection with the Business, the Station or the Purchased Assets; and

(k) all goodwill of the Business.

Section 2.02 *Excluded Assets*. Buyer expressly understands and agrees that the following assets and properties of Seller, whether now owned or hereafter acquired (the "*Excluded Assets*") shall not be acquired by Buyer and are excluded from the Purchased Assets:

(a) all of Seller's cash and cash equivalents on hand and in banks at the Effective Time;

(b) insurance policies of Seller relating to the Station and the Business, and all claims, credits, causes of action or rights, including rights to insurance proceeds, thereunder;

(c) all interest in refunds of Taxes to the extent relating to any period ending prior to the Effective Time;

(d) any cause of action or claim relating to any event or occurrence prior to the Closing;

(e) all Accounts Receivable;

(f) all (i) books, records, files and papers, whether in hard copy or computer format, relating to the preparation of this Agreement or the transactions contemplated hereby and (ii) minute books and corporate records of Seller and its Affiliates, provided that Seller shall make available copies of any books, records, files and papers necessary for Buyer's operation of the Business;

(g) all rights of Seller arising under this Agreement, the Ancillary Agreements or the transactions contemplated hereby and thereby;

(h) any Purchased Asset sold or otherwise disposed of in accordance with Section 5.01;

(i) all items of personal property owned by personnel at the Station that are not necessary or used for operation of the Business;

(j) any assets of any Employee Plan sponsored by Seller or any of its Affiliates including any amounts due to such Employee Plan from Seller or any of its Affiliates; and

(k) assets identified on Disclosure Schedule Section 2.02(k).

(l) any fees or monies payable to New Age under the Management Agreement.

**Section 2.03 *Assumed Liabilities.*** Upon the terms and subject to the conditions of this Agreement, Buyer agrees, effective as of the Effective Time, to assume, pay and perform the following (the “Assumed Liabilities”):

(a) Liabilities relating to ownership or operation of the Station, the Business, or the Purchased Assets (but only to the extent such Liabilities are attributable to the period after the Effective Time);

(b) Liabilities of Seller to pay money to the extent of the amount of any credit therefor received by Buyer under Section 2.08; and

(c) All other Liabilities expressly assumed by Buyer under this Agreement or the Ancillary Agreements which accrue from and after the Effective Time.

**Section 2.04 *Excluded Liabilities.*** Notwithstanding any provision in this Agreement, Buyer is assuming only the Assumed Liabilities under this Agreement and is not assuming any other Liability of whatever nature, whether presently in existence or arising hereafter, of Seller or its Affiliates, or otherwise relating or attributable to the Station, the Business or the Purchased Assets. All such other Liabilities shall be retained by and remain Liabilities of Seller or its Affiliates (all such Liabilities not being assumed under this Agreement being herein referred to as the “Excluded Liabilities”).

**Section 2.05 *Assignment of Contracts and Rights.*** Anything in this Agreement to the contrary notwithstanding, this Agreement shall not constitute an agreement to assign any Purchased Asset or any claim or right or any benefit arising thereunder or resulting therefrom if such assignment, without the consent of a third party thereto, would constitute a breach or other contravention of such Purchased Asset or in any way adversely affect the rights of Buyer or Seller thereunder. Seller shall use its commercially reasonable efforts to obtain such consents after the execution of this Agreement until such consent is obtained. If such consent is not obtained prior to the Closing Date, Seller shall use its commercially reasonable efforts to obtain such consent as soon as possible after the Closing Date. In addition, (a) Seller and Buyer will cooperate in a mutually agreeable arrangement under which Seller would obtain for Buyer the benefits under such Purchased Asset, and, to the extent of the benefits received, Buyer would assume the obligations thereunder in accordance with this Agreement and such Purchased Asset, including sub-contracting, sub-licensing, occupancy and/or use agreements or sub-leasing to Buyer and enforcement by Seller for the benefit of Buyer of any and all rights of such Seller

against a third party thereto, (b) Seller will promptly pay to Buyer when received all monies received by Seller under any Purchased Asset or any claim or right or any benefit arising thereunder, and (c) Buyer will promptly pay to Seller all monies due to third parties under any Purchased Asset in accordance with the terms of this Agreement. Notwithstanding the foregoing, Seller shall not be required to pay consideration to any third party to obtain any consent that it is not otherwise required to pay or incur in accordance with the terms of the applicable Purchased Assets. Notwithstanding this Section 2.05, Buyer shall not be required to close if those Business Contracts marked with a double asterisk on Disclosure Schedule 3.05(a) are not assigned to it or replaced with substitute contracts acceptable to Buyer as of the Effective Time.

#### Section 2.06 *Purchase Price*

(a) In consideration for the sale of the Purchased Assets, upon the terms and subject to the conditions of this Agreement, Buyer shall, in addition to assuming the Assumed Liabilities, pay to Seller the sum of Nine Million Two Hundred Fifty Thousand Dollars (\$9,250,000) (the "*Purchase Price*"). The amount of Eight Million Seven Hundred Fifty Thousand Dollars (\$8,750,000) shall be delivered to Seller at the Closing by wire transfer of immediately available federal funds pursuant to wire instructions that Seller shall provide to Buyer.

(b) Simultaneously with the execution of this Agreement, Buyer has delivered to Richard A. Forman Associates, Inc. (the "*Escrow Agent*") \$500,000 to be held as an earnest money deposit ("*Escrow Deposit*") pursuant to an Escrow Agreement, in the form of Exhibit 2.06(b) attached hereto, of even date herewith and subject to the terms of this Agreement. If the Closing occurs, the Escrow Deposit shall be held by Escrow Agent for one hundred eighty (180) days after the Effective Time. In accordance with the Escrow Agreement, Two Hundred Fifty Thousand Dollars (\$250,000) of the Escrow Deposit shall be released to Seller ninety (90) days after the Closing Date, provided that there are not indemnification claims against Seller exceeding such amount and the remaining Two Hundred Fifty Thousand Dollars (\$250,000) shall be released to Seller one hundred eighty (180) days after the Closing Date, provided there are no pending claims equal or exceeding such amount.

Section 2.07 *Closing*. Subject to Section 9.01 hereof, the consummation of the sale and purchase of the Purchased Assets and the assumption of the Assumed Liabilities hereunder (the "*Closing*") shall take place at 10:00 a.m. Boston, Massachusetts time (by electronic exchange of the documents to be delivered at the Closing) five (5) Business Days after the day that the condition set forth in Section 8.01(b) has been satisfied, provided that each of the other conditions to Closing set forth in Article VIII has been satisfied or waived (other than those conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of those conditions at such time). Alternatively, the Closing may take place at such other place, time or date as the parties may mutually agree in writing. The date on which the Closing is to occur is referred to herein as the "*Closing Date*." At the Closing:

(a) Buyer shall deliver to Seller:

(i) the officer's certificate specified in Section 8.02(a);



(ii) \$8,750,000 of the Purchase Price in accordance with Section 2.06(a); and

(iii) such other instruments and certificates of transfer as Seller may reasonably request in order for Seller to effectively convey, transfer, assign and deliver the Purchased Assets to Buyer.

(b) Seller shall deliver to Buyer:

(i) the officer's certificate specified in Section 8.03(a);

(ii) a duly executed Bill of Sale;

(iii) a duly executed Assignment for the FCC Licenses from Seller;

(iv) a duly executed Assignment for the Intangible Property from Seller;

(v) a duly executed warranty deed for the Owned Real Property with respect to each parcel of Owned Real Property, duly executed and acknowledged and in recordable form, warranting good and marketable fee simple title to such Owned Real Property against all persons claiming by, through or under Seller, subject only to Permitted Liens;

(vi) customary affidavits as required by a national title insurance company and reasonably approved by Seller for the issuance of a standard coverage title insurance policy, without special endorsements or extended coverage (excluding the standard survey exception and the standard exception for taxes that are not yet liens) for each parcel of Owned Real Property; provided that in no case shall Seller be required to execute any such affidavit that would increase the obligations or indemnification of Seller as set forth in this Agreement;

(vii) an affidavit stating, under penalties of perjury, Seller's taxpayer identification number and that Seller is not a foreign person in accordance with Section 1445(b)(2) of the Internal Revenue Code and the treasury regulations promulgated thereunder;

(viii) an opinion of Seller's counsel that to its knowledge, after inquiry of the FCC and such other research as counsel deems appropriate, all of the FCC Licenses are in full force and effect, issued in Seller's name, and have been issued for a full term, and there are no unresolved complaints or investigations pending before the FCC; and

(ix) such other instruments and certificates of transfer as Buyer may reasonably request in order for Seller to effectively convey, transfer, assign and deliver the Purchased Assets to Buyer.

(c) Seller and Buyer shall enter into and deliver to each other:

(i) a duly executed Assignment and Assumption Agreement,

(ii) such other documents as set forth in Section 8.02 and Section 8.03.

#### Section 2.08 *General Proration.*

(a) All Purchased Assets that would be classified as current assets in accordance with GAAP, and all Assumed Liabilities that would be classified as liabilities in accordance with GAAP, shall be prorated between Buyer and Seller as of the Effective Time, including by taking into account the elapsed time or consumption of an asset during the month in which the Effective Time occurs (respectively, the "*Prorated Purchased Assets*" and the "*Prorated Assumed Liabilities*"). Such Prorated Purchased Assets and Prorated Assumed Liabilities attributable to the period prior to the Effective Time shall be for the account of Seller and those attributable to the period on and after the Effective Time for the account of Buyer and shall be prorated accordingly. In accordance with this Section 2.08, (i) Buyer shall be required to pay to Seller the amount of any Prorated Purchased Asset previously paid for by Seller, to the extent Buyer will receive a current benefit on and after the Effective Time, provided that such amount should not have been recognized as an expense in accordance with GAAP prior to the Effective Time (the "*Buyer Prorated Amount*"); and (ii) Seller shall be required to pay to Buyer the amount of any Prorated Assumed Liabilities to the extent they are attributable to the operation of the Station prior to the Effective Time (the "*Seller Prorated Amount*").

