

***EXECUTION VERSION***

**ASSET PURCHASE AGREEMENT**

By and among **JW Broadcasting, LLC**, as Seller,

**NPG of Missouri, LLC**, as Buyer,

relating to the purchase of

**TELEVISION BROADCAST STATIONS  
KMIZ (TV) AND KQFX-LD**

**JULY 24, 2012**

## TABLE OF CONTENTS

### Page

<b>1.</b>	<b>PURCHASE AND SALE OF PROPERTIES AND ASSETS .....</b>	<b>1</b>
1.1	Stations' Assets.....	1
1.2	Excluded Assets.....	3
1.3	Liabilities .....	4
1.4	Purchase Price and Method of Payment.....	5
1.5	Adjustments .....	6
1.6	Noncompete.....	7
1.7	Closing.....	7
1.8	FCC Consent .....	7
<b>2.</b>	<b>REPRESENTATIONS AND WARRANTIES OF SELLER .....</b>	<b>8</b>
2.1	Status.....	8
2.2	Authority.....	8
2.3	No Defaults.....	8
2.4	Contracts, Leases, Agreements and Other Commitments .....	9
2.5	Financial Statements.....	9
2.6	Liabilities .....	9
2.7	Taxes.....	9
2.8	Licenses .....	10
2.9	Must Carry Rights .....	11
2.10	Advertisers.....	11
2.11	Approvals and Consents.....	11
2.12	Tangible Personal Property .....	11
2.13	Real Property .....	12
2.14	Environmental Matters .....	12
2.15	Compliance with Law and Regulations .....	13
2.16	Insurance.....	13
2.17	Labor, Employment Contracts and Benefit Programs .....	13
2.18	Litigation.....	14
2.19	Intellectual Property .....	14
2.20	Brokers.....	15
2.21	Conflicting Interests .....	15
2.22	Absence of Material Change .....	15
2.23	No Other Representations or Warranties .....	15
<b>3.</b>	<b>REPRESENTATIONS AND WARRANTIES OF BUYER.....</b>	<b>16</b>
3.1	Status.....	16
3.2	Authority.....	16
3.3	No Defaults.....	16
3.4	Approvals and Consents.....	16

3.5	Brokers.....	16
3.6	Qualification as a Broadcast Licensee.....	16
3.7	Other Information .....	17
3.8	No Reliance .....	17
<b>4.</b>	<b>COVENANTS OF SELLER.....</b>	<b>17</b>
4.1	Operation of the Business.....	17
4.2	Access to Facilities, Files and Records .....	19
4.3	Consents.....	19
4.4	Consummation of Agreement .....	19
4.5	Risk of Loss .....	19
4.6	Employees .....	20
4.7	Notice of Proceedings.....	20
<b>5.</b>	<b>COVENANTS OF BUYER .....</b>	<b>21</b>
5.1	Consents.....	21
5.2	Consummation of Agreement .....	21
5.3	Confidentiality .....	21
5.4	Employees .....	21
5.5	Notice of Proceedings.....	21
<b>6.</b>	<b>CONDITIONS TO THE OBLIGATIONS OF SELLER.....</b>	<b>22</b>
6.1	Representations, Warranties and Covenants .....	22
6.2	Proceedings.....	22
6.3	FCC Authorizations.....	22
6.4	Deliveries .....	22
<b>7.</b>	<b>CONDITIONS TO THE OBLIGATIONS OF BUYER .....</b>	<b>22</b>
7.1	Representations, Warranties and Covenants .....	22
7.2	Proceedings.....	23
7.3	FCC Authorizations.....	23
7.4	Deliveries .....	24
7.5	Consents.....	24
7.6	ABC Renewal.....	24
7.7	Revised Schedules .....	24
7.8	Liens Released .....	24
7.9	Title Insurance .....	24
<b>8.</b>	<b>ITEMS TO BE DELIVERED AT THE CLOSING .....</b>	<b>24</b>
8.1	Deliveries by Seller .....	24
8.2	Deliveries by Buyer .....	25

<b>9.</b>	<b>SURVIVAL; INDEMNIFICATION .....</b>	<b>25</b>
9.1	Survival.....	25
9.2	Indemnification by Seller .....	25
9.3	Indemnification by Buyer.....	26
9.4	Notification of Claims .....	26
9.5	Payment .....	27
9.6	Limitation .....	28
9.7	Subrogation.....	28
9.8	Mitigation .....	28
9.9	Purchase Price Adjustment.....	29
<b>10.</b>	<b>TERMINATION.....</b>	<b>29</b>
10.1	Termination of Agreement .....	29
10.2	Liabilities on Termination or Breach .....	29
10.3	Specific Performance.....	30
<b>11.</b>	<b>GENERAL PROVISIONS .....</b>	<b>30</b>
11.1	Expenses .....	30
11.2	Further Assurances .....	30
11.3	Guaranty .....	30
11.4	Accounts Receivable .....	30
11.5	Public Announcements.....	31
11.6	Successors and Assigns .....	31
11.7	Amendments; Waivers .....	31
11.8	Notices .....	32
11.9	Knowledge.....	32
11.10	Section Headings, Construction .....	33
11.11	Governing Law .....	33
11.12	Entire Agreement.....	33
11.13	Execution; Counterparts .....	33
11.14	No Third Party Beneficiary Rights.....	33

## ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (the "Agreement") is entered into as of this 24th day of July, 2012, by and among **JW Broadcasting LLC**, a North Carolina limited liability company ("Seller"); **NPG of Missouri, LLC**, a Missouri limited liability company ("Buyer"); solely for purposes of Section 11.3, **News-Press & Gazette Company**, a Missouri corporation ("Guarantor"); and solely for purposes of Section 1.6, **Alta Communications IX, L.P.**, a Delaware limited partnership, and **Alta Communications IX-B, L.P.**, a Delaware limited partnership (together, "Alta").

Seller is the licensee of television broadcast stations KMIZ (TV) and KQFX-LD, Columbia, Missouri (collectively, the "Stations"), pursuant to certain licenses, permits, authorizations and approvals issued by the Federal Communications Commission (the "FCC").

Seller desires to sell, assign and transfer to Buyer the assets described in more detail below, and Buyer desires to purchase from Seller such assets, all on the terms and conditions described herein.

