

**ASSET PURCHASE AGREEMENT**

**DATED AS OF FEBRUARY 8, 2018**

**BY AND BETWEEN**

**SILVERTON BROADCASTING COMPANY, LLC**

**AND**

**LEGACY BROADCASTING OF WYOMING, LLC**

**ASSET PURCHASE AGREEMENT** (the “Agreement”) dated as of February 8, 2018, by and between (i) Silverton Broadcasting Company, LLC, a Delaware limited liability company; (the “Seller”), and (ii) Legacy Broadcasting of Wyoming, LLC, a Mississippi limited liability company (the “Purchaser”).

**WHEREAS**, Seller owns and operates the broadcast stations listed on Schedule A (collectively, the “Stations”) pursuant to certain authorizations issued by the United States Federal Communications Commission (the “FCC”) to Seller;

**WHEREAS**, the Purchaser desires to purchase from the Seller, and the Seller desires to sell to the Purchaser, all assets owned, used or held for use in the operation of the Stations, excluding the Excluded Assets (as defined herein) and in connection therewith, and the Purchaser has agreed to assume certain liabilities of the Seller relating to the Stations, all upon the terms and subject to the conditions set forth herein and in the Operative Agreements (as defined below) (such transactions sometimes being referred to herein as the “Transactions”);

**WHEREAS**, the prior consent of the FCC is required to permit the consummation of the Transactions; and

**WHEREAS**, the Seller and the Purchaser desire to make certain representations, warranties, covenants and agreements in connection with the Transactions, all as more fully set forth herein.

**NOW, THEREFORE**, in consideration of the foregoing premises, the mutual covenants, promises and agreements hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and accepted, the parties hereto hereby agree as follows:

## **ARTICLE I. DEFINITIONS**

1.1 Certain Definitions. For all purposes of and under this Agreement, the following terms shall have the respective meanings set forth below:

(a) “Accounts Receivable” means all accounts receivable, notes receivable and other monies due to Seller for sales and deliveries of goods, performance of services, sale of advertisements, broadcast time and programming and other business transactions related to the Stations attributable to the period prior to the Effective Time.

(b) “Action” means any claim, action, suit or proceeding, arbitral action, governmental inquiry, criminal prosecution or other investigation.

(c) “Affiliate” means, as applied to any Person, (i) any other Person directly or indirectly controlling, controlled by or under common control with, that Person, or (ii) any director, partner, member, officer, manager, agent, employee or relative of such Person. For the purposes of this definition, “control” (including with correlative meanings, the terms “controlling,” “controlled by,” and “under common control with”) as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of that Person, whether through ownership of voting securities, by contract or otherwise.

(d) “Antitrust Law” means the Hart–Scott–Rodino Antitrust Improvements Act of 1976, as amended, the Sherman Act, as amended, the Clayton Act, as amended, the Federal Trade Commission Act, as amended, and any other federal, state or foreign law, regulation or decree designed to prohibit, restrict or regulate actions for the purpose or effect of monopolization or restraint of trade.

(e) “Assigned Licenses” means the FCC Licenses relating to KTWQ, K17JZ-D, K47AD-D, K13NZ-D, K22CI-D, K26LW-D, K30MX-D, K35CV-D, and KKTQ-LD.

(f) “Business Day” means any weekday (Monday through Friday) on which commercial banks in New York, New York are open for business.

(g) “Business Intellectual Property” means Intellectual Property that is used or held for use by the Seller for the operation of the Stations as currently conducted, including the Intellectual Property listed on Schedule 4.6.

(h) “Communications Act” means the Communications Act of 1934, as amended, any successor statute thereto, and all rules, regulations and published policies of the FCC promulgated thereunder.

(i) “Confidentiality Agreement” means the mutual non-disclosure agreement entered into by and between the Seller and the Purchaser, effective as of January 31, 2018.

(j) “Contract” means any currently enforceable contract, agreement, non-governmental license, sales and purchase orders, indenture, note, bond, instrument, lease, conditional sales contract, mortgage, license, franchise agreement, concession agreement, security interest, guaranty, binding commitment or other agreement.

(k) “DMA” means, with respect to the Stations, the Stations’ Nielsen Designated Market Area.

(l) “Employee Plan” means (a) any employee benefit plan, agreement, arrangement or policy, whether or not subject to ERISA, including any retirement, pension, deferred compensation, severance, profit sharing, savings, group health, dental, life insurance, disability, cafeteria or vacation plan, agreement, policy or arrangement; (b) any equity or equity-based compensation plan or arrangement; (c) any bonus or incentive arrangement; and (d) any severance or termination agreements, policies or arrangements that are not covered by ERISA; in each case, sponsored, maintained or contributed to or required to be maintained or contributed to by Seller or with respect to which Seller, has or may have actual or contingent liability or obligation for the benefit of any current or former Business Employee, director and/or independent contractor who is or was directly engaged, exclusively, in the operation of the Stations.

(m) “Encumbrance” means any security interest, pledge, mortgage, lien, charge, adverse claim of ownership or use, restriction on transfer (such as a right of first refusal or other similar right), defect of title, or other encumbrance of any kind or character.

(n) “Enforceability Exceptions” means the exceptions or limitations to the enforceability of Contracts under principles of general application relating to bankruptcy,

reorganization, insolvency, moratorium or similar Law affecting creditors' rights and relief of debtors generally, and rules of law and general principles of equity including, without limitation, rules of law and general principles of equity governing specific performance, injunctive relief and other equitable remedies (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(o) “Environmental Law” means any applicable law, order, regulation, decree, permit, license, ordinance, or other federal, state, county, provincial, local or foreign governmental requirements relating to pollution, the protection of human health and the environment, or the discharge or Release of any Hazardous Substance into the environment.

(p) “Equipment” means all machinery, equipment, computers, motor vehicles, aircraft, furniture, fixtures, furnishings, Transmission Equipment, tools, parts and supplies, inventory, advertising and promotional materials, blank films, tapes, telecommunications equipment and all other items of tangible personal property (other than those included in the Excluded Assets) owned or leased by the Seller and used or held for use by it in the operation of the Stations, including those items listed and described on Schedule 4.5 (other than such items that are no longer in use as a result of obsolescence or having been replaced by other property in accordance with the terms of this Agreement).

(q) “ERISA” means the Employee Retirement Income Security Act of 1974, as amended, any successor statute thereto, and the rules and regulations promulgated thereunder.

(r) “ERISA Affiliate” means any Person that is or has at any relevant time been treated as a single employer with the Seller under Sections 414(b), (c), (m) or (o) of the Internal Revenue Code, or any Person that is or has at any relevant time been “under common control” with the Seller within the meaning of Section 4001(b) of ERISA.

(s) “FCC Consent” means the actions of the FCC (including any action duly taken by the FCC’s staff pursuant to delegated authority) granting consent to the assignment of the Assigned Licenses necessary for the consummation of the Transactions.

(t) “FCC Licenses” means all of the FCC licenses, permits and other authorizations issued to Seller with respect to the Stations including the FCC licenses, permits and other authorizations identified in Schedule 4.15(a).

(u) “GAAP” means generally accepted accounting principles in the United States.

(v) “Governmental Authority” means any government, any governmental entity, department, commission, board, agency or instrumentality, and any court, tribunal, or judicial body, in each case whether federal, state, county, provincial, local or foreign.

(w) “Governmental Order” means any statute, rule, regulation, order, judgment, injunction, decree, stipulation or determination issued, promulgated or entered by or with any Governmental Authority of competent jurisdiction.

(x) “Hazardous Substance” means petroleum, petroleum by-products, polychlorinated biphenyls and any pollutant, contaminant, hazardous or toxic substance, material, constituent or waste or any pollutant that is labeled or regulated as such by any Governmental Authority pursuant to an Environmental Law.

(y) “Independent Accounting Firm” means BDO USA, LLP.

(z) “Intellectual Property” means any (i) patents, patent disclosures and related improvements, (ii) trademarks, service marks, trade dress, logos, trade names, call letters, corporate names and second-level domain names, along with any associated goodwill, (iii) copyrights and copyrightable works, (iv) trade secrets and confidential business information (including ideas, formulas, compositions, inventions (whether patentable or unpatentable and whether or not reduced to practice), know-how, research and development information, software, drawings, specifications, designs, plans, proposals, technical data, financial, marketing and business data, pricing and cost information, business and marketing plans and customer and supplier lists and information), (v) registrations and applications to register any of the foregoing, if applicable, and (vi) rights to sue with respect to past and future infringements of any of the foregoing.

(aa) “Internal Revenue Code” means the Internal Revenue Code of 1986, as amended, any successor statute thereto, and the rules and regulations promulgated thereunder.

(bb) “IRS” means the United States Internal Revenue Service, and any successor agency thereto.

(cc) “Knowledge of the Seller”, “Seller’s Knowledge”, “known to the Seller” and phrases of similar import mean, with respect to any matter in question relating to the Seller, the actual knowledge of such matter by the named individuals listed in Schedule 1.1(cc) hereto, after reasonable due inquiry.

(dd) “Law” means, as in effect on any date of determination, applicable common law or any applicable statute, permit, ordinance, code or other law, rule, regulation or order enacted, adopted, promulgated or applied by any Governmental Authority, including any applicable Governmental Order.

(ee) “Liability” means any indebtedness, obligation and other liability (whether absolute, accrued, matured, contingent (or based upon any contingency), known or unknown, fixed or otherwise, or whether due or to become due), including, any fine, penalty, judgment, award or settlement respecting any judicial administrative or arbitration proceeding, damage, loss, claim or demand with respect to any Law.

(ff) “License” means any franchise, approval, permit, order, authorization, consent, license, registration or filing, certificate, variance and any other similar right obtained from or filed with any Governmental Authority.

(gg) “Material Adverse Effect” means any event, condition, change, occurrence, development, circumstance, effect or state of facts (each, an “Effect”) that, individually or in the aggregate with any such other Effect, would reasonably be expected to (a) prevent the Seller from consummating the Transactions or performing its obligations under this Agreement, or (b) be

materially adverse to the Assets, properties, operations, business, financial condition or results of operations of the Stations, taken as a whole, except for any such Effect arising out of, resulting from or attributable to, directly or indirectly, individually or in the aggregate: (i) any federal, state, local or foreign governmental actions, including proposed or enacted legislation, regulatory changes or Law, except to the extent such changes disproportionately affect the Stations (relative to other participants in the broadcast television industry); (ii) changes in GAAP or regulatory accounting principles; (iii) actions taken with the Purchaser's written consent; (iv) conditions in the United States or global economy or capital, credit or financial markets generally, except to the extent such changes disproportionately affect the Stations (relative to other participants in the broadcast television industry); (v) effects generally applicable to the broadcast television industry, except to the extent such conditions disproportionately affect the Stations (relative to other participants in the broadcast television industry); (vi) the ratings performance of any network with which a Station is affiliated; (vii) natural disasters, hostilities, acts of terrorism or war, or any material escalation of any such hostilities, acts of terrorism or war; and (viii) the execution and delivery of this Agreement and the announcement of this Agreement and the Transactions contemplated hereby.

(hh) “MVPD” means any multi-channel video programming distributor.

(ii) “Operative Agreements” means, collectively, this Agreement, the Confidentiality Agreements, the Bill of Sale, the Assignment and Assumption, the Assignments and Assumptions for Leases, the Assignments and Assumptions for FCC Licenses and any other agreement or deed delivered in connection with the Closing, if any.

(jj) “Organizational Documents” means, with respect to any Person (other than an individual), the articles or certificate of incorporation, bylaws, certificate of formation, limited liability company operating agreement, certificate of limited partnership, limited partnership agreement and all other organization documents of such Person.

(kk) “Permitted Encumbrances” means, as to any Asset, (A) liens for Taxes, assessments and governmental charges not yet due and payable or that are being contested in good faith; (B) zoning Laws and similar Laws that are not materially violated by any existing improvement or that do not prohibit the use by Purchaser following the Closing subject thereto as currently used in the operation of the Stations; (C) any rights reserved to any Governmental Authority to regulate the affected property (including restrictions stated in any permits); (D) in the case of any leased asset, (i) the rights of any lessor under the applicable lease agreement, (ii) any statutory lien for amounts that are not yet due and payable or that are being contested in good faith, and (iii) any other liens encumbering the fee title interest in any Leased Real Property and not attributable to Seller; (E) Encumbrances created by or through the Purchaser or any of its Affiliates; (F) minor defects of title, easements, rights-of-way, restrictions and other minor imperfections or irregularities in title that are reflected in the public records that do not individually or in the aggregate materially interfere with the right or ability to use the applicable Assets as presently utilized; (G) Encumbrances that will be released or discharged prior to or as of the Closing; and (H) Encumbrances set forth on Schedule 1.1(kk).

(ll) “Person” means any individual, general or limited partnership, firm, corporation, limited liability company, association, trust, unincorporated organization or other

entity, including any Governmental Authority, and including any successor, by merger or otherwise, of any of the foregoing.

(mm) “Program Rights” means the rights of the Stations presently existing or obtained after the date of this Agreement and prior to the Closing Date in accordance with the terms of this Agreement, to distribute television programs or shows as part of the programming, including all film and program barter agreements, sports rights agreements, news rights or service agreements, affiliation agreements and syndication agreements related to the Stations, in each case, that are either (x) owned by Seller or (y) licensed to Seller.

(nn) “Real Property” means the Leased Real Property and the Owned Real Property .

(oo) “Release” means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing of a Hazardous Substance into the environment.

(pp) “Tax” means any federal, state, local or foreign income, gross receipts, sales, use, ad valorem, employment, severance, transfer, gains, profits, excise, franchise, property, capital stock, premium, minimum and alternative minimum or other taxes, fees, levies, duties, assessments or charges of any kind or nature whatsoever imposed by any Governmental Authority (whether payable directly or by withholding), together with any interest, penalties (civil or criminal), additions to, or additional amounts imposed by, any Governmental Authority with respect thereto, and any expenses incurred in connection with the determination, settlement or litigation of any Liability therefor.

(qq) “Tax Return” means a report, return or other information required to be supplied to a Governmental Authority with respect to any Tax.

(rr) “Trade Agreement” means any contract, agreement or commitment, oral or written, other than film and program barter agreements, pursuant to which the Seller has agreed to sell or trade commercial air time or commercial production services of the Stations in consideration for any property or service in lieu of cash.

(ss) “Transmission Equipment” means all analog, digital and other equipment owned by the Seller and used or held for use in the operations of the Stations, including the antenna, transmitter and all associated transmission equipment, lines and facilities.

(tt) “WARN” means the Worker Adjustment and Retraining Notification Act, 29 U.S.C. § 201 et seq., as amended.

