
ASSET PURCHASE AGREEMENT

by and between

MONROE BROADCASTING, INC.

and

PARKER BROADCASTING OF LOUISIANA, LLC

for

KAQY-TV
Columbia, Louisiana

June 12, 2008

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE 1: Rules of Construction.....	1
1.1. Definitions.....	1
1.2. Use of Terms	1
1.3. Headings and Cross-references.....	1
1.4. Computation of Time	2
ARTICLE 2: Purchase and Sale of Station Assets	2
2.1. Station Assets	2
2.2. Excluded Assets	2
2.3. Purchase Price.....	3
2.4. Escrow Deposit	3
2.5. Calculation of Prorations	4
2.6. Proration Procedure.	4
2.7. Assumed Liabilities	5
2.8. Seller's Retained Liabilities	5
2.9. Allocation of Purchase Price.....	6
ARTICLE 3: Governmental Consents	6
3.1. Assignment Application.....	6
3.2. Conditions.....	6
3.3. Extensions.....	6
3.4. Other Governmental Consents.....	7
3.5. Control Prior to Closing.....	7
ARTICLE 4: Representations and Warranties of Seller.....	7
4.1. Organization and Standing.....	7
4.2. Authorization	7
4.3. Conflicts	7
4.4. Tangible Personal Property.	8
4.5. Contracts.	8
4.6. Intangibles.....	8
4.7. Real Property	9
4.8. Real Estate Leases.....	9
4.9. Financial Statements	10
4.10. Conduct of Business	10
4.11. Litigation.....	11
4.12. Compliance with Laws	11
4.13. Taxes	11
4.14. FCC Matters.....	12
4.15. MVPD Carriage	13

4.16.	Insurance	14
4.17.	Employees.....	14
4.18.	Employee Benefit Plans and Compensation Arrangements.....	14
4.19.	Environmental Compliance	15
4.20.	Brokers.....	16
4.21.	Title to Assets.....	16
4.22.	Accounts Receivable.....	16
4.23.	Solvency.....	16
ARTICLE 5: Representations and Warranties of Buyer		16
5.1.	Organization and Standing.....	16
5.2.	Authorization	16
5.3.	Conflicts.....	16
5.4.	Buyer Qualifications	17
5.5.	Litigation.....	17
5.6.	Brokers.....	17
5.7.	Financing.....	17
ARTICLE 6: Covenants.....		17
6.1.	Access	17
6.2.	Notice of Certain Events.....	18
6.3.	Operations Pending Closing.	18
6.4.	Supplemental Financial Statements	21
6.5.	Required Consents	21
6.6.	Public Announcements.....	22
6.7.	Cooperation.....	22
6.8.	Exclusivity	22
6.9.	Phase I Environmental Reports.....	22
6.10.	Tolling Agreement	23
6.11.	WARN Act	23
6.12.	Non-Solicitation by Buyer	23
6.13.	Employees and Employee Benefit Plans.	23
6.14.	Buyer Qualifications	24
6.15.	Buyer Action	24
ARTICLE 7: Conditions Precedent of Buyer		25
7.1.	Representations, Warranties, Covenants.....	25
7.2.	Certificates, Resolutions and Consents.....	25
7.3.	Bill of Sale	25
7.4.	FCC Opinion.....	25
7.5.	Proceedings.....	25
7.6.	No Material Adverse Effect	26
7.7.	Title Insurance.....	26
7.8.	No Material Damage.....	26

7.9.	FCC Consent.....	26
7.10.	Lien Search	26
7.11.	Renewal of FCC Licenses.....	26
7.12.	Environmental Reports	26
ARTICLE 8: Conditions Precedent of Seller		27
8.1.	Representations, Warranties, and Covenants.	27
8.2.	Resolutions.....	27
8.3.	Proceedings	27
8.4.	FCC Consent.....	27
ARTICLE 9: Closing		27
9.1.	Closing.....	27
9.2.	Timing.....	28
ARTICLE 10: Indemnification		28
10.1.	Survival.....	28
10.2.	Indemnification of Buyer	28
10.3.	Indemnification of Seller	28
10.4.	Notice of Claim.....	29
10.5.	Defense of Third Party Claims	29
10.6.	Limitations.....	29
10.7.	Exclusive Remedy	30
ARTICLE 11: Termination		30
11.1.	Bases For Termination	30
11.2.	Liabilities Upon Termination.....	30
11.3.	Notice of Breach	31
ARTICLE 12: Miscellaneous.....		32
12.1.	Expenses	32
12.2.	Assignment	32
12.3.	Confidentiality	32
12.4.	Notices	32
12.5.	Law Governing	33
12.6.	Waiver of Provisions.....	33
12.7.	Counterparts.....	33
12.8.	Reimbursement of Legal Expenses.....	33
12.9.	Seller's Access to Records	33
12.10.	Entire Agreement	34
12.11.	Risk of Loss	34
12.12.	Broad cast Interruption	34
12.13.	Collection of Accounts Receivable.....	34

12.14. WAIVER OF JURY TRIAL.....	35
12.15. No Third Party Beneficiaries	35
12.16. Schedules	35
12.17. Right of First Refusal.....	36

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (the "Agreement") is dated as of this 12th day of June 2008, by and between MONROE BROADCASTING, INC., a Louisiana corporation, ("Seller"), and PARKER BROADCASTING OF LOUISIANA, LLC, a Delaware limited liability company ("Buyer").

Recitals:

WHEREAS, Seller holds licenses and other authorizations (collectively, the "FCC Licenses") from the Federal Communications Commission (the "FCC") and owns or holds other assets (collectively, the "Station Assets") used or useful in the operation of television station KAQY-TV in Columbia, Louisiana (the "Station"); and

WHEREAS, Buyer desires to purchase all of the Station Assets from Seller and assume the Assumed Liabilities, and Seller desires to sell all of the Station Assets and transfer the Assumed Liabilities to Buyer upon the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing premises and of the mutual covenants and promises set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, hereby agree as follows:

ARTICLE 1: Rules of Construction

1.1. Definitions. Except as otherwise set forth in this Agreement, capitalized terms used in this Agreement shall have the meanings ascribed to them in Annex A, which is incorporated herein by reference.

1.2. Use of Terms. Whenever the context requires, any pronoun shall include the corresponding masculine, feminine and neuter forms. Where the context so requires or permits, the use of the singular form includes the plural, and the use of the plural form includes the singular. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." All references to "party" and "parties" shall be deemed to refer to the parties unless the context shall otherwise require. The term "or" is used in its inclusive sense ("and/or") and, together with the terms "either" and "any" shall not be exclusive. When used in this Agreement, words such as "herein," "hereinafter," "hereby," "hereof," "hereto," "hereunder," and words of similar import refer to this Agreement as a whole, including Annexes, Schedules and Exhibits hereto, and not to any particular provision of this Agreement, unless the context requires otherwise.

1.3. Headings and Cross-references. Headings of the sections have been included for convenience of reference only and shall in no way limit or affect the meaning or interpretation of the specific provisions of this Agreement. All cross-references to sections herein shall mean the section of this Agreement unless otherwise stated or clearly required by the context.

1.4. Computation of Time. Whenever any time period provided for in this Agreement is measured in “business days,” there shall be excluded from such time period each day that is a Saturday, Sunday, recognized federal legal holiday, or other day on which the FCC’s offices are closed and are not reopened prior to 5:30 p.m. Washington, D.C. time. In all other cases all days shall be counted.

ARTICLE 2: Purchase and Sale of Station Assets

2.1. Station Assets. Subject to the terms and conditions of this Agreement, at the Closing, Sellers shall sell, transfer, convey, assign and deliver to Buyer, and Buyer shall acquire and purchase, all of Seller’s right, title and interest in and to the Station Assets, which include the tangible and intangible assets owned or held by Sellers and used or useful in the operation of the Station, together with any permitted additions thereto between the date of this Agreement and the Closing Date, but excluding the Excluded Assets, and include all of Seller’s right, title and interest in and to the following:

- (a) the Tangible Personal Property;
- (b) the Real Property;
- (c) the FCC Licenses and other Licenses;
- (d) the Contracts;
- (e) Real Estate Leases;
- (f) the Intangibles;
- (g) the Records;
- (h) the right to use Seller’s Accounts Receivable collected pursuant to Section 12.13 hereof for the time period set forth therein;
- (i) all rights of Seller under or pursuant to all warranties, representations and guarantees made by suppliers, manufacturers and contractors to the extent relating to any Station Asset; and
- (j) all Seller’s goodwill in, and going concern value of, the operation of the Station.

2.2. Excluded Assets. The Station Assets shall not include the following (collectively, the “Excluded Assets”):

- (a) all Cash Equivalents;
- (b) any and all contracts or policies of insurance and insurance plans and the assets thereof, amounts due from employees, bonds, letters of credit or other similar items and any cash surrender value with respect thereto, and all rights under any of the foregoing, including

any insurance proceeds receivables (except with respect to proceeds under insurance policies for repairs to any of the Station Assets have not been made prior to the Closing);

(c) all assets disposed of or consumed in the ordinary course of business or otherwise in accordance with the terms and provisions of this Agreement;

(d) all rights and claims of Seller relating to any other Excluded Asset or any Retained Liability, including all guarantees, warranties, indemnities and similar rights in favor of Seller with respect to any Excluded Asset or any Retained Liability, and all claims for refunds of monies paid to any Governmental Authority (including Tax refunds);

(e) all contracts, leases, and other agreements not included in the Contracts or Real Estate Leases;

(f) Seller's corporate records and other books and records that relate to internal company matters of Seller, qualifications to do business, taxpayer and other identification numbers, income Tax Returns, and copies of any records necessary or desirable to enable Seller to prepare and file Tax Returns;

(g) any assets and trusts of any compensation or benefit plan or arrangement of Seller, including all Employee Benefit Plans and all Compensation Arrangements of Seller;

(h) all shares of capital stock, partnership interests and member or limited liability company interests and all other equity interests and securities of, held by or in Seller;

(i) all records and documents in respect of the Excluded Assets; and

(j) the assets listed on Schedule 2.2(j).

2.3. Purchase Price. In consideration for its acquisition of the Station Assets, Buyer shall pay Seller Ten Million Dollars (\$10,000,000) (the "Purchase Price") less (i) adjustments made pursuant to Section 2.5 and (ii) an amount equivalent to the Accounts Payable outstanding on the Closing Date. The Purchase Price shall be funded by Buyer at Closing as follows: (a) Buyer shall receive a credit for the Escrow Deposit to be paid to the Escrow Agent and released to Seller in accordance with Section 2.4; (b) Buyer shall pay by wire transfer of immediately funds an amount equivalent to the total principal and interest outstanding on the Notes as of the Closing Date to the bank accounts designated by the lenders thereunder; and (c) Buyer shall pay the remaining portion of the Purchase Price by wire transfer of immediately available funds to a bank account designated by Seller at Closing.

2.4. Escrow Deposit. Simultaneous with the execution of this Agreement, Buyer shall deposit the Escrow Deposit with Escrow Agent by wire transfer of immediately available funds pursuant to the separate Escrow Agreement being executed by the parties this same date. At the Closing, as defined herein, the Escrow Deposit shall be disbursed and paid to Seller as a credit against the Purchase Price. If this Agreement is terminated pursuant to Section 11.1(b) hereof at a time when the conditions of Section 11.2(a) are satisfied, the Escrow Deposit shall be paid to Seller pursuant to Section 11.2(a) as liquidated damages and as Seller's exclusive remedy. If this Agreement is terminated for any other reason, the Escrow Deposit shall be returned to Buyer.

2.5. Calculation of Prorations. The following provisions shall be used in determining the Assumed Liabilities as of the Closing Date:

(a) **Time Periods.** All expenses arising from the operation of the Station shall be calculated in accordance with GAAP and prorated between Buyer and Seller in accordance with the principle that Seller shall be entitled to receive (subject to Section 2.4) all revenues and, subject to Section 12.13 hereof, shall be responsible for all liabilities allocable to the operation of the Station for the period ended immediately prior to the Effective Time, and Buyer shall be entitled to all revenues and be responsible for all liabilities allocable to the operation of the Station for the period commencing immediately on and after the Effective Time.

(b) **Limitations.** Notwithstanding anything in this Section to the contrary, any prorations pursuant shall be subject to the following limitations:

(i) There shall be no proration with respect to the Excluded Assets and the Retained Liabilities; and

(ii) No proration between Buyer and Seller shall be made in favor of Seller or Buyer for the amount, if any, by which the value of the goods or services to be received by the Station under the Station's trade or barter agreements as of the Effective Time exceeds, or is less than, the value of any advertising time remaining to be run on the Station under such trade or barter agreements as of the Effective Time; provided, that (1) a proration shall be made in favor of Buyer to the extent that the aggregate amount of any advertising time remaining to be run by the Station under trade or barter agreements as of the Effective Time exceeds by more than Twenty-Five Thousand Dollars (\$25,000) in the aggregate the fair market value of the goods or services to be received by the Station as of the Effective Time under such trade or barter agreements, or (2) a proration shall be made in favor of Seller to the extent that the aggregate fair market value of the goods or services to be received by the Station under trade and barter agreements as of the Effective Time is more than Twenty-Five Thousand Dollars (\$25,000) in excess of the aggregate amount of any advertising time remaining to be run by the Station under trade or barter agreements as of the Effective Time.