**Now, Therefore**, in consideration of the mutual covenants and agreements contained in this Agreement, and intending to be legally bound hereby, the parties agree as follows:

### **1. PURCHASE AND SALE OF PROPERTIES AND ASSETS.**

**1.1 Stations' Assets.** Subject to and in reliance upon the representations, warranties and agreements herein set forth, and subject to the terms and conditions herein contained, Seller agrees to grant, convey, sell, assign, transfer and deliver to Buyer on the Closing Date (as defined below), and Buyer agrees on the Closing Date to purchase, accept and assume, all properties, assets, privileges, rights, interests and claims, real, personal or mixed, tangible and intangible, of every type and description, wherever located, including Seller's business and goodwill, if any (except for Excluded Assets as defined in Section 1.2), that are owned or leased by Seller and used or held for use in connection with the business and operations of the Stations (the "Stations' Assets"). Without limiting the foregoing, the Stations' Assets shall include the following, except to the extent that any of the following are included within the Excluded Assets:

**(a) Licenses.** All of the licenses, permits, franchises, authorizations, consents and approvals issued to Seller by any government, any governmental entity, department, commission, board, agency or instrumentality, or any court, tribunal, or judicial body, in each case whether federal, state, county, provincial, local or foreign (a "Governmental Authority") with respect to the Stations, including all applications therefor and all renewals, extensions or modifications thereof, in each case only to the extent transferable or assignable under applicable law (collectively, the "Licenses"). The Licenses shall include all Licenses issued by the FCC with respect to the Stations and all applications therefor and all renewals, extensions, special temporary authorizations or modifications thereof (the "FCC Authorizations").

**(b) Tangible Personal Property.** All equipment, electrical devices, antennas, cables, vehicles, furniture, fixtures, towers, office materials and supplies, hardware, tools, spare parts, and other tangible personal property of every kind and description owned or leased by Seller as of the date of this Agreement and used or held for use in connection with the business and operations of the Stations, including those listed and described on **Schedule 1.1(b)**, and any

additions, improvements, replacements and alterations thereto made between the date of this Agreement and the Closing Date (collectively, the “Tangible Personal Property”).

**(c) Real Property.** All land, leaseholds, licenses, rights-of-way and other interests of every kind and description in and to all of the real property and buildings thereon, owned or leased by Seller as of the date hereof and used or held for use in connection with the business and operations of the Stations, including those listed and described on **Schedule 1.1(c)**, and any additions, improvements and alterations thereto made between the date of this Agreement and the Closing Date (collectively, the “Real Property”).

**(d) Contracts.** All Contracts to which Seller is a party in connection with the business and operations of the Stations, including those Contracts listed and described on **Schedule 1.1(d)**, together with all Contracts that are entered into between the date of this Agreement and the Closing Date pursuant to the terms and conditions hereof. As used in this Agreement, the term “Contract” shall mean any unexpired agreement, arrangement, commitment or understanding, written or oral, express or implied, to which any of the Stations or Seller is a party or is bound, including real property leases and orders and agreements for the sale of advertising time (including trade or barter agreements) on the Stations.

**(e) Intellectual Property.** All computer software, trademarks, trademark applications, patents, patent applications, inventions, trade names, service marks, service mark applications, franchises, jingles, slogans, logos, copyrights, copyright applications, domain names, call letters and other intangible rights owned or licensed and used or held for use by Seller as of the date of this Agreement and used or held for use in connection with the business and operations of the Stations, including all right, title and interest in and to the call letters KMIZ(TV) and KQFX-LD and any variations thereof, and those acquired by Seller in connection with the business and operations of the Stations between the date hereof and the Closing Date, including those items listed on **Schedule 1.1(e)** (collectively, the “Intellectual Property”).

**(f) Programming and Copyrights.** All programs and programming materials and elements of whatever form or nature owned, licensed or leased by Seller, as of the date of this Agreement and used or held for use in connection with the business and operations of the Stations, whether recorded on tape or any other substance or intended for live performance, and whether completed or in production, and all related common-law and statutory copyrights owned by or licensed or sublicensed to Seller and used in connection with the business and operations of the Stations, together with all such programs, materials, elements and copyrights acquired by Seller in connection with the business and operations of the Stations between the date hereof and the Closing Date.

**(g) FCC Records.** All Station logs, local public inspection files (including political files) and other records and documents that relate to the operations of the Stations.

**(h) Files and Records.** All files and other records of Seller relating to the business and operations of the Stations (other than duplicate copies of such files, hereinafter “Duplicate Records”), including all available schematics, blueprints, engineering data, customer lists, reports, specifications, projections, statistics, promotional graphics, original art work, mats, plates, negatives and other advertising, marketing or related materials, and all other technical and financial information of Seller concerning the Stations or the Stations’ Assets.

(i) **Claims, Warranties, etc.** Any and all of Seller's rights under manufacturers' and vendors' warranties with respect to the Tangible Personal Property, and any and all of Seller's claims arising under Contracts assumed by Buyer hereunder.

(j) **Prepaid Items.** All deposits, reserves and prepaid expenses relating to the business and operations of the Stations and prepaid ad valorem taxes relating to the Stations or the Stations' Assets (which shall be prorated, if applicable, as provided in Section 1.5), excluding, however, any deposits, reserves and prepaid expenses relating to Excluded Assets.

(k) **Goodwill.** All of Seller's goodwill in, and going concern value of, the Stations, if any.

**1.2 Excluded Assets.** There shall be excluded from the Stations' Assets and retained by Seller, to the extent in existence on the Closing Date, the following assets (collectively, the "Excluded Assets"):

(a) **Cash and Investments.** All of Seller's cash on hand or in bank accounts, and any other cash equivalents, including certificates of deposit, commercial paper, treasury bills, asset or money market accounts and all such similar accounts or investments.

(b) **Receivables.** All of Seller's trade receivables, all earned but unbilled accounts receivable of Seller and all retransmission accounts receivable of Seller (except to the extent credited to Seller in the Adjustments (as defined below)), in each case determined in accordance with GAAP, as of the Effective Time (collectively, the "Accounts Receivable").

(c) **Securities.** Any and all stocks, bonds and other securities owned or held by Seller.

(d) **Insurance.** All of Seller's rights to and under contracts of insurance, including all prepaid premiums and deposits, and the cash surrender value of such policies.

(e) **Benefit Plans and Assets.** All of Seller's pension, profit sharing, savings and other employee benefit plans and trusts and any assets thereof.

(f) **Corporate and Duplicate Records.** The minute books, stock books, stockholder lists and similar corporate records of Seller and all Duplicate Records.

(g) **Excluded Contracts.** Any (i) Contract listed on **Schedule 1.2(g)**, (ii) Restricted Contract for which consent or approval for assignment is not obtained prior to Closing as contemplated by Section 4.3, (iii) Contract designated by Buyer (in its sole discretion) that is not listed on **Schedule 1.1(d)**, and for which the aggregate amount of payments to or by Seller under such Contract not listed on **Schedule 1.1(d)** exceeds \$10,000, and (iv) Contract that was entered into, renewed or amended after the date hereof without Buyer's consent and that (A) was not entered into in the ordinary course of business, or (B) provides for the payment to or by Seller of \$10,000 or more (collectively, the "Excluded Contracts").