(b) Such proration shall include, without limitation, all ad valorem and other property Taxes, FCC regulatory fees, utility expenses, liabilities and obligations under Contracts, rents and similar prepaid and deferred items, reimbursable expenses and all other expenses and obligations, such as deferred revenue and prepayments and sales commissions, attributable to the ownership and operation of the Station that straddle the period before and after the Effective Time. To the extent not known, FCC regulatory fees, real estate and personal property Taxes shall be apportioned on the basis of FCC regulatory fees, real estate and personal property Taxes assessed for the preceding year, with a reapportionment as soon as the new FCC regulatory fees, tax rate and valuation can be ascertained even if such is ascertained after the Final Settlement Statement is so determined. Notwithstanding anything in this Section 2.08 to the contrary, (i) to the extent that as of the Effective Time, the value of air time or other obligations owed under Tradeout Agreements exceeds the value of goods and services received under such Tradeout Agreements by more than Ten Thousand Dollars (\$10,000.00), Buyer shall receive a credit for such excess amount, and (ii) there shall be no proration under this Section 2.08 for Program Rights agreements except to the extent that any payments or performance due under such Program Rights agreements relate to a payment period that straddles the Effective Time.

(c) At least five (5) Business Days prior to the Closing Date, Seller shall provide Buyer with Seller's good faith estimate (together with a schedule setting forth, in

reasonable detail, the calculations of Seller) of the prorations contemplated by this Section 2.08 (the "*Estimated Settlement Statement*"). Seller will afford Buyer reasonable access to all records and work papers used in preparing the Estimated Settlement Statement, and Buyer shall notify Seller of any good faith disagreement with such calculation. At the Closing, (i) Buyer shall be required to pay to Seller the amount equal to the Estimated Adjustment if the Estimated Adjustment is a positive number or (ii) Seller shall be required to pay to Buyer the amount equal to the Estimated Adjustment if the Estimated Adjustment is a negative number.

(d) Within forty-five (45) days after the Closing Date, Buyer shall prepare and deliver to Seller a proposed proration of assets and liabilities in the manner described in Section 2.08 setting forth the Seller Prorated Amount and the Buyer Prorated Amount (together with a schedule setting forth, in reasonable detail, the components thereof) (the "*Settlement Statement*").

(e) During the 30-day period following the receipt of the Settlement Statement (i) Seller shall be permitted to review and make copies reasonably required of, (w) the financial statements of Buyer relating to the Settlement Statement, (x) the working papers of Buyer and its independent auditors relating to the Settlement Statement, (y) the books and records of Buyer relating to the Settlement Statement and, (z) any supporting schedules, analyses and other documentation relating to the Settlement Statement and (ii) Buyer shall provide reasonable access to such employees of Seller and its independent auditors as is reasonably necessary in connection with Seller's review of the Settlement Statement (with a representative of Buyer present at all times).

(f) The Settlement Statement shall become final and binding (the "*Final Settlement Statement*") upon the parties on the 45<sup>th</sup> day following delivery thereof, unless Seller gives written notice of its disagreement with the Settlement Statement (the "*Notice of Disagreement*") to Buyer prior to such date. The Notice of Disagreement shall specify in reasonable detail the nature of any disagreement so asserted. If a Notice of Disagreement is given to Buyer in the period specified, then the Final Settlement Statement (as revised in accordance with clause (i) or (ii) below) shall become final and binding upon the parties on the earlier of (i) the date Buyer and Seller resolve in writing any differences they have with respect to the matters specified in the Notice of Disagreement or (ii) the date any disputed matters are finally resolved in writing by the Accounting Firm.

(g) Within ten (10) Business Days after the Final Settlement Statement becomes final and binding upon the parties, (i) Buyer shall be required to pay to Seller the amount, if any, by which the Final Settlement Statement is higher than the Estimated Settlement Statement or (ii) Seller shall be required to pay to Buyer the amount, if any, by which the Estimated Settlement Statement is higher than the Final Settlement Statement, as the case may be. All payments made pursuant to this Section 2.08(g) must be made via wire transfer in immediately available funds to an account designated by the recipient party.

(h) Notwithstanding the foregoing, in the event that Seller delivers a Notice of Disagreement, Seller or Buyer shall be required to make a payment of any undisputed amount to the other regardless of the resolution of the disputed items contained in the Notice of Disagreement. Seller or Buyer, as applicable, shall within ten (10) Business Days of the receipt

of the Notice of Disagreement make payment to the other by wire transfer in immediately available funds of such undisputed amount owed by Seller or Buyer to the other, as the case may be, together with interest thereon, calculated as set forth in Section 2.08(g).

(i) During the 30-day period following the delivery of a Notice of Disagreement to Buyer that complies with the preceding paragraphs, Buyer and Seller shall seek in good faith to resolve in writing any differences they may have with respect to the matters specified in the Notice of Disagreement.

(j) If, at the end of such 30-day period, Buyer and Seller have not resolved such differences, Buyer or Seller may submit to the Accounting Firm for review and resolution any and all matters that remain in dispute and that were properly included in the Notice of Disagreement. Within sixty (60) days after such submission to the Accounting Firm, Buyer and Seller shall submit their respective positions to the Accounting Firm, in writing, together with any other materials relied upon in support of their respective positions. Buyer and Seller shall use commercially reasonable efforts to cause the Accounting Firm to render a decision resolving the matters in dispute within thirty (30) days following the submission of such materials to the Accounting Firm. The determination of the Accounting Firm shall be final and binding on the parties hereto. Except as specified in the following sentence, the cost of any arbitration (including the fees and expenses of the Accounting Firm) pursuant to this Section 2.08 shall be borne by Buyer and Seller in inverse proportion as they may prevail on matters resolved by the Accounting Firm, which proportional allocations shall also be determined by the Accounting Firm at the time the determination of the Accounting Firm is rendered on the matters submitted.

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

Seller represents and warrants to Buyer as follows:

Section 3.01 *Existence and Power*. Seller is duly organized, validly existing and in good standing under the laws of the state of its organization. Seller is qualified to do business and is in good standing in each jurisdiction where such qualification is necessary except for those jurisdictions where failure to be so qualified would not reasonably be expected to have a Material Adverse Effect on Seller. Seller has the requisite power and authority to own and operate the Purchased Assets and the Station as currently operated.

#### **Section 3.02 *Authorization*.**

(a) The execution and delivery of this Agreement and the Ancillary Agreements by Seller, the performance by Seller of its obligations hereunder and thereunder and the consummation by Seller of the transactions contemplated hereby and thereby are within Seller's limited liability company powers and have been duly authorized by all requisite action on the part of Seller.

(b) This Agreement has been, and each Ancillary Agreement will be, duly executed and delivered by Seller. This Agreement (assuming due authorization, execution and delivery by the other parties thereto) constitutes, and each Ancillary Agreement to which Seller will be a party (assuming due authorization, execution and delivery by the other parties thereto)

will constitute when executed and delivered by Seller, the legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar Laws affecting or relating to enforcement of creditors' rights generally and general principles of equity (regardless of whether enforcement is considered in a proceeding at law or in equity).

Section 3.03 *Governmental Authorization*. The execution, delivery and performance by Seller of this Agreement and each Ancillary Agreement and the consummation of the transactions contemplated hereby and thereby by Seller require no action by or in respect of, or filing with or notification to, any Governmental Authority other than (a) the FCC and (b) any such action by or in respect of or filing with any Governmental Authority as to which the failure to take, make or obtain would not adversely affect the Business in any material respect or Seller's ability to perform its obligations under this Agreement or the Ancillary Agreements.

Section 3.04 *Noncontravention*. Except as disclosed in Disclosure Schedule Section 3.04, the execution, delivery and performance of this Agreement and each Ancillary Agreement by Seller and the consummation of the transactions contemplated hereby and thereby do not and will not (a) violate or conflict with the organizational documents of Seller; (b) assuming compliance with the matters referred to in Section 3.03, conflict with or violate any Law or Governmental Order applicable to Seller, the Business, the Station or any of the Purchased Assets; (c) require any consent or other action by or notification to, or filing with, any Person under, constitute a default (or event which with the giving of notice or lapse of time, or both, would become a default) under, give to any Person any rights of termination, amendment, acceleration, cancellation of any right or obligation of Seller under, or result in the loss of any benefit or creation of any obligation or liability under, any provision of any Disclosed Business Contract; or (d) result in the creation or imposition of any Lien on any of the Purchased Assets, except for Permitted Liens, and except, in the case of clauses (b) and (c), for any such violations, consents, actions, defaults, rights or losses as would not, individually or in the aggregate, adversely affect the Business in any material respect.

Section 3.05 *Contracts*.

(a) Disclosure Schedule Section 3.05(a) sets forth each of the following Business Contracts included in the Purchased Assets (the "*Disclosed Business Contracts*") as of the date of this Agreement:

- (i) any Business Contract relating to Program Rights;
- (ii) any Lease;
- (iii) any Business Contract relating to the management of the Business;
- (iv) any Business Contract with any employee, independent contractor, or consultant;
- (v) any Business Contract involving any labor agreement or collective bargaining agreement;

(vi) any Business Contract involving the sale of time on the Station in exchange for merchandise or services used for the benefit of the Station, Seller or any of its Affiliates with a term greater than one year or involving goods or services with fair market value in excess of \$5,000;

(vii) any Business Contract involving retransmission consent or similar agreement to the extent related to the distribution of the Station's signal by a multichannel video programming distributor; and

(viii) any Business Contract that would reasonably be expected to (x) require Buyer to make payments after the Effective Time in excess of \$5,000 in cash, goods or services annually or \$25,000 in the aggregate over the remaining term of such Contract in cash, goods or services or (y) entitle Buyer to receive payments, goods or services after the Effective Time in an amount or with a fair market value in excess of \$5,000 annually or \$25,000 in the aggregate over the remaining term of such Contract;

(b) No material default (or event, which with the lapse of time or giving of a notice or both would constitute a default) on the part of Seller and, to the Knowledge of Seller, any other party thereto, exists under any of the Disclosed Business Contracts, and Seller has not received any written notice thereof or that any party to any of the Disclosed Business Contracts intends to cancel, terminate or materially adversely modify or amend, any such Disclosed Business Contract.

(c) Each Disclosed Business Contract is in full force and effect and constitutes the legal and binding obligation of, and is legally enforceable against, Seller in accordance with its terms, and to the Knowledge of Seller, constitutes the legal and binding obligation of, and is legally enforceable against, each of the other parties thereto, except in any case as would not reasonably be expected to, individually or in the aggregate, adversely affect the Business in any material respect.