2.6. Proration Procedure.

(a) **Preliminary Balance Sheet.** Not less than two (2) business days prior to the Closing Date, Seller shall deliver to Buyer a balance sheet for Station operations as of the close of business on the last day of the calendar month immediately preceding the date of delivery of such balance sheet (the "Preliminary Balance Sheet"). The Preliminary Balance Sheet shall be prepared in accordance with GAAP consistent with past practices of Seller and shall be used to make adjustments to the Purchase Price at Closing.

(b) **Final Balance Sheet.** Within sixty (60) days after the Closing Date, Buyer shall prepare and deliver to Seller a balance sheet for Station operations as of the Effective Time (the "Final Balance Sheet"). The Final Balance Sheet shall be prepared in accordance with GAAP and shall be used to make the final adjustments to the Purchase Price (which would

account for any adjustments made at Closing on the basis of the Preliminary Balance Sheet) and to make determinations with respect to the Assumed Liabilities.

(c) **Adjustment Report.** Within forty-five (45) days after receipt of the Final Balance Sheet, Seller shall deliver to Buyer either (i) the written acknowledgement of its acceptance of the Final Balance Sheet or (ii) a written report setting forth any proposed adjustments to the Final Balance Sheet (the "Adjustment Report"). If Seller fails to deliver such acknowledgement or the Adjustment Report within such forty-five (45) day period, then the Final Balance Sheet shall be deemed to be correct and to have been finally determined for purposes of this Section.

(d) **Independent Auditor.** If Seller and Buyer fail to agree on any or all of the proposed adjustments to the Final Balance Sheet within thirty (30) days after Buyer receives the Adjustment Report, then the parties shall select a mutually agreeable certified public accountant or appraiser (the "Independent Auditor") to make a final and binding decision with respect to the dispute. The Independent Auditor shall be instructed to make the final determination within thirty (30) days after the Independent Auditor's selection. Absent fraud, the decision by the Independent Auditor shall be final and binding on Seller and Buyer. Buyer, and Seller shall share equally the costs and expenses of the Independent Auditor, but each party shall bear its own legal and other expenses, if any.

(e) **Access to Records.** Seller and Buyer shall each have access upon request during normal business hours to records and other materials in the possession of the other party and used or useful in the preparation of the Preliminary Balance Sheet or, as the case may be, the Final Balance Sheet.

(f) **Payment of Adjustments.** Upon finalization of the proposed adjustments to the Final Balance Sheet, Buyer or Seller, as the case may be, shall promptly pay the other by wire transfer of immediately available funds an amount necessary to true the Preliminary Balance Sheet to the Final Balance Sheet.

2.7. Assumed Liabilities. At the Effective Time, Buyer shall assume and be solely responsible for the discharge of the following liabilities (collectively, the "Assumed Liabilities"):

- (a) any and all liabilities of Seller under the Contracts and the Licenses;
- (b) the accounts payable outstanding on the Closing Date (the "Accounts Payable") described on Schedule 2.7(b), which will be provided by Seller at the Closing; and
- (c) any and all liabilities and obligations arising from or relating to the ownership and holding of the Station Assets and the operation of the Station on or after the Effective Time.

2.8. Seller's Retained Liabilities. The Station Assets shall be sold and conveyed to Buyer free and clear of all Liens of any kind or nature except for Permitted Liens and those liabilities (other than the Assumed Liabilities) which arise or are incurred after the Closing solely in conjunction with Buyer's ownership of the Station Assets. Buyer shall not assume or be liable for (a) any contract or other agreement entered into by or on behalf of Seller not expressly

assumed by Buyer under this Agreement; (b) any liabilities or obligations of Seller arising out of any contract of insurance, any Employee Benefit Plan or any Compensation Arrangement; (c) any litigation, proceeding, or claim relating to the business or operation of the Station prior to the Closing, regardless of whether such litigation, proceeding, or claim is pending, threatened, or asserted before, on, or after the Closing; or (d) any obligation (including wages, salaries, accrued but unpaid vacation, sick leave, payroll taxes, continuation coverage under Part 6 of Subtitle B of Title I of ERISA and Section 4980B of the Code (“COBRA”) or severance payments) to or for persons employed by Seller. The foregoing liabilities are hereinafter referred to as the “Retained Liabilities.”

2.9. Allocation of Purchase Price. Within thirty (30) days after Closing, the parties shall engage the Appraiser to allocate the Purchase Price among the Station Assets. Absent fraud, the Appraiser’s decision on the allocation shall be final and binding on the parties and incorporated in Schedule 2.9. The fees and expenses of the Appraiser shall be shared equally by Seller and Buyer. The allocation set forth in Schedule 2.9 shall be used in preparing the IRS Form 8594 and in all other filings with the Internal Revenue Service and any other applicable Governmental Authority.

ARTICLE 3: Governmental Consents

3.1. Assignment Application. Within ten (10) business days after the execution of this Agreement, Buyer and Seller shall prepare and file the Assignment Application with the FCC. Buyer and Seller shall prosecute the Assignment Application with all reasonable diligence and use commercially reasonable efforts to obtain the FCC Consent as expeditiously as practicable. To that end, the parties shall expeditiously file any amendment to the Assignment Application required by FCC Rules or requested by the FCC staff and shall vigorously oppose any petition to deny or informal objection filed against the Assignment Application (and any subsequent challenge to the FCC Consent); provided, that neither party shall have any obligation to participate in an evidentiary hearing on the Assignment Application. Each party shall promptly provide the other party with copies of any pleadings or other documents to or from the FCC with respect to the Assignment Application (including electronically-distributed documents). All filing fees related to the Assignment Application shall be shared equally by Buyer and Seller.

3.2. Conditions. Each party shall comply with any condition imposed on it by any FCC Consent; provided, that no party shall be required to comply with a condition if compliance with the condition would have a material adverse effect upon it or any Affiliate. For avoidance of doubt, nothing in this Section 3.2 shall require Buyer or any of its Affiliates to (i) sell, divest or hold separately any of its assets or properties or (ii) take any actions out of the ordinary course that could adversely affect the business of Buyer or its Affiliates or the operation of the Station after the Closing.

3.3. Extensions. If the Closing shall not have occurred for any reason within the original effective period of the FCC Consent and this Agreement shall not have been terminated by Buyer or Seller pursuant to Section 11.1, the parties shall request an extension (or extensions, as necessary) of the effective period of the FCC Consent. No extension of the FCC Consent shall limit the right of any party to exercise its rights under Section 11.1.

3.4. Other Governmental Consents. Promptly following the date of this Agreement, Buyer and Seller shall prepare and file with appropriate Governmental Authorities any notices as well as any other requests for approval required from such Governmental Authorities in connection with the transactions contemplated hereby. The parties shall cooperate with each other in the diligent prosecution of such requests.

3.5. Control Prior to Closing. Between the date hereof and the Closing Date, Buyer shall not, directly or indirectly, control, supervise or direct, or attempt to control, supervise or direct, the operations of the Station; those operations, including the complete control and supervision of all of the Station's programs, employees and policies, shall be the sole responsibility of Seller.

ARTICLE 4: Representations and Warranties of Seller

Seller represents and warrants to Buyer as follows:

4.1. Organization and Standing. Seller is a corporation duly formed, validly existing and in good standing under the laws of the State of Louisiana. Seller has the requisite corporate power to own, lease, and operate its properties and to carry on its business as now conducted.

4.2. Authorization. The execution, delivery and performance by Seller of this Agreement and the other agreements referenced herein, and the consummation by Seller of the transactions contemplated hereby and thereby, are within the corporate power of Seller and have been duly authorized by all necessary corporate action by Seller and its stockholders. This Agreement is, and the other agreements referenced herein, will be, when executed and delivered by all other parties hereto, the valid and binding obligation of Seller, enforceable against it in accordance with their respective terms, subject only to bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights of creditors and general equitable principles.

4.3. Conflicts. Except as set forth in Schedule 4.3, neither the execution, delivery or performance of this Agreement by Seller, nor the consummation of the transactions contemplated hereby by Seller, does or will, after the giving of notice or the passage of time or both:

(a) contravene, result in a breach of, or constitute a default under, the articles of incorporation, by-laws, and other organizational documents of Seller;

(b) subject to obtaining the FCC Consent, violate in any material respect any law, statute, ordinance or any regulation or decision of any Governmental Authority to which Seller or the Station Assets are subject;

(c) contravene in any material respect or constitute a material default under any Contract;

(d) require the consent, waiver, approval, permit, license, or authorization of any Person or Governmental Authority other than the FCC.

4.4. Tangible Personal Property.

(a) **Title.** Seller owns and has good title to the Tangible Personal Property, free and clear of any and all Liens other than Permitted Liens and Liens that will be removed at Closing upon payment of the Notes in accordance with Section 2.3.

(b) **Operating Condition and Use.** To the Knowledge of Seller, each item of Tangible Personal Property individually having a net book value in excess of Five Thousand Dollars (\$5,000) presently in use at the Station is in good operating condition (ordinary wear and tear excepted), is performing satisfactorily, is available for immediate use and, along with the other items of Tangible Personal Property, is otherwise sufficient to permit the Station to operate in accordance with the FCC Licenses, FCC Rules, and applicable rules and regulations the Federal Aviation Administration.

(c) **Material Items.** Schedule 4.4(c) sets forth all material items of Tangible Personal Property.

4.5. Contracts.

(a) **Material Contracts.** Schedule 4.5 lists all Material Contracts that Buyer will assume pursuant to Section 2.7. Seller has delivered to Buyer originals or true and correct copies of all written Contracts and accurate summaries of the material terms of all oral Contracts.

(b) **Status.** Except as set forth in Schedule 4.5:

(i) Seller is not in default in any material respect under any Contract, and, to the Knowledge of Seller, no other Person that is a party to any such Contract is in default in any material respect thereunder, and, to the Knowledge of Seller, no event has occurred that, with the passage of time or the giving of notice or both, would constitute a default in any material respect thereunder by Seller or any other Person that is a party thereto; and

(ii) each of the Contracts is valid, binding, enforceable and in full force and effect, in all material respects, and constitutes the legal and binding obligation of Seller and, to the Knowledge of Seller, each other Person that is a party thereto in accordance with its terms, subject only to bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights of creditors and general equitable principles.

4.6. Intangibles. Schedule 4.6 is a complete list of all Intangibles that are included within the Station Assets. Except as set forth on Schedule 4.6:

(a) Seller's rights and interests in such Intangibles are valid and, to Seller's Knowledge, uncontested, and Seller owns or has the right to use all such Intangibles;

(b) Seller's use of such Intangibles does not infringe in any material respect upon the rights of any third party, and Seller has not received any notice alleging that the use of any Intangibles by Seller infringes upon the rights of any third party;

(c) to the Knowledge of Seller, no Person is infringing upon any right of Seller in such Intangibles; and

(d) Seller has not granted, nor is Seller obligated to grant, any license or assignment to any Person of any Intangibles.

4.7. Real Property. Seller owns no real property.

4.8. Real Estate Leases.

(a) **Identification.** Schedule 4.8 includes a list of all leases for real property used or useful in the operation of the Station (collectively, the “Real Estate Leases”).

(b) **Status.** For each Real Estate Lease:

(i) Seller is not in breach or in default of such Real Estate Lease in any material respect, and, to the Knowledge of Seller, (A) no other Person that is a party to any such Real Estate Lease is in breach or default thereunder in any material respect, and (B) no event has occurred that would, with notice or the passage of time or both, constitute a default by Seller or any other party thereto in any material respect under any Real Estate Lease;

(ii) each of the Real Estate Leases is legal, valid, binding, enforceable and in full force and effect in all material respects, and constitutes the legal and binding obligation of Seller and, to the Knowledge of Seller, any other Person that is a party thereto in accordance with its terms, subject only to bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights of creditors and general equitable principles;

(iii) to the Knowledge of Seller, there are no pending or threatened proceedings, claims or disputes that could reasonably be expected to curtail or interfere in any material respect with the use of any leased property in the operation of the Station;

(iv) Seller has not received written notice that any real property that is subject to any Real Estate Lease is subject to any suit for condemnation or other taking by any public authority and, to the Knowledge of Sellers, no such action is presently contemplated or threatened;

(v) Seller is not a party to any sublease or similar arrangement (whether written or oral) under which a Seller (or any Affiliate of a Seller) is a landlord, or otherwise makes available any portion of any leased real property for use by any third party;

(vi) Seller has not received any written notice of, or other writing referring to, or has any other Knowledge of, any requirements or recommendations by (A) any Governmental Authority or (B) any insurance company that has issued a policy covering any part of any leased real property, requiring any repairs to be done on any part of any leased real property, which repair or work has not been completed;

(vii) except as set forth in Schedule 4.3, there are no consents necessary to assign any Real Estate Leases to Buyer, and such assignment shall not trigger any recapture right, termination right or similar right of a landlord under any Real Estate Leases;

(viii) all improvements used by Seller at the properties subject to the Real Estate Leases (including all buildings, parking areas, driveways and common area elements) are in good working order and repair; and

(ix) except as set forth in Schedule 4.3, there are no options, rights of first refusal or other contractual right of any other Person that would require Seller to sell, assign, sublet, dispose of or lease any of its leased real property or any portion thereof or interest therein to any Person other than Buyer.