(h) **Other Assets.** All other assets listed on **Schedule 1.2(h)**.

**(i) Rights Under this Agreement.** All rights which accrue or will accrue to Seller under this Agreement and any of the Related Agreements.

**(j) Personnel Records.** Personnel files and records and other records that Seller is required by law to retain in its possession.

### **1.3 Liabilities.**

**(a)** The Stations' Assets shall be sold and conveyed to Buyer free and clear of all mortgages, liens, deeds of trust, security interests, pledges, restrictions, prior assignments, charges, claims, defects in title, encroachments, and encumbrances of any kind or type whatsoever (collectively, "Encumbrances") except for: (i) the Encumbrances disclosed on **Schedule 1.3(a)**; (ii) liens for taxes, assessments or other governmental charges not yet due and payable; (iii) Encumbrances that will be removed at or before Closing; (iv) with respect to the Real Property conditions, easements and reservations of rights, including rights of way, for sewers, electric lines, telegraph and telephone lines and other similar purposes, and affecting the fee title to any real property owned or leased by Seller and being transferred to Buyer at Closing which are of record as of the date of this Agreement, which are listed on existing title policies or would be disclosed by a current title policy or instrument survey the existence of which does not, and would not reasonably be expected to, materially impair the marketability, value or use and enjoyment of the asset subject to such lien; and (v) with respect to leased Real Property only, liens encumbering the fee interest title in any leased Real Property and not attributable to Seller (clauses (i)-(v), collectively, the "Permitted Encumbrances"). Buyer shall assume Seller's liabilities and obligations to be performed after the Effective Time (defined below) under and with respect to all Contracts validly assigned to Buyer (other than Excluded Contracts) and Seller's liabilities and obligations to be paid after the Closing Date with respect to all other liabilities of the business and operations of the Stations (determined in accordance with GAAP) as of the Closing Date to the extent included in the Adjustments ("Accounts Payable").

**(b)** Except as otherwise specifically provided in Sections 1.3(a), 1.5 and 1.8, Buyer shall not assume or be liable for, and does not, and does not undertake to attempt to, assume or discharge, and Seller shall remain liable for and pay and discharge (each, an "Excluded Liability"):

**(i)** any liability or obligation of Seller arising out of or relating to any Excluded Contract or any other Excluded Asset;

**(ii)** any liability or obligation of Seller arising out of or relating to any litigation, proceeding or claim by any person, whether pending, threatened or asserted before, on or after the Closing Date, to the extent relating to the business or operations of the Stations prior to the Closing Date;

**(iii)** any liability or obligation for continuation of health benefits under the Consolidated Omnibus Budget Reconciliation Act of 1985 for employees of Seller who are not employed by Buyer after the Closing;



(iv) any and all other liabilities, obligations, debts or commitments of Seller whatsoever, whether accrued now or hereafter, whether fixed or contingent, whether known or unknown, or any claims asserted against the Stations or any of the Stations' Assets or other items transferred to Buyer by Seller relating to any event (whether act or omission) prior to the Effective Time on the Closing Date, including the payment of all taxes; or

(v) any liability or obligation of Seller for past due and unbilled amounts related to the Annual Local Television Digital Multiplex Channel License, dated January 1, 2008, between Seller and SESAC, Inc.

#### **1.4 Purchase Price and Method of Payment.**

(a) **Purchase Price.** Subject to the adjustments provided for in Section 1.5 hereof, the total purchase price (the "Purchase Price") to be paid for the Stations' Assets shall be equal to Sixteen Million Dollars (\$16,000,000.00).

(b) **Procedure.** At the Closing, Buyer will transfer the Purchase Price, less One Million Six Hundred Thousand Dollars (\$1,600,000.00) (the "Escrow Amount"), and increased or decreased by an estimate (as mutually agreed to by the parties hereto) of the adjustments provided for in Section 1.5, determined in accordance with GAAP (the "Adjustments"), in immediately available funds to an account designated by Seller. Within ninety (90) days after the Closing Date, the parties will use their good faith efforts to agree upon the Adjustments. After the Adjustments have been finalized, if Buyer is determined to owe an amount to Seller, Buyer shall promptly pay such amount to Seller, and if Seller is determined to owe an amount to Buyer, Seller shall promptly pay such amount to Buyer. At all reasonable times during normal business hours during such ninety (90) day period, each party and its representatives, upon reasonable request, shall (A) be permitted to review the records of the other party relating to the Adjustments and (B) have reasonable access to the individuals at such other party that are responsible for such records; provided, however, with respect to Transferred Employees, Seller shall only to be entitled to reasonable access to Gene Steinberg and Kathleen Lynam. If any dispute arises over (i) the amount, if any, of the Adjustments, or (ii) the amount to be refunded or paid, such refund or payment shall nonetheless be promptly made, to the extent of the amount which is not in dispute, by wire transfer of immediately available funds to the party to which such refund or payment is due. Any such dispute that cannot be resolved by the parties within ninety (90) days after the Closing Date shall be referred to Grant Thornton LLP, or if such firm shall decline or is unable to act, a mutually satisfactory independent public accounting firm of national stature knowledgeable in the broadcast industry which has not been engaged by either party hereto for the two (2) years preceding the date of such referral (as applicable, the "Selected Accountants"). The determination of such firm shall be made within one hundred eighty (180) days after the Closing Date and shall be conclusive and binding on each party. The fees of the Selected Accountants shall be paid one-half by Seller and one-half by Buyer. For purposes of this Agreement, "GAAP" shall mean United States generally accepted accounting principles.

(c) **Allocation of Purchase Price.** The Purchase Price and other relevant items and/or adjustments shall be allocated among the Stations' Assets in accordance with the respective fair market values of the Stations' Assets being purchased and sold in accordance with the requirements of Section 1060 of the Code, as set forth in an appraisal to be prepared at the

cost of Buyer after the Closing by BIA/Kelsey, or such other independent appraiser selected by mutual agreement of the parties. The parties shall execute and file all tax returns in a manner consistent with the allocation determined pursuant to this Section 1.4(c) and (ii) shall not take any position before any Governmental Authority or in any judicial proceeding that is inconsistent with such allocation. The parties shall each timely file a Form 8594 with the IRS in accordance with such appraised values.