(d) Except as set forth on Disclosure Schedule Section 3.05(a), Seller has previously made available to Buyer prior to the date of this Agreement true and complete copies of all written Disclosed Business Contracts (and written summaries of all oral Disclosed Business Contracts), including all amendments, modifications and supplements thereto, and any assignments thereof.

#### Section 3.06 *Intangible Property.*

(a) All material and registered (or pending applications to register) Intangible Property, including all Copyrights, Domain Names, and Trademarks, are described, listed or set forth on Disclosure Schedule Section 3.06(a).

(b) Except as set forth on Disclosure Schedule Section 3.06(b), (i) neither Seller nor any licensor or licensee of Seller has received notice of any material claims, demands or proceedings pending or threatened by any third party challenging the use of any of the Intangible Property or (ii) the operation of the Business by or on behalf or for the benefit of Seller, including, without limitation, the Intangible Property and the use thereof or any services

provided or process used by or on behalf or for the benefit of Seller, does not to Seller's knowledge, conflict with, infringe or otherwise violate the rights of any third parties, including any right of privacy or publicity, and is not libelous, slanderous or defamatory, and no claim is pending or threatened with respect to (and Seller has not received any written notice alleging) any infringement, violation or conflict resulting therefrom.

(c) Except for the Excluded Assets, the Purchased Assets include all material Intangible Property, including rights in and to call letters and domain names, used in the operation of the Station.

(d) Seller has not received any written notice that any of the Intangible Property is the subject of an outstanding judicial or administrative finding, opinion or office action materially restricting the use thereof or has been adjudged invalid, unenforceable or unregistrable in whole or in part.

(e) To the Knowledge of Seller, none of the Intangible Property is being infringed, violated or misappropriated by any Person, nor is any such Intangible Property being used or available for use by or licensed to any Person, except as set forth on Disclosure Schedule Section 3.06(e).

#### Section 3.07 *Real Property.*

(a) Seller has good and marketable fee simple title to the owned Real Property identified on Disclosure Schedule Section 3.07(a) (such owned Real Property and the buildings, fixtures and improvements located thereon that are owned by Seller, collectively, the "*Owned Real Property*") free and clear of Liens other than Permitted Liens. Seller has delivered to Buyer true and complete copies of all deeds pertaining to such Owned Real Property.

(b) Disclosure Schedule Section 3.07(b) includes a list of all Leases. Except as set forth on Disclosure Schedule Section 3.07(b), Seller has a good and valid leasehold interest in the Real Property conveyed by the Leases as of the date of this Agreement (the "*Leased Real Property*"). Except as set forth on Disclosure Schedule Section 3.07(b), with respect to each of the Leases, (i) such Lease is in full force and effect and valid and enforceable in accordance with its terms; (ii) to the Knowledge of Seller, Seller is not in breach or default (including unmatured defaults) under such Lease, and no event has occurred or circumstance exists, which, with the delivery of notice, the passage of time or both, would constitute such a breach or default by Seller, (iii) Seller has no knowledge of any breach or default (including unmatured defaults) by any other party under such Lease, and, to the Knowledge of Seller, no event has occurred or circumstance exists, which, with the delivery of notice, the passage of time or both, would constitute such a breach or default by such other party. Seller has delivered to Buyer true and complete copies of the Leases together with all amendments thereto.

(c) The Owned Real Property and Leased Real Property constitutes all real property interests of any nature whatsoever primarily used or held for use in the conduct of the Business. The Owned Real Property includes, and the Leases provide, sufficient access to the Station's facilities.

(d) Except as set forth on Disclosure Schedule Section 3.07(d), there is not pending or threatened any (i) zoning application or proceeding; (ii) condemnation, eminent domain or taking proceeding; or (iii) other action relating to any Owned Real Property or portion thereof or interest therein or, to the Knowledge of Seller, any Leased Real Property, that in any case would reasonably be expected to have a Material Adverse Effect.

(e) Except as set forth on Disclosure Schedule Section 3.07(e), (i) Seller has received no written notice, nor does Seller otherwise have knowledge, that any of the Real Property is not in material compliance with all applicable Laws and restrictive covenants applicable to the Real Property, and (ii) the buildings, improvements and fixtures on the Owned Real Property that are owned by Seller are in operating condition and repair, subject to normal wear and tear, and are available for immediate use in, and are otherwise suitable for, the operations of the Station as currently conducted.

#### Section 3.08 *Financial Information.*

(a) True and complete copies of the pro forma balance sheets for the Station as of December 31, 2010 and the related pro forma statements of income and pro forma statements of cash flows for the year then ended are attached to Disclosure Schedule Section 3.08(a) (the "*Reference Financial Statements*").

(b) Except as set forth in Schedule 3.08(b), the Reference Financial Statements (i) were derived from the books and records of Seller, which books and records are correct and complete and represent actual, bona fide transactions; (ii) fairly present in all material respects the pro forma financial condition of the Station as of the dates indicated and the pro forma results of its operations and pro forma cash flows for the periods then ended; and (iii) were prepared in accordance with GAAP.

(c) Prior to Closing, Seller shall provide audited Reference Financial Statements to Buyer. Seller warrants that any differences between the Reference Financial Statements attached to Disclosure Schedule Section 3.08(a) and the audited Reference Financial Statements will not be sizeable enough to constitute a Material Adverse Effect.

#### Section 3.09 *Absence of Certain Changes or Events.*

(a) Except as disclosed in Disclosure Schedule Section 3.09(a) and subject to the terms and conditions of the Management Agreement, since the Balance Sheet Date through the date of this Agreement, Seller has operated the Station in the ordinary course of business.

(b) Since the Balance Sheet Date and, in the case of clauses (i), (ii) and (v) below, through the date of this Agreement and except as set forth in Disclosure Schedule Section 3.09(b) or as permitted by this Agreement, there has not been in connection with or related to the Business or the Station:

(i) any damage, destruction or loss, whether or not covered by insurance, with respect to the property and assets of the Station having a replacement cost of more than \$25,000 individually or in the aggregate;



- (ii) any material change in the programming policies of the Station;
- (iii) the creation or other incurrence by Seller of any Lien on any Purchased Asset other than Permitted Liens;
- (iv) any acquisition or sale of Real Property, or other transfer, conveyance or termination of leasehold rights in, such Real Property;
- (v) any change in any method of accounting or accounting practice by Seller with respect to the Station except for any such change required by reason of a concurrent change in GAAP; or
- (vi) any agreement or commitment to do anything set forth in this Section 3.09(b).

(c) Between the date of this Agreement and the Closing Date, Seller shall not enter into any contract or agreement, and shall not modify any Business Contract, so as to create a Material Adverse Effect or impose an obligation on the Station after the Effective Time exceeding Twenty Five Thousand Dollars without Buyer's consent, such consent not to be unreasonably withheld, conditioned or delayed and such consent not to be required if the Station would be forced to cease operation without such contract or agreement.

Section 3.10 *Absence of Litigation.* Except as set forth on Disclosure Schedule Section 3.10, there is no Action pending against or, to the Knowledge of Seller, threatened against the Business, the Station or the Purchased Assets, including, without limitation, any Action that seeks to restrain, enjoin or otherwise prevent the consummation of the transactions contemplated by this Agreement or the Ancillary Agreements. Seller is not subject to or bound by any Governmental Order that adversely affects the Business, the Station or the Purchased Assets, other than those affecting the broadcast television industry generally.

Section 3.11 *Compliance with Laws.* Seller has complied, and is in compliance with, in all material respects, all Laws and Governmental Orders of any Governmental Authority that are applicable to the ownership and operation of the Business, the Station and the Purchased Assets, and to the Knowledge of Seller, Seller is not under investigation with respect to and has not been threatened in writing to be charged with, any violation of any applicable Law or Governmental Order relating to the Business, the Station or the Purchased Assets, except for those affecting the industry generally.

#### Section 3.12 *FCC Matters; Qualifications.*

(a) Disclosure Schedule Section 3.12(a)(1) contains a true and complete list of the FCC Licenses, including antenna structure registrations of towers owned by Seller and included in the Purchased Assets (if any) and the expiration date of each such FCC License. Seller has made available true, correct and complete copies of the FCC Licenses to Buyer, including any and all amendments and modifications thereto. The FCC Licenses are validly held by Seller and are in full force and effect. The FCC Licenses have been issued for the full terms customarily issued to a broadcast television station in the state in which the Station's community of license is located, and the FCC Licenses are not subject to any condition except for those

conditions appearing on the face of the FCC Licenses and conditions applicable to broadcast television licenses generally or otherwise disclosed in Disclosure Schedule Section 3.12(a).

(b) Seller has no applications pending before the FCC relating to the operation of the Station as of the date of this Agreement.

(c) Except as set forth on Disclosure Schedule Section 3.12(c), (i) Seller has operated the Station in compliance with the Communications Act and the FCC Licenses and has timely paid all FCC regulatory fees in respect thereof and (ii) the Station is licensed by the FCC to operate, and is operating, with the facilities authorized by the FCC Licenses and in compliance with the terms of those licenses, except, in either case, where the failure to do so would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Except as set forth in Disclosure Schedule Section 3.12(c), to the Knowledge of Seller, (x) there are no applications, petitions, complaints, investigations, proceedings or other actions pending or threatened before the FCC relating to the Station, (y) there is not pending or threatened any action by or before the FCC to revoke, suspend, cancel, rescind, modify or refuse to renew any of the FCC Licenses, and (z) there is not now issued or outstanding, pending or threatened, by or before the FCC, any order to show cause, notice of violation, notice of apparent liability, notice of forfeiture or complaint against Seller with respect to the Station that, in the case of any of clauses (x), (y) or (z), would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, other than proceedings affecting broadcast television stations generally. Seller has timely filed or made all applications, reports, and other disclosures required by the FCC to be made in respect of the Business (and such applications, reports and other disclosures are accurate and complete), except where such failure to file, inaccuracy or incompleteness would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(d) The Station has been assigned digital channel 35 and virtual channel 50 by the FCC for the provision of digital television ("DTV") service. With the exception of the FCC proceedings to adopt a final digital television table of allotments and a national broadband plan, to the Knowledge of Seller, there are no pending petitions for rulemaking or notices of proposed rulemaking to reallocate the digital television allotment of any full power television station or to reallocate the digital or analog television allotment of any other station, in each case, in a manner that would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. The FCC Licenses listed on Disclosure Schedule Section 3.12(a) include all authorizations necessary to operate the DTV facilities on the assigned channel as they are presently being operated.