4.9. Financial Statements. Attached as Schedule 4.9 are true and complete copies of the unaudited balance sheet of Seller as of December 31, 2007 (the "Balance Sheet") and the unaudited statements of cash flows and income statements for the Station for the fiscal years ended December 31, 2005 and December 31, 2006 as well as a preliminary unaudited statement of cash flows and income statement for the Station for the fiscal year ended December 31, 2007 (together with the Balance Sheet, the "Financial Statements"). The Financial Statements (a) have been prepared in accordance with GAAP (except they lack footnotes and other presentation items) applied on a consistent basis consistent throughout the periods covered thereby (except as disclosed therein), (b) present fairly, in all material respects, the results of operations and financial condition of Seller as of the dates indicated therein and (c) are correct, complete and consistent with Seller's books and records. Seller has no liabilities (within the meaning of GAAP) other than (i) liabilities quantified on the face of the Balance Sheet (rather than in any notes thereto) and (ii) liabilities that have arisen after December 31, 2007 in the ordinary course of business which, individually and in the aggregate, are not material and are of the same character and nature as the liabilities quantified on the face of the Balance Sheet (rather than in any notes thereto).

4.10. Conduct of Business. Except as disclosed in Schedule 4.10 or as permitted under this Agreement, since December 31, 2006, Seller has operated the Station in the ordinary course of business and has not:

(a) agreed to any amendment to or terminated any Material Contract, any Real Estate Lease, or any License (except in connection with the expiration thereof in accordance with their respective terms);

(b) subject to Section 6.3(a)(vi), made any increase in compensation paid, payable or to become payable by Seller to its employees outside of the ordinary course or otherwise increased the level of any employee benefits provided to an employee outside the ordinary course;

(c) incurred any material loss, damage or destruction of or to any Station Asset not covered by insurance (excluding normal deductibles) or voluntarily waived any rights of material value;

(d) sold, assigned, leased or otherwise transferred or disposed of any Station Asset having a fair market value in excess of Ten Thousand Dollars (\$10,000) individually or in the aggregate, except (i) in the ordinary course of business, (ii) in connection with the acquisition of similar or replacement property or assets, (iii) with respect to inventory sold in the ordinary course of business, or (iv) obsolete assets no longer useful in the operations of the Station;

(e) made any change in any method of accounting or accounting practice; or

(f) suffered or permitted any other occurrence, event, incident, action, failure to act or transaction with respect to the Station Assets involving more than Five Thousand Dollars (\$5,000) individually or in the aggregate or outside the ordinary course of business; and neither Seller nor its Affiliates has committed to any of the foregoing.

4.11. Litigation. Except as set forth in Schedule 4.11 and in Section 4.14, there is no litigation, arbitration or other proceeding pending or, to the Knowledge of Seller, threatened against Seller by or before any arbitrator, tribunal, court of competent jurisdiction or any other Governmental Authority that (i) could reasonably be expected to preclude Seller from conveying the Station Assets under this Agreement or otherwise perform its obligations under this Agreement or (ii) is reasonably likely to have a Material Adverse Effect.

4.12. Compliance with Laws. Except as set forth in Schedule 4.12, Seller is in material compliance with all federal, state and local laws, statutes, ordinances, and government regulations as well as all orders and decisions of any arbitrator, tribunal, court or other Governmental Authority of competent jurisdiction to which it is subject.

4.13. Taxes.

(a) **Tax Returns.** All federal, state and local Tax Returns required to be filed by or on behalf of Seller have been timely filed (subject to any permitted filing date extensions) with the appropriate Governmental Authorities in all jurisdictions in which such returns are required to be filed, and all Taxes owed by Seller have been timely paid. All such Tax Returns were accurate and complete in all material respects. Seller is not currently the beneficiary of any extension of time within which to file any Tax Return.

(b) **Payment of Taxes.** Seller has withheld and paid all Taxes required to have been withheld and paid in connection with amounts paid or owing to any employee, independent contractor, creditor, stockholder, or other third party, and all Forms W-2 and 1099 required with respect thereto have been properly completed and timely filed and distributed. Seller has received all required IRS forms from payees (employees, independent contractors, creditors, stockholders, or other third parties), including, to the extent applicable, Forms W-4, W-8, W-9, and I-9.

(c) **Disputes and Liens.** There are no disputes pending with or claims raised, or to the Knowledge of Seller, threatened, by any Governmental Authorities with respect to Taxes applicable to the business of the Station. Seller has not waived any statute of limitations in respect of Taxes or agreed to any extension of time with respect to a Tax assessment or deficiency. There are no Liens on any of the Station Assets that arose in connection with any failure (or alleged failure) to pay any Tax.

(d) **Exclusions.** Seller has not made any material payments, are not obligated to make any material payments, and are not parties to any agreement that under certain circumstances could obligate them to make any material payments that will not be deductible under Section 280G of the Code. Seller is not a party to any Tax allocation or sharing agreement, either contractually or by consolidated return or other Tax regulations.

(e) **Extraordinary Actions.** Seller will not be required to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing Date as a result of any:

(i) change in method of accounting for a taxable period (or portion thereof) ending on or prior to the Closing,

(ii) “closing agreement” as described in Section 7121 of the Code (or any corresponding provision of state, local or foreign income Tax law),

(iii) installment sale or open transaction made on or prior to the Closing, or

(iv) prepaid amount received on or prior to Closing.

(f) **Disclosures.** Seller has not failed to disclose items on their Tax Returns that could give rise to penalties under Section 6662 of the Code.

(g) **Reportable Transactions.** Seller has not engaged in any reportable transactions, within the meaning of Section 1.6011-4 of the Treasury Regulations.

4.14. FCC Matters.

(a) **Licenses.** Schedule 4.14 includes a complete list of all FCC Licenses issued to Seller with respect to the Station and the applicable expiration dates thereof, as well as all applications pending before the FCC for the renewal or modification thereof. The FCC Licenses are in full force and effect and have not been revoked, suspended, cancelled, rescinded, or terminated and have not expired. Seller is the authorized holder of the FCC Licenses. The FCC Licenses listed on Schedule 4.14 constitute all of the licenses and authorizations issued by the FCC and required under the Communications Act and the FCC Rules for the operation of the Station as operated by Seller on the date hereof. The FCC Licenses are not subject to any conditions other than those set forth on the licenses themselves or those conditions applicable to full power broadcast television stations under the Communications Act and FCC Rules. Except as set forth on Schedule 4.14, Seller has no reason to believe that the Assignment Application is reasonably likely to be challenged or not granted by the FCC in the ordinary course due to any fact or circumstance relating to Seller’s qualifications to hold the FCC Licenses.

(b) **Proceedings.** Except as set forth on Schedule 4.14 and except for rulemakings or other proceedings affecting the television broadcast industry generally, there is no pending or, to the Knowledge of Seller, threatened, investigation, complaint or other proceeding by or before the FCC with respect to Seller, the FCC Licenses or the Station. Nor is there any

order to show cause, notice of violation, notice of apparent liability, notice of forfeiture issued by the FCC with respect to Seller, the FCC Licenses or the Station that remains unsatisfied.

(c) **FCC Compliance.** The Station is and has been operating in compliance with the FCC Licenses, the Communications Act, and the FCC Rules in all material respects. In accordance therewith, Seller has timely filed all filings (including regulatory fee payments) required by the Communications Act and FCC Rules, and such filings were true and correct in all material respects.

(d) **DTV Authorizations.** The Station holds a special temporary authorization, BDSTA-20021024ABT, as extended, to operate reduced power DTV facilities on its pre-transition DTV channel 57 and is broadcasting its DTV signal in compliance with such authorization. The Station has elected and intends to use, and has received a final channel designation on, Channel 11, the Station's present analog channel, for its permanent digital television operations upon completion of the DTV transition. The final DTV channel and technical parameters allocated to the Station by the FCC in Appendix B to its Seventh Report and Order, FCC 07-138, MB Docket 87-268 (rel. August 6, 2007) ("Final DTV Table"), will enable the Station to operate DTV facilities that are: (i) identical to the facilities certified by the Station on FCC Form 381; (ii) predicted to at least replicate the area and population coverage of the Station's 1997 Grade B contour as set forth in Appendix B to the Memorandum Opinion and Order on Reconsideration of the Sixth Report and Order, 13 FCC Rcd 7418 (1998); and (iii) predicted to at least replicate the area and population coverage of the Station's current analog Grade B contour and authorized pre-transition DTV facilities. There are no pending petitions for reconsideration or other matters or actions pending before FCC that seek to, propose to, or the effect of which could, reduce or otherwise affect or modify the DTV coverage, service, and facilities authorized in the Station's outstanding DTV construction permit or the Final DTV Table. Schedule 4.14(d) sets forth the Seller's estimate, based on assumptions made by and conditions known to it on the date of this Agreement, of the costs to complete the DTV transition required by the FCC to be made by February 17, 2009.

4.15. MVPD Carriage. Schedule 4.15 identifies (a) all cable television systems in the Station's market, as defined by Section 76.55 of the FCC Rules, which carry the signal of the Station and whether such carriage is pursuant to a retransmission consent agreement and, if so, the expiration date(s) of such agreement(s), and (b) all direct broadcast satellite systems (with the aforementioned cable television systems, collectively the "MVPDs") carrying the signal of the Station and whether such carriage is pursuant to a Retransmission Consent Agreement with Seller and, if so, the expiration date(s) of such agreement(s). Schedule 4.15 lists all Retransmission Consent Agreements to which Seller is a party. The Station is carried by all MVPDs with at least twenty-five hundred (2,500) subscribers located in the Station's market, as defined by Section 76.55 of the FCC Rules. No MVPD has notified Seller of its intention to delete the Station from carriage or to change the channel position of the Station on such cable system or advised Seller that the Station does not deliver an adequate quality signal, as defined in Section 76.55(c)(3) of the FCC Rules, to such MVPD. To the Knowledge of Seller, there are no petitions for special relief pending before the FCC to modify the area in which the Station is entitled to demand must-carry pursuant to the FCC Rules.

4.16. Insurance. Schedule 4.16 contains a true and complete list of all insurance policies maintained by Seller for the Station that are in effect as of the date of this Agreement. All policies of insurance listed on Schedule 4.16 are in full force and effect and will remain in full force and effect through their current terms. No insurance policy in respect of the Station Assets has been cancelled nor has any such cancellation been threatened. Seller has not been denied insurance coverage in respect of the Station Assets nor has any such denial been threatened.

4.17. Employees.

(a) **Identification.** Schedule 4.17 contains a true and complete list of all employees of Seller which shows each of the employee's names, titles, years of service and current compensation, including base salary and bonus, as of the date of the list. Except as set forth in Schedule 4.17 or as otherwise provided by applicable state law, the employment of all employees of Sellers is terminable at will. No employee of Seller is subject to a written employment agreement.

(b) **Practices and Agreements.** Seller is not bound by any collective bargaining agreement covering any of its employees at the Station, and there exists no union organizing effort presently being made or threatened by or on behalf of any labor union with respect to employees of Seller at the Station. Seller has not engaged in any unfair labor practice or other unlawful employment practice, and there are no charges of any unfair labor practice or other unlawful employment practice pending against Seller before any Governmental Authority that regulates or enforces laws related to the workplace, including the National Labor Relations Board, the Equal Opportunity Commission, the Occupational Safety and Health Review Commission, and the Department of Labor. Seller has not incurred any liabilities or obligations under the Workers Adjustment and Retraining Notification Act of 1988, as amended ("WARN Act") or any similar state or local law within the last six months with respect to the Station Assets.

4.18. Employee Benefit Plans and Compensation Arrangements.

(a) **Identification.** Schedule 4.18 lists each Employee Benefit Plan in which Seller participates and each Compensation Arrangement reflected in a document executed by the parties thereto. Seller has provided to Buyer a true, correct and complete copy (or, to the extent no such copy exists, an accurate description) of each Employee Benefit Plan in which Seller participates as well as every Compensation Arrangement reduced to writing. Such copies reflect the most recent documents constituting the Employee Benefit Plan or Compensation Arrangement and all amendments thereto.

(b) **Conditions.** With respect to each Employee Benefit Plan or Compensation Arrangement referenced in this Section, no condition or event currently exists or is reasonably expected to occur that could subject, directly or indirectly, Buyer to any material liability, contingent or otherwise, or the imposition of any lien on the Station Assets under the Code or Title IV of ERISA, whether to or by the Pension Benefit Guaranty Corporation, the IRS or any other entity or party.

(c) **Sponsorship and Maintenance.** Seller does not sponsor or maintain, and has not sponsored or maintained, any Employee Benefit Plan that (i) is (or has ever been) subject to Title IV of ERISA or Section 412 of the Code, or (ii) provides or has provided medical, health, or life insurance to retired or terminated employees of Seller (or any spouse or dependent thereof) other than in accordance with COBRA or other applicable laws.

(d) **Impact of Agreement.** Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will (either alone or in combination with another event) (i) result in any payment becoming due, or increase the amount of any compensation due to employees of Seller, (ii) increase any benefits otherwise payable to the employees of Seller, or (iii) result in the acceleration of the time of payment or vesting of any such compensation or benefits to any employees of Seller.