**(d) Escrow.**

**(i)** The Escrow Amount shall be deposited in escrow with Wells Fargo Bank, National Association, or such other escrow agent mutually agreed upon by the parties (the "Escrow Agent") pursuant to the terms of an escrow agreement, in a form to be mutually agreed upon by the parties (the "Escrow Agreement"). At Closing, the parties shall execute and deliver the Escrow Agreement and use commercially reasonable efforts to cause the Escrow Agent named therein to execute and deliver the Escrow Agreement. The Escrow Amount plus any interest or earnings thereon (the "Escrow") will be available to satisfy any amounts owed by Seller to Buyer or the Buyer Indemnified Parties pursuant to Section 1.4(b) or Section 9.2 and in accordance with the terms of this Agreement and the Escrow Agreement.

**(ii)** All interest and earnings from the investment and reinvestment of the Escrow, or any portion thereof, shall be allocable to Buyer pursuant to Section 468B(g) of the Code and proposed Treasury regulations section 1.468B-8. If and to the extent any amount of the Escrow is released to Seller, such amount shall be treated as deferred contingent purchase price eligible for installment sale treatment under Section 453 of the Code and any corresponding provisions of foreign, state, or local law, as appropriate. Any amount of the Escrow released to Seller shall be treated for U.S. federal income tax purposes as consisting, in part, of imputed interest in accordance with the Section 483 or 1274 of the Code and the regulations promulgated thereunder. All parties hereto shall execute and file all tax returns in a manner consistent with the foregoing.

**1.5 Adjustments.** The operation of the Stations and the income and operating expenses attributable thereto through 12:01 a.m. on (a) November 1, 2012, if the Closing Date is on or before November 15, 2012, or (b) on the Closing Date if the Closing Date is after November 15, 2012 (the "Effective Time") shall be for the account of Seller and thereafter for the account of Buyer, and, if any income or expense is properly allocable or proratable, then it shall be allocated or prorated accordingly. Expenses for goods or services received both before and after the Effective Time, including Accounts Payable incurred before the Closing but unpaid, FCC regulatory fees, power and utilities charges, frequency discounts, trade and barter agreements and similar agreements for the sale of time, prepaid cash time sales agreements, commissions, wages, payroll taxes, vacation pay of employees of Seller who enter the employment of Buyer, and rents and similar prepaid and deferred items shall be prorated between Seller and Buyer as of the Effective Time. All special assessments and similar charges or liens, or installments thereof, imposed against the Real Property and Tangible Personal Property and payable on or prior to the Effective Time, shall be the responsibility of Seller, and amounts payable with respect to such special assessments, charges or liens in respect of any period of time after the Effective Time shall be the responsibility of Buyer. Notwithstanding the forgoing, with respect to trade and barter agreements assumed by Buyer hereunder, if at the Effective Time, such trade and barter agreements have an aggregate negative balance (i.e., the amount by which the value of air time the Stations are obligated to

provide after the Effective Time exceeds the fair market value of corresponding goods and services to be received by the Stations after such time), the excess shall be treated as prepaid time sales of the Stations, and adjusted for as a proration in Buyer's favor, but there shall be no proration under this Section 1.5 to the extent there is an aggregate positive balance with respect to the Stations' trade and barter agreements.

**1.6 Noncompete.** Seller and Alta jointly and severally covenant and agree that for a period of five (5) years after the Closing Date, neither of them shall, directly or indirectly, either for itself or any other person or entity (i) engage, participate or invest in or assist, as owner, part-owner, shareholder, partner, member, director, officer, manager, trustee, employee, agent or consultant, or in any other capacity, any television broadcasting station that distributes its signals in or into the Columbia, Missouri Nielsen Designated Market Areas (the "Restricted Area") or a multi-channel video programming distributor that transmits video programming to subscribers in the Restricted Area (collectively, a "Media Business"), or (ii) solicit or employ any person terminated by Seller at the Closing or induce, attempt to induce, or endeavor to cause any such person to terminate his employment at the Stations, or otherwise interfere in any way with the relationship between such person and Buyer, provided, however, that nothing herein shall prohibit Seller or Alta from (A) making general solicitation advertisements that are not targeted at such persons and from hiring any of such persons that responds to such general solicitation advertisements and (B) contacting, soliciting or approaching for the purpose of offering employment to or hiring any of such persons that has been terminated by Buyer. The foregoing notwithstanding, Alta may own securities in any publicly held corporation engaged in a Media Business, but only to the extent that it does not own of record or beneficially, or possess voting control over, more than five percent (5%) of the outstanding voting stock of such corporation. Each restriction or agreement contained in this Section 1.6 is severable. If the time period, geographical area specified, or any of the substantive provisions in this Section 1.6 shall be adjudicated as unreasonable or unenforceable in any proceeding, then it is the intention of the parties hereto that the time period should be reduced by such number of months or years, the geographical area should be reduced by the elimination of such portion thereof, or the substance hereof should be reduced in scope, or a combination of the foregoing, so that each such restriction or covenant may be enforced for such time period, in such geographical areas, and to the extent as is adjudicated to be reasonable or enforceable.

**1.7 Closing.** The consummation of the transactions provided for in this Agreement (the "Closing") shall take place through the exchange of executed Closing documents by e-mail or fax, with originals to follow by mail (or at a mutually agreeable physical location) at 10:00 a.m. Central time on (a) November 1, 2012, provided that the conditions required to be satisfied or waived pursuant to Articles 6 and 7 below, other than those requiring a delivery of a certificate or other document, or the taking of other action, at the Closing, (the "Closing Conditions") have been satisfied or waived as of such date, or (b) if the Closing Conditions have not been satisfied or waived as of November 1, 2012, a date no later than the fifth (5<sup>th</sup>) business day following the satisfaction or waiver of the last of the Closing Conditions, not later than June 30, 2013 (the "Final Closing Date"); or (b) such other time or date as the parties may mutually agree upon in writing. The date on which the Closing is to occur is referred to herein as the "Closing Date."

**1.8 FCC Consent.**

(a) Within two (2) business days of the date of this Agreement, Buyer and Seller shall file one or more applications with the FCC (collectively, the "FCC Applications") requesting FCC consent to the assignment of the FCC Authorizations to Buyer. Buyer and Seller shall promptly provide to the other a copy of any pleading, order or other document served on it

relating to the FCC Applications, and Buyer and Seller shall each oppose any petitions to deny or other objections filed with respect to the FCC Applications and any requests for reconsideration or review of any grant of the FCC Applications to the extent that any such petitions, objections, or requests for reconsideration relate to such party. Buyer and Seller shall diligently prosecute the FCC Applications and otherwise use their commercially reasonable efforts to obtain grant of the FCC Applications as soon as possible.