1.2 Certain Additional Definitions. For all purposes of and under this Agreement, the following terms shall have the respective meanings ascribed thereto in the respective sections of this Agreement set forth opposite each such term below:

<u>Term</u>	<u>Section</u>
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<u>Term</u>	<u>Section</u>
Agreement	Preamble
Assets	2.1(b)
Assignment and Assumption	3.2(a)
Assignment of FCC Licenses	3.2(a)
Assignments and Assumptions for Leases	3.2(a)
Assumed Liabilities	2.2(b)
Base Purchase Price	2.3(a)
Benefit Plan(s)	4.10(a)
Bill of Sale	3.2(a)
Business Contract(s)	2.1(b)
Business Employee(s)	4.9
Business Insurance Policies	4.18
Business License(s)	2.1(b)
Cap	8.5(a)
Closing	3.1
Closing Date	3.1
Core Representations	8.1
Damages	8.2
Effect	1.1(gg)
Effective Time	3.1
Escrow Agent	2.3(a)
Escrow Agreement	2.3(b)
Excluded Assets	2.1(c)
Excluded Contracts	2.1(c)
Excluded Liabilities	2.2(c)
FAA	4.5
FCC	Recitals
FCC Applications	6.4(b)
Final Purchase Price	2.5(b)
Financial Statements	4.11(a)
Improvement	2.1(b)
Indemnified Party	8.4(a)
Indemnifying Party	8.4(a)
Indemnity Escrow	2.3(c)
Indemnity Fund	2.3(c)
Indemnity Notice Period	8.4(b)
Latest Balance Sheet	4.11(a)
Latest Balance Sheet Date	4.11(a)
Leased Real Property	2.1(b)



<u>Term</u>	<u>Section</u>
Material Business License(s)	4.8
Notice of Claim	8.4(a)
Owned Real Property	2.1(b)
Other APAs	7.1(h)
Phase I Environmental Assessment	6.13
Proceeds	6.10(a)
Program Payments	2.4(b)(i)
Prorations	2.5(a)
Purchase Price	2.3(a)
Purchaser	Preamble
Purchaser Indemnified Party	8.3
Purchaser Termination Event	9.1(e)
Real Property Leases	2.1(b)
Required Consents	7.1(f)
Seller	Preamble
Seller's Indemnified Party	8.2
Stations	Recitals
Surveys	6.12
Third Party Claim	8.4(a)
Threshold	8.5(a)
Title Commitments	6.12
Transactions	Recitals
Transaction Expenses	6.6
Transferred Employees	6.7(a)
Upset Date	9.1(a)(iii)

## ARTICLE II. PURCHASE AND SALE OF ASSETS

### 2.1 Purchase and Sale of Assets.

(a) Purchase and Sale. Upon the terms and subject to the conditions set forth herein, at the Closing the Purchaser shall purchase from the Seller, and the Seller shall irrevocably sell, convey, transfer, assign and deliver to the Purchaser, free and clear of all Encumbrances other than Permitted Encumbrances, all right, title and interest of the Seller in and to the Assets.

(b) Assets. For all purposes of and under this Agreement, the term “Assets” shall mean, refer to and include all properties, assets, privileges, rights, interests and claims, real, personal or mixed, tangible and intangible, of every type and description (other than the Excluded Assets), that are owned or leased by Seller and used or held for use in connection with the Stations

as of the Closing Date. Without limiting the foregoing, the Assets shall include the following, except to the extent that any of the following are included within the Excluded Assets:

- (i) the Assigned Licenses and the Stations' call letters;
- (ii) any books and records maintained by the Seller that are necessary to operate the Stations;
- (iii) all parcel(s) of real property, as more fully described in Schedule 4.12(a) hereto (the "Owned Real Property"), and all the rights arising out of the ownership thereof or appurtenant thereto, including all rights, privileges, grants and easements appurtenant to the Seller's interest in the Owned Real Property, together with all buildings, structures, facilities, fixtures and other improvements ("Improvements") thereon;
- (iv) all lease(s) of real property (the "Real Property Leases"), as more fully described in Schedule 4.12(b), as to which the Seller is the lessee (the real property demised by a Real Property Lease being called, the "Leased Real Property"), and all Improvements included in the Leased Real Property;
- (v) all Equipment;
- (vi) to the extent transferable by the Seller to the Purchaser, other than the FCC Licenses, all Licenses possessed by the Seller and used or held for use in the operation of the Stations as currently conducted and all rights thereunder (each a "Business License" and, collectively, the "Business Licenses");
- (vii) to the extent transferable by the Seller to the Purchaser, all Contracts (other than Real Property Leases, which are the subject of clause (iv) above) to which the Seller is a party pertaining to the operation of the Stations and all rights of the Seller thereunder (together with the Real Property Leases, each a "Business Contract" and, collectively, "Business Contracts");
- (viii) subject to any restrictions on transfer or assignment and to the extent used or held for use by the Seller in connection with the Stations, all management and other systems (including computers and peripheral equipment), databases, computer software, computer disks and similar assets and all licenses and rights in relation thereto;
- (ix) to the extent transferable by the Seller to the Purchaser, the Business Intellectual Property, subject to any restrictions on transfer or assignment thereof;
- (x) all prepaid expenses and charges attributable to the period prior to the Effective Time in respect of the Stations and attributable to periods on or after the Effective Time, in each case, to the extent reflected in the Prorations set forth in Section 2.5(a) below;
- (xi) to the extent assignable, all of the Seller's rights, claims, credits, causes of action or rights of set-off against third parties relating to the Stations or Assets, including claims pursuant to all warranties, representations and guarantees made by suppliers, manufacturers, contractors and other third parties in connection with products or

services purchased by or furnished to the Seller for use in the Stations or affecting any of the Assets;

(xii) the Accounts Receivable; and

(xiii) all goodwill associated with the Assets.

(c) Excluded Assets. Notwithstanding anything to the contrary herein, the Seller shall not convey, assign, or transfer to the Purchaser, and the Purchaser shall not acquire or have any rights to acquire, the following assets (the “Excluded Assets”):

(i) all of Seller’s rights to (A) Seller’s names, service names and trade names, (B) all URLs and internet domain names consisting of or containing any of the foregoing and (C) any variations or derivations of, or marks confusingly similar to, any of the foregoing;

(ii) all cash, cash equivalents and securities of the Seller;

(iii) all bank and other depository accounts of the Seller;

(iv) all (A) tax records and tax returns (other than those tax records and tax returns related to personal and real property taxes with respect to the Assets), books of account and other materials not relating to the Assets or the operation of the Stations, (B) Organizational Documents, minute books and all other books and records relating to the organization, existence or ownership of Seller, (C) records, documents, plans and financial records related to the Transactions, (D) all records relating to other Excluded Assets and (E) all personnel files for employees of Seller who are not transferred to Purchaser as of the Closing;

(v) all refunds of Taxes;

(vi) all Business Insurance Policies (including, without limitation, title insurance policies) or other insurance policies relating to the Stations, any refunds paid or payable in connection with the cancellation or discontinuance of any insurance policies applicable to the Stations, and any claims made under any such insurance policies;

(vii) subject to Section 6.7, rights in or any assets associated with or allocated to the Benefit Plans;

(viii) any Business Contract (A) that is subject to Section 3.5 , unless and until consent to the assignment of such Business Contract is obtained pursuant to Section 3.5 (subject to obligations of the parties as set forth in Section 3.5), (B) listed on Schedule 2.1(c)(viii) (Excluded Contracts), (C) entered into prior to the date hereof that was required to be listed on Schedule 4.7(a) but was not so listed thereon and that is designated by the Purchaser within thirty (30) days of the discovery by the Purchaser that such Business Contract was required to be listed on Schedule 4.7(a) but was not so listed, or (D) that was entered into, renewed or amended after the date hereof in violation of Section 6.1 (collectively, the “Excluded Contracts”);

(ix) all intercompany debts and other obligations due to the Seller from any Affiliates of the Seller;

(x) all rights of the Seller under this Agreement and the other Operative Agreements, to the Purchase Price hereunder, under any agreement, certificate, instrument or other document executed and delivered by the Seller or the Purchaser in connection with the Transactions, or any side agreement between the Seller and the Purchaser entered into on or after the date of this Agreement; and

(xi) the assets and rights expressly set forth on Schedule 2.1(c)(xi) (Excluded Assets).

## 2.2 Assumption of Liabilities.

(a) Assumption. Upon the terms and subject to the conditions set forth herein, at the Closing the Purchaser shall assume from the Seller (and thereafter pay, perform, discharge or otherwise satisfy in accordance with their respective terms), and the Seller shall irrevocably convey, transfer and assign to the Purchaser, all of the Assumed Liabilities of the Seller.

(b) Assumed Liabilities. For all purposes of and under this Agreement, the term “Assumed Liabilities” shall mean, refer to and include all Liabilities of the Seller (i) under the Business Contracts validly assigned to Purchaser (other than any Excluded Contracts) to the extent attributable to the periods at or after the Effective Time, (ii) relating to the Assets arising during, or attributable to, any period of time at or after the Effective Time; (iii) Purchaser’s obligations pursuant to Section 3.5; and (iv) to the extent included in the calculation of the Prorations.

(c) Excluded Liabilities. The Purchaser shall not assume, and the term “Assumed Liabilities” shall not mean, refer to or include (and, therefore, the “Excluded Liabilities” shall consist of) all Liabilities not expressly assumed by the Purchaser, including the following:

(i) Liabilities of the Seller or its Affiliates under any Benefit Plan, subject to the provisions of Section 6.7 hereof;

(ii) Liabilities for indebtedness for borrowed money of the Seller;

(iii) Liabilities for the compensation of all Business Employees for periods prior to the Effective Time, subject to the provisions of Section 6.7 hereof;

(iv) Liabilities for Taxes of the Seller or any of its Affiliates relating to the periods prior to the Effective Time;

(v) Liabilities of the Seller in respect of transaction costs payable by it pursuant to Section 6.6 hereof;

(vi) Liabilities of the Seller not arising out of or relating to the Stations or the Assets;

(vii) Liabilities of the Seller arising out of or relating to the Stations or the Assets arising during, or attributable to, any period of time before the Effective Time (except to the extent included in the calculation of the Prorations) including any Liabilities that could be asserted by the FCC against the Stations with respect to the complaints which are covered by the tolling agreement referenced in Section 6.4(c);

(viii) Liabilities to any Affiliate of the Seller;

(ix) Liabilities related to any asset of Seller not included within the Assets;

(x) any Liability for Taxes payable with respect to Seller's transfer of the Assets to Purchaser and Seller's consummation of the Transactions, except to the extent of Purchaser's obligation to pay such Liability under Section 6.6;

(xi) Liabilities under any Excluded Contract, except to the extent of Purchaser's obligation to pay such Liability under Section 3.5 of this Agreement;

(xii) Subject to the provisions of Section 6.7, any Liability to or in respect of, or arising out of or in connection with, the employment or cessation of employment by Seller of any Business Employees or former Business Employees of Seller, including (A) an employment or consulting agreement, whether or not written, between the Seller and any person (other than obligations under employment agreements assumed by Purchaser to the extent attributable to the period at or after the Effective Time), (B) any claim of an unfair labor practice or grievance or any claim under any unemployment compensation, employment standards, pay equity or worker's compensation law or regulation or under any federal, state or provincial employment discrimination law or regulation, which shall have been asserted by any Business Employee or former Business Employee to the extent based on acts or omissions which occurred during the period of or relate to such Business Employee's employment by the Seller, whether or not such Business Employee is hired by the Purchaser or any of its Affiliates, (C) any Liability relating to payroll, vacation, personal day or sick pay for any current or former employee, director, officer, consultant or independent contractor of the Seller (except with respect to liability for any Business Employee employed by Purchaser for any period after the Closing Date), (D) with respect to any actual or alleged agreements or promises to current or former employees, directors, officers, consultants or independent contractors regarding stock options, equity or equity based compensation plans, programs or arrangements maintained by the Seller or any of its Affiliates, and (E) any Liability arising out of or relating to any stay bonus, special waiting bonus or special retention plan or agreement; and

(xiii) All Liabilities of Seller arising under this Agreement and any and all other Operative Agreements.

## 2.3 Consideration for Assets.

(a) Purchase Price. The consideration for the Assets shall be (i) \$1,500,000.00 paid in cash (the "Base Purchase Price"), subject to adjustment as provided in Section 2.4 (the Base Purchase Price, as so adjusted, the "Purchase Price") and (ii) the assumption by the Purchaser of the

Assumed Liabilities pursuant to Section 2.2 hereof. The Purchaser shall pay the Purchase Price as determined pursuant to Section 2.4 and Section 2.5 at Closing as follows: (a) \$150,000.00 shall be deposited with Wells Fargo Bank, National Association (the “Escrow Agent”) as the Indemnity Escrow (as defined below) pursuant to Section 2.3(b) and (b) the balance of the Purchase Price (i.e., the Purchase Price reduced by the Indemnity Escrow) shall be paid by the Purchaser to the Seller, by wire transfer of immediately available funds in accordance with written instructions delivered by the Seller reasonably in advance of Closing.

(b) Indemnity Escrow. At the Closing, Purchaser will deposit the sum of \$150,000.00 (the “Indemnity Escrow”) pursuant to the Escrow Agent’s standard form of escrow agreement (with such changes as the parties shall collectively agree, the “Escrow Agreement”). The Escrow Agent will hold the Indemnity Escrow to be distributed pursuant to the terms of the Indemnity Escrow Agreement and this Agreement. The Indemnity Escrow will serve as one source of payment of any indemnification obligations of Seller pursuant to Article VIII of this Agreement. On the date that is six (6) months after the Closing Date, the Escrow Agent will pay to Seller the portion of the interest and earnings on the Indemnity Escrow and fifty percent (50%) of any amounts remaining in the Indemnity Escrow, minus the aggregate amount of Damages reasonably estimated by the Purchaser under any Notice of Claim properly asserted and previously submitted by the Purchaser and then unresolved (or resolved but unpaid), or such other amount as Purchaser and Seller may agree in writing to cover the aggregate dollar amount of such claims, and Purchaser and Seller shall so instruct the Escrow Agent in writing. On the date that is one (1) year after the Closing Date, the Escrow Agent will pay to Seller the portion of the interest and earnings on the Indemnity Escrow and any amounts remaining in the Indemnity Escrow, minus the aggregate amount of Damages reasonably estimated by the Purchaser under any Notice of Claim properly asserted and previously submitted by the Purchaser and then unresolved (or resolved but unpaid), or such other amount as Purchaser and Seller may agree in writing to cover the aggregate dollar amount of such claims, and Purchaser and Seller shall so instruct the Escrow Agent in writing. The provisions of Section 8.4 shall govern resolution of any such outstanding claims. The Purchaser and the Seller shall deliver such instructions to the Escrow Agent as may be necessary to disburse the Indemnity Escrow in accordance with the terms of this Agreement.

## 2.4 Proration.

(a) General Allocation Principles. Except as otherwise provided in this Section 2.4, the ownership and operation of the Assets, and the revenues, expenses, and liabilities attributable thereto, including power and utilities charges, wages and vacation pay of Transferred Employees, rents and income, FCC annual regulatory fees, and other accruing, prepaid and deferred items, will be prorated between Seller and Purchaser in accordance with the following principles and in accordance with GAAP:

- (i) Seller will be allocated with respect to the Stations all revenues earned, accrued, or allocable to, and all expenses, costs and liabilities incurred in or allocable to, the period prior to the Effective Time,
- (ii) Purchaser will be allocated with respect to the Stations, all revenues earned, accrued or allocable to, and all expenses, costs and liabilities incurred in or allocable to, the periods at or after the Effective Time;



(iii) Purchaser shall acquire the Accounts Receivable and Seller shall be afforded a credit in the Prorations equal to the book value of the Accounts Receivable at Closing;

(iv) (a) If at the Effective Time, any Trade Agreement has an aggregate *negative* balance (i.e., the amount by which the value of air time a Station is obligated to provide after the Effective Time exceeds the fair market value of corresponding goods and services to be received by a Station after such time), there shall be no proration or adjustment therefor, unless the aggregate negative balance of the Stations' Trade Agreements exceeds \$10,000, in which event only such excess shall be treated as prepaid time sales of the Stations, and adjusted for as a proration in Purchaser's favor; and (b) if at the Effective Time, any Trade Agreement has an aggregate *positive* balance (i.e., the amount by which the value of air time a Station is obligated to provide after the Effective Time is less than the fair market value of corresponding goods and services to be received by such Station after such time), there shall be no proration or adjustment therefor, unless the aggregate positive balance of the Stations' Trade Agreements exceeds \$10,000, in which event only such excess shall be treated as prepaid goods or services for the Stations and adjusted for as a proration in Seller's favor;

(v) Seller shall remain or be solely (as between Seller and Purchaser) liable with respect to the Excluded Liabilities whether arising before or after Closing Date; and

(vi) At the Closing, the Purchase Price will be increased or decreased, as appropriate, in order to give effect to this Section 2.4, based on the estimate described in Section 2.5.