4.19. Environmental Compliance. Except as set forth on Schedule 4.19:

(a) **Compliance.** Seller has complied and is in compliance in all material respects with all Environmental Laws, and, to the Knowledge of Seller, no action, suit, hearing, investigation, or other proceeding is pending or threatened against Seller that: (i) alleges that Seller violated any Environmental Laws in any material respect or is otherwise subject to any material liabilities arising under any Environmental Laws; (ii) alleges that Seller is required to clean up, remove or take other remedial action due to the disposal, depositing, discharge, leaking or other release of any Hazardous Materials at or relating to the Real Property; or (iii) alleges that Seller is required to pay all or a portion of the cost of any past, present or future cleanup, removal, or other remedial action that arises out of, or is related to, the disposal, depositing, discharge, leaking or other release of any Hazardous Materials by Seller at or relating to any of the Real Property.

(b) **Permits.** Seller has obtained and is in material compliance with any and all permits required pursuant to Environmental Laws for Seller's operations and occupation of the Real Property.

(c) **Hazardous Materials.** Seller has not caused Hazardous Materials to be stored, deposited, treated, recycled, disposed of, transported from, or released at any real property owned, leased, used, operated or occupied by Seller that would subject any owner or operator of such real property to material liability for cleanup, removal or other remedial action under any Environmental Laws or that has given or would give rise to any material liability under any Environmental Laws (and, to the Knowledge of Seller, no real property owned, leased, used, operated or occupied by Seller is contaminated by any such Hazardous Materials).

(d) **Conditions.** There are no: (i) tanks or other facilities on, under, or at the Real Property that would subject any owner or operator of such Real Property to any material liability for cleanup, removal or other remedial action under any Environmental Laws; (ii) material containing asbestos in any form or condition located at the Real Property; (iii) materials or equipment containing PCBs in or on the Real Property; or (iv) landfills, surface impoundments, or disposal areas in the Real Property.

4.20. Brokers. Except for CobbCorp, LLC, whose fees shall be paid by Seller, Seller does not have any liability to pay any finder's or broker's fees or commissions with respect to the transactions contemplated by this Agreement.

4.21. Title to Assets. Seller has and will be able to convey to Buyer good and marketable title to all owned Station Assets free and clear of all Liens except for Permitted Liens. The Station Assets constitute all of the assets necessary for the conduct of the business of the Station as conducted as of the date of this Agreement.

4.22. Accounts Receivable. Except as set forth on Schedule 4.22, all existing Accounts Receivable reflected in the Financial Statements (a) represent arm's-length sales made in the ordinary course of business consistent with Seller's past practices; (b) constitute valid claims; (c) have not been extended or rolled over in order to make them current; and (d) are represented by one or more invoices, each of which has been generated, and provides for payment to be made, in the name of Seller.

4.23. Solvency. Seller is not insolvent and will not be rendered insolvent upon consummation of the transactions contemplated by this Agreement. Immediately after the Closing, Seller will (a) be able to pay its liabilities as they become due in the ordinary course of business, and (b) have assets (calculated at fair market value) that exceed its liabilities.

ARTICLE 5: Representations and Warranties of Buyer

Buyer represents and warrants to Seller as follows:

5.1. Organization and Standing. Buyer is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware and is (or at the Effective Time will be) duly qualified to do business and is in good standing in the State of Louisiana. Buyer has full power to own, lease, and operate its properties and to carry on its business as now conducted.

5.2. Authorization. The execution, delivery and performance of this Agreement by Buyer and all of the agreements, documents and instruments required under this Agreement, and the consummation by Buyer of the transactions contemplated hereby and thereby, are within the power of Buyer and have been duly authorized by all necessary action by Buyer, and no approval from or notice to any of the members of Buyer is required regarding the same that has not been obtained or given, as applicable. This Agreement is, and the other agreements, documents and instruments required by this Agreement will be, when executed and delivered by Buyer and Seller, the valid and binding obligations of Buyer, enforceable against it in accordance with their respective terms, subject only to bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights of creditors and by general equitable principles.

5.3. Conflicts. Neither the execution, delivery or performance of this Agreement by Buyer, nor the consummation of the transactions contemplated hereby by Buyer, does or will, after the giving of notice or the passage of time or both:

(a) contravene, result in a breach of, or constitute a default under, any certificate or articles of formation, operating agreement or other organizational documents of Buyer;

(b) subject to obtaining the FCC Consent, violate in any material respect any applicable law, statute, or ordinance or any governmental regulation, order or decision to which Buyer is subject;

(c) contravene in any material respect, or constitute a default in any material respect under, any material contract or agreement to which Buyer is a party or by which Buyer or its assets or properties are bound; or

(d) require the consent of or notice to any Person or Governmental Authority other than the FCC as contemplated herein.

5.4. Buyer Qualifications. Buyer is legally, technically, financially and otherwise qualified under applicable law, including the Communications Act and the FCC Rules, to acquire the Station Assets, including the FCC Licenses. Buyer has no reason to believe that the Assignment Application is reasonably likely to be challenged or not granted by the FCC in the ordinary course due to any fact or circumstance relating to Buyer's qualifications to hold the FCC Licenses.

5.5. Litigation. There is no decree, judgment, order, litigation, arbitration or other proceeding pending or, to the Knowledge of Buyer, threatened against Buyer or any of its Affiliates in any federal, state or local court, or before any other Governmental Authority that could reasonably be expected to preclude Buyer from acquiring the Station Assets under this Agreement or to otherwise perform its obligations under this Agreement.

5.6. Brokers. Buyer does not have any obligation or liability to pay any finder's or broker's fees or commissions with respect to the transactions contemplated by this Agreement.

5.7. Financing. At the Closing, Buyer will have on hand or will have access to all funds necessary to consummate the transactions contemplated by this Agreement, including payment of the Purchase Price.

ARTICLE 6: Covenants

6.1. Access. From the date of this Agreement until the earlier of the Closing Date or the termination of this Agreement pursuant to Section 11.1, Buyer and its authorized representatives shall have reasonable access upon reasonable advance notice, during normal business hours, to the employees of Seller, offices, properties, books, contracts, commitments and records relating to the Station Assets; provided, that no investigation pursuant to this Section 6.1 will affect any representations or warranties made herein as to the conditions to the parties' obligations to consummate the transactions contemplated by this Agreement.

6.2. Notice of Certain Events.

(a) **Triggering Events and Circumstances.** From the date of this Agreement until the earlier of the Closing Date or the termination of this Agreement pursuant to Section 11.1, Seller shall give Buyer prompt written notice of the occurrence of any of the following:

- (i) a loss, taking, condemnation, damage or destruction of or to any of the Station Assets involving in excess of Five Thousand Dollars (\$5,000);
- (ii) the commencement of any proceeding before the FCC or any other Governmental Authority that involves the FCC Licenses, other than proceedings of general applicability to the television broadcast industry;
- (iii) any material labor grievance, strike, or other material labor dispute, or the resignation of any key employees of Seller;
- (iv) any event or circumstance that reflects or could constitute a material breach of any representation or warranty of Seller hereunder;
- (v) any action by any lender or creditor of Seller that could adversely impact Seller's ability to convey the Station Assets to Buyer in accordance with the terms and conditions of this Agreement ; or
- (vi) any material breach, default, claimed default or termination of any Material Contract or Real Estate Lease on the part of Seller, or, to the Knowledge of Seller, on the part of any other party thereto.

(b) **Governmental Actions.** Seller and Buyer shall promptly notify the other in writing upon becoming aware of any order, decision or proceeding by or before any Governmental Authority, including the FCC, restraining, enjoining or challenging the consummation of this Agreement or the transactions contemplated hereunder, or upon receiving any notice from any Governmental Authority of its intention to institute an investigation into, or a proceeding to restrain or enjoin, the consummation of this Agreement or the transactions contemplated hereby. Seller and Buyer will each use commercially reasonable efforts to contest, defend and resolve any such proceeding to permit the timely consummation of the transactions contemplated hereby.

(c) **Material Breach.** Buyer shall provide Seller with prompt written notice of any event or circumstance that reflects or could constitute a material breach of any representation or warranty of Buyer hereunder.

6.3. Operations Pending Closing.

(a) **Affirmative Covenants.** From the date of this Agreement until the earlier of the Closing Date or the termination of this Agreement pursuant to Section 11.1, Seller shall:

(i) operate the Station in the ordinary course of business consistent with past practices (except where such conduct would conflict with the covenants set forth herein or other obligations under this Agreement);

(ii) use commercially reasonable efforts to keep the business of the Station substantially intact, including its present operations, physical facilities and working conditions;

(iii) operate the Station in material compliance with applicable law, including the Communications Act and the FCC Rules;

(iv) maintain the Tangible Personal Property in the ordinary course of business consistent with past practice to the extent commercially reasonable;

(v) maintain policies of liability and casualty insurance of substantially similar coverage as the policies currently carried by Seller for the Station;

(vi) use commercially reasonable efforts to (A) retain the services of the key employees of Seller, and (B) preserve, relationships with customers, advertisers, suppliers and others having business relations with the Station;

(vii) take commercially reasonable steps to secure a grant of the pending renewal application for the FCC Licenses and otherwise maintain the FCC Licenses in full force and effect, including the renewal of any DTV special temporary authorization and the filing of an application to modify the Station's outstanding construction permit, BPCDT-19991101AJY, in accordance with paragraph 46 of the Third Periodic Review of the Commission's Rules and Policies Affecting the Conversion to Digital Television, FCC 07-228, MB Docket No. 07-91 (Dec. 31, 2007) (the "Third Periodic Review Order");

(viii) timely file all applications or notices that are required to be filed by the Station pursuant to the Third Periodic Review Order, including FCC Form 387, and, after consultation with Buyer, take all steps reasonably necessary or required by the FCC to enable Buyer to construct post-transition DTV facilities, including the steps set forth on Schedule 6.3(viii), that will (A) be identical to the facilities certified by the Station on FCC Form 381; (B) at least replicate the area and population coverage of the Station's 1997 Grade B contour as set forth in Appendix B to the Memorandum Opinion and Order on Reconsideration of the Sixth Report and Order, 13 FCC Rcd 7418 (1998); (C) at least replicate the area and population coverage of the Station's current analog Grade B contour and pre-transition DTV facilities; and (D) match the facilities set forth in the Final DTV Table for the Station;

(ix) promptly provide Buyer with copies of all material correspondence with MVPDs concerning carriage of the Station's signal;

(x) promptly (A) notify Buyer of the commencement of any material proceeding or litigation at law or in equity or before the FCC or any other Governmental Authority that involves the FCC Licenses, other than proceedings of general applicability

to the television broadcasting industry, and provide Buyer's with copies of all material correspondence relating thereto and (B) provide Buyer with copies of any material correspondence received from or provided to the FCC with respect to the Station;

(xi) take all commercially reasonable steps necessary to enable Buyer, at its expense, to construct the DTV facilities for the Station on Channel 11 and otherwise complete the DTV transition for the Station by February 17, 2009 in accordance with the FCC Rules (including the Third Periodic Review Order) without the need for any extensions or waivers thereof; and

(xii) exercise commercially reasonable efforts to (A) maintain carriage of the Station's signals on all MVPDs currently carrying the Station's signal and (B) oppose all applications, proposals or proceedings, if any, that could materially adversely affect the Station's carriage on such MVPDs.

(b) Negative Covenants. From the date of this Agreement until the earlier of the Closing Date or the termination of this Agreement pursuant to Section 11.1, Seller shall not, without the prior written consent of Buyer:

(i) sell, assign, lease, or otherwise dispose of any of the Station Assets, except those consumed or disposed of in the ordinary course of business, assets no longer used or useful in the operation of the Station, or assets transferred or disposed of in connection with the acquisition of replacement property of substantially equivalent, or better, value;

(ii) take any action that would result in the FCC Licenses being materially and adversely modified, terminated or surrendered for cancellation;

(iii) make any change in accounting methods or practices except for any such changes necessary to conform with GAAP or applicable law;

(iv) change the Station's call letters;

(v) (A) amend, terminate, extend, renew or waive any material right under any Material Contract, (B) enter into any new contract for which Buyer will be liable after Closing involving payments of more than Five Thousand Dollars (\$5,000) per year except (x) in connection with capital expenditures permitted under Section 6.3(b)(viii) and (y) contracts for advertising entered into in the ordinary course consistent with the Station's past practice, or (C) enter into, amend, extend or renew any Material Contract relating to programming rights involving payments of more than Five Thousand Dollars (\$5,000) per year for trade or barter agreements (other than syndicated or network program barter) that would, in the aggregate, require the broadcast of more than Five Thousand Dollars (\$5,000) of time (based on the Station's current rates for advertising time) that would be binding on Buyer after the Closing;

(vi) except as required by applicable law, in connection with reasonable company-wide actions, or in the ordinary course of business consistent with past practice,

adopt, enter into or amend any Employee Benefit Plan or Compensation Arrangement that would be binding on Buyer after Closing;

(vii) except as required by applicable law, enter into any collective bargaining agreement applicable to any employees of Seller or otherwise recognize any union as the bargaining representative of any such employees;

(viii) take any action (directly or indirectly) to terminate any employees of Seller except in the ordinary course of business consistent with past practice;

(ix) create, assume or permit to exist any Liens upon any of the Station Assets, except for Permitted Liens and Liens that will be discharged prior to or on the Closing Date;

(x) make any commitment for capital expenditures in excess of Five Thousand Dollars (\$5,000) in the aggregate that will be binding upon Buyer;

(xi) enter into any contract for the purchase of real property that will be binding on Buyer;

(xii) acquire (including by merger, consolidation or acquisition of stock or assets) any corporation, partnership or other business organization or division thereof or any equity interest therein which would, or whose assets or Liabilities would, be included in the Station Assets or Assumed Liabilities;

(xiii) assume, guarantee, endorse or otherwise become liable or responsible (whether directly or indirectly, contingently or otherwise) for the liabilities of any other Person which may be binding on or affect the Station Assets or Buyer after the Closing;

(xiv) take any action, or, as the case may be, fail to take any action, that would constitute or cause a material default under the Notes; or

(xv) take any action that is inconsistent with its obligations under this Agreement.