**(b)** Buyer acknowledges that, to the extent reasonably necessary to expedite grant by the FCC of the FCC Applications and of any pending license renewal application for a Station, Seller shall be permitted to enter into one or more tolling or assignment agreements with the FCC to extend the statute of limitations for the FCC to determine or impose a forfeiture penalty against a Station in connection with (i) any pending complaints that such Station aired programming that contained obscene, indecent or profane material, (ii) any FCC inquiry regarding a Station's broadcast of certain video news release or satellite media tour material, or (iii) any other enforcement matters against a Station with respect to which the FCC may permit Seller to enter into a tolling or assignment agreement, and subject to the indemnification obligations set forth in Section 9 hereof, Buyer agrees to accept liability in connection with any enforcement action by the FCC with respect to such complaints, inquiries or matters if so requested by the FCC as part of such tolling or assignment agreement. Buyer and Seller shall consult in good faith with each other prior to Seller entering into any such tolling agreement under this Section 1.8(b).

**2. REPRESENTATIONS AND WARRANTIES OF SELLER.** Seller represents and warrants to Buyer as follows:

**2.1 Status.** Seller is a limited liability company duly organized and validly existing under North Carolina law with all necessary authority to own, operate and carry on the business of the Stations as they are now being conducted. Seller is duly qualified to do business as a foreign limited liability company in the state of Missouri. Seller has heretofore made available to Buyer a true, correct and complete copy of Seller's articles of organization and operating agreement and all amendments thereto (the "Organizational Documents"). Except as set forth on Schedule 2.1, Seller does not own any stock or interests in any other entity.

**2.2 Authority.** Seller has full power and authority to execute and deliver this Agreement and all other agreements, instruments and certificates contemplated to be executed and delivered by it hereby (collectively, the "Seller Related Agreements") and to carry out and perform all of its obligations under the terms of this Agreement and the Seller Related Agreements. All limited liability company action by Seller necessary for the authorization, execution, delivery and performance by Seller of this Agreement and the Seller Related Agreements has been taken. This Agreement has been duly executed and delivered by Seller and this Agreement and the Seller Related Agreements constitute or will, when executed and delivered, constitute the valid and legally binding obligations of Seller, enforceable against it in accordance with their respective terms, except as such enforceability may be limited by applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws from time to time in effect affecting creditors' rights generally or by principles governing the availability of equitable remedies.

**2.3 No Defaults.** Seller is not, in any material respect, in violation or breach of any of the terms, conditions or provisions of its Organizational Documents, or any material indenture, mortgage or deed of trust or other Contract, court order, judgment, arbitration award, or decree relating to or affecting the Stations or the Stations' Assets or to which Seller is a party or by which it is bound. Neither the

execution and delivery of this Agreement nor the consummation by Seller of the transactions contemplated hereby is an event that, of itself or with the giving of notice or the passage of time or both, will: (a) conflict with the provisions of the Organizational Documents of Seller; (b) assuming that the consents and approvals referred to in Section 2.11 are obtained, constitute a material violation of, conflict in any material respect with or result in any material breach of or any material default under, result in any termination or material modification of, or cause any acceleration of any material obligation of Seller under any contract, mortgage, indenture, agreement, lease or other instrument to which Seller is a party or by which it is bound, or by which the Stations or any of the Stations' Assets may be affected, except as set forth on Schedule 2.3, (c) assuming that the consents and approvals referred to in Section 2.11 are obtained, violate any judgment, decree, order, statute, law, rule or regulation applicable to Seller, the Stations or any of the Stations' Assets; or (d) result in the creation or imposition of any Encumbrance against the Stations or the Stations' Assets (other than Permitted Encumbrances).

**2.4 Contracts, Leases, Agreements and Other Commitments.** Neither the Stations nor Seller with respect to the Stations are parties to or bound by any Contract except for (a) the Contracts listed on Schedule 1.1(d); (b) any oral or written Contract involving less than \$10,000 for the purchase or sale of goods, supplies, equipment, capital assets, products or services; (c) any service contracts terminable by Seller without liability on no more than 30 days' notice; and (d) any Contract for advertising on the Stations. Seller has made available to Buyer complete and correct copies of all Contracts listed in Schedule 1.1(d). Notwithstanding the foregoing provisions of this Section 2.4, the aggregate amount of all payments by Seller under Contracts referenced in Section 2.4(b) does not exceed \$250,000.

**2.5 Financial Statements.** True, correct and complete copies of the following financial statements of Seller (collectively, the "Financial Statements") are set forth in **Schedule 2.5**: (a) the unaudited balance sheet (the "Latest Balance Sheet") as at March 31, 2012 (the "Latest Balance Sheet Date") and the related statements of income and members' equity and changes in financial position for the fiscal period then ended, and (b) the audited balance sheets as at December 31, 2011, December 31, 2010 and December 31, 2009, and the related audited statements of income and retained earnings and changes in financial position for the periods ended on those dates. The Financial Statements have been prepared in accordance with GAAP in all material respects and were derived from the books and records of the business and operations of the Stations and fairly present, in all material respects, the financial position and results of operations of the business and 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 business and operations 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.

**2.6 Liabilities.** Except as set forth on **Schedule 2.6**, there are no material liabilities or material obligations of Seller relating to the Stations or the Stations' Assets, whether related to tax or non-tax matters, known or unknown, due or not yet due, liquidated or unliquidated, fixed, contingent or otherwise, except as and to the extent (a) reflected in the Financial Statements, (b) incurred since the Latest Balance Sheet Date in the ordinary course of business or (c) as otherwise listed on the schedules attached hereto.

**2.7 Taxes.** Seller has filed, or caused to be filed, with the appropriate Governmental Authority, all required tax returns, and Seller or its members have 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 Stations' Assets or in the imposition of transferee liability on Buyer for the payment of such taxes. Seller has no liability for any taxes due and owing, and 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 Buyer as transferee of the Stations' Assets or as operator of the Stations following the Closing. The representations and warranties in this Section 2.7 and Section 2.17 shall constitute Seller's only representations and warranties in respect of taxes.

## **2.8 Licenses.**

(a) **Schedule 2.8(a)** lists all Licenses (other than any Licenses that are ministerial in nature and are normally issued in due course upon application therefore without further action by the applicant), including all FCC Authorizations, and such Licenses constitute all of the licenses, permits, franchises, authorizations, consents and approvals from all Governmental Authorities, including the FCC, necessary for the operation of the Stations as now operated. All FCC Authorizations and other Licenses are held by Seller, are in full force and effect, are not subject to any conditions that would require operation of the Stations in a manner materially different than their operations as of the date of this Agreement, and to Seller's knowledge, are not subject to any conditions outside the ordinary course other than those set forth on the face of such License or that affect the television broadcast industry generally. No waiver of FCC rule or policy is required for Seller to be the holder of any of the FCC Authorizations.