### Section 3.13 *Cable and Satellite Matters.*

(a) To the Knowledge of Seller, the Station is carried by the MVPDs on the systems that are identified on Disclosure Schedule Section 3.13(a). Seller has elected must carry, either affirmatively or by operation of law, except where Seller was not at the deadline for such election aware that an MVPD was carrying a station. No MVPD has provided written notice to Seller of any signal quality issue or sought relief from carriage of the Station in the Market. Seller has not received written notice of any MVPD's intention to delete any Station from carriage or to change any Station's channel position on such MVPD within the Market. Except as set forth on Disclosure Schedule Section 3.13(a), the FCC has not granted, and the FCC does

not have pending before it, any petition to extend or to reduce the Station's market for must-carry purposes.

(b) Disclosure Schedule Section 3.13(b) contains a list of all material retransmission consent or copyright indemnification agreements with MVPDs with respect to the Station, and Seller has previously made available to Buyer copies of all such agreements, setting forth the relevant provisions with respect to the Station, except as disclosed thereon.

#### Section 3.14 *Employees; Labor Matters.*

(a) Disclosure Schedule Section 3.14(a) sets forth a true and complete list, accurate as of the date set forth thereon, of all Station Employees, including the names, date of hire, current compensation (including wages, salaries and bonus opportunity), employment status, department, title, and work location, whether covered by a collective bargaining agreement and whether full-time, part-time or per-diem. Each such employee is employed by Seller as of the date set forth on Disclosure Schedule Section 3.14(a).

(b) Except as set forth on Disclosure Schedule Section 3.14(b), the Station is not subject to or bound by any labor agreement or collective bargaining agreement. To the Knowledge of Seller, there is no activity involving any Station Employee seeking to certify a collective bargaining unit or engaging in any other organizational activity.

(c) Except as set forth in Schedule 3.14(c), no condition or event exists or is expected to occur (whether as the result of the execution of this Agreement or the consummation of the transactions contemplated by this Agreement or otherwise) that will result in any Liability to Buyer or any of its Affiliates with respect to any Employee Plan of Seller.

#### Section 3.15 *Environmental Matters.*

(a) Except as set forth on Disclosure Schedule Section 3.15(a), no Hazardous Material has been generated, stored, treated, transported, disposed or released on, in, from or to the Real Property by Seller or, to the Knowledge of Seller, any other party, in violation of any applicable Environmental Law. Except as set forth on Disclosure Schedule Section 3.15(a), Seller has complied in all material respects with all Environmental Laws applicable to the Station and the Real Property. There is no Action pending, or to the Knowledge of Seller, threatened, against Seller asserting that Seller has violated any Environmental Laws applicable to the Real Property.

(b) Except as set forth in Disclosure Schedule Section 3.15(b), Seller has not received any written communication from a third party, including a Governmental Authority, alleging that Seller's conduct of the Business is in violation of or that Seller has liability under any Environmental Laws, which allegation is not fully resolved.

#### Section 3.16 *Equipment.*

(a) Except as otherwise set forth in Disclosure Schedule Section 3.16(a), all items of Equipment listed on Disclosure Schedule Section 1.01(a) are in operating condition as

of the date of this Agreement and are operating in compliance in all material respects with the Communications Act.

(b) Except pursuant to the Management Agreement, no Person other than Seller has any rights to use any of the Equipment included in the Purchased Assets, whether by lease, sublease, license or other instrument, other than as set forth on Disclosure Schedule Section 3.16(b).

Section 3.17 *Brokers*. Other than Richard A. Foreman Associates, Inc., whose fees Seller shall be responsible for, there is no broker, finder, investment banker or other intermediary that has been retained by or is authorized to act on behalf of Seller or any of its Affiliates who is, or that might be entitled to, any fee or commission from either Buyer or any of its Affiliates in connection with the transactions contemplated by this Agreement or the Ancillary Agreements.

Section 3.18 *Taxes*. Seller has, in respect of the Business, paid all Taxes which have become due. None of the tax returns filed by or on behalf of Seller with respect to the Business or the Purchased Assets is currently being audited by any Governmental Authority, and there are no other examinations, requests for information or other administrative or judicial proceedings pending with respect to Taxes of Seller, in each case, that would adversely affect Buyer after Closing. Neither the IRS nor any other Governmental Authority has asserted any deficiency or claim for additional Taxes against, or any adjustment of Taxes relating to, Seller that would adversely affect Buyer after Closing.

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

Buyer represents and warrants to Seller as follows:

Section 4.01 *Existence and Power*. Buyer is a corporation duly formed, validly existing and in good standing under the Laws of the State of New Hampshire and has all corporate powers required to carry on its business as now conducted. Buyer is duly qualified to do business and is in good standing in each jurisdiction where such qualification is necessary, except for those jurisdictions where failure to be so qualified would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on Buyer or on Buyer's ability to perform its obligations under this Agreement or the Ancillary Agreements.

Section 4.02 *Authorization*.

(a) The execution and delivery of this Agreement and the Ancillary Agreements by Buyer, the performance by Buyer of its obligations hereunder and thereunder and the consummation by Buyer of the transactions contemplated hereby and thereby are within Buyer's corporate powers and have been duly authorized by all requisite corporate action on the part of Buyer.

(b) This Agreement has been, and each Ancillary Agreement will be, duly executed and delivered by Buyer. This Agreement (assuming due authorization, execution and delivery by Seller) constitutes, and each Ancillary Agreement to which Buyer will be a party

(assuming due authorization, execution and delivery by the other parties thereto) will constitute when executed and delivered by Buyer, the legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar Laws affecting or relating to enforcement of creditors' rights generally and general principles of equity (regardless of whether enforcement is considered in a proceeding at law or in equity).

**Section 4.03 *Governmental Authorization.*** The execution, delivery and performance by Buyer of this Agreement and each Ancillary Agreement and the consummation of the transactions contemplated hereby and thereby by Buyer require no action by or in respect of, or filing with or notification to, any Governmental Authority other than (a) the FCC and (b) any such action by or in respect of or filing with any Governmental Authority as to which the failure to take, make or obtain would not adversely affect Buyer's ability in any material respect to perform its obligations under this Agreement or the Ancillary Agreements.

**Section 4.04 *Noncontravention.*** The execution, delivery and performance of this Agreement by Buyer and each Ancillary Agreement to which Buyer will be a party and the consummation of the transactions contemplated hereby and thereby do not and will not (a) violate or conflict with the organizational documents of Buyer, (b) assuming compliance with the matters referred to in Section 4.03, conflict with or violate any Law or Governmental Order applicable to Buyer, (c) require any consent or other action by or notification to any Person under, constitute a default (or event which with the giving of notice or lapse of time, or both, would become a default) under, or give to any Person any rights of termination, amendment, acceleration or cancellation of any right or obligation of Buyer or to a loss of any benefit relating to the Station to which Buyer is entitled under, any provision of any material note, bond, mortgage, indenture, contract, agreement, lease, license, permit, franchise or other agreement or instrument to which Buyer is a party or by which any of Buyer's assets is bound, which, violations, consents, actions, defaults, rights or losses, individually or in the aggregate, would not reasonably be expected to have, a material adverse effect on Buyer or on Buyer's ability to perform its obligations under this Agreement or the Ancillary Agreements.

**Section 4.05 *Absence of Litigation.*** There are no Actions pending against or, to Buyer's knowledge, threatened against Buyer before any Governmental Authority that in any manner challenges or seeks to prevent, enjoin, alter or delay materially the transactions contemplated by this Agreement.

**Section 4.06 *FCC Qualifications.*** Buyer is legally, financially and otherwise qualified under the Communications Act to acquire the FCC Licenses and own and operate the Station. There are no facts known to Buyer that would, under existing Law and the existing rules, regulations, policies and procedures of the FCC, disqualify Buyer as an assignee of the FCC Licenses or as the owner and operator of the Station, and no waiver of the Communications Act is necessary for the FCC Consent to be obtained. Buyer has no reason to believe that the FCC Application might be challenged or might not be granted by the FCC in the ordinary course due to any fact or circumstance relating to Buyer or any of its Affiliates or any of their respective officers, directors, shareholders, members or partners.

Section 4.07 *Brokers*. Other than Richard A. Foreman Associates, Inc., whose fees Seller shall be responsible for, there is no broker, finder, investment banker or other intermediary that has been retained by or is authorized to act on behalf of Buyer or any of its Affiliates who is, or that might be entitled to, any fee or commission from either Seller or any of its Affiliates upon consummation of the transactions contemplated by this Agreement and the Ancillary Agreements.

Section 4.08 *Financing*. Buyer has, and as of the Closing Date will have, sufficient cash, available lines of credit or other sources of immediately available funds to enable it to make payment of the Purchase Price and any other amounts to be paid by it in accordance with the terms of this Agreement and the Ancillary Agreements. Both before and after the Closing, and the payment and accrual of all transaction costs in connection with the Closing, Buyer will be solvent. As used in this Section 4.08 Solvent shall mean as of any date of determination, that, as of such date, (a) the value of the assets of Buyer (both at fair value and present fair saleable value) is greater than the total amount of liabilities (including contingent and unliquidated liabilities) of Buyer, (b) Buyer is able to pay all liabilities of Buyer as such liabilities mature and (c) Buyer does not have unreasonably small capital.

Section 4.09 *Non-Reliance by Buyer*. Except for the specific representations and warranties made by Seller in Article III, Seller is not making and has not made, and Buyer specifically disclaims that it is relying upon or has relied upon, any other representation or warranty, express or implied, with respect to Seller or any of its Affiliates or its businesses (including the Business), operations, assets, liabilities, condition (financial or otherwise) or prospects, notwithstanding the delivery or disclosure to Buyer or any of its Affiliates or representatives of any documentation, forecasts or other information with respect to any one or more of the foregoing.