6.4. Supplemental Financial Statements. Within thirty (30) days of its preparation, Seller shall provide Buyer with a copy of its final unaudited financial statement as of and for the fiscal year ended December 31, 2007. From the date of this Agreement until the earlier of the Closing Date or the termination of this Agreement pursuant to Section 11.1, (a) within thirty (30) days after the end of each month, Seller shall furnish Buyer a copy of any and every financial statement for the Station prepared in the ordinary course of business, which financial statements shall be prepared in accordance with GAAP (except they lack footnotes and other presentation items), and (b) Seller shall promptly furnish Buyer with copies of weekly pacing reports for the Station prepared in the ordinary course of business.

6.5. Required Consents. Seller shall diligently make all commercially reasonable efforts to obtain the consent of any necessary third party or Governmental Authority (including

those consents detailed on Schedule 4.3) to consummate the transactions contemplated by this Agreement; provided, that Seller shall not be required to pay any fees or provide any other consideration to any Person (other than routine or customary filing fees or assessments required to be paid by law) in order to obtain such consents. Buyer shall use all commercially reasonable efforts to assist Seller in obtaining such consents, including executing such assumption instruments and other documents as may be reasonably required. Each party will cooperate in good faith to agree jointly on a method to overcome any objections by any Person (including any Governmental Authority) to the consummation of the transactions contemplated by this Agreement. For avoidance of doubt, nothing in this Section 6.5 shall require Buyer or any of its Affiliates to (a) sell, divest or hold separately any of its assets or properties or (b) take any actions that could adversely affect the business of Buyer or its Affiliates or the operation of the Station after the Closing.

6.6. Public Announcements. Neither party shall issue any press release or make any other public announcement concerning this Agreement or the transactions contemplated by this Agreement without the prior written consent of the other party, which shall not be unreasonably withheld, conditioned, or delayed; provided, that (a) nothing contained in this Agreement shall prevent any party, after notification to the other party to the extent legally permissible, from making any filings with Governmental Authorities that may be required in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby and (b) Seller shall be permitted to provide public notice concerning the filing of the Assignment Application in accordance with FCC Rules.

6.7. Cooperation. Without limiting the specific obligations of any party hereunder, each party hereto shall use commercially reasonable efforts to cooperate with the other party in securing the consummation of the transactions contemplated by this Agreement as soon as practicable and in any event in a timely manner. After Closing, Seller will (and will cause its Affiliates to) refer to Buyer all customer, supplier and other inquiries relating to the Station or the Station Assets.

6.8. Exclusivity. From the date of this Agreement until the earlier of the Closing or the termination of this Agreement pursuant to Section 11.1, Seller shall not, directly or indirectly, sell, agree to sell, solicit inquiries or proposals, or initiate or participate in any negotiations whatsoever concerning, the sale of all or substantially all of the Station Assets or the merger or sale of equity of Seller or any similar transaction affecting ownership of the Station Assets, or facilitate in any manner any effort or attempt by any Person to do or seek any of the foregoing. Seller will notify Buyer immediately if any Person makes any proposal, offer, inquiry, or contract with respect to any of the foregoing and provide in writing the terms of any such proposal, offer, inquiry or contract.

6.9. Phase I Environmental Reports. Buyer shall have the right, at its own expense, to conduct Phase I environmental review of the real property underlying any Real Estate Lease, and, if warranted by such review, a Phase II environmental review. Buyer shall promptly provide Seller with a true and complete copy of any report generated by such review(s). Buyer shall not have the right to conduct soil, groundwater or other testing without Seller's prior written permission. Buyer shall be deemed to have waived its right to conduct a Phase I environmental review of such real property if such review is not initiated within thirty (30) days of the date of

this Agreement. Seller shall provide Buyer with true and correct copies of any Phase I or other environmental review of any real property previously prepared for Seller.

6.10. Tolling Agreement. To the extent reasonably necessary to expedite the grant of the renewal application for the FCC Licenses and thereby facilitate the FCC's grant of the Assignment Application, Seller shall enter into a Tolling Agreement with the FCC. Seller shall consult with Buyer prior to entering any such Tolling Agreement.

6.11. WARN Act. From and after the Closing, Buyer shall assume responsibility for compliance with as well as any liability which may exist or arise out of WARN on account of any Transferred Employee terminated after the Closing. No later than five business days prior to the Closing, Seller shall provide Buyer with a list setting forth the number of employees of Seller terminated during the 90-day period ending on the Closing Date for reasons qualifying the termination as "employment losses" under the WARN Act and the date of each such termination with respect to each termination; provided, that this sentence shall not apply with respect to any site of employment at which sufficient employees have not been employed at any time in such 90-day period for terminations of employment at such site to be subject to the WARN Act. Seller shall be liable for all WARN Act obligations and liabilities arising out of events occurring prior to the Closing Date.

6.12. Non-Solicitation by Buyer. If this Agreement is terminated under Section 11.1, then Buyer shall not, beginning on the effective date of such termination and continuing for a period of one (1) year thereafter, directly or indirectly, hire, solicit, encourage, entice or induce any Person who is employed by Seller on the date hereof or at any time hereafter that precedes such termination, to terminate his or her employment with Seller; provided, that general advertisements in the media not directed at Seller's employees shall not be prohibited by this Section 6.12. Buyer agrees that any remedy at law for any breach by it of this Section would be inadequate and that Seller would be entitled to injunctive relief in such a case (in addition to any other remedies at law to which Seller may be entitled). If a court of competent jurisdiction decides that the restrictions placed on Buyer by this Section 6.12 are invalid, then the parties agree that the court may reduce the duration or scope hereof, or delete specific words or phrases, and such provision will then be enforced in its modified state.

6.13. Employees and Employee Benefit Plans.

(a) **Employees.** On or prior to the Closing, Buyer may but is not obligated to offer employment to each employee of Seller who is employed at the Station as of the Closing. Each employee of Seller who (i) accepts Buyer's offer of employment and (ii) commences employment with Buyer immediately after the Closing shall be referred herein as a "Transferred Employee." Any such offer shall be for employment at will by Buyer as a new employee of Buyer (subject to any applicable probation period not prohibited by law) to occupy a position designated by Buyer in its sole discretion. Seller shall not directly or indirectly take any action to induce the employees of Seller not to accept employment with Buyer. Each employee of Seller who terminates employment with Seller prior to the Closing shall hereinafter be referred to as a "Terminated Employee." Seller shall terminate the employment of all Transferred Employees as of the Closing. Buyer shall not be obligated to continue to employ any

Transferred Employee for any specific period of time following the Closing, subject to applicable law.

(b) Employee Benefit Plans. All Transferred Employees shall cease to participate in any Employee Benefit Plans or Compensation Arrangements maintained, sponsored by or contributed to by Seller as of the Closing. Effective prior to the Closing, Seller shall cause each Transferred Employee who was participating in the Employee Benefit Plans or Compensation Arrangements immediately prior to the Closing to be fully vested in his or her benefits (including the vesting of any unvested equity-based awards, if any). Seller shall take commercially reasonable steps necessary to effectuate the prior sentence, including amending or causing to be amended Seller's Employee Benefit Plans or Compensation Arrangements.

(c) Seller's Obligations. Seller shall be responsible for benefits accrued as of the Closing for its employees under any incentive or bonus plan and shall cause the Transferred Employees to be paid any annual incentive compensation bonuses to the extent a liability has been accrued therefor on Seller's balance sheet. Seller shall be responsible for any and all employer contributions (including matching contributions) that are required to be made to the Transferred Employees under any Employee Benefit Plan or Compensation Arrangement of Seller for the year during which the employment of the Transferred Employees is terminated by Seller in relation with this transaction.

(d) Payroll Taxes. Seller and Buyer shall (i) treat Buyer, as a "successor employer" and Seller as a "predecessor" within the meaning of Sections 3121(a)(1) and 3306(b)(1) of the Code, with respect to the Transferred Employees who are employed by Buyer for purposes of Taxes imposed in the United States Federal Unemployment Tax Act or the United States Federal Insurance Contributions Act and (ii) cooperate with each other to avoid, to the extent possible, the filing of more than one IRS Form W-2 with respect to each such Transferred Employee for the calendar year in which the Closing occurs.

(e) Assistance. On or after the Closing, Seller shall provide Buyer with reasonable assistance in connection with the establishment and/or administration of any applicable employee benefit plans and programs for the benefit of the Transferred Employees. To the extent permitted by law, as soon as reasonably practicable following the date hereof, Seller will provide to Buyer the necessary employee data, including personnel and benefit information maintained with respect to the Transferred Employees by Seller in order to facilitate benefits and payroll transition for the Transferred Employees.

6.14. Buyer Qualifications. Neither Buyer nor Seller shall take, or, as the case may be, knowingly refrain from taking any action that could reasonably be expected to adversely affect Buyer's or Seller's qualifications under the Communications Act and FCC Rules to acquire or hold the FCC Licenses.

6.15. Buyer Action. Buyer shall not take any action inconsistent with its obligations under this Agreement.

ARTICLE 7: Conditions Precedent of Buyer

The obligation of Buyer to consummate the transactions contemplated by this Agreement is subject to the satisfaction of each of the following conditions prior to or at the Closing:

7.1. Representations, Warranties, Covenants.

(a) **Seller's Representations and Warranties.** Each of the representations and warranties of Seller contained in this Agreement shall have been true and accurate in all material respects as of the date when made and as of the Closing Date (except to the extent the representation or warranty is already subject to a materiality qualification, including with respect to materiality as reflected under GAAP, in which case the representation or warranty shall be true and accurate in all respects); and

(b) **Seller's Performance Under Agreement.** Seller shall have performed and complied in all material respects with each and every covenant and agreement required by this Agreement to be performed or complied with by it prior to or at the Closing.

7.2. Certificates, Resolutions and Consents. Seller shall have delivered to Buyer (a) a certificate executed by an officer of Seller, dated the Closing Date, certifying to the fulfillment of the conditions set forth in Sections 7.1.1 and 7.1.2, (b) the resolutions of Seller's stockholders and board of directors identified in Section 4.2 of this Agreement, (c) certificates of estoppel from each of the lessors of the Real Estate Leases certifying that Seller is in material compliance with the particular Real Estate Lease, (d) a copy of Schedule 2.7(b) describing the Accounts Payable as of the Closing Date, (e) the consents required by Section 6.5, and (f) a non-foreign affidavit dated as of the Closing, sworn under penalty of perjury and in form and substance required under the Treasury Regulations issued pursuant to Section 1445 of the Code stating that Seller is not a "foreign person" as defined in such section.

7.3. Bill of Sale. Seller shall have delivered to Buyer a duly executed Bill of Sale and such other duly executed instruments of assignment as Buyer may reasonably request, selling, transferring, conveying, assigning and delivering the Station Assets to Buyer.

7.4. FCC Opinion. Seller shall have delivered to Buyer an opinion of Seller's communications law counsel, dated as of the Closing Date, in form and substance reasonably acceptable to Buyer and its counsel.

7.5. Proceedings. No lawsuit, action, claim, investigation, inquiry or proceeding shall have been instituted or threatened by or before any arbitrator, court or other Governmental Authority, and no order, decree or judgment shall have been rendered by any arbitrator, court or other Governmental Authority which (a) questions or negates the validity or legality of any transaction contemplated hereby, (b) seeks to or does enjoin any transaction contemplated hereby, (c) seeks or awards material damages on account of the consummation of any transaction contemplated hereby, or (d) involves a petition of bankruptcy or receivership by or against Seller or an assignment by Seller for the benefit of creditors.

7.6. No Material Adverse Effect. Since the date of this Agreement, no event, circumstance or condition has occurred which has had or could reasonably be expected to have a Material Adverse Effect.

7.7. Title Insurance. Buyer shall have obtained the title commitment of a title insurance company in customary form agreeing to issue to Buyer, at standard rates, extended coverage title insurance policy in respect of Buyer's prospective leasehold interest in the Real Estate Leases. All costs of the title commitment and any policies and endorsements issued pursuant thereto shall be paid by Buyer; provided, that this condition will be deemed satisfied if Buyer does not request a title commitment from a reputable firm at least ten business (10) days prior to Closing.

7.8. No Material Damage. (a) There shall not have been any material damage to any portion of the Station Assets which has not been repaired or replaced on or prior to Closing, and (b) except as otherwise permitted by Section 12.12 of this Agreement, the Station will have remained on air continuously from the date of this Agreement to and including the Closing Date (excluding downtime occasioned by routine maintenance).

7.9. FCC Consent. The FCC Consent shall have been granted without any conditions materially adverse to Buyer and shall have become a Final Order; provided, that Buyer may waive the requirement that the FCC Consent become a Final Order.

7.10. Lien Search. Buyer shall have obtained a lien search, at its expense, which is dated within five (5) business days of the Closing Date and which demonstrates that, except for the Permitted Liens and Liens that will be removed at Closing upon payment of the Notes in accordance with Section 2.3, there are no Liens of any kind or nature on the Station Assets; provided, that this condition will be deemed satisfied if Buyer does not request a lien search from a reputable firm at least twenty (20) days prior to Closing.