(b) Except as set forth on **Schedule 2.8(b)**, the FCC Authorizations and other Licenses are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired, nor to Seller's knowledge is there any known fact or other reason to expect that any pending application for renewal of any of the Licenses will not be granted by the applicable Governmental Authority in due course. Seller has operated the Stations and their physical facilities, electrical and mechanical systems and transmitting and studio equipment in compliance in all material respects with the FCC Authorizations and other Licenses and with the Communications Act of 1934, and the current rules, regulations and policies of the FCC. The Stations are operating at full power and not pursuant to any waiver or special temporary authority. All required FCC annual regulatory fees with respect to the FCC Authorizations have been timely paid.

(c) To Seller's knowledge, (i) there currently exists neither interference to either of the Stations' signals from other broadcast stations, nor interference caused by the Stations' signals to other broadcast stations, in each case beyond that permitted by the FCC's rules and (ii) there are no applications pending at the FCC, the grant of which would cause objectionable interference to either of the Stations other than what might arise as a result of proceedings that generally affect the television broadcast industry.

(d) There is not pending, or to Seller's knowledge threatened, any action by or before the FCC or any other Governmental Authority to revoke, suspend, cancel, rescind or modify any of the FCC Authorizations or other Licenses (other than proceedings to amend FCC rules of general applicability), and there is not now issued or outstanding, or to Seller's knowledge pending or threatened, by or before the FCC, any order to show cause, notice of violation, notice of apparent liability, or notice of forfeiture or complaint against Seller with respect to the Stations, except as listed and described on **Schedule 2.8(d)**.



(e) Except as set forth on **Schedule 2.8(e)**, to Seller's knowledge: (i) all reports, fees and filings required to be filed with the FCC by Seller with respect to the operation of the Stations have been timely filed in all material respects; (ii) all such reports and filings are accurate and complete in all material respects; (iii) Seller maintains appropriate logs and public files (including without limitation copies of Quarterly Form 398 Children's TV Reports and Quarterly Issues and Programs Reports) as required by FCC rules; and (iv) all antenna support structures used in the operation of the Stations have been registered with the FCC, if registration is required, and comply in all material respects with all other requirements of the FCC and the Federal Aviation Administration, including lighting and painting.

(f) Seller knows of no fact about Seller or its operation of the Stations that, under the Communications Act and the existing rules, regulations and policies of the FCC, would reasonably be expected to cause the FCC to refuse to consent either to the assignment of the FCC Authorizations to Buyer or to the renewal of any of the FCC Authorizations.

**2.9 Must Carry Rights.** **Schedule 2.9** sets forth a list of all multichannel video programming distributors (each, an "MVPD") that, to Seller's knowledge, carry either Station's signal(s) and a list of all Contracts entered into with any MVPD retransmitting either Station's signal(s). No MVPD has notified Seller of such MVPD's intention to delete either Station from carriage, change the channel position of either Station, or allege that either Station does not deliver an adequate quality signal. To Seller's knowledge there are no pending must-carry complaints or petitions for special relief to modify the areas in which either Station is entitled to demand carriage.

**2.10 Advertisers.** Set forth in **Schedule 2.10** is a true and correct list of the top twenty advertisers for 2010 and 2011 with respect to each Station, as determined by cash advertising revenue.

**2.11 Approvals and Consents.** In connection with entering into and consummating the transactions contemplated by this Agreement, Seller is not required to obtain any approvals or consents from persons or entities not a party to this Agreement, or to obtain any approvals, consents, permits, licenses or authorizations of, or to make any filings with, any Governmental Authority or agency, except for the approvals, consents, permits, licenses, authorizations and filings (i) listed in Schedule 2.11; or (ii) referred to in Sections 4.3 (Consents) or 7.3 (FCC Authorizations).

**2.12 Tangible Personal Property.** Seller has made available to Buyer depreciation schedules current as of June 30, 2012 containing descriptions of all items or groups of items of Tangible Personal Property of every kind or description owned or leased by Seller and used or held for use in connection with the business or operations of the Stations, provided that, for the avoidance of doubt, Seller makes no representation regarding the availability of any tax deductions attributable to any such depreciation. Except as listed and described on Schedule 2.12: (a) Seller has good, valid and marketable title to all of the Stations' Assets (other than the Real Property, which is covered by Section 2.13), in each case, free and clear of all Encumbrances (other than Permitted Encumbrances); (b) Seller is the owner or lessee of all of the Tangible Personal Property which it uses in the operation of the Stations; and (c) all Tangible Personal Property included in the Stations' Assets are being maintained in all material respects in accordance with industry standards and are in all material respects in good operating condition and repair, reasonable wear and tear excepted.

**2.13 Real Property.**

(a) **Schedule 1.1(c)** contains descriptions of all real property owned or leased by Seller and used or held for use in connection with the business and operations of the Stations and leases or licenses or other rights to possession of any real property so used or held. Seller's interests in the Real Property are as follows: (i) Seller has fee simple title to the Real Property described by metes and bounds on **Schedule 1.1(c)** as being so owned (the "Owned Property"); and (ii) Seller leases, as a tenant, the premises described on **Schedule 1.1(c)** as being so leased. As to the Owned Property, Seller has good, valid and marketable fee simple title to such premises and all buildings, towers, antennae, improvements and fixtures thereon, free and clear of all mortgages, liens, claims, encumbrances, leases, title exceptions, rights of others, encroachments, boundary line disputes and other similar matters, except as listed on **Schedule 2.13** and except for Permitted Encumbrances.

(b) The leases listed in **Schedule 1.1(d)** constitute all the real property leases to which Seller is a party (either as lessor or lessee) in connection with the business and operations of the Stations. True and complete copies of such leases have been made available to Buyer.

(c) With respect to the leases of real property listed in **Schedule 1.1(d)**, Seller has good title to its interests in such real property, free and clear of all Encumbrances, except for Permitted Encumbrances. With respect to each such lease, except as otherwise disclosed in **Schedule 2.13**, (i) the leases are in full force and effect, (ii) all accrued and currently payable rents and other payments required by such leases have been paid, (iii) Seller has entered into such leases in the ordinary course of business and, where it is the lessee under such leases, Seller is in peaceable possession of any such lease, (iv) Seller is in compliance in all material respects with all covenants and provisions of any such leases, (v) no party has asserted any defense, setoff or counterclaim thereunder, (vi) no notice of default or termination has been given or received, and (vii) to Seller's knowledge, any other party thereto is not in default in any material respect under any such lease.

(d) Except as listed on **Schedule 2.13**, the Real Property and all of the buildings, towers, antennae, fixtures and improvements owned or leased by Seller, and all heating and air conditioning equipment, plumbing, electrical and other mechanical facilities, and the roof, walls and other structural components of the Real Property which are part of, or located in, such buildings, towers, antennae or improvements, are being maintained in all material respects in accordance with industry standards and are, in all material respects, in good operating condition and repair, reasonable wear and tear excepted.