(b) Treatment of Program Liabilities. Notwithstanding Section 2.4(a), as between Purchaser and Seller:

(i) Seller will be allocated all obligations to make cash payments of license and usage fees pursuant to any Contract for Program Rights ("Program Payments") that first become due and payable under the terms of such Contract for Program Rights prior to the first day of the applicable payment period that includes the Closing Date;

(ii) Purchaser will be allocated all obligations to make Program Payments that first become due and payable under the terms of any applicable Contract for Program Rights after the last day of the applicable payment period that includes the Closing Date; and

(iii) with respect to Program Payments that first become due and payable under the terms of any applicable Contract for Program Rights during the applicable payment period that includes the Closing Date: (A) Seller will be allocated all obligations to make a portion of each such Program Payment that is equal to a fraction, the numerator of which is the number of days (if any) during such applicable payment period that are prior to the Closing Date and the denominator of which is the total number of days during such



applicable payment period, and (B) Purchaser will be allocated obligations to make the remaining portion of such Program Payments.

2.5 Adjustment Procedures. The adjustments specified in Sections 2.4 shall be determined in accordance with the following procedures:

(a) Estimate for Closing. Seller shall, no later than three (3) Business Days prior to the scheduled Closing Date, prepare and deliver to Purchaser a good faith estimate of the prorations and adjustments to the Purchase Price that are required in order to give effect to Section 2.4 (the “Prorations”), which shall reflect Section 6.7.

(b) Post-Closing Adjustment.

(i) As promptly as possible after the Closing, but in any event not later than ninety (90) days after the Closing Date, Purchaser shall deliver to Seller a statement setting forth Purchaser’s determination of the Prorations. In connection with Seller’s review of such determination, Purchaser will furnish Seller with such information as may be reasonably requested by Seller. If Seller disputes the amount of the Prorations determined by Purchaser, Seller shall deliver to Purchaser within thirty (30) days after Seller’s receipt of Purchaser’s statement, a statement setting forth Seller’s determination of the Prorations. If Seller notifies Purchaser of its acceptance of Purchaser’s statement, or if Seller fails to deliver its statement within the period specified in the preceding sentence, Purchaser’s determination of the Prorations shall be conclusive and binding on the parties as of the last day of the thirty (30) day period.

(ii) Seller and Purchaser shall use good faith efforts to resolve any dispute involving the determination of the Prorations. If the parties do not resolve the dispute within thirty (30) days following the delivery of Seller’s statement pursuant to Section 2.5(b), Seller and Purchaser shall jointly designate the Independent Accounting Firm to resolve the dispute. The Independent Accounting Firm’s resolution of the dispute shall be final and binding on the parties, and a judgment may be entered thereon in any court of competent jurisdiction. Any fees of the Independent Accounting Firm incurred under this Section 2.5(b)(ii) shall be split equally between Seller on one hand and Purchaser on the other hand.

(iii) Final settlement of the Prorations, in cash, will be made no later than the fifth (5th) Business Day after the value of the Prorations are finally determined pursuant to this Section 2.5. The Purchase Price as finally determined pursuant to this Section 2.5 is referred to as the “Final Purchase Price”. If the Final Purchase Price exceeds the Purchase Price paid by the Purchaser to the Seller at Closing, then the Purchaser shall pay the Seller the amount of such excess, and, if the Purchase Price paid by the Purchaser to the Seller at Closing exceeds the Final Purchase Price, then the Seller shall pay the amount of such excess to the Purchaser.

2.6 Allocation of Purchase Price. The consideration for the Assets provided herein shall be allocated among the various categories of Assets in accordance with their respective fair market values. The parties hereto shall use their reasonable efforts prior to Closing to reach agreement on a

reasonable allocation of consideration to such categories of Assets. If the Purchaser and the Seller reach such agreement, the Purchaser and the Seller (i) shall execute and file all Tax Returns in a manner consistent with the allocation determined pursuant to this Section 2.6 and (ii) shall not take any position before any Governmental Authority or in any judicial proceeding that is inconsistent with such allocation. Such agreement shall not be a condition to Closing. The Seller and the Purchaser shall each timely file a Form 8594 with the IRS in accordance with the requirements of Section 1060 of the Internal Revenue Code. In the event that the parties do not agree to a purchase price allocation prior to Closing then each party hereto shall file its own Form 8594.

### **ARTICLE III. THE CLOSING**

3.1 Time and Place. Subject to the satisfaction or waiver of all conditions set forth in Article VII herein, the consummation of the Transactions shall (a) take place at a closing (the “Closing”) to be held at 10:00 a.m., New York time, on the date which is the third (3rd) Business Day after satisfaction and fulfillment or, if permissible pursuant to the terms hereof, waiver of the conditions set forth in Sections 7.1 and 7.2, other than those requiring a delivery of a certificate or other document, or the taking of other action, at the Closing (the “Effective Time”), and (b) be held by the exchange of signed documents by e-mail, in each case, unless another time, date or place is mutually agreed upon in writing by the Seller and the Purchaser. The date on which the Closing is to occur pursuant to this Section 3.1 is referred to herein as the “Closing Date”.

3.2 Closing Deliveries of the Seller. At the Closing, the Seller shall deliver, or cause to be delivered, to the Purchaser the following (which in the case of any instruments, certificates and other documents shall be dated as of the Closing Date and executed or acknowledged (as applicable) on behalf of the Seller by a duly authorized officer thereof), in order to consummate the Transactions, including the transfer of the Assets to the Purchaser pursuant to Section 2.1 hereof:

(a) Instruments of Transfer and Assignment.

(i) A bill of sale, substantially in the form attached hereto as Exhibit B (the “Bill of Sale”);

(ii) an instrument of assignment and assumption, substantially in the form attached hereto as Exhibit C (the “Assignment and Assumption”);

(iii) an assignment and assumption of lease or leases with respect to the Leased Real Properties, substantially in the form attached hereto as Exhibit D (the “Assignments and Assumptions for Leases”);

(iv) an assignment of the Assigned Licenses, substantially in the form attached hereto as Exhibit E (the “Assignment of FCC Licenses”);

(v) certificates of title or origin (or like documents) with respect to any motor vehicles for which a certificate of title or origin evidences title, together with properly completed assignments of such vehicles to be delivered by the Seller;

(vi) special warranty deeds in a form reasonably acceptable to Purchaser with respect to any Owned Real Property;

(vii) the Escrow Agreement, duly executed by Seller; and

(viii) such other instruments of transfer as the Purchaser may reasonably request to convey any Assets to the Purchaser.

(b) Closing Certificates and Other Documents.

(i) An officer's certificate to be delivered by the Seller substantially in the form attached hereto as Exhibit F, which shall certify as to the satisfaction of the conditions set forth in Sections 7.1(a) and 7.1(b) hereof;

(ii) the Escrow Agreement, duly executed by Purchaser;

(iii) a secretary's certificate to be delivered by the Seller substantially in the form attached hereto as Exhibit G;

(iv) a certificate of the Seller certifying as to its non-foreign status which complies with the requirements of Section 1445 of the Internal Revenue Code.

3.3 Closing Deliveries of the Purchaser. At the Closing, the Purchaser shall make the payment and deliver, or cause to be delivered, to the Seller the following (which in the case of any instruments, certificates and other documents shall be dated as of the Closing Date and executed or acknowledged (as applicable) on behalf of the Purchaser by a duly authorized officer thereof) in order to pay for the Assets and effect the assumption of all Assumed Liabilities from the Seller pursuant to Section 2.2 hereof:

(a) Purchase Price. The Purchase Price in accordance with Section 2.3(a).

(b) Instruments of Assumption.

(i) The Assignment and Assumption;

(ii) the Assignments and Assumptions for Leases; and

(iii) all other instruments and certificates of assumption, as the Seller may reasonably request in order to effectively make the Purchaser responsible for all Assumed Liabilities.

(c) Closing Certificates and Other Documents.

(i) An officer's certificate substantially in the form attached hereto as Exhibit I, which shall certify as to the satisfaction of the conditions set forth in Sections 7.2(a) and 7.2(b) hereof;

(ii) (intentionally omitted); and

(iii) a secretary's or assistant secretary's certificate substantially in the form attached hereto as Exhibit J.

3.4 Further Assurances. At and after the Closing, and without further consideration therefor, (i) the Seller shall execute, or arrange for the execution of, and deliver to the Purchaser such further instruments and certificates of conveyance and transfer as the Purchaser may reasonably request in order to more effectively convey and transfer the Assets from the Seller to the Purchaser in accordance with the terms of this Agreement and (ii) the Purchaser shall execute, or shall arrange for the execution of, and deliver to the Seller such further instruments and certificates of assumption, novation and release as the Seller may reasonably request in order to effectively make the Purchaser responsible for all Assumed Liabilities in accordance with the terms of this Agreement.

3.5 Assignment of Business Contracts and Business Licenses. To the extent that the transfer or assignment hereunder by the Seller to the Purchaser of any Business Contract or Business License is not permitted or is not permitted without the consent or approval of another Person, any such Business Contract or Business License shall not be assigned by the Seller to Purchaser at Closing if such consent or approval is not given or obtained by the Closing or if such agreement at Closing otherwise would constitute a breach thereof or constitute a loss of benefits thereunder. The Seller and the Purchaser shall use their commercially reasonable efforts to obtain any and all such third party consents or approvals under all Business Contracts or Business License; provided, however, that neither the Seller nor the Purchaser shall be required to pay or incur any cost or expense to obtain any third-party consent or approval that it is not otherwise required to pay or incur in accordance with the terms of the applicable Business Contract or Business License, except for usual and customary legal fees and expenses. If any such third-party consent or approval for the assignment or transfer of a Business Contract or Business License is not obtained before the Closing, the Seller shall cooperate with the Purchaser in any reasonable arrangement designed to provide for the Purchaser after the Closing the benefits intended to be assigned to the Purchaser under the applicable Business Contract or Business License, including enforcement at the cost and for the account of the Purchaser of any and all rights of the Seller against the other party thereto arising out of the breach thereof by such other party or otherwise; provided, that the Purchaser shall (i) undertake to pay or satisfy the corresponding Liabilities for the enjoyment of such benefit to the extent that the Purchaser would have been responsible therefor hereunder if such consent, waiver or approval had been obtained and (ii) indemnify and hold harmless the Seller and its Affiliates for any costs, expenses or Liabilities (including legal fees and expenses) incurred by them in connection with the enforcement of such Business Contract at the request of the Purchaser. Upon receipt of any such third-party consent or approval after Closing, the applicable Business Contract or Business License shall be automatically assigned to, and assumed by, the Purchaser on the terms hereof without further action by the Purchaser or the Seller.

#### **ARTICLE IV.**

##### **REPRESENTATIONS AND WARRANTIES OF THE SELLER**

The Seller hereby represents and warrants to the Purchaser as follows:

4.1 Organization. Seller is duly formed, validly existing and in good standing under the Laws of its state of formation, with all requisite limited liability company power and authority to

own, operate or lease the Assets as now owned, operated or leased by it, and to conduct the operation of the Stations substantially as presently conducted by it, and is qualified to do business in each jurisdiction in which its Assets are located.

4.2 Authority. Seller has all requisite corporate power and authority to enter into and deliver this Agreement and the Operative Agreements to which Seller is a party, to perform its obligations hereunder and thereunder, and to consummate the Transactions. The execution and delivery by the Seller of this Agreement and the Operative Agreements to which it is a party, the performance by the Seller of its obligations hereunder and thereunder, and the consummation by the Seller of the Transactions, have been duly authorized by all necessary corporate action on the part of Seller. This Agreement has been, and the Operative Agreements to which Seller is a party shall at Closing be, duly executed and delivered by Seller. Assuming the due authorization, execution and delivery of this Agreement and the Operative Agreements by the Purchaser, this Agreement constitutes, and each of the Operative Agreements to which Seller is a party (when so executed and delivered) will constitute, a legal, valid and binding obligation of the Seller, enforceable against it in accordance with its terms, except as such enforceability may be limited by the Enforceability Exceptions.

4.3 No Violation; Third Party Consents. Assuming that all consents, waivers, approvals, orders and authorizations described in Section 4.4 hereto have been obtained and all notifications, registrations, qualifications, designations, declarations or filings with any Governmental Authorities described in Section 4.4 hereto have been made, and, except as set forth in Schedule 4.3 hereto, the execution and delivery by the Seller of this Agreement and the Operative Agreements to which Seller is a party, the performance by the Seller of its obligations hereunder and thereunder, and the consummation by the Seller of the Transactions, will not conflict in any material respect with or violate in any material respect, constitute a material default (or event which with the giving of notice or lapse of time, or both, would constitute a material default) under, give rise to any right of termination, amendment, modification, acceleration or cancellation of any material obligation or loss of any material benefit under, result in the creation of any Encumbrance other than a Permitted Encumbrance on any of the Assets pursuant to, or require the Seller to obtain any consent, waiver, approval or action of, make any filing with, or give any notice to any Person as a result of or under, the terms and provisions of (i) the Organizational Documents of the Seller, (ii) any Business Contract listed on Schedule 4.7(a) (or required to be listed thereon), or (iii) any Law applicable to the Seller or any of the Assets, or any Governmental Order issued by a Governmental Authority by which Seller or any of the Assets is bound or obligated.

4.4 Government Consents. Except as set forth in Schedule 4.4 hereto, no material consent, waiver, approval, order or authorization of, or notification, registration, qualification, designation, declaration or filing with, any Governmental Authority is required on the part of the Seller in connection with the execution and delivery by the Seller of this Agreement and the Operative Agreements to which Seller is a party, the performance by the Seller of its obligations hereunder and thereunder, and the consummation by the Seller of the Transactions except the FCC Consent.

4.5 Equipment and Tangible Personal Property. Schedule 4.5 contains an accurate and complete list of all material items of Equipment owned or leased by Seller as of the date hereof that relates to the program, production, generation or transmission of the Stations' television broadcast

signal, or otherwise having an original acquisition cost of at least \$25,000. Seller has good and marketable title to or a valid leasehold interest in, or otherwise has the right to use, all items of Equipment listed on Schedule 4.5, free and clear of all Encumbrances except for Permitted Encumbrances. Except as specified on Schedule 4.5, all Equipment is (i) in reasonable operating condition and repair, subject to normal wear and tear, adequate for its current use, and available for use, in the operation of the Stations and the conduct of the business and operations of the Stations as presently conducted, and (ii) maintained in material compliance with good engineering practice, industry practice and in material compliance with all applicable FCC and Federal Aviation Administration (the "FAA") rules and policies. Except for the Excluded Assets, the Assets are all of the assets necessary to operate in all material respects the Stations as presently operated by the Seller.

4.6 Intellectual Property and Proprietary Rights. Schedule 4.6 sets forth a list of all applications and registrations for Business Intellectual Property and sets forth the owner and nature of the interest of the Seller therein, and a list of the homepages of the Stations' Internet websites.

(a) To the extent set forth on Schedule 4.6, the Seller is the owner of all right, title and interest in and to each item of Business Intellectual Property and/or has the right to use the Business Intellectual Property in connection with the operation of the Stations as currently conducted.

(b) (i) The use of the Business Intellectual Property in connection with the operation of the Stations as currently conducted does not infringe or otherwise conflict with the Intellectual Property rights of any Person and (ii) no material claim is pending or, to the Knowledge of the Seller, has been threatened in writing with respect to the use of the Business Intellectual Property in connection with the operation of the Stations as currently conducted, except, in either case, (i) or (ii), as set forth on Schedule 4.6(b).

(c) To the Knowledge of the Seller, (i) none of the Business Intellectual Property owned by the Seller is being materially infringed, nor (ii) is such Business Intellectual Property being materially used or available for use by any Person other than the Seller, except, in either case, (i) or (ii), as set forth on Schedule 4.6(c).