## ARTICLE V COVENANTS

Section 5.01 *Operations Pending Closing*. Subject to the terms and conditions of the Management Agreement, except as otherwise set forth in this Agreement or in Disclosure Schedule Section 5.01, or with the prior written consent of Buyer which consent shall not be unreasonably conditioned, withheld or delayed, from and after the date of this Agreement until the Closing, Seller shall:

- (a) operate the Station in the ordinary course of business consistent with past practices;
- (b) operate the Station in compliance in all material respects with all applicable Laws, including the Communications Act, the FCC Licenses, and all applicable Permits;
- (c) not modify the FCC Licenses, except as required by Law;
- (d) other than in the ordinary course of business consistent with past practices, not materially amend, materially modify, terminate or waive any material provision of any Disclosed Business Contract;

(e) not sell, lease, license, encumber or otherwise dispose of any Purchased Assets except (i) pursuant to existing Contracts or commitments disclosed in the Disclosure Schedules or (ii) obsolete assets in the ordinary course of business consistent with past practices;

(f) not incur, assume or guarantee any Indebtedness with respect to the Business, in each case that may bind or obligate Buyer or any of its Affiliates in any way upon or as a result of the consummation of the transactions contemplated hereby;

(g) not grant or incur or permit to exist a Lien on any of the Purchased Assets, other than Permitted Liens; or

(h) not agree or commit, whether in writing or otherwise, to take any of the actions specified in the foregoing clauses.

#### Section 5.02 *Access to Information.*

(a) From the date hereof until the Closing Date, upon reasonable notice, Seller shall (i) give Buyer, its counsel, financial advisors, auditors and other authorized representatives reasonable access during normal business hours to the personnel, offices, properties, books and records of the Station, (ii) furnish to Buyer, its counsel, financial advisors, auditors, appraisers and other authorized representatives such financial and operating data and other information relating to the Station as such Persons may reasonably request and (iii) instruct the employees and counsel of Seller to reasonably cooperate with Buyer in its investigation of the Station; provided, however, that Buyer may not communicate with Station Employees without Seller's prior written consent, not to be unreasonably withheld, conditioned or delayed. Any investigation pursuant to this Section 5.02(a) shall be conducted in such manner as not to unreasonably interfere with the conduct of the Business or any of the businesses or operations of Seller or any of its Affiliates and must be arranged through Seller's Representative pursuant to such terms and conditions as are set by Seller's Representative.

(b) On and after the Closing Date, Seller will afford promptly to Buyer and its agents reasonable access to its books of account, financial and other records (including accountant's work papers), information, employees and auditors to the extent necessary for Buyer in connection with any audit, investigation, dispute or litigation or any other reasonable business purpose relating to the Station; *provided* that any such access by Buyer shall not unreasonably interfere with the conduct of the businesses or operations of Seller or any of its Affiliates.

(c) For a period of 2 years from the Closing Date, each party shall provide the other party access during normal business hours to such financial records as may be necessary for either party to prepare any required regulatory and tax filings.

#### Section 5.03 *Environmental.*

(a) Buyer may at its expense within 30 days after execution of this Agreement conduct environmental reviews of the Owned Real Property prior to Closing, including, but not limited to, a Phase I environmental audit (collectively, the "*Audit*"); provided, however, that no intrusive sampling shall be performed without Seller's prior written approval (which shall not be

unreasonably withheld). Seller will use its commercially reasonable efforts to comply with any reasonable request for information made by Buyer or its agents in connection with any such environmental reviews and shall afford Buyer and its agents access to all operations of the Station, including without limitation all areas of the Owned Real Property, at reasonable times and in a reasonable manner in connection with any such environmental reviews.

(b) If the results of the Audit show that the Owned Real Property is contaminated with a Hazardous Material, Buyer shall give Seller written notice of that fact (the "*Contamination Notice*") and, if requested by Seller, supply a copy of the results of such Audit to Seller. Seller shall undertake Remedial Action and, if Seller is unable or unwilling to remediate the contamination identified in the Contamination Notice, Seller shall give Buyer written notice not later than 15 business days after the date of the Contamination Notice. Within 30 days thereafter, Buyer shall elect to either: (i) acquire the Owned Real Property subject to the contamination; or (ii) terminate this Agreement by giving Seller written notice of termination and the Escrow Deposit shall be returned to Buyer, provided that Buyer is not otherwise in default under the Agreement.

#### Section 5.04 *Title Commitments, Surveys.*

(a) Promptly after the execution of this Agreement, Buyer shall order at its own expense a commitment for owner's title insurance policy on the Owned Real Property. The title commitment shall evidence a commitment to issue an ALTA title insurance policy from a nationally recognized title insurance company selected by Buyer, insuring good, and marketable fee simple title to the Owned Real Property for such amount as Buyer reasonably directs and will contain no exceptions except for Permitted Liens and such other exceptions, if any, as Buyer deems acceptable. Seller shall reasonably cooperate with Buyer in obtaining such title commitment. Upon receipt of the title commitment, if Buyer notifies Seller in writing of any exception other than Permitted Liens affecting title to the Owned Real Property, Seller shall exercise commercially reasonable efforts to remove or, with the consent of Buyer, cause the title insurance company to commit to insure over, such exceptions prior to the Closing.

(b) Seller shall cooperate with Buyer (provided that Seller shall not be required to pay any consideration to Buyer or any third party) so that Buyer may, at its option and sole cost and expense, obtain an ALTA survey of the Owned Real Property as of a date subsequent to the date hereof which shall reflect (i) no encroachments upon such parcels or adjoining parcels by buildings, structures or improvements which would materially adversely affect title or materially interfere with or impair the use of the Owned Real Property for the purpose for which it is currently used and (ii) access to such parcels from a dedicated roadway or indirect access to a dedicated roadway.

Section 5.05 *Risk of Loss.* Seller shall bear the risk of casualty loss or damage to any of the Purchased Assets prior to the Closing Date, and the Buyer shall bear such risk on and after the Closing Date. In the event of any casualty loss or damage to the Purchased Assets prior to Closing Date, Seller shall be responsible for repairing or replacing (as appropriate under the circumstances) any lost or damaged Purchased Asset (the "Damaged Asset") unless such Damaged Asset was obsolete and unnecessary for the continued operation of the Station consistent with Seller's past practice and the FCC Licenses. If Seller is unable to repair or



replace a Damaged Asset by the Closing Date, Seller shall promptly reimburse Buyer for all reasonable out-of-pocket costs incurred by Buyer in repairing or replacing the Damaged Assets after the Closing Date.

**Section 5.06 *Commercially Reasonable Efforts; Further Assurances.***

(a) Subject to the terms and conditions of this Agreement, Buyer and Seller will each use their commercially reasonable efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things reasonably necessary or desirable under applicable Law or otherwise to consummate the transactions contemplated by this Agreement.

(b) Buyer and Seller each shall prepare and file with the FCC as soon as practicable but in no event later than five (5) Business Days after the execution of this Agreement, the requisite application (the "*FCC Application*") and other necessary instruments or documents requesting the FCC Consent and thereupon prosecute such applications with all reasonable diligence and otherwise use commercially reasonable efforts to obtain the requisite FCC Consent; provided, however, except as provided in the following sentence, neither Buyer nor Seller shall be required to pay consideration to any third party to obtain the FCC Consent, and neither party shall be required to appear at a trial-type hearing or to participate in a judicial appeal. Buyer shall pay one-half (1/2) and Seller shall pay one-half (1/2) of the FCC filing fees relating to the transactions contemplated hereby, irrespective of whether the transactions contemplated by this Agreement are consummated. Each party shall promptly provide the other with a copy of any pleading, order or other document served on it or relating to the FCC Application, and shall furnish all information required by the FCC.

**Section 5.07 *Certain Filings; Further Actions.*** Seller and Buyer shall cooperate with one another (a) in determining whether any action by or in respect of, or filing with, any Governmental Authority is required, or any actions, consents, approvals or waivers are required to be obtained from parties to any Disclosed Business Contracts in connection with the consummation of the transactions contemplated by this Agreement. Notwithstanding the foregoing, Buyer and Seller shall use commercially reasonable efforts to do all things necessary or appropriate to obtain all necessary consents, approvals, authorizations, waivers, designations, qualifications and Governmental Orders and to make all necessary filings, declarations, registrations, and notifications from third parties in order to consummate the transactions contemplated by this Agreement and the Ancillary Agreements, including without limitation, all of the consents identified pursuant to Disclosure Schedule Section 3.04, and (b) in taking such actions or making any such filings, furnishing information required in connection therewith and seeking timely to obtain any such actions, consents, approvals or waivers; provided, however, that neither Seller nor Buyer shall be required to pay consideration to obtain any such consent, approval or waiver or agree to any modification, change, amendment, modification or condition in order to obtain any such consent that would have a material adverse effect on the Disclosed Business Contract, FCC License or Governmental Order to which such consent, approval or waiver relates.

**Section 5.08 *Control Prior to Closing.*** The parties acknowledge and agree that, for the purposes of the Communications Act, this Agreement and, without limitation, the covenants in Article V, are not intended to and shall not be construed to transfer control of

the Station or to give Buyer any right to, directly or indirectly, control, supervise or direct, or attempt to control, supervise or direct, the programming, operations, or any other matter relating to the Station for purposes of the Communications Laws prior to the Closing Date, and Seller shall have complete control and supervision of the programming, operations, policies and all other matters relating to the Station up to the time of the Closing.

Section 5.09 *Public Announcements.* Until the time when the application for FCC Consent is filed, the parties shall mutually agree on the terms of the press release that announces the transactions contemplated hereby and thereafter agree to obtain the other party's prior written consent before issuing any press release or making any public announcement with respect to this Agreement or the transactions contemplated hereby, including any press releases or public statements the making of which may be required by applicable Law or any listing agreement with any national securities exchange. Following the filing of the application for FCC Consent, this provision shall not prevent Buyer from disclosing the existence of this Agreement in private meetings with, and correspondence to, parties with which it negotiates program rights or other business arrangements to be implemented after the Effective Time.

Section 5.10 *Notices of Certain Events.* Seller, on the one hand, and Buyer, on the other hand, shall each promptly notify the other of:

- (a) any notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with the transactions contemplated by this Agreement;
- (b) any notice or other communication from any Governmental Authority in connection with the transactions contemplated by this Agreement;
- (c) in the case of Seller, any Action commenced or, to the Knowledge of Seller, threatened against, relating to or involving or otherwise affecting the Station that, if pending on the date of this Agreement, would have been required to have been disclosed pursuant to Section 3.11 or that relates to the consummation of the transactions contemplated by this Agreement; and
- (d) in the case of Buyer, any Action commenced or, to its knowledge, threatened against, relating to or involving or otherwise affecting Buyer that, if pending on the date of this Agreement, would have been required to have been disclosed pursuant to Section 4.05 or that relates to the consummation of the transactions contemplated by this Agreement.