7.11. Renewal of FCC Licenses. Seller shall have secured a renewal of the FCC Licenses for a full term expiring on June 1, 2013 without any adverse modification thereof.

7.12. Environmental Reports. All Phase I and Phase II environmental reports secured by Buyer in accordance with Section 6.9 shall show that there is no material violation of any Environmental Law and that no additional investigation of soil or groundwater or other testing is warranted to confirm that no remediation is required to bring any real property underlying any Real Estate Lease into material compliance with any Environmental Law; provided, that if any Phase I or Phase II environmental report identifies a material violation of any Environmental Law. Seller shall be required to correct the violation prior to Closing; provided further, that if such action would cost in excess of Fifty Thousand Dollars (\$50,000), then, in that event, Seller may, within ten (10) days of receipt of such environmental report, decline to take the required action, in which case Buyer shall have the option (to be made within ten (10) days of receiving Seller's notice) of (a) terminating this Agreement, with no party having any liability to the other and Buyer entitled to receive the return of the Escrow Deposit, or (b) proceeding to Closing with a reduction of the Purchase Price by such amount.

ARTICLE 8: Conditions Precedent of Seller

The obligation of Seller to consummate the transactions contemplated by this Agreement is subject to the satisfaction of each of the following conditions prior to or at the Closing:

8.1. Representations, Warranties, and Covenants.

(a) **Buyer's Representations and Warranties.** Each of the representations and warranties of Buyer contained in this Agreement shall have been true and accurate in all material respects as of the date when made and as of the Closing Date (except that any representation or warranty subject to a materiality qualification shall be true and accurate in all respects); and

(b) **Buyer's Performance Under Agreement.** Buyer shall have performed and complied in all material respects with each and every covenant and agreement required by this Agreement to be performed or complied with by Buyer prior to or at the Closing.

8.2. **Resolutions.** Buyer shall have delivered to Seller a certificate executed by an officer of Buyer, dated the Closing Date, certifying to the fulfillment of the conditions set forth in Sections 8.1(a) and 8.1.(b).

8.3. **Proceedings.** No lawsuit, action, claim, investigation, inquiry or proceeding shall have been instituted or threatened by or before any arbitrator, court or other Governmental Authority, and no order, decree or judgment shall have been rendered by any arbitrator, court, or other Governmental Authority which (a) questions or negates the validity or legality of any transaction contemplated hereby, (b) seeks to or does enjoin any transaction contemplated hereby, (c) seeks or awards material damages on account of the consummation of any transaction contemplated hereby, or (d) involves a petition of bankruptcy or receivership by or against Buyer or an assignment by Buyer for the benefit of creditors.

8.4. **FCC Consent.** The FCC Consent shall have been granted without any conditions materially adverse to Seller.

ARTICLE 9: Closing

9.1. Closing.

(a) **Date and Location.** The closing of the transactions provided for in this Agreement (the "Closing") shall be held at the offices of Dickstein Shapiro LLP, 1825 Eye Street, NW, Washington, DC 20006, or at such other place or in such other manner mutually agreed to by the parties (including the exchange of facsimile and electronically-distributed documents), commencing at 10:00 a.m. on a date (the "Closing Date") mutually agreed to or, in the absence of a mutual agreement, selected by Buyer, which shall be within ten (10) days after the date on which the FCC Consent becomes a Final Order; provided, that the parties shall not be obligated to proceed to Closing if (1) the FCC Consent includes conditions materially adverse to Buyer or Seller, or (2) the other conditions precedent to Closing have not been satisfied or waived; and provided further, that Buyer may unilaterally waive the requirement that the FCC

Consent become a Final Order and may require the Closing to occur at any time ten (10) days after the FCC provides public notice of the FCC Consent.

(b) Exchange of Documents. At the Closing, each party shall execute and deliver to the other party the other items specified herein as well as any additional documents and items reasonably necessary for the consummation of the transactions contemplated herein, including bills of sale and assumption agreements. Such additional documents shall be reasonably satisfactory to the other party as to both form and substance.

9.2. Timing. Time is of the essence to implementation of this Agreement. It is the intention of the parties that the Closing of the transactions contemplated herein occur not later than twelve (12) months from the date of this Agreement.

ARTICLE 10: Indemnification

10.1. Survival. The several representations and warranties of the Seller and Buyer contained in or made pursuant to this Agreement shall be deemed to have been made on and as of the Closing, shall survive the Closing, and shall remain operative and in full force and effect for a period of fifteen (15) months after the Closing; provided, that all representations and warranties relating to Sections 4.1, 4.2, 5.1, and 5.2 shall survive forever; and all representations, warranties, covenants and agreements relating to Sections 4.13 and 4.21 shall survive the Closing and remain operative until the expiration of any applicable statutes of limitation; and provided further, that liabilities assumed or retained by Seller or Buyer, as the case may be, pursuant to this Agreement shall remain in effect until such liabilities have been paid or discharged in full. The several covenants and agreements of the parties contained in this Agreement shall remain operative and in full force and shall survive until the performance by the applicable party hereto of such covenant or agreement. Notwithstanding anything to the contrary herein, claims based upon fraud or intentional misrepresentation shall survive until the expiration of any applicable statute of limitations.

10.2. Indemnification of Buyer. Seller shall indemnify, defend, and hold Buyer (which, for purposes of this Article, includes Buyer's members, directors, officers, employees, agents, and attorneys) harmless (on an after Tax basis) from and against any and all damages, claims, losses, expenses, costs, obligations, and liabilities including, without limiting the generality of the foregoing, liabilities for reasonable attorneys' fees (collectively "Loss and Expense"), suffered, directly or indirectly, by Buyer after the Closing Date by reason of, or arising out of, (1) any breach of a representation or warranty made by Seller pursuant to this Agreement, (2) any failure by Seller to perform or fulfill any of its covenants or agreements set forth in this Agreement, (3) any failure by Seller to pay or discharge the Retained Liabilities, (4) any non-compliance with any applicable bulk sales law, or (5) any litigation, proceeding, or claim by any third party relating to the business or operation of the Station prior to the Closing.

10.3. Indemnification of Seller. Buyer shall indemnify, defend and hold Seller (which, for purposes of this Article, includes Seller's stockholders, directors, officers, employees, agents, and attorneys) harmless (on an after Tax basis) from and against any and all Loss and Expense suffered, directly or indirectly, by Seller after the Closing Date by reason of, or arising out of, (1) any breach of a representation or warranty made by Buyer pursuant to this Agreement,

(2) any failure by Buyer to perform or fulfill any of its covenants or agreements set forth in this Agreement, (3) any failure by Buyer to pay or discharge any liabilities assumed pursuant to this Agreement, or (4) any litigation, proceeding, or claim by any third party relating to the business or operation of the Station after the Closing.

10.4. Notice of Claim. If either Seller or Buyer believes that any Loss and Expense has been suffered or incurred, such party shall notify the other promptly in writing describing such Loss and Expense, the amount thereof, if known, and the method of computation of such Loss and Expense, all with reasonable particularity and containing a reference to the provisions of this Agreement in respect of which such Loss and Expense shall have occurred. If any action at law or suit in equity is instituted by a third party with respect to which any of the parties intends to claim any liability or expense as Loss and Expense under this Article, such party shall promptly notify the indemnifying party of such action or suit. In no event, however, may the indemnifying party avoid or limit its obligations under this Article by reason of delay unless such delay has prejudiced the indemnifying party, and then the indemnifying party's obligations shall be reduced only to the extent of such prejudice.

10.5. Defense of Third Party Claims. The indemnifying party under this Article shall have the right to conduct and control, through counsel of that party's own choosing, any third party claim, action, or suit at the indemnifying party's sole cost and expense (other than any such claim, action or suit seeking a remedy against the indemnified party other than monetary damages, in which case the counsel shall be jointly selected by the parties), but the indemnified party may, at that latter party's election, participate in the defense of any such claim, action, or suit at that party's sole cost and expense; provided, that if the indemnifying party shall fail to defend any such claim, action, or suit, then the indemnified party may defend, through counsel of that party's own choosing, such claim, action, or suit and settle such claim, action, or suit, and recover from the indemnifying party the amount of such settlement or of any judgment and the costs and expenses of such defense; and provided further, that the indemnifying party shall be given at least (15) days prior notice of the terms of any proposed settlement thereof so that the indemnifying party may then undertake and/or resume the defense against the claim. The indemnifying party shall not compromise or settle any third party claim, action, or suit without the prior written consent of the indemnified party, which consent will not be unreasonably withheld or delayed; provided, that the indemnified party shall be obligated to provide its consent if such compromise or settlement includes a release for the Indemnified Party of all liability with respect to the matter being compromised or settled, a reimbursement of the indemnified party for all Loss and Expense incurred in conjunction with the aforesaid claim, action, or suit, and a provision which denies any liability for the claim

10.6. Limitations.

(a) **Survival Period.** Neither party shall be required to indemnify the other party for any claim arising under Section 10.2(a)(1) or Section 10.3(a)(1), as the case may be, unless written notice of a claim under such provisions was received by the party within the pertinent survival period specified in this Article, it being understood that if a claim shall have been made by a party hereto against another party hereto prior to the expiration of the applicable survival period specified above, then, in each case, such survival period shall be extend as it

relates to such claim until such claim is settled or adjudicated by a final, non-appealable order by a court of competent jurisdiction.

(b) **Thresholds.** In no event (i) shall any party have any obligation to indemnify any other party under Section 10.2(a)(1) or Section 10.3(a)(1), as the case may be, unless and until the aggregate Loss and Expense exceeds Twenty-Five Thousand Dollars (\$25,000), in which event the right to indemnification shall include the aggregate Loss and Expense including such amount and (ii) shall any party's indemnification obligations under Section 10.2(a)(1) or Section 10.3(a)(1), as the case may be, exceed Three Million Dollars (\$3,000,000).

(c) **Adjustments to Purchase Price.** Any payments made pursuant to this Article 10 will be treated by Buyer and Seller for Tax purposes as an adjustment to the Purchase Price.

10.7. Exclusive Remedy. Except in the case of fraud or as otherwise expressly set forth in this Agreement, the indemnification provided by this Article constitutes the parties' exclusive remedies for any and all post-Closing matters with respect to the transactions contemplated by this Agreement.

ARTICLE 11: Termination

11.1. Bases For Termination. This Agreement may be terminated immediately on or prior to the Closing under one or more of the following circumstances:

- (a) by the mutual consent of the parties hereto;
- (b) by Seller, if any of the conditions provided in Article 8 hereof have not been met by the time required and have not been waived in writing;
- (c) by Buyer, pursuant to Sections 7.13, 12.11 or 12.12, or if any of the other conditions provided in Article 7 hereof have not been met by the time required and have not been waived in writing;
- (d) by Seller or Buyer, if the Closing has not occurred within the time specified in Section 9.2 of this Agreement;
- (e) by any party hereto, pursuant to Section 12.17; or
- (f) by any party hereto, if the FCC denies the Assignment Application in an order which becomes a Final Order or the FCC designates the Assignment Application for hearing in an order which has become a Final Order.

11.2. Liabilities Upon Termination.

(a) **Seller's Remedies.** If this Agreement is terminated prior to Closing due to Buyer's material breach of any representation, warranty, or covenant hereunder (which material breach remains uncured after the expiration of the cure periods referenced in

Section 11.3), and (x) Seller is not at that time in breach of any representation, warranty, or covenant hereunder, and (y) all other conditions to Closing have been met or waived but for Buyer's breach, then Seller shall be entitled to the Escrow Deposit as its sole and exclusive remedy, the parties recognizing that ascertainment of the precise damages that would be incurred by Seller would be difficult, if not impossible, to quantify and that the Escrow Deposit reflects a reasonable approximation of such damages. Notwithstanding any other provision to the contrary in this Agreement or otherwise, Seller shall not be entitled to specific performance or injunctive or other equitable relief as a remedy for any breach or default by Buyer of any representation, warranty or covenant in this Agreement, other than a breach or threatened breach of Section 12.3. For avoidance of doubt, and notwithstanding any other provision to the contrary in this Agreement or otherwise, if the Closing does not occur (x) in no event, whether or not this Agreement has been terminated pursuant to any provision hereof and regardless of the claim or theory of liability, shall Buyer or any of its Affiliates or representatives, either individually or in the aggregate, be subject to any liability in excess of the Deposit for any losses or damages arising out of this Agreement and (y) in no event shall Seller or any person acting on behalf of, or claiming rights through, Seller be entitled to seek monetary damages (including restitution or rescission damages), individually or in the aggregate, in addition to or in excess of the Deposit from Buyer or any of its Affiliates or representatives.

(b) Buyer's Remedies. If this Agreement is terminated prior to Closing due to Seller's material breach of any representation, warranty, or covenant hereunder (which material breach remains uncured after the expiration of the cure periods referenced in Section 11.3), and (x) Buyer is not at that time in breach of any representation, warranty, covenant or condition hereunder, and (y) all other conditions to Closing have been met or waived but for Seller's breach, then Buyer shall be entitled to (a) obtain specific performance of the terms of this Agreement and of Seller's obligation to consummate the transactions contemplated hereby (in light of the unique character of the Station Assets and the difficulty, if not impossibility, of quantifying Buyer's damages from Seller's breach) and (b) pursue any other remedies which Buyer may have at law or equity. If any action is brought by Buyer to enforce this Agreement by specific performance, Seller shall waive the defense that Buyer has an adequate remedy at law.