**2.14 Environmental Matters.** Except as set forth on **Schedule 2.14**, all of Seller's activities with respect to the Stations, whether at or upon the Real Property, are being conducted in compliance in all material respects with all applicable laws, orders, regulations, decrees, permits, licenses, ordinances, or other requirements of Governmental Authorities relating to pollution, the protection of human health (as it relates to the exposure to Hazardous Materials (as defined below)) and the environment, the discharge or release of any Hazardous Materials (as defined below) into the environment, or the storage, treatment and disposal of any Hazardous Materials (collectively, the "Environmental Laws"). Except as set forth on **Schedule 2.14**, Seller has not handled or disposed of any petroleum, petroleum by-products, polychlorinated biphenyls or any pollutant, contaminant, or hazardous or toxic substance, material, or waste that is labeled or regulated as such by any Governmental Authority pursuant to an Environmental Law ("Hazardous Materials") at any Real Property in an amount, manner or condition requiring any investigation or remediation under applicable Environmental Laws. Except as set forth on **Schedule 2.14**,



to Seller's knowledge, none of the Real Property (including soils, surface waters, ground waters and buildings) is contaminated with any Hazardous Materials in an amount, manner or condition requiring any investigation or remediation under applicable Environmental Laws. Except as set forth on **Schedule 2.14**, there are no (a) pending environmental claims against Seller, or (b) to Seller's knowledge, past or threatened environmental claims against Seller. Seller has made available to Buyer true and correct copies of any material reports, studies, analyses, tests, or monitoring possessed by Seller pertaining to any Environmental Laws or Hazardous Materials in, on, or under any of the Real Property or related to the operation of the Stations, which reports, studies, analyses, tests, or monitoring are listed on **Schedule 2.14**. Except as set forth on **Schedule 2.14**, Seller, with respect to the Real Property, has not received any written citation, written notice or other written communication alleging any actual or potential violation or failure to comply with any Environmental Law or any obligation to undertake or bear the cost of any remediation under any Environmental Law. Except as set forth on **Schedule 2.14**, to Seller's knowledge, there are not now and never have been any underground storage tanks currently located on any of the Real Property. **Schedule 2.14** includes a correct and complete list of all of Seller's material registrations, licenses or permits with respect to the Stations issued by any Governmental Authorities pursuant to any Environmental Laws. All such registrations, licenses and permits are in full force and effect, except as set forth in **Schedule 2.14**.

**2.15 Compliance with Law and Regulations.** Seller is operating the Stations in compliance in all material respects with all requirements of law (federal, state and local) and all Governmental Authorities having jurisdiction over it, the operation of the Stations, and the use of the Stations' Assets, except as disclosed in **Schedule 2.15**. **Schedule 2.15** identifies any outstanding variances or special use permits affecting any of Seller's facilities or the uses thereof and Seller is in compliance in all material respects therewith.

**2.16 Insurance.** Seller maintains, with respect to the Stations, insurance policies bearing the policy numbers, with the companies, and providing the general coverage set forth on **Schedule 2.16**. All of such policies are in full force and effect, and Seller is not in default thereof. Seller has not received notice from any issuer of any such policies of its intention to cancel, terminate or refuse to renew any policy issued by it.

**2.17 Labor, Employment Contracts and Benefit Programs.**

(a) There are no collective bargaining agreements, or written or oral agreements relating to the terms and conditions of employment or termination of employment, covering any employees, consultants or agents of Seller at the Stations, and all of Seller's employees of the Stations are employees at will, except as set forth in **Schedule 2.17**. To Seller's knowledge, Seller is not engaged in any unfair labor practice or unlawful employment practice. There are no unfair labor practice charges or other employee related complaints, grievances or arbitrations against Seller pending, or to Seller's knowledge threatened, before the National Labor Relations Board, the Equal Employment Opportunity Commission, the Occupational Safety and Health Administration, the Department of Labor, any arbitration tribunal or any other federal, state, local or other Governmental Authority by or concerning Seller's employees at the Stations. There is no strike, picketing, slowdown or work stoppage by or concerning such employees pending against or involving the Stations. No representation question is pending or, to Seller's knowledge, threatened with respect to any of the employees of the Stations.

(b) All handbooks and material policies relating to employment are listed and described in **Schedule 2.17**.

(c) The Stations, and Seller with respect to the Stations, (i) have complied with in the past and are now in compliance, in each case in all material respects, with all labor and employment laws, including federal, state, local, and other applicable laws, rules, regulations, ordinances, orders, and decrees concerning collective bargaining, unfair labor practices, payments of employment taxes, occupational safety and health, workers' compensation, the payment of wages and overtime, and equal employment opportunity, and (ii) are not liable, in each case in any material respect, for any arrears or wages, benefits, taxes, damages, or penalties for failing to comply with any law, rule, regulation, ordinance, order, or decree relating in any way to labor or unemployment concerning the Stations.

(d) Except as listed and described on **Schedule 2.17**, Seller does not maintain any pension plan, profit sharing plan, deferred compensation plan, stock option or stock bonus plan, savings plan, welfare plan, or other benefit plan or arrangement, policy, practice, procedure or contract concerning employee benefits or fringe benefits of any kind, whether or not governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), relating to or covering any employees of the Stations (the "Stations' Benefit Plans"). None of the Stations' Benefit Plans is a "multi-employer plan" (within the meaning of Section 3(37) of ERISA).

(e) No failure to comply with ERISA or other applicable law with respect to any of the Stations' Benefit Plans could subject Buyer to a penalty, tax or other liability under ERISA or the Code.

(f) Neither Seller nor the Stations: (i) has ever contributed to a multi-employer pension plan; or (ii) has ever incurred any liability under Title IV of ERISA to the PBGC or to a multi-employer pension plan.

(g) Seller has provided Buyer with true, accurate and complete (i) copies of the agreements, handbooks, policies, and plans described on **Schedule 2.17**, and (ii) lists of the names of all present employees of Seller by department, the position held by each employee, the compensation arrangement with each employee, length of service, anniversary date of employment, and schedules of hours worked (if part-time).

**2.18 Litigation.** Except as set forth on **Schedule 2.18**, there are no suits, arbitrations, administrative charges or other legal proceedings, claims or investigations pending against, or to Seller's knowledge threatened against, the Stations or Seller relating to or affecting the Stations. Seller has not been operating under or subject to, or in default with respect to, any order, writ, injunction or decree of any Governmental Authority.