Section 5.11 *Confidentiality.* Buyer and Seller shall each keep confidential all information obtained by it with respect to the other in connection with this Agreement, and if the transactions contemplated hereby are not consummated for any reason, each shall return to the other, without retaining a copy thereof, any schedules, documents or other written information, including all financial information, obtained from the other in connection with this Agreement and the transactions contemplated hereby, except where such information is known or available through other lawful sources or where such party is advised by counsel that its disclosure is required in accordance with applicable law. Each party shall be permitted to provide confidential information to its lenders, attorneys, accountants and other

professional consultants provided that such individuals agree to keep such information confidential and use it only in connection with the transactions contemplated by this Agreement.

Section 5.12 *Accounts Receivable.*

(a) Seller shall designate Buyer as its agent solely for the purpose of collecting the Accounts Receivable. Seller shall deliver to Buyer, on or immediately prior to the Closing Date, a statement of the Accounts Receivable. Buyer shall use commercially reasonable efforts to collect the Accounts Receivable during the period (the "*Collection Period*") beginning at the Effective Time and ending on the 120<sup>th</sup> day following the Closing Date; provided, that Buyer shall be under no obligation to commence litigation or legal action to effect collection. Buyer shall obtain the prior written approval of Seller before referring any of the Accounts Receivable to a collection agency or to an attorney for collection.

(b) Any payment received by Buyer during the Collection Period or thereafter from a customer of the Station after the Effective Time that was also a customer of the Station prior to the Effective Time and that is obligated with respect to any Accounts Receivable shall be applied as follows: first, to the accounts receivable that is specified by the customer on the payment (if any), and next, to the accounts receivable for such customer outstanding for the longest amount of time. If such accounts receivable shall be an Accounts Receivable, the payment shall be remitted to Seller in accordance with Section 5.12(c); provided, that if, Seller or Buyer receives a written notice of dispute from a customer with respect to an Accounts Receivable that has not been resolved, then Buyer shall apply any payments from such customer to such customer's oldest, non-disputed accounts receivable, whether or not an Accounts Receivable.

(c) On or before the fifth day following the end of each calendar month in the Collection Period, Buyer shall deposit into an account identified by Seller the amounts collected by Buyer during the preceding month of the Collection Period with respect to the Accounts Receivable in immediately available funds by wire transfer. Buyer shall furnish Seller with a list of the amounts collected during such calendar month and in any prior calendar months with respect to the Accounts Receivable and a schedule of the amount remaining outstanding under each particular account. Seller shall be entitled during the 60-day period following the Collection Period to inspect and/or audit the records maintained by Buyer pursuant to this Section 5.12(c), upon reasonable advance notice and during normal business hours.

(d) Following the expiration of the Collection Period, Buyer shall have no further obligations under this Section 5.12, except that Buyer shall promptly pay over to Seller any amounts subsequently paid to it with respect to any accounts receivable determined to be an Accounts Receivable in accordance with Section 5.12(b). Following the Collection Period, Seller may pursue collections of all the Accounts Receivable, and Buyer shall deliver to Seller all files, records, notes and any other materials relating to the Accounts Receivable and shall otherwise cooperate with Seller for the purpose of collecting any outstanding Accounts Receivable.

Section 5.13 *Third-Party Consents.* Seller shall use commercially reasonable efforts to obtain the consent of any third party necessary for the assignment to Buyer of any Assumed Contract to be assigned thereunder.

## **ARTICLE VI EMPLOYEE MATTERS**

Section 6.01 *Employment.* As of the Effective Time, Seller shall terminate the Station Employees and shall be responsible for all liabilities including accrued benefits arising therefrom. Buyer shall not be required to assume any liability or obligation to any employee of Seller under ERISA or for any past salary, accrued vacation, or other benefits. Buyer may offer employment to any such terminated Station Employees in accordance with Buyer's standard employment practices, such employment to become effective as of the Effective Time (any such terminated employees who accept employment with Buyer as of the Effective Time are the "Transferred Employees"). Buyer shall notify Seller at least ten (10) days prior to the Closing Date of any Station Employee to whom it will not offer employment as of the Effective Time. Seller shall be responsible for all liabilities and accrued benefits arising from the termination of the Transferred Employees

Section 6.02 *No Further Rights.* Nothing in this Article VI, express or implied, is intended to confer on any person other than the parties hereto or their respective successors and assigns any rights, remedies, obligations or liabilities under or by reason of this Article VI.

## **ARTICLE VII TAX MATTERS**

Section 7.01 *Bulk Sales.* Seller and Buyer hereby waive compliance with the provisions of any applicable bulk sales law and no representations, warranty or covenant contained in this Agreement shall be deemed to have been breached as a result of such non-compliance.

Section 7.02 *Transfer Taxes.* All Transfer Taxes arising out of or in connection with the transactions effected pursuant to this Agreement shall be paid 50% by Buyer and 50% by Seller. If Seller has the primary responsibility under applicable law for the payment of any particular Transfer Tax, Seller shall prepare the relevant tax return and notify Buyer in writing of the Transfer Taxes shown on such tax return. Buyer shall pay Seller an amount equal to its share of such Transfer Taxes in immediately available funds no later than the date that is the later of (i) five Business Days after the date of such notice or (ii) two Business Days prior to the due date for such Transfer Taxes. Buyer shall prepare all other Transfer tax returns and notify Seller in writing of the Transfer Taxes shown on such tax return. Seller shall pay Buyer an amount equal to its share of such Transfer Taxes in immediately available funds no later than the date that is the later of (i) five Business Days after the date of such notice or (ii) two Business Days prior to the due date for such Transfer Taxes. Seller and Buyer shall cooperate in the preparation, execution and filing of all Transfer Tax returns and shall cooperate to seek and to secure any available exemptions from such Transfer Taxes.

## **ARTICLE VIII CONDITIONS TO CLOSING**

Section 8.01 *Conditions to Obligations of Buyer and Seller.* The obligations of Buyer and Seller to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or waiver, at or prior to the Closing, of each of the following conditions:

(a) No provision of any applicable Law and no Governmental Order shall prohibit the consummation of the Closing.

(b) The FCC Consent shall have been granted and shall be in full force and effect, and shall not include any condition, term or provision, other than (i) commercially reasonable conditions, terms and provisions imposed by the FCC in the ordinary course that are applicable to similarly situated television broadcast stations generally, or (ii) conditions terms or provisions that are not materially adverse to any of Seller, Buyer, or the Station; provided that if any petition or other objection by a third party is or has been timely filed at the FCC against the FCC Application and/or against the FCC Consent, unless the parties agree otherwise, the FCC Consent shall have become a Final Order.

Section 8.02 *Conditions to Obligations of Seller.* The obligation of Seller to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or waiver, at or prior to the Closing, of each of the following further conditions:

(a) The representations and warranties of Buyer made in this Agreement shall be true and correct, disregarding all qualifiers and exceptions relating to materiality or material adverse effect, (i) as of the date of this Agreement and (ii) (except to the extent such representations and warranties speak only as of an earlier date, in which case such representations and warranties shall have been true and correct, disregarding all qualifiers and exceptions relating to materiality or material adverse effect, as of such earlier date) as of the Closing Date as though made on and as of the Closing Date except, where the failures to be true and correct, individually or in the aggregate, have not resulted in and would not reasonably be expected to result in a material adverse effect on the ability of Buyer to perform its obligations under this Agreement or any Ancillary Agreement. Buyer shall have performed in all material respects all obligations required to be performed by it under this Agreement at or prior to the Closing. Seller shall have received a certificate dated as of the Closing Date from Buyer, executed by an authorized officer of Buyer, to the effect of the foregoing and stating that the conditions set forth in this Section 8.02(a) have been satisfied.

(b) Buyer shall have made, or stand ready at Closing to make the deliveries contemplated in Section 2.07(a) and Section 2.07(c).

Section 8.03 *Conditions to Obligations of Buyer.* The obligations of Buyer to consummate the transactions contemplated by this Agreement, as to the Station, shall be subject to the fulfillment or waiver, at or prior to the Closing, of each of the following further conditions:

(a) The representations and warranties of Seller made in this Agreement shall be true and correct, disregarding all qualifiers and exceptions relating to materiality or Material Adverse Effect, (i) as of the date of this Agreement and (ii) (except to the extent such representations and warranties speak only as of an earlier date, in which case such representations and warranties shall have been true and correct, disregarding all qualifiers and exceptions relating to materiality or Material Adverse Effect, as of such earlier date) as of the Closing Date as though made on and as of the Closing Date, except, in both cases, (w) for changes expressly contemplated or permitted by this Agreement, or (x) where the failures to be true and correct, individually or in the aggregate, have not resulted in and would not reasonably be expected to result in, individually or in the aggregate, a Material Adverse Effect. Seller shall have performed in all material respects all obligations required to be performed by it under this Agreement at or prior to the Closing. Buyer shall have received a certificate dated as of the Closing Date from Seller, executed by an authorized officer of Seller, to the effect of the foregoing and stating that the conditions set forth in this Section 8.03(a) have been satisfied.

(b) Seller shall have made, or stand ready at Closing to make, the deliveries contemplated in Section 2.07(b) and Section 2.07(c).

## **ARTICLE IX TERMINATION**

Section 9.01 *Termination*. This Agreement may be terminated at any time prior to the Closing as follows:

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

(b) either by Seller or by Buyer:

(i) if the Closing shall not have occurred on or before the date that is twelve (12) months after the date of this Agreement (the "*Termination Date*");

(ii) if there shall be any Law that prohibits consummation of the transactions contemplated by this Agreement or if a Governmental Authority of competent jurisdiction shall have issued a final, nonappealable Government Order enjoining or otherwise prohibiting consummation of the transactions contemplated by this Agreement; or

(iii) if the FCC denies or dismisses the FCC Application with respect to the transactions contemplated by this Agreement and such action has become a Final Order.