(c) Termination of Obligations. Except for the obligations under Section 11.2 and 12.3, if this Agreement is terminated under Section 11.1, all further obligations of the parties under this Agreement shall terminate.

11.3. Notice of Breach. In the event that any party believes that the other party is in material breach of its representations, warranties or obligations hereunder, such party shall give prompt written notice thereof, detailing the nature of the breach and the steps necessary to cure such breach. For purposes of this Agreement, no "breach" shall be deemed to have occurred hereunder unless the party alleged to be in breach has been afforded a cure period of at least twenty (20) days following receipt of such notice within which to cure such breach; provided, that if the breach is one not capable of a cure within twenty (20) days, the cure period may be extended upon request by the breaching party for another twenty (20) days if the breaching party identifies the measures it has taken and plans to take to cure the breach and provided further, that

there shall be no cure period for Buyer's obligation to fund the Purchase Price at Closing in accordance with Section 2.3.

ARTICLE 12: Miscellaneous

12.1. Expenses. Except as otherwise provided herein, each party shall be solely responsible for all fees and expenses which it incurs in connection with the transactions contemplated by this Agreement, including legal fees incurred in connection herewith; provided, that the FCC filing fees shall be divided equally between Seller and Buyer; and, provided further, that all transfer, sales, use or other Taxes, recording fees or assessments imposed by any Governmental Authority on the sale of the Station Assets shall be paid by Buyer.

12.2. Assignment. Neither party may assign its rights or obligations under this Agreement without the prior written consent of the other party; provided, that Buyer may assign its rights under this Agreement without the prior written consent of Seller to any of its Affiliates (although Buyer shall provide immediate notice of such assignment to Seller and shall, in any event, remain ultimately liable for its obligations hereunder).

12.3. Confidentiality. Except as required by law, whether or not the transactions contemplated by this Agreement are consummated, neither party shall disclose to third parties, other than its members, stockholders, directors, officers, employees, attorneys and agents for purposes of consummating the transactions contemplated hereby (who shall also be made subject to the restrictions of this section), any information, whether or not in writing, received from the other party or its agents in the course of evaluating, investigating, negotiating, and consummating the transactions contemplated by this Agreement; provided, that no information shall be deemed to be confidential that (a) becomes publicly known or available other than through disclosure by such party; (b) is rightfully received from a third party who has no obligation of confidentiality to the other party; or (c) is independently developed. If this Agreement is terminated without any Closing, all originals of all material provided by one party to the other (including to or through its agents) shall be returned to the other party and all copies thereof shall be destroyed.

12.4. Notices. All notices, demands and other communications authorized or required by this Agreement shall be in writing, shall be delivered by personal delivery, facsimile (with written confirmation of receipt), or by overnight delivery service (charges prepaid) and shall be delivered to each party at the following addresses (or at such other address as any party may designate in writing to the other parties):

If to Seller:	Monroe Broadcasting, Inc. 3511 Evaneline Thruway Carencro, Louisiana 70520 Attention: Charles Chatelain, Vice President Facsimile No.: 337.896.2695
---------------	---

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

Dickstein Shapiro LLP
1825 I Street, NW
Washington, DC 20006-5403
Attention: Lewis J. Paper, Esq.
Facsimile No. 202.420.2201

If to Buyer: Parker Broadcasting of Louisiana, LLC
c/o Parker Broadcasting Inc.
5341 Tate Avenue
Plano, TX 75093
Attention: Barry Parker
Facsimile No.: 972.473.9912

With a required copy to (but which will not constitute notice to Buyer):

Akin Gump Strauss Hauer & Feld LLP
1333 New Hampshire Avenue NW
Washington, DC 20036
Attention: Tom W. Davidson
Facsimile No.: 202.887.4288

12.5. Law Governing. This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Delaware without regard to conflict of laws provisions that would require the application of any other jurisdiction's laws.

12.6. Waiver of Provisions. The terms, covenants, representations, warranties, and conditions of this Agreement may be waived only by a written instrument executed by the party waiving compliance. The failure of any party at any time or times to require performance of any provision of this Agreement shall not affect the exercise of a party's rights at a later date. No waiver by any party of any condition or the breach of any provision, term, covenant, representation, or warranty contained in this Agreement in any one or more instances shall be deemed to be or construed as a further or continuing waiver of any such condition or of the breach of any other provision, term, covenant, representation, or warranty of this Agreement.

12.7. Counterparts. This Agreement may be executed in counterparts, and all counterparts so executed shall collectively constitute one agreement, binding on all of the parties hereto, notwithstanding that all the parties are not signatory to the original or the same counterpart. Facsimile or electronically-distributed signatures shall be sufficient to make this Agreement binding.

12.8. Reimbursement of Legal Expenses. If a formal legal proceeding is instituted by a party to enforce that party's rights under this Agreement, the party prevailing in the proceeding shall be reimbursed by the other party for all reasonable costs incurred thereby, including reasonable attorneys' fees.

12.9. Seller's Access to Records. Any records delivered to Buyer by Seller relating to the operation of the Station or Seller's business shall be maintained by Buyer for a period of three (3) years after the Closing Date. Upon reasonable prior notice, Seller shall be entitled to

inspect and copy any of such records for purposes of preparing and completing any Tax Returns or other compilations of its operation of the Station. In the event that it wishes to dispose of such records, Buyer shall give Seller thirty (30) days' prior written notice and an opportunity to retrieve such records at Seller's expense.

12.10. Entire Agreement. This Agreement and the documents referenced herein constitute the entire Agreement among the parties with respect to the subject matter hereof, supersede and cancel any and all prior or contemporaneous agreements and understanding between them with respect to the subject matter hereof, and may not be amended except in a writing signed by the parties.

12.11. Risk of Loss. The risk of loss, confiscation, condemnation or damage to any Station Asset prior to the Closing shall be upon Seller. In consultation with Buyer, Seller shall take all reasonable steps to repair, replace and restore any confiscated, condemned, damaged or lost Station Asset to its prior condition as soon as possible and in no event later than the Closing, or, in the alternative at Buyer's option, provide a reduction in the Purchase Price by an amount equal to the replacement value of the confiscated, condemned, damaged or lost Station Asset not covered by an assignment to Buyer of insurance proceeds therefore. Notwithstanding anything in this section to the contrary, if the cost of such repair, replacement or restoration will exceed One Hundred Thousand Dollars (\$100,000), then, in that event, Seller shall have the option of deciding (within ten (10) days of learning of the need for such repair, replacement or restoration) whether to make such repair, replacement or restoration prior to Closing. Within ten (10) days of receipt of notice from Seller that such repair, replacement or restoration will not be made prior to Closing Buyer, shall have the option of (a) consummating the transactions contemplated by this Agreement and accepting an assignment or other conveyance of the Station Assets with a reduction of the Purchase Price by One Hundred Thousand Dollars (\$100,000) or (b) terminating this Agreement with neither party having any liability to the other party hereunder and with an immediate return to Buyer of the Escrow Deposit and all interest earned thereon.

12.12. Broadcast Interruption. Seller shall promptly notify Buyer in writing if the Station's normal broadcast transmissions in the normal and usual manner cease or are interrupted, including the operation of the Station at a power level of less than 80% of its maximum authorized facilities (an "Interruption"). Seller shall provide Buyer with prompt written notice of the measures being taken to restore the Station to full, authorized service. If any Interruption persists for more than seventy-two (72) hours (or, in the event of force majeure or utility failure affecting generally the market served by the Station, ninety-six (96) hours), whether or not consecutive, during any period of thirty (30) consecutive days, then Buyer may, at its option, terminate this Agreement without penalty or further liability by written notice given to Seller not more than ten (10) days after the expiration of such thirty (30) day period. For avoidance of doubt, upon such termination the Escrow Deposit shall be returned to Buyer.

12.13. Collection of Accounts Receivable. At the Closing, Seller shall assign to Buyer, for purposes of collection only, all of the Accounts Receivable that are outstanding and unpaid as of the Closing. Buyer shall use such efforts as are reasonable in the ordinary course of business to collect the Accounts Receivable for a period of fifteen (15) months following the Closing Date (the "Collection Period"); provided, that Buyer shall have no obligation to initiate litigation or any other collection action. During the Collection Period, neither Seller nor its agents shall make

any solicitation or other attempt to collect the Assigned Accounts Receivable. All payments received by Buyer during the Collection Period from any person obligated with respect to any of the Accounts Receivable shall be applied first to Seller's account, and only after full satisfaction thereof, to Buyer's account. If, during the Collection Period, any account debtor contests the validity of its obligation under an Accounts Receivable, Buyer shall return that Account Receivable to Seller and shall have no further obligation with respect thereto. On the fifteenth day of each month during the Collection Period, commencing with the first full month after Closing, Buyer shall provide Seller with a list of the Accounts Receivables collected during the preceding month, or, to the extent applicable, from the Closing Date to the last day of the first full month after Closing (less commissions required to be paid to sales personnel). At the expiration of the Collection Period, Buyer shall pay to Seller the monies collected on the Accounts Receivable during the Collection Period and re-assign to Seller, and have no further obligation regarding, all Accounts Receivable still outstanding; provided, that, notwithstanding anything to the contrary in this section, Buyer shall be entitled to retain such portion of the Accounts Receivable as may be necessary to satisfy any indemnification claim made by Buyer under Article 10 hereof (the "Holdback Amount"), with the understanding that the Holdback Amount, or such portion thereof, will be remitted to Seller within five (5) business days after final resolution of the indemnification claim if and to the extent that Buyer's indemnification claim is deemed to be without merit or to involve a Loss and Expense that is less than the Holdback Amount.

12.14. WAIVER OF JURY TRIAL. EACH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT AND ANY OF THE AGREEMENTS DELIVERED IN CONNECTION HERewith OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE SUCH WAIVER, (B) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF SUCH WAIVER, (C) IT MAKES SUCH WAIVER VOLUNTARILY, AND (D) IT HAS BEEN INDUCED TO ENTER THIS AGREEMENT BY, AMONG OTHER REASONS, THE MUTUAL WAIVER AND CERTIFICATIONS CONTAINED IN THIS SECTION 12.14.

12.15. No Third Party Beneficiaries. This Agreement is made solely for the benefit of the parties hereto and nothing contained herein, express or implied, is intended to or shall confer upon any other Person any third party beneficiary right or any other legal or equitable rights, benefits or remedies of any nature whatsoever under or by reason of this Agreement.

12.16. Schedules. If there is any inconsistency between the statements in the body of this Agreement and those in the Schedules (other than an exception expressly set forth in the Schedules with respect to a specifically identified representation or warranty), the statements in the body of this Agreement will control. Nothing in the Schedules will be deemed adequate to disclose an exception to a representation or warranty made herein unless the Schedules identify the exception with reasonable particularity. The mere listing (or inclusion of a copy) of a document or other item in a Schedule will not be deemed adequate to disclose an exception to a

representation or warranty made in this Agreement (unless the representation or warranty pertains to the existence of the document or other item itself).

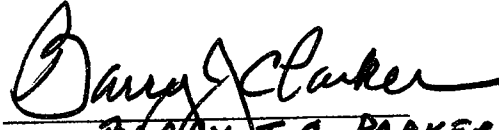
12.17. Right of First Refusal. The parties acknowledge that Seller and certain of its affiliates entered into that certain Right of First Refusal Agreement dated as of September 24, 1996 with Petracom Broadcasting of Louisiana, Inc. ("Petracom") which provided Petracom with a right of first refusal to acquire, *inter alia*, the Station Assets in the event that Seller (which, for purposes of this section, includes its Affiliates) received a bona fide offer to sell the Station Assets to a third party. A copy of the Right of First Refusal Agreement has been provided to Buyer. Upon execution of this Agreement, the parties shall cooperate in determining the appropriate party or parties to be notified under the Right of First Refusal Agreement of the execution of this Agreement, and Seller shall provide such written notice of this Agreement to such party or parties no later five (5) business days after the execution of this Agreement. In the event that any such party (a) demonstrates to Seller's and Buyer's reasonable satisfaction that it holds the right of first refusal under the Right of First Refusal Agreement and (b) provides timely notice of its exercise such right of first refusal, then Seller shall so advise Buyer in writing and Seller or Buyer may terminate this Agreement with no liability whatsoever, in which case the Escrow Deposit and all accrued interest shall be returned to Buyer immediately.

[Remainder of page intentionally left blank]

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

**PARKER BROADCASTING OF LOUISIANA,
LLC**

By:


Name: Barry J.C. Parker
Title: PRESIDENT

MONROE BROADCASTING, INC.

By:

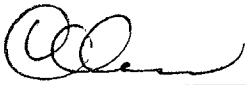

Name:
Title:

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

**PARKER BROADCASTING OF LOUISIANA,
LLC**

By: _____
Name:
Title:

MONROE BROADCASTING, INC.

By:  
Name: CHARLES CHATELAIN
Title: V. PRES.

ANNEX A

Defined Terms

“Accounts Payable” shall have the meaning set forth in Section 2.7(b).

“Accounts Receivable” shall mean all accounts receivable from in the operation of the Station by Seller outstanding for less than 120 days, including all rights to receive payments under any notes, bonds and other evidences of indebtedness and all other rights to receive payments for the sale of any advertising time on the Station or the provision of production services; provided, that Accounts Receivable shall exclude (i) all Intercompany Accounts, and (ii) all insurance proceeds receivables.