#### 4.7 Business Contracts.

(a) Schedule 4.7(a) hereto contains a list of the Business Contracts of the Seller included in the Assets other than (i) any oral or written Contract involving less than \$50,000 for the purchase or sale of goods, supplies, equipment, capital assets, products or services (other than Contracts for the purchase of programming); (ii) any Business Contracts for advertising on the Stations; and (iii) any service contracts terminable by the Seller on no more than 60 days' notice. Notwithstanding the foregoing provisions of this Section 4.7(a), the aggregate amount of all payments to or by Seller under Business Contracts included in the Assets which are not listed on Schedule 4.7(a) does not exceed \$150,000.

(b) Except as set forth in Schedule 4.7(b) hereto (i) each Business Contract listed on Schedule 4.7(a) represents a valid, binding and enforceable obligation of the Seller in accordance with the respective terms thereof and, to the Seller's Knowledge, represents a valid, binding and enforceable obligation of each of the other parties thereto, except, in each case, as such



enforceability may be limited by the Enforceability Exceptions, (ii) neither Seller, and to the Knowledge of the Seller, nor any other party is in material breach or default under any Business Contract listed on Schedule 4.7(a), (iii) as of the date hereof no outstanding notice of default has been sent or received by the Seller under any Business Contract listed on Schedule 4.7(a), and (iv) true, correct and complete copies of such Business Contracts listed on Schedule 4.7(a) have been made available to the Purchaser. Each Station is carried pursuant to retransmission agreements on all material MVPDs in the DMA.

4.8 Business Licenses. Except as set forth in Schedule 4.8, the Seller owns or possesses all right, title and interest in and to all FCC Licenses and all other material Licenses which are necessary for it to conduct the operations of the Stations substantially as currently conducted (each, a “Material Business License” and, collectively, the “Material Business Licenses”). Schedule 4.8 hereto contains a list of all Material Business Licenses of the Seller included in the Assets. No loss or expiration of any such Material Business License has occurred, is pending or, to the Knowledge of the Seller, has been threatened in writing, other than (a) the expiration of any such Material Business License in accordance with the terms thereof which may be renewed in the ordinary course of business, or (b) the expiration of the terms of the Material Business Licenses that remain in effect by operation of Law pending disposition of pending renewal applications.

4.9 Business Employees. Schedule 4.9 lists all employees of the Seller who, as of the date of this Agreement, have employment duties related to the Stations, including any such employee who is an inactive employee on paid or unpaid leave of absence, short-term disability or long-term disability, and indicating such employee’s date of employment, current title as of the date hereof and salary as of the date hereof. Each employee set forth in Schedule 4.9 who remains employed by the Seller immediately prior to the Closing (whether actively or inactive), and each additional employee who is hired to work at the Stations following the date hereof and prior to the Closing who remains employed by the Seller immediately prior to the Closing (whether actively or inactive), is referred to herein individually as a “Business Employee” and, collectively, as the “Business Employees.” Schedule 4.9 also contains a list of any consultants or independent contractors providing services to Seller in the day-to-day operations of the Stations and a description of any Contracts of Seller therewith. Except as described in Schedule 4.9, Seller has no written or oral contracts of employment with any Business Employee other than oral employment agreements terminable at will without penalty.

4.10 Employee Benefit Plans.

(a) Schedule 4.10 hereto lists each material employment, bonus, incentive compensation, deferred compensation, pension, profit sharing retirement, stock purchase, stock option, stock ownership, equity (or equity-based), leave of absence, vacation, day or dependent care, cafeteria, life, health, medical, accident, disability, workmen’s compensation or other insurance, severance, change of control or other benefit plan, agreement (including any collective bargaining agreement), practice, policy or arrangement, whether written or oral, and whether or not subject to ERISA (including any “employee benefit plan” within the meaning of Section 3(3) of ERISA), which the Seller sponsors, maintains, has any obligation to contribute to, has Liability under or is otherwise a party to, and which covers or otherwise provides benefits to the Business Employees (or their dependents and beneficiaries) (with respect to their relationship with the Stations) (each, a “Benefit Plan” and, collectively, the “Benefit Plans”).



(b) Seller is not, and has not been, required to contribute to any “multiemployer plan,” as defined in ERISA Section 3(37), nor has Seller withdrawn from such a “multiemployer plan.” Except as required under Internal Revenue Code Section 4980B or ERISA Sections 601-609, no Employee Plan provides health or medical coverage to former Business Employees of Seller. Each Benefit Plan has been operated and maintained in material compliance with its terms and with the requirements prescribed by all applicable Law (including ERISA and the Internal Revenue Code).

(c) With respect to each Benefit Plan, (i) such Benefit Plan that is intended to be tax-qualified, and each amendment thereto, is the subject of a favorable determination letter except as described in Schedule 4.10, and no Benefit Plan amendment that is not the subject of a favorable determination letter would affect the validity of such Benefit Plan’s letter; and (ii) no Benefit Plan is subject to Title IV of ERISA.

#### 4.11 Financial Statements.

(a) Attached as Schedule 4.11(a) hereto are true, correct and complete copies of the following financial statements (collectively, the “Financial Statements”): (i) the balance sheet of the Stations (the “Latest Balance Sheet”) as of December 31, 2017 (the “Latest Balance Sheet Date”), (ii) the balance sheet of the Stations for each of the years ended December 31, 2016, December 31, 2015 and December 31, 2014, (iii) the income statements of the Stations for the twelve-month period ended on the Latest Balance Sheet Date and (iv) the related income statements of the Stations for the for each of the years ended December 31, 2016, December 31, 2015 and December 31, 2014. The Financial Statements have been prepared in accordance with GAAP in all material respects and were derived from the books and records of the Stations and fairly present, in all material respects, the financial position and results of operations of the Stations as of the respective dates thereof and for the respective periods indicated therein, except as otherwise noted therein and subject, in the case of the Latest Balance Sheet and the income statement of the Stations for the three-month period ended on the Latest Balance Sheet Date, to normal and recurring year-end adjustments and the absence of footnotes. Seller is not subject, with respect to the Assets, to any material Liability required in accordance with GAAP to be disclosed on a balance sheet or disclosed in a footnote as a contingent liability of the Stations, which is not shown or reserved for in the Latest Balance Sheet, other than (i) Liabilities incurred in the ordinary course of business since Latest Balance Sheet Date, and (ii) Liabilities set forth on Schedule 4.11(a).

(b) Except as set forth in Schedule 4.11(b), from the Latest Balance Sheet through the date hereof, there has been no change in the business of the Stations that has resulted in, or would reasonably be expected to result in, a Material Adverse Effect.

#### 4.12 Real Property.

(a) Schedule 4.12(a) lists the address and owner of all Owned Real Property. Immediately prior to the Closing, Seller will have good and marketable fee simple title to the Owned Real Property free and clear of Encumbrances, other than Assumed Liabilities and Permitted Encumbrances. No Seller is obligated under, nor is a party to, any option, right of first refusal or other contractual right to purchase, acquire, sell, assign or dispose of any of the Owned Real Property or any portion thereof or interest therein. Seller has not leased or otherwise granted to any Person the

right to use or occupy any of the Owned Real Property or any portion of the income or profits from the sale, operation or development thereof. All Improvements located on the Owned Real Property (i) are in reasonable condition and repair in accordance with normal and customary industry practices (ordinary wear and tear excepted), and (ii) are available for immediate use in the operations of the Stations as currently conducted.

(b) Schedule 4.12(b) lists the Leased Real Property, which is all of the real property leased to the Seller and used or held for use in connection with the Stations. Seller has good leasehold title to its interests in the Leased Real Property, free and clear of all Encumbrances, except for Permitted Encumbrances. All Improvements located on the Leased Real Property (i) are in reasonable condition and repair in accordance with normal and customary industry practices (ordinary wear and tear excepted), and (ii) are available for immediate use in the operations of the Stations as currently conducted. With respect to the Leased Real Property, Seller is in peaceable possession under each such Real Property Lease.

(c) All of the Real Property has access to public roads or streets, and all utilities and services necessary for the proper and lawful conduct in all material respects regarding the operation of the Stations. There does not exist any actual or threatened condemnation or eminent domain proceedings, planned public improvements, annexation, special assessments, zoning or subdivision changes, or other adverse claims affecting any the Real Property, and, as of the date hereof, the Seller has not received any written notice of the intention of any Governmental Authority or other Person to take or use all or any part thereof. Except for Business Contracts set forth on Schedule 4.7(a), there are no contracts entered into by the Seller, granting to any Person other than the Seller, the right to occupy any Real Property.

(d) Except as set forth on Schedule 4.12(d): (i) there is no private restrictive covenant or governmental use restriction (including zoning) on all or any portion of the Real Property that prohibits or materially interferes with the current use by Seller of the Real Property; and (ii) all material permits required for the occupancy and operation of Real Property as presently being used by the Seller have been obtained and are in full force and effect in all material respects, and, as of the date hereof, the Seller has not received any notices of material default or material violations in connection with such items. To the Knowledge of Seller, no additional approvals, permits or licenses will be required to be issued after the date hereof in order to permit Purchaser, following the Closing, to continue to operate the Stations on the Real Property in the same manner as Seller, other than any such approvals, permits or licenses that are ministerial in nature and are normally issued in due course upon application therefore without further action by the applicant.

#### 4.13 Litigation; Governmental Orders.

(a) Except as set forth in Schedule 4.13 or Schedule 4.15(b) hereto, there are no pending or, to the Knowledge of the Seller, threatened (in writing) Actions by any Person or Governmental Authority against or relating to the Seller with respect to the Stations or to which any of the Assets are subject.

(b) The Seller is not subject to or bound by any Governmental Order, other than those generally applicable to broadcast television stations.

4.14 Compliance with Laws. Except as set forth in Schedule 4.14 hereto, the Seller is in compliance in all material respects with all Laws and Governmental Orders applicable to the Stations.

4.15 FCC/FAA Matters; Qualifications.

(a) Schedule 4.15(a) contains a list of the FCC Licenses and a list, as of the date hereof, of the material pending FCC applications held by Seller for use in the operation of the Stations. Except as set forth on Schedule 4.15(a), such FCC Licenses are in full force and effect, and, to the Seller's Knowledge, such FCC Licenses are not subject to any adverse conditions, except for those conditions appearing on the face of the FCC Licenses and conditions applicable to broadcast television licenses generally.

(b) Except as set forth on Schedule 4.15(b), (i) each Station is being operated in compliance in all material respects with the Communications Act and the FCC Licenses with respect to the operation of such Station and (ii) the Seller has filed or made all material applications, reports, and other disclosures required by the FCC or the FAA to be made in respect of the Stations and have or will have at the Closing timely paid all regulatory fees in respect thereof. Except as set forth in Schedule 4.15(b), to the Knowledge of the Seller, as of the date hereof, there are no complaints, investigations, proceedings or other Actions pending or threatened in writing before the FCC with respect to the FCC Licenses, other than proceedings affecting the broadcast television industry generally. Except as set forth on Schedule 4.15(b), the Seller is legally, financially and otherwise qualified under the Communications Act to perform its obligations hereunder, to be the licensee and to own and operate the Stations. There is no fact or circumstance relating to Seller or any of its Affiliates that would reasonably be expected to prevent the FCC under the Communications Act in effect as of the date hereof from granting the FCC Applications, that would delay the granting of the FCC Consent, or that would cause the FCC to impose any condition on its granting of the FCC Consent. Seller has no reason to believe that the FCC Applications might not be granted by the FCC in the ordinary course due to any fact or circumstance relating to Seller or any of its Affiliates.

4.16 Labor Matters.

(a) Except as set forth on Schedule 4.16(a) hereto, there is not pending or, to the Knowledge of the Seller, threatened in writing against the Seller, any labor dispute, strike or work stoppage that affects or interferes with the operation of the Stations and, to the Knowledge of the Seller, there is no organizational effort currently being made or threatened in writing by or on behalf of any labor union with respect to Business Employees of the Stations. The Stations have not experienced any strike, work stoppage or other similar significant labor difficulties within the twelve (12) months preceding the date of this Agreement.

(b) Except as set forth on Schedule 4.16(b) hereto, (i) Seller is not a signatory or a party to, or otherwise bound by, any collective bargaining agreement which covers employees or former employees of Seller, (ii) Seller has not agreed to recognize any union or other collective bargaining unit with respect to any Business Employees, and (iii) no union or other collective bargaining unit has been certified as representing any Business Employees.

4.17 Environmental Matters. Except as disclosed on Schedule 4.17:

(a) The Real Property is in compliance in all material respects with all Environmental Laws applicable to the business and operations of the Stations as presently conducted by the Seller.

(b) Except in compliance in all material respect with Environmental Laws, there is none (and there has not previously been any) of the following: (i) handling of any Hazardous Substances at, on, from or around any Real Property or, to the Seller's Knowledge, on any properties surrounding or adjacent to any Real Property, (ii) presence of Hazardous Substances on or around any Real Property, (iii) underground tanks, PCMs or asbestos-containing materials located on or around any Real Property, and (iv) asbestos, mold, or other indoor air quality issues on or around any Real Property.

(c) Neither Seller nor any person acting on behalf of Seller has released any other person from any claims Seller might have, or have had, for any matter relating to the presence or handling of Hazardous Substances on any Real Property. No Encumbrances have been, or are, imposed on any of the Assets under any Environmental Laws.

(d) Seller has obtained any material permits, licenses, registrations and other approvals and has filed all reports and notifications required under any Environmental Laws in connection with the Assets, and are in compliance in all material respects with all applicable Environmental Laws. Seller has not received any notice of or, to Seller's Knowledge, is not the subject of, any Action by any person alleging liability under or noncompliance with any Environmental Law. Seller has delivered to Purchaser copies of all reports, notices, or other documentation relating to Hazardous Substances on or around the Real Property in Seller's possession.

4.18 Insurance. The Seller maintains insurance in respect of the Assets and the Stations covering such risks, in such amounts, with such terms and with such insurers as the Seller has determined is appropriate in light of the business and operations of the Stations and consistent in all material respects with industry practice (such insurance, the "Business Insurance Policies"). Schedule 4.18 hereto sets forth, as of the date hereof, a true and correct list of all Business Insurance Policies, all of which are in full force and effect in all material respects as of the date hereof.

4.19 Taxes. The Seller has filed, or caused to be filed, with the appropriate Governmental Authorities, all required Tax returns, and Seller has paid, caused to be paid or accrued all Taxes shown to be due and payable or claimed to be due and payable thereon, except where the failure to file such returns or pay or accrue such Taxes could not reasonably be expected to result in an Encumbrance on the Assets after the Closing or in the imposition of transferee liability on Purchaser for the payment of such Taxes. There are no proceedings pending pursuant to which Seller is or could be made liable for any taxes, penalties, interest, or other charges, the liability for which could extend to Purchaser as transferee of the Assets or as operator of the Stations following the Closing.

4.20 Transactions with Affiliates. Except as disclosed on Schedule 4.20, the Seller is not currently a party to any contract with any Affiliate of the Seller, or directors or officers of any such Affiliates that would be an Asset.

4.21 Brokers. No finder, broker, agent, financial advisor or other intermediary has acted on behalf of the Seller in connection with this Agreement or the Transactions or is entitled to any payment in connection herewith or therewith.

4.22 Disclaimer. EXCEPT AS EXPRESSLY PROVIDED IN THIS ARTICLE IV, OR ANY SCHEDULE, CERTIFICATE OR OTHER DOCUMENT DELIVERED BY THE SELLER PURSUANT TO THIS AGREEMENT, INCLUDING THE OTHER OPERATIVE AGREEMENTS, THE SELLER MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, NATURE OR DESCRIPTION, EXPRESS OR IMPLIED, INCLUDING, ANY WARRANTY OF TITLE, MERCHANTABILITY OR FITNESS OF ANY ASSET FOR A PARTICULAR PURPOSE OR WITH RESPECT TO ANY PROJECTIONS OR FUTURE FINANCIAL OR OPERATIONAL PERFORMANCE OF THE STATIONS, THEIR BUSINESS, OR THE ASSETS.