(c) subject to Section 9.02, by Seller upon a breach of any representation, warranty, covenant or agreement on the part of Buyer set forth in this Agreement, or if any representation or warranty of Buyer shall have become untrue, in either case such that the condition set forth in Section 8.02(a) would not be satisfied if the date of termination were the Closing Date for purposes thereof;

(d) subject to Section 9.02, by Buyer upon a breach of any representation, warranty, covenant or agreement on the part of Seller set forth in this Agreement, or if any representation or warranty of Seller shall have become untrue, in either case such that the condition set forth in Section 8.03(a) would not be satisfied if the date of termination were the Closing Date for purposes thereof.

(e) by Buyer pursuant to Section 5.03(b).

**Section 9.02 *Notice of Termination.*** The party desiring to terminate this Agreement pursuant to Section 9.01 (other than pursuant to Section 9.01(a)) shall give written notice of such termination to the other party. If a party seeks to terminate this Agreement pursuant to Section 9.01(c) or Section 9.01(e), the terminating party shall, prior to exercising its right to terminate under such Section, provide the breaching or defaulting party with notice specifying in reasonable detail the nature of such breach or default. Except for a failure to pay the Purchase Price or perform any other covenant or agreement to be performed at Closing, the breaching or defaulting party shall have twenty (20) days from receipt of such notice to cure such breach or default; provided, however, that if the breach or default is incapable of cure within such 20-day period, the cure period shall be extended as long as the defaulting party is diligently and in good faith attempting to effectuate a cure, and if such breach or default is so cured, Buyer or Seller shall not be entitled to terminate this Agreement pursuant to Section 9.01(c) or Section 9.01(e), as the case may be for the specific breach, as long as such breach remains cured. Nothing in this Section 9.02 shall be interpreted to extend the Termination Date or to extend the Closing Date more than thirty (30) days beyond the date on which Closing would otherwise be scheduled.

**Section 9.03 *Effect of Termination.***

(a) In the event of a valid termination of this Agreement pursuant to Section 9.01, this Agreement (other than Section 5.10, 5.11, this Article IX, and Article XI, which shall remain in full force and effect) shall forthwith become null and void, and no party hereto (nor any of their respective Affiliates, directors, officers or employees) shall have any liability or further obligation, except as provided in Section 9.03(b) and Section 9.03(c) below.

(b) If this Agreement is terminated by Seller pursuant to (i) Section 9.01(b) and Buyer is in breach of any representation, warranty, covenant or agreement on the part of Buyer set forth in this Agreement, such that the condition set forth in Section 8.02(a) would not be satisfied if the date of termination were the Closing Date, or (ii) Section 9.01(c), then Seller shall be entitled to \$750,000 as liquidated damages. In addition, the prevailing party in any action brought by Seller to enforce its rights under this Section 9.03(b) shall be entitled to prompt payment from the other party of the reasonable attorneys' fees actually incurred by the prevailing party in connection with such action. The parties understand and agree that the amount of liquidated damages represents Seller's and Buyer's reasonable estimate of actual damages and does not constitute a penalty. Notwithstanding any other provision of this Agreement to the contrary, if the provisions of this Section 9.03(b) apply, the payment of the liquidated damages together with any attorneys' fees pursuant to this Section 9.03(b) shall be Seller's sole and exclusive remedy for damages of any nature or kind that Seller may suffer as a

result of Buyer's breach or default under, and termination of, this Agreement, provided that nothing herein shall limit the right of any party to indemnification.

(c) If this Agreement is terminated, other than in circumstances where Section 9.03(b) applies, then the Escrow Deposit shall be returned to Buyer by the Escrow Agent.

## **ARTICLE X SURVIVAL; INDEMNIFICATION**

Section 10.01 *Survival*. The representations, warranties covenants and agreements of the parties hereto contained in or made pursuant to this Agreement or in any certificate or other writing furnished pursuant hereto or in connection herewith shall survive in full force and effect for nine (9) months after the Closing Date; provided, however, that the representations and warranties in Section 3.01 (Corporate Existence and Power), Section 3.02 (Corporate Authorization), Section 3.08 (Sufficiency and Title to Purchased Assets), Section 4.01 (Existence and Power) and Section 4.02 (Authorization), shall survive in perpetuity, and the representations and warranties in Section 3.20 (Taxes) shall survive until the expiration of the applicable statute of limitations. No claim may be brought under this Agreement unless written notice describing in reasonable detail the nature and basis of such claim is given on or prior to the last day of the applicable survival period. In the event such notice is given, the right to indemnification with respect thereto shall survive the applicable survival period until such claim is finally resolved and any obligations thereto are fully satisfied.

### *Section 10.02 Indemnification by Buyer.*

(a) Subject to Section 10.01, Buyer shall indemnify against and hold harmless Seller, its Affiliates and their respective employees, officers and directors (collectively, the "*Seller Indemnified Parties*") from, and agrees to promptly defend any Seller Indemnified Party from and reimburse any Seller Indemnified Party for, any and all losses, damages, costs, expenses, liabilities, obligations and claims of any kind (including any Action brought by any Governmental Authority or Person and including reasonable attorneys' fees and expenses reasonably incurred) (collectively, "*Losses*"), which such Seller Indemnified Party may at any time suffer or incur, or become subject to, arising from, as a result of or in connection with:

(i) Buyer's breach of any of its representations or warranties (it being understood that for purposes of this Section 10.02(a), any qualification relating to "material adverse effect" or "materiality" contained in any such representation or warranty shall be disregarded) contained in this Agreement, any Ancillary Agreement or in any other certificate or document delivered pursuant hereto and thereto (each such breach, a "*Buyer Warranty Breach*");

(ii) any breach or nonfulfillment of any agreement or covenant of Buyer under the terms of this Agreement or any Ancillary Agreement; and

(iii) the Assumed Liabilities.

(b) Notwithstanding any other provision to the contrary, Buyer shall not be required to indemnify and hold harmless any Seller Indemnified Party pursuant to Section



10.02(a)(i): (i) unless such Seller Indemnified Party has asserted a claim with respect to such matters within the applicable survival period set forth in Section 10.01; (ii) unless the Loss claimed is in excess of \$2,500 resulting from any single or aggregated claims arising out of the same facts, event or circumstances; and (iii) until the aggregate amount of the Seller Indemnified Parties' Losses resulting from Buyer Warranty Breaches exceeds 1.75% of the Purchase Price, and then only to the extent of such Losses in excess of such amount; provided, however, that the cumulative indemnification obligation of Buyer under Section 10.02(a)(i) shall in no event exceed 50% of the Purchase Price (the "*Cap*").

#### Section 10.03 *Indemnification by Seller.*

(a) Subject to Section 10.01, Seller shall indemnify against and hold harmless Buyer, its Affiliates and their respective employees, officers and directors (collectively, the "*Buyer Indemnified Parties*") from, and agrees to promptly defend any Buyer Indemnified Party from and reimburse any Buyer Indemnified Party for, any and all Losses which such Buyer Indemnified Party may at any time suffer or incur, or become subject to, arising from, as a result of or in connection with:

(i) Seller's breach of any of the representations or warranties (it being understood that for purposes of this Section 10.03(a), any qualification relating to "material adverse effect" or "materiality" contained in any such representation or warranty shall be disregarded) contained in this Agreement, any Ancillary Agreement or in any other certificate or document delivered pursuant hereto and thereto (each such breach, a "*Seller Warranty Breach*");

(ii) any breach or nonfulfillment of any agreement or covenant of Seller under the terms of this Agreement or any Ancillary Agreement; and

(iii) the Excluded Liabilities.

(b) Notwithstanding any other provision to the contrary, Seller shall not be required to indemnify and hold harmless any Buyer Indemnified Party pursuant to Section 10.03(a)(i): (i) unless such Buyer Indemnified Party has asserted a claim with respect to such matters within the applicable survival period set forth in Section 10.01; (ii) unless the Loss claimed is in excess of \$2,500 resulting from any single or aggregated claims arising out of the same facts, event or circumstances and (iii) until the aggregate amount of the Buyer Indemnified Parties' Losses resulting from Seller Warranty Breaches exceeds 1.75% of the Purchase Price, and then only to the extent of such Losses in excess of such amount; provided, however, that the cumulative indemnification obligation of Seller under Section 10.03(a)(i) shall in no event exceed the Cap.

#### Section 10.04 *Notification of Claims.*

(a) A party entitled to be indemnified pursuant to Section 10.02 or Section 10.03 (the "*Indemnified Party*") shall promptly notify the party liable for such indemnification (the "*Indemnifying Party*") in writing of any claim or demand that the Indemnified Party has determined has given or could give rise to a right of indemnification under this Agreement; provided, however, that a failure to give prompt notice or to include any specified information in

any notice will not affect the rights or obligations of any party hereunder except and only to the extent that, as a result of such failure, any party that was entitled to receive such notice was materially damaged as a result of such failure. Subject to the Indemnifying Party's right to defend in good faith third party claims as hereinafter provided, the Indemnifying Party shall satisfy its obligations under this Article X within thirty (30) days after the receipt of written notice thereof from the Indemnified Party.