“Adjustment Report” shall have the meaning set forth in Section 2.6(b).

“Affiliate” shall mean, with respect to any Person, any other Person directly or indirectly Controlling, Controlled by, or under common Control with such Person.

“Agreement” shall mean this Asset Purchase Agreement, together with the Schedules, the Exhibits and Annexes attached hereto, as the same shall be amended or supplemented from time to time in accordance with the terms hereof.

“Appraiser” shall mean Bond and Pecaro, Inc.

“Assignment Application” shall mean the Form 314 application to be filed by Buyer and Seller with the FCC requesting the FCC Consent.

“Assumed Liabilities” shall have the meaning set forth in Section 4.9.

“Balance Sheet” shall have the meaning set forth in Section 2.6(b).

“Buyer” shall have the meaning set forth in the preamble to this Agreement.

“Cash Equivalents” shall mean all cash, cash equivalents and cash items of any kind whatsoever, money market instruments, marketable securities, other securities, commercial paper, short-term investments or deposits in banks or other financial institution accounts of any kind, and rights in and to all such accounts.

“Closing” shall have the meaning set forth in Section 9.1.

“Closing Date” shall have the meaning set forth in Section 9.1.

“COBRA” shall have the meaning set forth in Section 2.8.

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

“Collection Period” shall have the meaning set forth in Section 12.13.

“Communications Act” shall mean the Communications Act of 1934, as amended.

“Compensation Arrangement” shall mean means any plan, compensation arrangement or agreement of any nature whatsoever, other than an Employee Benefit Plan, whether written or unwritten, which provides directly or indirectly to the employees or former employees of Seller (or any beneficiary thereof) any material compensation or other benefits, whether deferred or not, whether or not in excess of base salary or wages and overtime pay, including any stock rights plan, stock purchase plan, stock option, employment compensation, deferred compensation arrangement, pension, retirement, post-retirement, employment (including any employment offer letter) consulting, severance, termination, change in control, separation, retention, vacation, sickness, life or other insurance, welfare, fringe benefit and incentive bonus contract, agreement, plan, program, policy, payroll practice or arrangement, collective bargaining and any other material perquisites and fringe benefits.

“Contracts” shall mean all contracts, leases, non-governmental licenses and other agreements (but excluding leases for real property), whether written or oral (including any amendments, supplements, restatements, extensions and other modifications thereto) of Seller or to which Seller is a party that relate to or affect the Station Assets and (i) that are in effect on the date of this Agreement or that are entered into by Seller between the date of this Agreement and the Closing Date, but excluding any contracts, leases and agreements that terminate or expire between the date of this Agreement and the Closing Date and (ii) that will be assumed by Buyer at Closing.

“Control” (including, with correlative meanings, the terms “controlled by,” “controlling” and “under common control with”), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities, by contract or otherwise.

“DTV” shall mean digital television.

“Effective Time” shall mean 12:01 a.m., local Central time, on the Closing Date.

“Employee Benefit Plan” shall mean any “employee pension benefit plan” as defined in Section 3(2) of ERISA and any “employee welfare benefit plan” as that term is defined in Section 3(1) of ERISA that is sponsored, maintained, or contributed to by the Seller or any of its ERISA Affiliate for the benefit of the current or former employees of Seller (or their dependents or beneficiaries).

“Environmental Laws” shall mean any and all federal, state and local laws, rules and regulations, including statutes, regulations, ordinances, codes and rules relating to the pollution or protection of the environment, including those related to Hazardous Materials and those related to the discharge or removal of air pollutants, water pollutants or process waste water or hazardous or toxic substances, including the Federal Solid Waste Disposal Act, the Federal Clean Air Act, the Federal Clean Water Act, the Federal Resource Conservation and Recovery Act of 1976, the Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Occupational Safety and Health Act of 1970, each as amended, regulations of the Environmental Protection Agency, regulations of the Nuclear Regulatory Agency, regulations of the Occupational Safety and Health Administration and statutes or

regulations of any similar state agencies, departments of natural resources or state environmental protection agencies, now in effect.

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

“Escrow Agent” shall mean Capital One, N.A.

“Escrow Agreement” shall mean that certain Escrow Agreement, dated as of the date hereof, by and among Seller, Buyer and Escrow Agent, in the form attached hereto as Exhibit A.

“Escrow Deposit” shall mean Five Hundred Thousand Dollars (\$500,000), which is being deposited by Buyer with the Escrow Agent on the date hereof to secure the obligations of Buyer to close under this Agreement, with such deposit being held by the Escrow Agent in accordance with the Escrow Agreement.

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

“Exhibits” shall mean those exhibits referenced in this Agreement, which exhibits are hereby incorporated and made a part hereof.

“FCC” shall mean the Federal Communications Commission or any successor agency.

“FCC Consent” shall mean the action by the FCC (including any action duly taken by the FCC’s staff pursuant to delegated authority) granting the Assignment Application and authorizing the assignment of the FCC Licenses from Seller to Buyer.

“FCC Licenses” shall have the meaning set forth in the preamble to this Agreement.

“FCC Rules” shall mean the rules, regulations, written decisions, and published policies of the FCC.

“Final Balance Sheet” shall have the meaning set forth in Section 2.6(b).

“Final Order” shall mean action by the FCC (including any action duly taken by the FCC staff pursuant to delegated authority): (i) that has not been vacated, reversed, enjoined, stayed, set aside, annulled or suspended (whether under Section 402 or 405 of the Communications Act or otherwise); (ii) with respect to which no timely appeal, request for stay or petition for rehearing, reconsideration or review by any party or by the FCC on its own motion is pending before the FCC or a court of competent jurisdiction; and (iii) as to which the time for filing any such appeal, request, petition, or similar document or for the reconsideration or review by any party or by the FCC on its own motion under the Communications Act and the rules and regulations of the FCC has expired or otherwise terminated.

“Financial Statements” shall have the meaning set forth in Section 4.9.

“GAAP” shall mean United States generally accepted accounting principles, as in effect as of the date hereof.

“Governmental Authority” shall mean any government or any governmental entity, whether federal, state or local, performing executive, legislative, or judicial functions.

“Hazardous Material” shall mean any substance, waste, pollutant or contaminant, or combination thereof, regulated or defined in any Environmental Law, including the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. §9601 et seq., and any other toxic materials or harmful physical agents as regulated or defined in the Occupational Safety and Health Act of 1970, as amended, 29 U.S.C. §651 et seq.

“Holdback Amount” shall have the meaning set forth in Section 12.13.

“Independent Auditor” shall have the meaning set forth in Section 2.6(d).

“Intangibles” shall mean Station’s call signs along with any and all copyrights, trademarks, trade names, service marks, service names, licenses, computer programs and computer license interests to the extent owned by and held by Seller, patents, internet domain names, customer lists, mailing lists and related information concerning purchasers of services from the Station, jingles, slogans, telephone numbers, commercials and other promotional materials, proprietary information, trade secrets, technical information and data and other similar intangible property rights and interests (and any goodwill associated with any of the foregoing) that are used or useful in the operation of the Station, together with any additions thereto between the date of this Agreement and the Closing Date (but not including the Licenses, the FCC Licenses or the Excluded Assets).

“Interruption” shall have the meaning set forth in Section 12.12.

“IRS” shall mean the Internal Revenue Service or any successor agency.

“Knowledge of Buyer” shall mean the actual knowledge, without independent investigation, of each of Rich Adams and Eric Van den Branden.

“Knowledge of Seller” shall mean the actual knowledge, without independent investigation, of each of Charles Chatelain, Sheldon Galloway and Greg Boulanger.

“Licenses” shall mean all licenses, permits, construction permits and other authorizations issued by Governmental Authorities to Seller, currently in effect and used or useful in the operation of the Station, together with any additions thereto (including renewals or modifications) between the date of this Agreement and the Closing Date.

“Lien” shall mean any mortgage, deed of trust, pledge, hypothecation, security interest, encumbrance, claim, lien or charge of any kind, whether voluntarily incurred or arising by operation of law or otherwise, affecting any assets or property.

“Loss and Expense” shall have the meaning set forth in Section 10.2.

“Material Adverse Effect” shall mean a material adverse effect on the financial condition, business, assets, operations or results of operations (current or projected) of the Station, in each case taken as whole.

“Material Contracts” consist of Contracts in which the payment required thereunder of Seller (or, after Closing, Buyer) during each consecutive 12-month period exceeds Five Thousand Dollars (\$5,000).

“MVPD” shall have the meaning set forth in Section 4.15.

“Notes” shall mean, collectively, (i) that certain Promissory Note dated April 8, 2005 in which Seller agreed to pay Midsouth Bank, N.A. the principal sum of Six Million Dollars (\$6,000,000) and (ii) that certain Commercial Note dated April 8, 2005 in which Seller agreed to pay Whitney National Bank the principal sum of Four Million Thirty-Five Thousand Five Hundred Fifty-Seven and 20/100 Dollars (\$4,033,557.20).

“Permitted Liens” shall mean: (i) Liens imposed by any Governmental Authority for Taxes or assessments that are not yet due and payable or that are being contested in good faith and by appropriate proceedings; (ii) Liens securing the claims of materialmen, landlords and others provided payment is not yet delinquent; (iii) pledges or deposits in connection with worker’s compensation, unemployment insurance and other social security legislation; (iv) deposits to secure the performance of any or all of the following: bids, trade contracts (other than for borrowed money), leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business; (v) any and all matters and encumbrances (including fee mortgages or ground leases) affecting any real property as to which Seller holds a leasehold or easement interest therein and not created or granted by Seller; (vi) easements, rights-of-way, covenants, restrictions and other similar encumbrances on real property and encroachments that, in the aggregate, are not material in amount or effect, and that do not in any case materially detract from the value of the property subject thereto or materially interfere with the ordinary conduct of the business thereon; (vii) standard printed exceptions set forth in title policies, reports or commitments; (viii) liens arising from filed financing statements related to personal property leases; and (ix) any zoning, building or similar law or right reserved to or vested in any Governmental Authority that is not violated in any material respect by any existing improvement or use and that does not prohibit the use of real property or the Real Estate Leases as currently used by Seller in the operation of the Station.

“Person” shall mean any natural person, general or limited partnership, corporation, firm, limited liability company or partnership, association or other legal entity.

“Petracom” shall have the meaning set forth in Section 12.17.

“Preliminary Balance Sheet” shall have the meaning set forth in Section 2.6(a).

“Purchase Price” shall have the meaning set forth in Section 2.3.

“Real Estate Lease” shall have the meaning set forth in Section 4.8.

“Records” shall mean all books of account and other records in Seller’s possession, including schematics, technical information, engineering data, programming information, original executed copies, if available, or true and correct copies of all Contracts, employment records (to the extent permitted by applicable law), customer files, lists, plats, architectural plans, drawings, and specifications, purchase and sales records, advertising records, creative materials, advertising and promotional material, and FCC logs, files and records of Sellers relating to the operation of the Station.

“Retained Liabilities” shall have the meaning set forth in Section 2.8.

“Retransmission Consent Agreement” means an agreement pursuant to which Seller has granted a multichannel video programming distributor consent pursuant to Section 325(b) of the Communications Act and the rules, regulations and published policies of the FCC to the nonexclusive retransmission of the analog or the digital signal of the Station by the multichannel video programming distributor.

“Schedules” shall mean the schedules referred to in this Agreement (as the same may be amended, supplemented, restated or otherwise modified from time to time in accordance with the terms of this Agreement), which schedules are hereby incorporated herein and made a part hereof.

“Seller” shall have the meaning set forth in the preamble to this Agreement.

“Station” shall have the meaning set forth in the recitals.

“Station Assets” shall have the meaning set forth in recitals.

“Tangible Personal Property” shall mean all broadcasting and other machinery, equipment, tools, vehicles, furniture, office equipment, plant, inventory (including all programs, records, tapes, recordings, compact discs and cassettes), spare parts, office materials and supplies, tubes, and other tangible personal property owned by Sellers that is used or held for use in the operation of the Station, together with any additions thereto between the date of this Agreement and the Closing Date.

“Tax” shall mean any federal, state, local, or foreign income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental (including taxes under Code Section 59A), customs duties, capital stock, franchise, profits, withholding, social security (or similar), unemployment, disability, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated, or other tax of any kind whatsoever, including any interest, penalty, or addition thereto, whether disputed or not, imposed by any Governmental Authority on Seller and attributable exclusively to the business of the Station, whether payable directly or by withholding, together with any interest, penalties (civil or criminal), additions to, or additional amounts (and any inherent penalties (civil or criminal) additional in respect thereof) imposed on Seller with respect thereto, and any expenses incurred in connection with the determination, settlement or litigation of any liability therefor.

“Tax Return” means any return, report, declaration, statement, estimated tax or other information required to be supplied to a Governmental Authority with respect to any Tax.

“Terminated Employee” shall have the meaning set forth in Section 6.14(a).

“Third Periodic Review Order” shall have the meaning set forth in Section 6.3(a).

“Tolling Agreement” shall mean an agreement by and between a party holding a full power radio or television broadcast license from the FCC and the FCC in which such party agrees to toll the statute of limitations or other limitations on the FCC’s ability to enforce any decision which imposes any fine or forfeiture on such party.

“Transferred Employee” shall have the meaning set forth in Section 6.14(a).

“WARN Act” shall have the meaning set forth in Section 4.16.