## **ARTICLE V.**

### **REPRESENTATIONS AND WARRANTIES OF THE PURCHASER**

The Purchaser hereby represents and warrants to the Seller as follows:

5.1 Organization. The Purchaser is duly formed, validly existing and in good standing under the Laws of the State of Mississippi.

5.2 Authority. The Purchaser has all requisite limited liability company power and authority to enter into and deliver this Agreement and the Operative Agreements to which it is a party, to perform its obligations hereunder and thereunder, to consummate the Transactions, and to assume and perform the Assumed Liabilities. The execution and delivery by the Purchaser of this Agreement and the Operative Agreements to which it is a party, the performance by the Purchaser of its obligations hereunder and thereunder, the consummation by the Purchaser of the Transactions, and the assumption and performance of the Assumed Liabilities, have been duly authorized by all necessary requisite limited liability company action on the part of the Purchaser. This Agreement has been, and the Operative Agreements to which the Purchaser is a party shall be, duly executed and delivered by the Purchaser. Assuming the due authorization, execution and delivery of this Agreement and the Operative Agreements by the Seller, this Agreement constitutes, and each of the Operative Agreements to which the Purchaser is a party (when so executed and delivered) will constitute, a legal, valid and binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its terms, except as such enforceability may be limited by the Enforceability Exceptions.

5.3 No Violation; Third Party Consents. Assuming that all consents, waivers, approvals, orders and authorizations described in Section 5.4 hereto have been obtained and all registrations, qualifications, designations, declarations or filings with any Governmental Authorities described in Section 5.4 hereto have been made, the execution and delivery by the Purchaser of this Agreement and the Operative Agreements to which it is a party, the performance by the Purchaser of its obligations hereunder and thereunder, the consummation by the Purchaser of the Transactions, and the assumption and performance of the Assumed Liabilities, will not conflict with or violate, constitute a default (or event which with the giving of notice or lapse of time, or both, would constitute a default) under, give rise to any right of termination, amendment, modification,



acceleration or cancellation of any obligation or loss of any benefit under, result in the creation of any Encumbrance other than a Permitted Encumbrance on any of the assets or properties of the Purchaser pursuant to, or require the Purchaser to obtain any consent, waiver, approval or action of, make any filing with, or give any notice to any Person as a result or under, the terms or provisions of (i) the organizational documents of the Purchaser, (ii) any Contract to which the Purchaser is a party or is bound, or (iii) any Law applicable to the Purchaser, or any Governmental Order issued by a Governmental Authority by which the Purchaser is in any way bound or obligated, except, in the case of clauses (ii) and (iii) of this Section 5.3, as would not have a material adverse effect on the ability of the Purchaser to perform its obligations under this Agreement and the Operative Agreements to which it is a party, to assume and perform the Assumed Liabilities or to consummate on a timely basis the Transactions.

5.4 Governmental Consents. No consent, waiver, approval, order or authorization of, or registration, qualification, designation, declaration or filing with, any Governmental Authority is required on the part of the Purchaser in connection with the execution and delivery by the Purchaser of this Agreement and the Operative Agreements to which it is a party, the performance by the Purchaser of its obligations hereunder and thereunder, the consummation by the Purchaser of the Transactions, the assumption and performance of the Assumed Liabilities, except (i) the FCC Consent and (ii) where the failure to obtain such consent, waiver, approval, order or authorization, or to make such registration, qualification, designation, declaration or filing, would not, individually or in the aggregate, have a material adverse effect on the ability of the Purchaser to perform its obligations under this Agreement, the Operative Agreements to which it is a party, to assume and perform the Assumed Liabilities or to consummate on a timely basis the Transactions.

5.5 Litigation. There are no pending or, to the knowledge of the Purchaser, threatened Actions by any Person or Governmental Authority against or relating to the Purchaser (or any Affiliate of the Purchaser) or by which the Purchaser or its assets or properties are or may be bound which, if adversely determined, would have a material adverse effect on the ability of the Purchaser to perform its obligations under this Agreement and the Operative Agreements to which it is a party, to assume and perform the Assumed Liabilities or to consummate on a timely basis the Transactions.

5.6 Brokers. No finder, broker, agent, financial advisor or other intermediary has acted on behalf of the Purchaser in connection with this Agreement or the Transactions or is entitled to any payment in connection herewith or therewith.

5.7 FCC Qualifications. Except as set forth in Section 6.4(c) of this Agreement, Purchaser is, to Purchaser's knowledge, legally, technically, financially and otherwise qualified under the Communications Act to perform its obligations hereunder, and to be the licensee of the Assigned Licenses. To Purchaser's knowledge, there is no fact or circumstance relating to the Purchaser or any of its Affiliates that would reasonably be expected to prevent the FCC from granting the FCC Applications or that would otherwise reasonably be expected to disqualify the Purchaser as the licensee of the Assigned Licenses. No waiver of any FCC rule or policy is required for the grant of the FCC Applications.

5.8 Financing. The Purchaser has sufficient cash, available lines of credit or other sources of funds to enable it to make payment of the Purchase Price and any other amounts to be

paid by it in accordance with the terms of this Agreement. The Purchaser acknowledges and agrees that it shall be the Purchaser's obligation to have funds on hand at the Closing sufficient to enable the Purchaser to pay the Purchase Price and the Purchaser's failure to have such funds at Closing shall constitute a breach by the Purchaser that gives rise to the failure of a condition set forth in Section 7.2 for the purposes of Section 9.1(a).

## **ARTICLE VI.**

### **COVENANTS AND AGREEMENTS**

6.1 Conduct of Business. At all times during the period commencing upon the execution and delivery of this Agreement by the parties hereto and terminating upon the earlier of the Closing or the termination of this Agreement pursuant to and in accordance with the terms of Section 9.1 hereof, unless the Purchaser shall otherwise consent in writing, and except as otherwise required by Law or to enable the Seller to comply with its obligations hereunder or as otherwise set forth in Schedule 6.1 hereto, the Seller shall:

(a) (i) use commercially reasonable efforts to conduct the operations of the Stations in the ordinary course of business, consistent with past practice, except to the extent otherwise provided herein, (ii) use commercially reasonable efforts to preserve and maintain in all material respects the goodwill of the Stations and the current relationships of the Seller with employees, customers, suppliers and others with significant and recurring business dealings with the Stations, (iii) take the actions set forth on Schedule 6.1(a)(iii), (iv) use commercially reasonable efforts to maintain all Business Licenses (including FCC Licenses) that are material to the conduct of the business of the Stations as currently conducted by Seller, including filing with the FCC applications to renew any FCC Licenses that have expired or that may expire prior to the Closing Date, (v) maintain the books of account and records of the Stations in the usual, regular and ordinary manner, consistent with past practices, (vi) use commercially reasonable efforts to maintain the Equipment in reasonable operating condition (given the age of such property and the use to which such property is put and ordinary wear and tear excepted) in accordance with industry practice, (vii) utilize the Program Rights of the Stations in the ordinary course of business, and not sell or otherwise dispose of any such Program Rights, and (viii) advise Purchaser in writing within two (2) Business Days after Seller obtains Knowledge of any complaint, investigation, proceeding or other Action pending or threatened in writing before the FCC with respect to the FCC Licenses.

(b) Without limiting the foregoing, at all times during the period commencing upon the execution and delivery of this Agreement by the parties hereto and terminating upon the earlier of the Closing or the termination of this Agreement pursuant to and in accordance with the terms of Section 9.1 hereof unless the Purchaser shall otherwise consent in writing (which consent shall not be unreasonably withheld, delayed, denied or conditioned, and which shall be deemed given if Purchaser does not respond to Seller's request for consent sent via email to Purchaser's counsel to the email address set forth in Section 10.1 within five (5) Business Days after delivery thereof), except as set forth on Schedule 6.1 hereto, the Seller shall use commercially reasonable efforts not to take, or cause to be taken, any of the following actions to the extent such actions relate to the Stations:

(i) enter into, materially amend, materially modify or terminate (other than at the expiration of their respective terms or due to a default of the other party



thereunder) any (1) Business Contract relating to Program Rights, or (2) other Business Contract, other than Business Contracts not involving Liabilities exceeding \$50,000 in any twelve-month period or \$100,000 in the aggregate in any twelve-month period for all such Business Contracts;

(ii) make any change in any method of accounting or accounting practice utilized in the preparation of the Financial Statements, except for any such change required by reason of a concurrent change in GAAP;

(iii) increase any wage, salary, bonus or other direct or indirect compensation payable or to become payable to any of the Business Employees, or make any accrual for or commitment or agreement to make or pay the same, other than increases in wages, salary, bonuses or other direct or indirect compensation made in the ordinary course of business, consistent with past practice. Notwithstanding the foregoing, any such increases shall not exceed 3% individually or in the aggregate, or those required by any existing Business Contract or Law; provided, however, the Seller may offer retention bonuses to any of the Business Employees, at the sole expense of the Seller;

(iv) make any payment or commitment to pay any severance or termination pay to any Business Employee or any independent contractor, consultant, agent or other representative of the Seller, other than payments or commitments to pay such Business Employees, independent contractors, consultants, agents or other representatives of the Seller in accordance with the terms of any agreements with such individual, or those required by any existing Business Contract or Law; provided, however, that the Seller may make any such payment or commitment to make any such payment at the sole expense of the Seller;

(v) (A) sell or make any other disposition of any of the Assets except (x) obsolete assets that are not in use in the operation of the Stations; (y) pursuant to existing Business Contracts; or (z) in the ordinary course of business, consistent with past practice; and (B) grant or incur any Encumbrance on any of the Assets, other than Permitted Encumbrances;

(vi) except in the ordinary course of business, consistent with past practice, incur or assume any debt, obligation or Liability;

(vii) except in the ordinary course of business, consistent with past practice, materially amend, materially modify or terminate any Material Business License; or

(viii) enter into any binding agreement to do any of the foregoing.

6.2 Access and Information. Subject to the terms of the Confidentiality Agreement, at all times during the period commencing upon the execution and delivery hereof by the parties hereto and terminating upon the earlier of the Closing or the termination of this Agreement pursuant to and in accordance with the terms of Section 9.1 hereof, the Seller shall permit the Purchaser and its authorized agents and representatives to have reasonable access, upon reasonable advance notice and during normal business hours, to the Stations and the Assets and all of its relevant books,

records and documents of or relating to the Stations and the Assets, and shall furnish to the Purchaser such information and data, financial records and other documents in its possession relating to the Stations and the Assets as the Purchaser may reasonably request; provided that such access shall not unduly interrupt the normal operations of the Stations, shall be coordinated through Seller management, and shall comply with all applicable Business Contracts and Permitted Encumbrances. Within thirty (30) days after the end of each calendar month during the period from the date hereof through the Closing, the Seller shall provide to the Purchaser, with respect to the Stations, the unaudited balance sheet as of the end of such month and the related combined unaudited statement of operations for such month ended of the Stations. Within forty-five (45) days after the end of each quarter during the period from the date hereof through the Closing, the Seller shall provide to the Purchaser, with respect to the Stations, the unaudited balance sheet as of the end of such quarter and the related combined unaudited statement of operations for such quarter ended of the Stations.

6.3 Confidentiality. The terms of the Confidentiality Agreement are hereby incorporated herein by reference and shall continue in full force and effect from the date hereof until the Closing in accordance with the terms thereof, such that the information obtained by the Purchaser, or its officers, employees, agents or representatives, in connection with the negotiation, execution and performance of this Agreement, the consummation of the Transactions, or otherwise, shall be governed by the terms set forth in the Confidentiality Agreement; provided, however, that in the event of the termination of this Agreement, the terms of the Confidentiality Agreement incorporated herein by reference shall survive as set forth therein.

6.4 Further Actions.

(a) Upon the terms and subject to the conditions set forth in this Agreement (including the terms of Section 6.4(b) hereof), the Seller and the Purchaser shall each use their respective commercially reasonable efforts to take, or cause to be taken, all appropriate action, and to do, or cause to be done, and to assist and cooperate with the other parties hereto in doing, all things necessary, proper or advisable under applicable Laws to consummate the Transactions, including, without limitation (but subject to Section 3.5): (i) obtaining all necessary Licenses, actions or nonactions, waivers, consents or approvals, authorizations, qualifications and other orders of any Governmental Authorities with competent jurisdiction over the Transactions, and (ii) obtaining all necessary consents, approvals or waivers from third parties. In furtherance (and not in limitation) of the provisions set forth in this Agreement, at all times prior to the Closing, Purchaser and Seller shall use their respective commercially reasonable efforts to take or cause to be taken all action necessary or desirable in order to consummate the transactions contemplated by this Agreement as promptly as is practicable.

(b) Also in furtherance and not in limitation of Section 6.4(a), the Purchaser and the Seller each shall prepare and file with the FCC as soon as practicable, but in no event later than five (5) Business Days after the execution of this Agreement, the requisite applications (the “FCC Applications”) and other necessary instruments or documents requesting the FCC Consent and thereafter prosecute such applications with all reasonable diligence to obtain the FCC Consent as soon as practicable; provided, however, except as provided in the following sentence, neither the Purchaser nor the Seller shall be required to pay consideration to any third party to obtain the FCC Consent. The parties shall each pay one-half of the FCC filing fees relating to the Transactions,

irrespective of whether the Transactions are consummated. The Purchaser and the Seller each shall oppose any petitions to deny or other objections filed with respect to the FCC Applications to the extent such petition or objection relates to such party. Neither the Purchaser nor the Seller shall take any intentional action that would, or intentionally fail to take such action the failure of which to take would, reasonably be expected to have the effect of materially delaying the receipt of the FCC Consent. If the Closing shall not have occurred for any reason within the original effective period of the FCC Consent, and neither party shall have terminated this Agreement under Section 9.1, the Purchaser and the Seller shall jointly request that the FCC extend the effective period of the FCC Consent. No extension of the FCC Consent shall limit the right of either party to exercise its rights under Section 9.1. Seller will consent to, and take all other steps reasonably necessary in connection with, the re-association of all of the translators and low powers owned by Seller in the DMA to one or more stations owned by Purchaser in the DMA effective at Closing.

(c) In connection with the efforts referenced in this Section 6.4 to obtain the FCC Consent, the Purchaser and the Seller shall each use its respective commercially reasonable efforts to (i) cooperate in all respects with each other in connection with any filing or submission and in connection with any investigation or other inquiry, including any proceeding initiated by a private party, (ii) keep the other party informed in all material respects of any material communication received by such party from, or given by such party to, the FCC or any other Governmental Authority and of any material communication received or given in connection with any proceeding by a private party, (iii) permit the other party the opportunity to review in advance any submissions to any Governmental Authority or material agreement that relates to the consummation of the Transactions and (iv) permit the other party to attend any meetings with any Governmental Authority or participate in any communications with any Governmental Authority. The Seller shall be permitted by Purchaser to enter into tolling agreements with the FCC to extend the statute of limitations for the FCC to determine or impose a forfeiture penalty against Seller in connection with any pending complaint against Seller relating to the broadcast of allegedly obscene, indecent or profane material, or regarding Seller's compliance with other FCC rules.

6.5 Publicity. The Seller and the Purchaser shall cooperate with each other in the development and distribution of all news releases and other public disclosures relating to the Transactions. Neither the Seller nor the Purchaser shall issue or make, or allow to have issued or made, any press release or public announcement concerning the Transactions without the consent of the other party hereto, except as otherwise required by applicable Law or the rules of any applicable stock exchange, but in any event only after giving the other parties hereto a reasonable opportunity to comment on such release or announcement in advance, consistent with such applicable legal requirements.