(b) If the Indemnified Party shall notify the Indemnifying Party of any claim or demand pursuant to Section 10.04(a), and if such claim or demand relates to a claim or demand asserted by a third party against the Indemnified Party that the Indemnifying Party acknowledges is a claim or demand for which it must indemnify or hold harmless the Indemnified Party under Section 10.02 or Section 10.03, the Indemnifying Party shall have the right to employ counsel reasonably acceptable to the Indemnified Party to defend any such claim or demand asserted against the Indemnified Party for so long as the Indemnifying Party shall continue in good faith to diligently defend against such action or claim. The Indemnified Party shall have the right to participate in the defense of any such claim or demand at its own expense and the Indemnifying Party shall reasonably cooperate with the Indemnified Party in connection with such participation. The Indemnifying Party shall notify the Indemnified Party in writing, as promptly as possible (but in any case five (5) Business Days before the due date for the answer or response to a claim) after the date of the notice of claim given by the Indemnified Party to the Indemnifying Party under Section 10.04(a) of its election to defend in good faith any such third party claim or demand. So long as the Indemnifying Party is defending in good faith any such claim or demand asserted by a third party against the Indemnified Party, the Indemnified Party shall not settle or compromise such claim or demand without the consent of the Indemnifying Party, which consent shall not be unreasonably withheld, delayed or conditioned, and the Indemnified Party shall make available to the Indemnifying Party or its agents all records and other material in the Indemnified Party's possession reasonably required by it for its use in contesting any third party claim or demand. If the Indemnifying Party assumes the defense of the third party claim, it shall have conclusively established its obligation to indemnify the Indemnified Party with respect to such third party claim. Whether or not the Indemnifying Party elects to defend any such claim or demand, the Indemnified Party shall have no obligations to do so. In the event: (i) the Indemnifying Party elects not to defend such claim or action; (ii) the Indemnifying Party elects to defend such claim or action but fails to diligently defend such claim or action in good faith; (iii) there is a reasonable probability that such claim may materially, adversely affect it or its Affiliates other than as a result of money damages, (iv) a conflict of interest exists in respect of such claim; (v) there are specific defenses available to the Indemnified Party that are different from or additional to those available to the Indemnifying Party and that could be adverse to the Indemnifying Party; or (vi) the claim involves money damages in an amount in excess of the Cap, the Indemnified Party shall have the right to conduct or to participate separately in the defense thereof and to settle or compromise such claim or action without the consent of the Indemnifying Party, except that with respect to the settlement or compromise of such a claim, demand or action, the Indemnified Party shall not settle or compromise any such claim or demand or action without the consent of the Indemnifying Party, which consent shall not be unreasonably withheld, delayed or conditioned, unless the Indemnifying Party is given a full and complete release of any and all liability by all relevant parties relating thereto and has no obligation to pay any damages. The Indemnifying Party shall not settle or compromise any third party claim or action without the consent of the Indemnified

Party; provided, however, if such settlement or compromise relates only to monetary amounts and provides for the full and complete release of any and all liability of the Indemnified Party, then the Indemnifying Party may settle such claim without the Indemnified Party's consent as long as the Indemnifying Party is responsible for the recoverable amount of such claim and the settlement or compromise of such claim does not contain an admission of wrongdoing on the part of the Indemnified Party.

Section 10.05 *Limitations on Liability*. Notwithstanding anything in this Agreement to the contrary, neither party shall have any liability to the other party under any circumstances for special, indirect, consequential, punitive or exemplary damages, or lost profits, diminution in value or any damages based on any type of multiple, except to the extent awarded by a court of competent jurisdiction in connection with a third party claim.

Section 10.06 *Computation of Indemnifiable Losses*. Any calculation of Losses for purposes of this Article X shall be (a) net of any insurance recovery (net of any increase in insurance premiums to the Indemnified Party resulting from the Loss) received by an Indemnified Party (whether paid directly to such Indemnified Party or assigned by the Indemnifying Party to such Indemnified Party); and (b) reduced to take account of any net Tax benefit actually realized by the Indemnified Party arising from the deductibility of any such Loss in the year such Loss is incurred. The Indemnifying Party and the Indemnified Party shall cooperate in good faith in providing each other the information necessary to determine the Tax benefits, as the case may be, in each case. The Indemnified Party shall use its commercially reasonable efforts to pursue payment under or from any insurer or third-party in respect of such Losses. To the extent permitted by Law, all indemnity payments made pursuant to this Agreement shall be treated by the parties hereto as an adjustment to the Purchase Price.

Section 10.07 *Exclusive Remedies*. Buyer and Seller acknowledge and agree that, if the Closing occurs, the indemnification provisions of this Article X shall be the sole and exclusive remedies of Buyer and Seller for any breach of the representations or warranties or nonperformance of any covenants and agreements of Buyer or Seller contained in this Agreement or any Ancillary Agreement, provided, however, that nothing contained in this Agreement shall prevent Buyer or Seller from specifically enforcing any provision of this Agreement or relieve or limit the liability of either party from any liability or Losses arising out of or resulting from actual fraud in connection with the transactions contemplated in this Agreement or the Ancillary Agreements.

## **ARTICLE XI GENERAL PROVISIONS**

Section 11.01 *Expenses*. Except as may be otherwise specified herein, all costs and expenses, including fees and disbursements of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses, whether or not the Closing shall have occurred.

Section 11.02 *Notices*. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be deemed to have been duly delivered

and received (a) on the date of personal delivery, (b) on the date of transmission, if sent by facsimile, with confirmation of receipt, (c) on the date of delivery via a nationally recognized overnight courier or similar service or (d) three (3) Business Days after being sent by registered or certified mail (postage prepaid, return receipt requested) to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 11.02), provided that if the notice date under Section 11.02(a), (b) or (c) is not a Business Day, then the notice date shall be the first Business Day following such date:

If to Buyer:

Carlisle One Media, Inc.  
126 Daniel St.  
Suite 200  
Portsmouth, NH 03801  
Attention: William H. Binnie  
Facsimile: 603-431-1130

With a copy, which shall not constitute notice, to:

Fletcher, Heald & Hildreth, P.L.C.  
1300 North 17th Street  
11th Floor  
Arlington, VA 22209-3801  
Attention: Peter Tannenwald, Esq.  
Facsimile: (703) 812-0486

If to Seller:

ShootingStar Broadcasting of New England, LLC  
3606 Camino De La Cumbre  
Sherman Oaks, CA 91423  
Attention: Diane Sutter  
Facsimile: (818) 788-8009

With a copy, which shall not constitute notice, to:

Lerman Senter PLLC  
2000 K Street, N.W.  
Suite 600  
Washington, DC 20006-1809  
Attention: Sally A. Buckman  
Facsimile: (202) 293-7783

Section 11.03 *Headings*. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

Section 11.04 *Severability*. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced in any jurisdiction, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to either party hereto and such invalidity, illegal or incapability of enforcement shall not be effective in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced in a particular jurisdiction, the parties hereto shall negotiate in good faith to modify this Agreement for purposes of such jurisdiction so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

Section 11.05 *Entire Agreement*. This Agreement and the Ancillary Agreements constitute the entire agreement of the parties hereto with respect to the subject matter hereof and thereof and supersede all prior agreements and undertakings, both written and oral, between Seller and Buyer with respect to the subject matter hereof and thereof, except as otherwise expressly provided herein.

Section 11.06 *Successors and Assigns*.

(a) This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective, successors and permitted assigns. Neither party may assign its rights under this Agreement without the other party's prior written consent (which consent shall not be unreasonably withheld, conditioned or delayed).

(b) Notwithstanding anything above to the contrary, Seller may, without the Buyer's consent, assign any or all of its rights (but not its obligations) under this Agreement to an Affiliate, provided that such assignment does not hinder or delay the Closing, the Closing shall not be contingent upon or subject to the completion of any such assignment, such assignment does not relieve Seller of any liability or obligation under this Agreement, and such assignment does not cause Buyer to incur any liabilities or costs. Notwithstanding anything above to the contrary, Buyer may, without Seller's consent, assign any or all of its rights and obligations under this Agreement to an Affiliate; provided that such assignment does not hinder or delay the Closing, the Closing shall not be contingent upon or subject to the completion of any such assignment, such assignment does not relieve Buyer of any liability or obligation under this Agreement, and such assignment does not cause Seller to incur any liabilities or costs. The party giving notice of assignment pursuant to this Section 11.06(b), shall indemnify and hold the other party free from any cost, expense or liability, including attorney's fees, resulting from such other party's participation in such assignment and related exchange transaction, if any.

Section 11.07 *No Recourse*. Notwithstanding any of the terms or provisions of this Agreement, Seller, on the one hand, and Buyer, on the other hand, agree that neither it nor any Person acting on its behalf may assert any claims or cause of action against any

employee, officer or director of the other party or stockholder of such other party in connection with or arising out of this Agreement or the transactions contemplated hereby.

Section 11.08 *No Third-Party Beneficiaries*. Except as expressly provided in Article X, this Agreement is for the sole benefit of the parties hereto and their successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 11.09 *Amendments and Waivers*.

(a) This Agreement may not be amended or modified except by an instrument in writing signed by Seller and Buyer.

(b) At any time prior to the Closing, either party may (i) extend the time for the performance of any of the obligations or other acts of the other party hereto, (ii) waive any inaccuracies in the representations and warranties of the other party hereto contained herein or in any document delivered pursuant hereto or (iii) waive compliance by the other party hereto with any of the agreements or conditions contained herein. Any such extension or waiver shall be valid only if set forth in an instrument in writing signed by the party to be bound thereby, and shall not constitute an extension or waiver of any other provision hereof, nor a continuing waiver, unless otherwise specified in such instrument.

(c) No failure or delay by either party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

Section 11.10 *Governing Law; Jurisdiction*. The construction and performance of this Agreement shall be governed by, and construed in accordance with, the law of the State of New Hampshire without regard to its principles of conflict of law. The exclusive forum for the resolution of any disputes arising hereunder shall be the federal or state courts located in the State of New Hampshire, and each party hereto irrevocably submits to the exclusive jurisdiction of such courts in any such action or proceeding and irrevocably waives the reference of an inconvenient forum to the maintenance of any such action or proceeding. Each party agrees not to bring any action or proceeding arising out of or relating to this Agreement in any other court.

Section 11.11 *WAIVER OF JURY TRIAL*. EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 11.12 *Counterparts*. This Agreement may be executed in one or more counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Delivery of an executed

counterpart of a signature page to this Agreement by facsimile or e-mail of a PDF document shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 11.13 *No Presumption*. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting or causing any instrument to be drafted.

Section 11.14 *Specific Performance*. Seller hereby acknowledges and agrees that money damages would not be a sufficient remedy for any breach of this Agreement by Seller, that Buyer would suffer irreparable harm as a result of any such breach, and that, in addition to all other remedies available under this Agreement or at law or in equity, Buyer shall be entitled to specific performance and injunctive or other equitable relief as a remedy for any such breach or threatened breach, without posting any bond, security or other undertaking. In the event of any action by Buyer to enforce this Agreement, Seller hereby waives the defense that there is an adequate remedy at law.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

**BUYER**

**CARLISLE ONE MEDIA, INC.**

By: 

Name: *William D. Binnick*

Title: *President*

**SELLER**

**SHOOTINGSTAR BROADCASTING OF NEW  
ENGLAND, LLC**

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

*B23*



IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

**BUYER**

**CARLISLE ONE MEDIA, INC.**

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

**SELLER**

**SHOOTINGSTAR BROADCASTING OF NEW  
ENGLAND, LLC**

By: DANE BUTTER  
Name: DANE BUTTER  
Title: 2-25-11