6.6 Transaction Expenses. The Purchaser shall pay all transaction costs and expenses (including legal, accounting and other professional fees and expenses) that it incurs in connection with the negotiation, execution and performance of this Agreement and the consummation of the Transactions (the "Transaction Expenses"). The Seller shall pay all transaction costs and expenses (including legal, accounting and other professional fees and expenses) that it incurs in connection with the negotiation, execution and performance of this Agreement and the consummation of the Transactions. Each of Seller and Purchaser shall pay one-half of all transfer Taxes (including sales, use and real property transfer Taxes) and fees and costs of recording or filing all applicable conveyancing instruments associated with the transfer of the Assets from the Seller to the Purchaser

pursuant to this Agreement. Consistent with Section 6.4(b) above, each party shall pay one-half of all FCC filing fees with regard to the Transactions. The Seller and the Purchaser shall cooperate in the preparation, execution and filing of all Tax Returns regarding any transfer Taxes which become payable as a result of the transfer of the Assets from the Seller to the Purchaser pursuant to this Agreement and/or shall cooperate to seek an available exemption from such Taxes.

#### 6.7 Employees and Employee Benefit Matters.

(a) Purchaser shall offer employment in accordance with the provisions of this Section 6.7 to each Business Employee listed on Schedule 6.7(a) effective as of the Closing (provided such Business Employee is employed as of such date). Purchaser's offer of employment to each Business Employee on short-term or long-term disability who is not actively employed as of the Closing Date shall be made promptly when such Business Employee is eligible to return to active service at any time within the six-month period following the Closing Date, or if longer, during the period Business Employee has a right to re-employment under applicable Law. Business Employees whose employment with Seller terminates and who accept or are treated by Purchaser as accepting such offers of employment by and actually commence employment with Purchaser (or its Affiliates) in accordance with this Section 6.7 are referred to collectively herein as the "Transferred Employees".

(b) In the case of each Transferred Employee under a written Employment Contract, Purchaser shall assume Seller's obligations under such Employment Contract as of the Closing Date. For the avoidance of doubt, without limiting the foregoing, Purchaser shall not assume any written employment agreement, nor owe any obligation to, any Business Employee who is not a Transferred Employee.

(c) If any Business Employee to whom Purchaser has offered employment in accordance with this Section 6.7 does not consent to employment with Purchaser or for any other reason (other than rescission of such offer by Purchaser) does not commence employment with Purchaser, such employee shall be deemed to have voluntarily resigned from employment with Seller and no severance shall be payable to such employee by Seller.

(d) Immediately prior to the Closing, the Seller shall terminate the employment of all Business Employees to whom an offer of employment has been made pursuant to the first sentence of Section 6.7(a).

(e) Seller shall retain full responsibility and Liability for offering and providing "continuation coverage" to any "qualified beneficiary" who is covered by a "group health plan" sponsored or contributed to by Seller or an ERISA Affiliate and who has experienced a "qualifying event" or is receiving "continuation coverage" on or prior to the Closing. "Continuation coverage," "qualified beneficiary," "qualifying event" and "group health plan" shall each have the meaning given such term under Section 4980B of the Internal Revenue Code and Section 601 et seq. of ERISA.

(f) Seller shall be solely responsible for compliance with applicable federal, state or local laws regarding "plant closings" or "mass layoffs" (as such terms are defined in WARN) or similar triggering events as they relate to the Transactions, including, without limitation, the requirements of WARN. Except as otherwise provided in this Section 6.7, Seller shall (i) retain

liability for all obligations and liabilities to the Business Employees arising prior to the Closing; and (ii) in accordance with Seller's employment terms or employment and compensation agreements, be responsible for and shall cause to be discharged and satisfied in full all amounts owed to the Transferred Employees, including, without limitation, wages, salaries, bonuses, severance pay, sick pay, accrued vacation, any liabilities accrued or incurred under any of the Employee Plans, or any other benefits or payments relating to the period of employment by Seller.

(g) Purchaser shall permit Transferred Employees (and their spouses and dependents) to participate in its "employee welfare benefit plans" as defined under ERISA (including without limitation health insurance plans) in which similarly situated employees of Purchaser are generally eligible to participate, with coverage effective immediately on the Closing Date (and without exclusion from coverage on account of any pre-existing condition except to the extent such persons were subject to such pre-existing condition limitations under Seller's group health plan). Transferred Employees' service with Seller (and any predecessors of Seller) will be deemed as service with Purchaser for purposes of eligibility, waiting periods, vesting periods and benefits based on length of service, and calculation of vacation and severance benefits, if applicable (other than benefit accrual under a defined benefit pension plan and Purchaser's discretionary match under Purchaser's 401(k) plan), and with any credit under any welfare plan for any deductibles or co-insurance paid for the current plan year under any plan maintained by Seller.

(h) Purchaser shall provide to each Transferred Employee credit for any unused paid time off (or sick and vacation) (calculated as of the Closing Date) in an amount equal to the amount calculated pursuant to Seller's policies as in effect on the date of this Agreement, including any hours earned but not credited as of such date, and Purchaser shall assume and discharge Seller's obligation to provide such leave as part of the Assumed Liabilities. The value of the total amount of the credits given by Purchaser will be reflected as an adjustment in Purchaser's favor in the Prorations.

(i) This Section 6.7 will operate exclusively for the benefit of the parties to this Agreement and no provision of this Agreement shall create any third-party beneficiary rights of any employee or former employee (including any beneficiary or dependent thereof) of Seller with respect to continued employment (or resumed employment) with Purchaser or Seller or in respect of any other matter.

6.8 Retention of and Access to Records. From and after the Closing, for a period of one (1) year the Purchaser shall preserve all books and records transferred by the Seller to the Purchaser pursuant to this Agreement. Upon the expiration of such one (1) year period, the Purchaser shall provide the Seller a reasonable opportunity to obtain copies, at the Seller's expense, of any of such books and records. As soon as practicable following the Closing, the Purchaser shall deliver to the Seller such financial information relating to the Stations in sufficient detail to enable the Seller to prepare its financial statements and all Tax Returns of the Seller relating to periods ending on or prior to the Closing Date. In addition to the foregoing, from and after the Closing, the Purchaser shall afford to the Seller, and its counsel, accountants and other authorized agents and representatives, during normal business hours, reasonable access to the employees, books, records and other data relating to the Assets, the Assumed Liabilities, the Transferred Employees and the Excluded Liabilities in its possession with respect to periods prior to the Closing, and the right to make copies and extracts therefrom, to the extent that such access may be reasonably required (a) to



facilitate the investigation, litigation and final disposition of any claims which may have been or may be made against any such party or Person or its Affiliates, (b) for the preparation of Tax Returns and audits, and (c) for any other reasonable business purpose.

6.9 Control Prior to Closing. The parties acknowledge and agree that, for the purposes of the Communications Act and any other applicable Law, this Agreement and, without limitation, the covenants in this Article VI, are not intended to, and shall not be construed to, transfer control of the Stations or to give the Purchaser any right to, directly or indirectly, control, supervise or direct, or attempt to control, supervise or direct, the programming, operations or any other matter relating to the Stations prior to the Closing Date, and the Seller shall have complete control and supervision of the programming, operations, policies and all other matters relating to the Stations until the Closing.

6.10 Risk of Loss.

(a) If, prior to the Closing, any of the Assets shall be damaged or destroyed by fire or other casualty, Seller shall take all reasonable steps to repair, replace and restore the Assets to reasonable operating condition as soon as possible after any loss or damage, it being understood and agreed that all insurance proceeds with respect thereto ("Proceeds") will be applied to or reserved for such replacement, restoration or repair, but that Seller will have no obligation to repair, replace or restore in excess of the Proceeds (plus any applicable deductible payment), and that Purchaser's sole remedies if Seller elects not to fully repair, replace or restore will be (i) to terminate this Agreement, or (ii) to close in accordance with Section 6.10(c).

(b) In the event that, prior to Closing, any damage or loss causes material impairment to and prevents broadcast transmissions of the Stations in the normal and usual manner and substantially in accordance with the FCC Licenses (not to include ordinary course scheduled maintenance), Seller will give prompt notice thereof to Purchaser and Purchaser, in addition to its other rights and remedies, will have the right to postpone the Closing Date until five (5) Business Days after transmission in accordance with the FCC Licenses has been resumed, subject to the Upset Date. During the period of postponement, Seller shall use its commercially reasonable efforts to resume broadcast transmissions. In the event transmission in accordance with the FCC Licenses cannot be resumed within the effective period of the FCC's consent to assignment of the FCC Licenses to Purchaser, the parties will join in an application or applications requesting the FCC to extend the effective period of its consent for one or more periods not to exceed one hundred twenty (120) days in the aggregate, subject to the Upset Date. If transmission in accordance with the FCC Licenses has not been resumed so that the Closing Date does not occur by the Upset Date, Purchaser will have the right, by giving written notice to Seller within five (5) Business Days after the expiration of such 120-day period, or any such extension thereof, to terminate this Agreement forthwith without any further obligation.

(c) If any loss of or damage to the Assets occurs prior to the Closing Date, and repair, replacement or restoration of such Assets to not less than reasonable operating condition has not been made on or before the Closing Date (as the Closing Date may be extended as provided in Section 6.10(b)), or the cost thereof is greater than the Proceeds (plus any applicable deductible), then Purchaser will be entitled, but not obligated, to accept the Assets in their then-current conditions and will receive an abatement or reduction in the Purchase Price in an amount equal to

the difference between the amount necessary to fully repair or replace the damaged Assets to a reasonable operating condition and the amount of any unused Proceeds and payment of any related deductible amount. If Purchaser elects to accept damaged Assets at a reduced Purchase Price, the parties agree to cooperate in determining the amount of the reduction to the Purchase Price in accordance with the provisions hereof; provided, further, that in such case, Purchaser shall be deemed to have waived any breach of the representations, warranties or covenants set forth in this Agreement with respect to such loss or damage and Purchaser and Indemnified Party claiming through Purchaser will have no rights to indemnification under Article VIII of this Agreement with respect thereto.

6.11 Update. Seller shall deliver to the Purchaser, at least three (3) days before the Closing Date, a revised form of Schedule 4.7(a) as is necessary to reflect Business Contracts that have expired, been terminated, been amended, or been entered into in accordance with the terms of this Agreement since the date hereof, together with copies of any such amended or new Business Contracts.

6.12 Title Insurance; Survey. The Purchaser may obtain, at its sole option and expense, and the Seller shall grant the Purchaser access to obtain (a) commitments for owner's and lender's title insurance policies (ALTA Form 2006) on the Owned Real Property and commitments for lessee's and lender's title insurance policies for all Leased Real Property (collectively the "Title Commitments"), and (b) an ALTA survey on each parcel of Real Property (the "Surveys"); *provided, however*, that the Seller shall provide the Purchaser with any existing Title Commitments, title policies and Surveys in its possession or control. The Title Commitments will evidence a commitment to issue an ALTA title insurance policy insuring good, marketable and indefeasible fee simple (or leasehold, if applicable) title to each parcel of the Real Property contemplated above for such amount as the Purchaser directs and will contain no exceptions except for Assumed Liabilities or Permitted Encumbrances with each of the title company's standard printed exceptions in Schedule B thereto deleted at the Seller's expense. The Seller shall reasonably cooperate with the Purchaser in obtaining such Title Commitments and Surveys (including by providing customary representations and affidavits to the Purchaser's title company). If the Title Commitments or Surveys reveal any Encumbrance on the title, other than Assumed Liabilities or Permitted Encumbrances, the Purchaser may notify the Seller in writing of such objectionable matter as soon as the Purchaser determines that such matter is not an Assumed Liability or Permitted Encumbrance, or otherwise a customary title exception, and the Seller shall use commercially reasonable efforts to remove such objectionable matter as required pursuant to the terms of this Agreement. The Seller shall be obligated to remedy any title defect that is of a monetary nature.

6.13 Environmental Assessments; Phase I and Phase II Investigations. Purchaser, at its sole cost and expense, shall have the right to (1) within sixty (60) days from the date of this Agreement, engage an environmental consulting firm to conduct a Phase I Environmental Site Assessment and Compliance Review, as such terms are commonly understood (the "Phase I Environmental Assessment"), with respect to the Real Property and (2) within thirty (30) days after the receipt of the Phase I Environmental Assessment, engage an environmental consulting firm to conduct a Phase II Environmental Site Assessment or any other test, investigation or review recommended in the Phase I Environmental Assessment; *provided*, that such environmental assessment, test, investigation or review shall be conducted only (i) during regular business hours, (ii) with no less than two (2) business days prior written notice to the Seller, (iii) in a manner which



will not unduly interfere with the operation of the Stations or the use of access to or egress from the Real Property and (iv) with respect to Leased Real Property, shall only be done if the owner of such property consents. The Seller shall use commercially reasonable efforts to undertake to obtain such consents as promptly as practicable. Prior to Closing, the Seller shall remediate any environmental condition that is identified in such assessment at its sole cost and expense in respect of Owned Real Property; provided, that if the reasonably estimated cost to remedy any environmental condition in the aggregate exceeds \$52,500.00, Seller may elect not to remediate any such environmental conditions. Any such remediation shall only be required to meet the most cost-effective standard and executed in a reasonable manner, in each case to become compliant with any applicable Environmental Laws. Notwithstanding anything herein to the contrary, if the reasonably estimated cost to remedy any environmental condition in the aggregate exceeds \$52,500.00 and Seller elects not to remediate any such environmental conditions because the estimate exceeds such amount, then Purchaser shall have the right to terminate this Agreement upon written notice to Seller.

## **ARTICLE VII. CLOSING CONDITIONS**

7.1 Conditions to Obligations of the Purchaser. The obligations of the Purchaser to consummate the Transactions are subject to the satisfaction or fulfillment at or prior to the Closing of the following conditions, any of which may be waived in whole or in part by the Purchaser in writing:

(a) All representations and warranties of the Seller contained in this Agreement (disregarding any qualifications regarding materiality or Material Adverse Effect) shall be true and correct at and as of the Closing with the same effect as though such representations and warranties were made at and as of the Closing (other than any representation or warranty that is expressly made as of a specified date, which shall be true and correct as of such date only), except for changes which are permitted or contemplated pursuant to this Agreement or specifically consented to by the Purchaser in writing or to the extent that the failure of the representations and warranties of the Seller contained in this Agreement to be true and correct, at and as of the Closing (or in respect of any representation or warranty that is expressly made as of a specified date, as of such date only), has not had, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(b) The Seller shall have performed and complied in all material respects with all the covenants and agreements required by this Agreement to be performed or complied with by it at or prior to the Closing.

(c) There shall be in effect no Law or injunction issued by a court of competent jurisdiction making illegal or otherwise prohibiting or restraining the consummation of the Transactions.

(d) There shall not be instituted or pending any suit, action, proceeding or investigation by the United States Federal Trade Commission, the Antitrust Division of the United States Department of Justice, any state attorney general, other government authority, or private party under any Antitrust Law (i) challenging or seeking to make illegal, to delay materially or otherwise directly or indirectly to prohibit the consummation of the Transactions, any of the other

transactions contemplated hereby or any of the transactions contemplated by the Other APAs or (ii) seeking to prohibit, limit, restrain or impair the Purchaser's ability to own, control, direct, manage, or operate or to retain or change any portion of the Assets or Stations from and after the Effective Time.

(e) The FCC Consent shall have been granted, shall be in full force and effect, without any conditions materially adverse to the Purchaser, and on terms that are not materially more onerous to the Purchaser than are the terms to the Seller under the existing Assigned Licenses, in each case, other than those of general applicability to all licensees of broadcast television stations.

(f) The Seller shall have delivered to the Purchaser all of the certificates, instruments and other documents required to be delivered by it at or prior to the Closing pursuant to Section 3.2 hereof.

(g) The Required Consents shall have been obtained. For purposes hereof, "Required Consent" shall mean the consents, authorizations, approvals, waivers, or notices relating to the Business Contracts or Real Property Leases set forth on Schedule 7.1(f).

(h) The consummation of the transactions contemplated by each of the Asset Purchase Agreement, dated as of the date hereof, by and between Mark III Media, Inc., a Wyoming corporation, and Gray Television Group, Inc., and the Asset Purchase Agreement, dated as of the date hereof, by and between Wyomedia, Inc., a Wyoming corporation, and Purchaser (collectively, the "Other APAs") shall have occurred or be occurring prior to, or simultaneously with, the Closing.

7.2 Conditions to Obligations of the Seller. The obligations of the Seller to consummate the Transactions are subject to the satisfaction or fulfillment at or prior to the Closing of the following conditions, any of which may be waived in whole or in part by the Seller in writing:

(a) All representations and warranties of the Purchaser contained in this Agreement (disregarding any qualifications regarding materiality) shall be true and correct in all material respects as of the date of this Agreement and at and as of the Closing with the same effect as though such representations and warranties were made at and as of the Closing (other than any representation or warranty that is expressly made as of a specified date, which shall be true and correct in all material respects as of such date only).

(b) The Purchaser shall have performed and complied in all material respects with the covenants and agreements required by this Agreement to be performed or complied with by it at or prior to the Closing.

(c) There shall be in effect no Law or injunction issued by a court of competent jurisdiction making illegal or otherwise prohibiting or restraining the consummation of the Transactions.

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

(e) The Purchaser shall have delivered to the Seller the Purchase Price and all of the certificates, instruments and other documents required to be delivered by the Purchaser at or prior to the Closing pursuant to Section 3.3 hereof.

## **ARTICLE VIII. INDEMNIFICATION**

8.1 Survival. The representations, warranties, covenants and agreements (other than covenants to be performed in whole or in part after the Closing, each of which shall survive the Closing until thirty (30) days after it has been performed) made by any party and contained in or made pursuant to this Agreement shall survive (and not be affected in any respect by) the Closing, any investigation conducted by any party hereto and any information which any party may receive, until one (1) year following the Closing Date, whereupon all such representations, warranties, covenants and agreements shall expire and terminate and shall be of no further force or effect; provided, however, that the representations and warranties in Section 4.1 (Organization), Section 4.2 (Seller's Authority), the second sentence of Section 4.5 (Tangible Personal Property), Section 4.19 (Taxes) and Section 5.2 (Purchaser Authority) (collectively, such representations and warranties in Section 4.1 (Organization), Section 4.2 (Seller's Authority), the second sentence of Section 4.5 (Tangible Personal Property), Section 4.19 (Taxes) and Section 5.2 (Purchaser Authority), the "Core Representations") shall survive the Closing until ninety (90) days after the expiration of the applicable statute of limitations with respect to the particular matter that is the subject thereof. In the event that written notice is properly given under this Article VIII with respect to any alleged breach of a representation and warranty to which such party is entitled to be indemnified hereunder prior to the applicable expiration date, such representation and warranty shall continue to survive (with respect to the subject matter of such written notice only) until the applicable claim is finally resolved.

8.2 Indemnification by the Purchaser. After the Closing, the Purchaser agrees to indemnify the Seller, its Affiliates and its and their respective officers, directors, employees and representatives (each, a "Seller Indemnified Party") against and hold each such Seller Indemnified Party harmless from and reimburse each such Seller Indemnified Party for all losses, damages, Liabilities and expenses, including reasonable attorneys' fees (collectively, "Damages") which such Seller Indemnified Party may at any time sustain or incur as a result of or arising out of:

(a) the breach of any representation or warranty of the Purchaser herein or in any Operative Agreement;

(b) the breach of any covenant or agreement of the Purchaser contained herein or in any Operative Agreement; and

(c) the Assumed Liabilities.

8.3 Indemnification by the Seller. After the Closing, the Seller agrees to indemnify the Purchaser, its Affiliates and its and their respective officers, directors, employees and representatives (each, a "Purchaser Indemnified Party") against and hold each such Purchaser Indemnified Party harmless from and reimburse each such Purchaser Indemnified Party for all

Damages which such Purchaser Indemnified Party may at any time sustain or incur as a result of or arising out of:

- (a) The breach of any representation or warranty of the Seller herein or in any Operative Agreement;
- (b) the breach of any covenant or agreement of the Seller contained herein or in any Operative Agreement; and
- (c) the Excluded Liabilities.

#### 8.4 Notification of Claims.

(a) A party entitled to be indemnified pursuant to Section 8.2 or 8.3 (the “Indemnified Party”) shall promptly notify the party or parties liable for such indemnification (the “Indemnifying Party”) in writing of any claim or demand which the Indemnified Party has determined has given or could give rise to a right of indemnification under this Agreement (a “Notice of Claim”); provided, however, that a delay or failure to provide such notice shall not relieve any Indemnifying Party of its obligations, except to the extent that it has been prejudiced by such delay or failure. Any Notice of Claim shall (i) state with reasonable specificity the basis on which indemnification is being asserted, (ii) set forth the Indemnified Party’s good faith estimate of the amount of Damages for which indemnification is being asserted, and (iii) in the case of third party claims (a “Third Party Claim”), shall be accompanied by copies of all relevant pleadings, demands and other papers served on the Indemnified Party.

(b) If the Indemnified Party notifies the Indemnifying Party of any Third Party Claim, the Indemnifying Party shall have the right (i) to employ counsel of its choice that is reasonably acceptable to the Indemnified Party to defend any such claim or demand asserted against the Indemnified Party, and (ii) to control and conduct any proceedings or negotiations in connection therewith and necessary or appropriate to defend, in each case, in good faith, the Indemnified Party, provided that the parties believe in good faith (based on facts known at the time) that it is reasonably likely that all or a majority of the Damages sought in the Third Party Claim are within the scope of and subject to indemnification hereunder. The Indemnifying Party shall notify the Indemnified Party in writing, as promptly as possible after its receipt of the Notice of Claim (but in any case within thirty (30) days of receipt by the Indemnifying Party of a Notice of Claim (the “Indemnity Notice Period”)) of its election to defend any such Third Party Claim. Notwithstanding the foregoing, the Indemnifying Party may not assume or control the defense if the named parties to the action giving rise to the Notice of Claim (including any impleaded parties) include both the Indemnifying Party and the Indemnified Party and representation of both parties by the same counsel would be inappropriate (based on a written opinion of outside counsel) due to actual or potential differing interests between them, in which case the Indemnified Party shall have the right to defend the action and to employ counsel reasonably approved by the Indemnifying Party, and, to the extent the matter is determined to be subject to indemnification hereunder, the Indemnifying Party shall reimburse the Indemnified Party for all reasonable costs associated with such defense. In the event that the Indemnifying Party does assume the defense as provided above, the Indemnified Party shall have the right to participate in such defense (including without limitation, with counsel of its choice), at its own expense, and the Indemnifying Party shall reasonably

cooperate with the Indemnified Party in connection with such participation. If the Indemnifying Party does not deliver to the Indemnified Party written notice within the Indemnity Notice Period that the Indemnifying Party will assume the defense of any such claim or litigation resulting therefrom, the Indemnified Party may defend against any such claim or litigation in such manner as it may deem appropriate, at the cost of the Indemnifying Party.

(c) In the event the Indemnifying Party (i) does not elect to assume control or otherwise participate in the investigation and/or the defense of, or opposition to, any Third Party Claim or (ii) is not entitled to assume control of the investigation and/or the defense of, or opposition to, any such Third Party Claim, the Indemnifying Party shall be bound by the results obtained by the Indemnified Party with respect to such claim; provided, however, the Indemnified Party shall not have the right to consent or otherwise agree to any monetary or non-monetary settlement or relief, including injunctive relief or other equitable remedies, without the prior written consent of the Indemnifying Party, which consent will not be unreasonably withheld, delayed or conditioned. In the event that the Indemnifying Party assumes control of the investigation of, defense of, or opposition to, any Third Party Claim, the Indemnifying Party shall have the right in good faith to settle or compromise any such claim, provided that (i) at least five (5) Business Days prior notice of such settlement or compromise is given to the Indemnified Party and (ii) such settlement or compromise must not require the Indemnified Party to take or refrain from taking any action (provided that Indemnified Party shall not unreasonably withhold its consent to the terms of a mutual release with respect to such claim with the third party making such claim), contain any admission by or on behalf of the Indemnified Party, or otherwise fail to hold the claimant fully harmless with respect to such claim. Notwithstanding the foregoing, in connection with any such settlement or compromise negotiated by the Indemnifying Party, no Indemnified Party shall be required by an Indemnifying Party to (i) enter into any settlement that does not include as an unconditional term thereof the delivery by the Indemnified Party or plaintiff to the Indemnified Party of a release from all liability in respect of such claim or litigation, or (ii) enter into any settlement that attributes by its terms any non-indemnified liability to the Indemnified Party.

(d) If a claim, whether a direct claim or a Third Party Claim, requires immediate action, the parties hereto will work in good faith to reach a decision with respect thereto as expeditiously as possible.

#### 8.5 Limitations.

(a) Notwithstanding anything herein to the contrary, no Indemnifying Party shall have any obligation to indemnify any Indemnified Parties pursuant to Sections 8.2(a) or 8.3(a), as the case may be, and no Indemnified Party shall make a claim pursuant to Sections 8.2(a) or 8.3(a), as the case may be, unless the aggregate amount of Damages sustained or incurred with respect to all claims pursuant to Section 8.2(a) or Section 8.3(a), as the case may be, exceeds \$15,000.00 (the “Threshold”); provided, however, that if the aggregate amount of such Damages exceeds the Threshold, the Indemnifying Party shall be liable only for the amount of Damages in excess of the Threshold. Notwithstanding anything to the contrary contained in this Agreement, the aggregate maximum indemnifiable liability of any Indemnifying Party pursuant to Sections 8.2(a) or 8.3(a), as the case may be, shall be limited to \$75,000.00 (the “Cap”); provided, however, that the Cap shall not apply to breaches of the Core Representations or fraud. For the avoidance of doubt, the maximum amounts payable under any clause of this Section 8.5(a) shall be reduced by any amount



previously paid under Section 8.2(a) of this Agreement, or under Section 8.3(a) of this Agreement, in the aggregate, as applicable.

(b) Notwithstanding anything herein to the contrary, payments by the Indemnifying Party pursuant to Section 8.2 or 8.3 shall be limited to the amount of Damages, if any, that remain after deducting therefrom (i) any insurance proceeds and any indemnity, contribution or other similar payment actually recovered by the Indemnified Parties from any third party with respect thereto, reduced by any costs directly associated with recovery and any increase in any insurance related premiums as a result of any insurance claim related to such Damages, and (ii) any provision or reserve specifically provided for the item in question in the Prorations.

(c) Absent fraud, no claim for indemnification or cause of action arising under or resulting from this Agreement, any other Operative Agreement or any of the Transactions may be asserted by any Indemnified Party against the Seller or the Purchaser, respectively, for punitive, special, exemplary, speculative, remote or consequential damages (including for lost profits or revenue), or for damages calculated on the basis of any multiple or for diminution in value, unless and only to the extent such damages are payable by the Indemnified Party to a third party.

(d) Notwithstanding any other provision of this Agreement, the Purchaser and the Seller acknowledge that the obligation of the Seller and the Purchaser, as the case may be, to provide indemnification for Damages arising out of Section 8.2 or 8.3 extends only to the Purchaser Indemnified Parties or the Seller Indemnified Parties, as the case may be, and that neither the Seller nor the Purchaser shall be obligated to provide such indemnification to any other Persons.

(e) The Indemnifying Party and the Indemnified Party shall use their respective commercially reasonable efforts with respect to resolving any Liability or minimizing Damages with respect to which an Indemnifying Party is obligated to indemnify an Indemnified Party to this Article VIII. The Indemnified Party shall use its commercially reasonable efforts to pursue payment under or from any insurer or third-party in respect of such Damages.

8.6 Treatment of Indemnity Benefits. All payments made by the Seller or the Purchaser, as the case may be, to or for the benefit of the other pursuant to any indemnification obligations under this Agreement shall be treated as adjustments to the Purchase Price for Tax purposes and such agreed treatment shall govern for purposes of this Agreement.

8.7 Exclusive Remedy. Absent fraud, the parties hereto hereby acknowledge and agree that the sole and exclusive remedy of the Purchaser Indemnified Parties and the Seller Indemnified Parties, as the case may be, from and after the Closing with respect to Damages and any and all claims for any breach or liability under this Agreement (except as specifically provided in any other Operative Agreement) shall be solely in accordance with, and limited by, the indemnification provisions set forth in this Article VIII.



## **ARTICLE IX. TERMINATION**

### **9.1     Termination.**

(a)     This Agreement may be terminated prior to Closing by either the Purchaser, on the one hand, or the Seller, on the other hand, upon written notice to the other following the occurrence of any of the following:

(i)     by the Purchaser or Seller, if the other party is in breach or default of this Agreement or does not perform in all material respects the obligations to be performed by it under this Agreement on or prior to the Closing Date and such breach or failure to perform (a) would give rise to the failure of a condition set forth in Section 7.1(a) or Section 7.1(b) (in the case of a breach or default by Seller) or Section 7.2(a) or Section 7.2(b) (in the case of a breach or default by the Purchaser), if such breach or failure to perform had occurred at the time scheduled for Closing and (b) such breach has not been substantially cured as set forth in Section 9.1(d);

(ii)    by the Purchaser or Seller, if there shall be any Law that prohibits consummation of the Transactions or if a Governmental Authority of competent jurisdiction shall have issued a final, nonappealable Governmental Order enjoining or otherwise prohibiting consummation of the Transactions; or

(iii)   by the Purchaser or Seller, if the Closing, as the case may be, has not occurred on or prior to the date that is 12 months from the date of this Agreement (the “Upset Date”).

(b)     This Agreement may be terminated prior to Closing by mutual written consent of the Purchaser and the Seller.

(c)     If applicable, this Agreement may be terminated prior to Closing by the Purchaser pursuant to Section 6.10.

(d)     If either party asserts that the other is in breach or default of this Agreement in a manner that would entitle such party the right to terminate under Section 9.1(a)(i), the non-defaulting party shall, prior to exercising its right to terminate under Section 9.1(a)(i), provide the defaulting party with notice specifying in reasonable detail the nature of such breach or default. Except for a failure to pay the Purchase Price or otherwise perform any obligations to be performed at the time scheduled for Closing (to which the cure period described hereinafter shall not apply), the defaulting party shall have five (5) days from receipt of such notice to cure such default; provided, however, that if the breach or default is incapable of cure within such 5-day period, the cure period shall be extended as long as the defaulting party is diligently and in good faith attempting to effectuate a cure and there is a reasonable likelihood that a cure will be achieved. Nothing in this Section 9.1(d) shall be interpreted to extend the Upset Date.

9.2     Effect of Termination. In the event of a valid termination of this Agreement pursuant to Section 9.1, this Agreement (other than Section 6.6, this Article IX, Section 10.1, Section 10.2, Section 10.3, Section 10.4, Section 10.5, Section 10.6, Section 10.7, Section 10.10,

Section 10.11, Section 10.12, Section 10.13, Section 10.14 and Section 10.15 each of which shall remain in full force and effect) shall forthwith become null and void, and no party hereto (nor any of their respective Affiliates nor any of such party's or any of such Affiliates', directors, officers or employees) shall have any liability or further obligation, provided, however, that nothing in this Section 9.2 shall relieve any party from liability for any breach of this Agreement prior to termination. Notwithstanding anything to the contrary herein, in no event shall either party be permitted to terminate this Agreement after the Closing.

9.3 Specific Performance. In the event of failure or threatened failure by Seller to comply with the terms of this Agreement, the Purchaser shall be entitled to an injunction restraining such failure or threatened failure and, subject to the extent applicable to obtaining the FCC Consent, to enforcement of this Agreement by a decree of specific performance requiring compliance with this Agreement. In the event of failure or threatened failure by Purchasers to comply with the terms of this Agreement, the Seller shall be entitled to an injunction restraining such failure or threatened failure to, and enforcement of, Section 6.3, Section 6.5, Section 6.6, Section 6.8, Section 10.2, Section 10.4, Section 10.6, Section 10.7, Section 10.9, Section 10.11, Section 10.12, Section 10.13, Section 10.14 and Section 10.15 of this Agreement by a decree of specific performance requiring compliance with this Agreement. In the event of a default by either Purchaser or Seller that results in a lawsuit or other proceeding for any remedy available under this Agreement, the prevailing party shall be entitled to reimbursement from the other party of its reasonable legal fees and expenses (whether incurred in arbitration, at trial, or on appeal).

## **ARTICLE X.**

### **MISCELLANEOUS**

10.1 Notices. All notices, requests, demands, claims and other communications that are required or may be given pursuant to this Agreement must be in writing and delivered personally against written receipt, by a nationally recognized overnight delivery service, by facsimile transmission or by registered or certified mail, return receipt requested, postage prepaid, to the parties at the following addresses (or to the attention of such other Person or such other address as any party may provide to the other parties by notice in accordance with this Section 10.1):

if to the Seller, to:  
1896 Skyview Drive  
Casper, WY 82601 USA  
Attn: Brandi Mills, General Manager  
Telephone: 307-237-3711  
Facsimile: 307-234-9866  
Email: bmills@k2tv.com.

with a copy (which shall not constitute notice) to:  
Wilkinson Barker Knauer, LLP  
1800 M Street, NW, Suite 800N  
Washington, DC 20036  
Attn: Howard M. Liberman  
Telephone: 202.383.3373  
Facsimile: 202.783.5851  
Email: HLiberman@wbklaw.com

and

Richard H. Berger, a law corporation  
261 W. Beach Avenue  
Inglewood, Ca 90302  
Telephone: 310-201-0345  
Email: richardh.berger@yahoo.com

if to the Purchaser, to:  
Legacy Broadcasting  
805 Weightman Street  
Greenwood, MS 38930  
Attn: Sherry Nelson  
Telephone:  
Facsimile:  
Email: sherryn@legacybroadcasting.com

with a copy (which shall not constitute notice) to:  
Lerman Senter PLLC  
2001 L Street, NW  
Suite 400  
Washington, DC 20036  
Attn: Sally A. Buckman  
Facsimile: 202-293-7783  
Email: sbuckman@lermansenter.com:

Any such notice or other communication will be deemed to have been given (i) if personally delivered, when so delivered, against written receipt, (ii) if sent by a nationally recognized overnight delivery service when so delivered against written receipt, (iii) if given by facsimile transmission once such notice or other communication is transmitted to the facsimile number specified above and the appropriate answer back or telephonic confirmation is received, or (iv) if mailed by registered or certified mail, return receipt requested, postage prepaid and addressed to the intended recipient as set forth above, when so delivered against written receipt. Any notice, request, demand, claim or other communication given hereunder using any other means (including ordinary mail or electronic mail) shall not be deemed to have been duly given unless and until such notice, request, demand, claim or other communication is actually received by the individual for whom it is intended.

10.2 Assignment. Neither this Agreement nor any of the rights, interests or obligations hereunder may be assigned or delegated by the Seller or the Purchaser without the prior written consent of the other parties and any purported assignment or delegation in violation hereof shall be null and void except for assignments and transfers by operation of Law); provided, that Purchaser may by written notice to Seller, but without consent of, Seller, assign all or any part of its rights and obligations hereunder to one or more Affiliate(s) of Purchaser, Purchaser may assign its rights

hereunder in whole or in part as security for any financing of the Transactions, Purchaser may assign its right to acquire any of the Assigned Licenses that are low power television stations to a third party that is eligible pursuant to the Communications Laws to be licensee of the Assigned Licenses that are low power television stations, and Purchaser may assign its right to acquire any Asset that is not an Assigned Licenses to a third party, provided, that, in either case, any such assignment does not materially delay the processing of the FCC Application, the grant of the FCC Consent or the Closing or conflict with any FCC rules or policies; and provided further, that Purchaser shall not be relieved of any liability pursuant to this Agreement in connection with such assignment.

10.3 Amendments and Waiver; Exclusive Remedies. This Agreement may not be modified or amended except in writing signed by the party or parties against whom enforcement is sought. The terms of this Agreement may be waived only by a written instrument signed by the party or parties waiving compliance. No waiver of any provision of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise provided. No delay on the part of any party hereto in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder. Whenever this Agreement requires or permits consent by or on behalf of a party, such consent shall be given in writing in a manner consistent with the requirements for a waiver of compliance as set forth in this Section 10.3. The rights and remedies herein provided shall be the exclusive rights and remedies available to the parties hereto at law or in equity.

10.4 Entire Agreement. This Agreement and the related documents contained as Exhibits and Schedules hereto or expressly contemplated hereby (including the Operative Agreements), together with the Confidentiality Agreement incorporated herein, contain the entire understanding of the parties relating to the subject matter hereof and supersede all prior written or oral and all contemporaneous oral agreements and understandings relating to the subject matter hereof. The Exhibits and Schedules to this Agreement are hereby incorporated by reference into and made a part of this Agreement for all purposes.

10.5 No Third Party Beneficiary. This Agreement is made for the sole benefit of the parties hereto, and their respective successors, executors and permitted assigns, 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 (except to the extent that certain third parties are expressly covered by the indemnity herein).

10.6 Governing Law. This Agreement will be governed by and construed and interpreted in accordance with the substantive Laws of the State of Delaware, without giving effect to any conflicts of Law, rule or principle that might require the application of the Laws of another jurisdiction.

10.7 Representations and Warranties Exclusive. The representations, warranties, covenants and agreements set forth in this Agreement and the Operative Agreements constitute all the representations, warranties, covenants and agreements of the parties hereto and their respective

shareholders, directors, officers, employees, Affiliates, advisors (including financial, legal and accounting), agents and representatives and upon which the parties have relied. In particular, and without in any way limiting the generality of the foregoing, the Purchaser acknowledges and agrees that, in making its decision to purchase the Assets, it is not relying on (a) any information or materials, oral or written, distributed or made available to the Purchaser by any Person prior to the date hereof other than matters set forth in this Agreement, including the Schedules and/or the Operative Agreements or (b) any financial projection, forecast or business plan relating to the Stations. With respect to any projection, forecast or business plan delivered by or on behalf of the Seller to the Purchaser, the Purchaser acknowledges that (i) there are uncertainties inherent in attempting to make such projections, forecasts and plans, (ii) it is familiar with such uncertainties, (iii) it is taking full responsibility for making its own evaluation of the adequacy and accuracy of all such projections, forecasts and plans so furnished to it, and (iv) it shall have no claim of any kind whatsoever against any Person with respect thereto.

10.8 Neutral Construction. The parties to this Agreement agree that this Agreement was negotiated fairly between them at arms' length and that the final terms of this Agreement are the product of the parties' negotiations. Each party represents and warrants that it has sought and received legal counsel of its own choosing with regard to the contents of this Agreement and the rights and obligations affected hereby. The parties agree that this Agreement shall be deemed to have been jointly and equally drafted by them, and that the provisions of this Agreement therefore should not be construed against a party or parties on the grounds that the party or parties drafted or was more responsible for drafting the provision(s).

10.9 Severability. It is the desire and intent of the parties that the provisions of this Agreement be enforced to the fullest extent permissible under the Laws and public policies applied in each jurisdiction in which enforcement is sought. Accordingly, if any particular provision of this Agreement shall be adjudicated by a court of competent jurisdiction to be invalid, prohibited or unenforceable for any reason, so long as the economic or legal substance of the Transactions is not affected in any manner materially adverse to any party, such provision, as to such jurisdiction, shall be ineffective, without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction. Notwithstanding the foregoing, so long as the economic or legal substance of the Transactions is not affected in any manner materially adverse to any party, if such provision could be more narrowly drawn so as not to be invalid, prohibited or unenforceable in such jurisdiction, it shall, as to such jurisdiction, be so narrowly drawn, without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced in any manner materially adverse to any party and that such provision cannot be narrowly drawn, the parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the Transactions be consummated as originally contemplated to the fullest extent possible.

10.10 Bulk Sales Laws. The parties hereby waive compliance with the bulk sales laws of any State in which the Assets are located or in which operations relating to the Stations are conducted.

10.11 Heading; Interpretation; Schedules and Exhibits. This Agreement has been negotiated by the Purchaser, on the one hand, and the Seller, and their respective legal counsel, and legal or equitable principles that might require the construction of this Agreement or any provision of this Agreement against the party drafting this Agreement shall not apply in any construction or interpretation of this Agreement. In this Agreement (a) the words “hereof,” “herein,” “hereto,” “hereunder,” and words of similar import may refer to this Agreement as a whole and not merely to a specific section, paragraph, or clause in which the respective word appears, (b) words used herein, regardless of the gender specifically used, shall be deemed and construed to include any other gender, masculine, feminine or neuter, as the context requires, (c) any terms defined in this Agreement may, unless the context otherwise requires, be used in the singular or the plural depending on the reference, (d) unless otherwise stated, references to any Section, Article, Schedule or Exhibit are to such Section or Article of, or Schedule or Exhibit to, this Agreement, (e) the words “include”, “includes”, and “including” are deemed in each case to be followed by the words “without limitation” and (f) the word “shall” denotes a directive and obligation, and not an option. Any reference to any federal, state, local or foreign statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise. Disclosure of information included on any Schedule to this Agreement shall be considered disclosure of such information for all other Schedules, and shall so qualify the applicable representations and warranties to which such other Schedules relate, to the extent that it is reasonably apparent from the face of such disclosure that such disclosure is applicable to such other Schedule. In addition, (x) the fact that any disclosure on any Schedule is not required to be disclosed in order to render the applicable representation or warranty to which it relates true, or that the absence of such disclosure on any Schedule would not constitute a breach of such representation or warranty, shall not be deemed or construed to expand the scope of any representation or warranty hereunder or to establish a standard of disclosure in respect of any representation or warranty and (y) disclosure of a particular matter on any Schedule shall not be construed to mean that such matter is material or would reasonably be expected to have a Material Adverse Effect.

10.12 Consent to Jurisdiction. EACH PARTY HERETO CONSENTS TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF DELAWARE OR IF IT HAS OR CAN ACQUIRE JURISDICTION, IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE, AND IRREVOCABLY AGREES THAT ALL ACTIONS OR PROCEEDINGS RELATING TO THIS AGREEMENT, ANY AGREEMENT DELIVERED IN CONNECTION HERewith OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY MAY BE LITIGATED IN SUCH COURTS. EACH PARTY HERETO ACCEPTS FOR ITSELF AND IN CONNECTION WITH ITS RESPECTIVE PROPERTIES, GENERALLY AND UNCONDITIONALLY, THE JURISDICTION OF SUCH COURTS AND WAIVES ANY DEFENSE OF FORUM NON CONVENIENS, AND IRREVOCABLY AGREES TO BE BOUND BY ANY JUDGMENT RENDERED THEREBY IN CONNECTION WITH THIS AGREEMENT, ANY AGREEMENT DELIVERED IN CONNECTION HERewith OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY HERETO IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS OUT OF ANY OF SUCH COURTS IN ANY SUCH ACTION OR PROCEEDING BY THE MAILING OF COPIES THEREOF BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, TO SUCH PARTY AT THE ADDRESS SPECIFIED IN THIS AGREEMENT, SUCH SERVICE TO BECOME EFFECTIVE 15 CALENDAR DAYS AFTER SUCH MAILING. NOTHING HEREIN SHALL IN ANY WAY BE DEEMED TO LIMIT THE ABILITY OF ANY PARTY HERETO TO SERVE ANY SUCH



LEGAL PROCESS, SUMMONS, NOTICES AND DOCUMENTS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

10.13 Waiver of Jury Trial. EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE IT HEREBY 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 (I) 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, (II) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF SUCH WAIVER, (III) IT MAKES SUCH WAIVER VOLUNTARILY, AND (IV) IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 10.13.

10.14 Counterparts. This Agreement may be executed and delivered (including by facsimile transmission or by means of portable document format (pdf) transmission by email) in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement

10.15 Non-Recourse. No past, present or future director, officer, employee, incorporator, member, partner, equityholder, Affiliate, agent, attorney or representative of Seller or Purchaser or any of its respective Affiliates shall have any liability for any obligations or liabilities of Seller or Purchaser under this Agreement or for any claim (whether in contract or tort, in law or in equity, or based upon any theory that seeks to “pierce the corporate veil” or impose liability of an entity against its owners or Affiliates or otherwise), liability or any other obligation arising under, based on, in respect of, in connection with, or by reason of, this Agreement or the Transactions, including its negotiation and/or execution.

**IN WITNESS WHEREOF**, each of the parties hereto has caused this Agreement to be executed by a duly authorized officer as of the date first above written.

**SILVERTON BROADCASTING COMPANY, LLC**

By: Barry Silverton  
Name: BARRY SILVERTON  
Title: MEMBER

**LEGACY BROADCASTING OF WYOMING,  
LLC**

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

**IN WITNESS WHEREOF**, each of the parties hereto has caused this Agreement to be executed by a duly authorized officer as of the date first above written.

**SILVERTON BROADCASTING COMPANY, LLC**

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

**LEGACY BROADCASTING OF WYOMING,  
LLC**

By: Sherry Nelson  
Name: Sherry Nelson  
Title: President

## List of Schedules and Exhibits

<u>Schedule</u>	<u>Description</u>
A	Stations
1.1(cc)	List of Individuals - Knowledge of the Seller
1.1(kk)	Permitted Encumbrances
2.1(c)(viii)	Excluded Contracts
2.1(c)(xi)	Excluded Assets
4.3	Third Party Consents
4.4	Governmental Consents
4.5	Material Equipment and Tangible Personal Property
4.6	Registered Intellectual Property and Websites
4.6(b)	Infringement Claims
4.6(c)	Infringement
4.7(a)	Material Business Contracts
4.7(b)	Material Business Contracts - Exceptions to Enforceability
4.8	Material Business Licenses
4.9	Business Employees
4.10	Benefit Plans
4.11(a)	Financial Statements
4.11(b)	Change in Business
4.12(a)	Owned Real Property
4.12(b)	Leased Real Property
4.12(d)	Restrictive Covenants
4.13	Litigation; Governmental Orders – the Seller
4.14	Exceptions to Compliance with Laws
4.15(a)	FCC Licenses and Pending FCC Applications
4.15(b)	FCC Compliance
4.16(a)	Labor Strikes
4.16(b)	Collective Bargaining Agreements
4.17	Environmental Matters
4.18	Insurance
4.20	Transactions with Affiliates
6.1	Conduct of Business
6.1(a)(iii)	Certain Actions
6.7(a)	Transferred Employees
7.1(f)	Required Consents

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Exhibit A	INTENTIONALLY OMITTED
Exhibit B	Bill of Sale
Exhibit C	Assignment and Assumption
Exhibit D	Assignments and Assumptions for Leases
Exhibit E	Assignment of FCC Licenses
Exhibit F	Officer's Certificate of the Seller

Exhibit G	Secretary's Certificate of the Seller
Exhibit H	INTENTIONALLY OMITTED
Exhibit I	Officer's Certificate of the Purchaser
Exhibit J	Secretary's Certificate of the Purchaser