**2.19 Intellectual Property.** All Intellectual Property used in connection with the Stations is listed on **Schedule 1.1(e)** (other than (a) Intellectual Property that is not material to the operation of the Stations and is not registered or applied for with any Governmental Authority and (b) software licensed to Seller that is commercially available and is licensed pursuant to "shrink-wrap" or "click-wrap" licenses), indicating in each case whether such Intellectual Property is owned or licensed by Seller. All software that is used by Seller with respect to the Stations is owned by Seller or is subject to a current license

agreement that covers in all material respects the use of the software as currently used. In the past three years, Seller has not received (or sent) any notice of any claim against (or by) Seller involving any conflict or claim of conflict of the Intellectual Property of others (or of Seller), nor does Seller have any knowledge of the basis for any such claim.

**2.20 Brokers.** There is no broker or finder or other person who would have any valid claim against any of the parties to this Agreement for a commission or brokerage fee or payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement of, or action taken by, Seller.

**2.21 Conflicting Interests.** To Seller's knowledge, neither Seller, any affiliate of Seller, the employees or shareholders of Seller, nor any spouse or child of any of the foregoing, has any material financial interest in any supplier, advertiser or customer of Seller or in any other business enterprise with which Seller engages in business or with which Seller is in competition. The ownership of less than one percent of the outstanding capital stock of a publicly held corporation shall not be deemed to be a violation of this representation and warranty.

**2.22 Absence of Material Change.** Except as set forth in **Schedule 2.22**, since December 31, 2011, Seller has conducted the business and operations of the Stations only in the ordinary course, and:

(a) There has not been and, to Seller's knowledge, there is not threatened any material adverse change in the financial condition, business of the Stations or the Stations' Assets or any material physical damage or loss to any of the Stations' Assets (whether or not such damage or loss is covered by insurance);

(b) Seller has not taken any action with respect to the Stations outside of the ordinary course of business, except as related to the transactions contemplated hereby;

(c) Seller has paid all of its material debts and obligations as they became due;

(d) Seller has maintained its books, accounts and records in the usual, customary and ordinary manner; and

(e) Seller has in all material respects with respect to the Stations preserved its business organization intact, and in all material respects with respect to the Stations has used its commercially reasonable efforts to keep available the services of its employees and to preserve its relationships with its customers, suppliers and others with whom it deals.

**2.23 No Other Representations or Warranties.** The representations and warranties made by Seller in this Section 2 are the exclusive representations and warranties made by Seller. Seller hereby disclaims any other express or implied representations or warranties whether made by Seller, its affiliates, officers, directors, members, employees, agents or representative or any other person.

**3. REPRESENTATIONS AND WARRANTIES OF BUYER.** Buyer represents and warrants to Seller as follows:

**3.1 Status.** Buyer is a limited liability company which is duly organized, validly existing and in good standing under the laws of the State of Missouri. Buyer has the requisite power to carry on its business as it is now being conducted and to enter into and complete the transactions contemplated by this Agreement. Buyer has all necessary authority to purchase and operate the Stations.

**3.2 Authority.** Buyer has full power and authority to execute and deliver this Agreement and all other agreements, instruments and certificates contemplated to be executed and delivered by it hereby and thereby (collectively, the "Buyer Related Agreements," and together with the Seller Related Agreements, the "Related Agreements") and to carry out and perform all of its obligations under the terms of this Agreement and the Buyer Related Agreements. All limited liability company action by Buyer necessary for the authorization, execution, delivery and performance by Buyer of this Agreement and the Buyer Related Agreements has been taken. This Agreement has been duly executed and delivered by Buyer and this Agreement and the Buyer Related Agreements constitute or will, when executed and delivered, constitute the valid and legally binding obligations of Buyer, enforceable against it in accordance with their respective terms, except as such enforceability may be limited by applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws from time to time in effect affecting creditors' rights generally or by principles governing the availability of equitable remedies.

**3.3 No Defaults.** Buyer is not in material violation or breach of any of the terms, conditions or provisions of its Organizational Documents, or any indenture, mortgage or deed of trust or other contract, court order, judgment, arbitration award, or decree to which Buyer is a party or by which it is bound. Neither the execution and delivery of this Agreement nor the consummation by Buyer of the transactions contemplated hereby is an event that, of itself or with the giving of notice or the passage of time or both, will: (a) conflict with the provisions of Buyer's Organizational Documents; (b) constitute a material violation of, conflict in any material respect with or result in any material breach of or any material default under, result in any termination or material modification of, or cause any acceleration of any material obligation under, any contract, mortgage, indenture, agreement, lease or other instrument to which Buyer is a party or by which it is bound, or by which it may be affected, or result in the creation of any Encumbrances upon any of Buyer's assets, except for agreements, indentures and instruments related to the financing of the transactions contemplated by this Agreement; or (c) violate any judgment, decree, order, statute, law, rule or regulation applicable to Buyer.

**3.4 Approvals and Consents.** Assuming that the consents and approvals referred to in Section 2.11 are obtained, there are no approvals or consents of persons or entities not a party to this Agreement that are required by law or by contracts to which Buyer is a party to be obtained by Buyer in connection with entering into and consummating of the transactions contemplated by this Agreement.

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

**3.6 Qualification as a Broadcast Licensee.** To Buyer's knowledge and except as set forth on **Schedule 3.6**, there is no fact or condition about Buyer that, under the Communications Act and the existing rules, regulations and policies of the FCC, would disqualify Buyer as owner and operator of the

Stations, that would reasonably be expected to cause the FCC to refuse to consent to the assignment of the FCC Authorizations to Buyer, that would reasonably be expected to constitute grounds for the filing of a petition to deny or objection related to the qualifications of Buyer, or that would reasonably be expected to result in a delay of the FCC grant of the FCC Application.

**3.7 Other Information.** No provision of this Agreement relating to Buyer or any other document, or other information furnished by Buyer to Seller in connection with the execution, delivery and performance of this Agreement, or the consummation of the transactions contemplated hereby, contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact required to be stated to make the statement, in light of the circumstances in which it is made, not misleading.

**3.8 No Reliance.** Buyer acknowledges and agrees that Seller makes no representations or warranties except for those representations and warranties set forth in this Agreement and that Buyer is not relying on any representations or warranties except those expressly set forth herein. Without limiting the generality of the foregoing, Buyer further acknowledges and agrees that Seller makes no representations or warranties regarding the future performance of the business and operations of the Stations, or any estimates, projections, plans or budgets or similar information furnished to Buyer by or on behalf of Seller with respect to such business or operations, including the information made available to Buyer and its representatives in "data rooms" (virtual or physical) that relates to any such matter.

**4. COVENANTS OF SELLER.** Seller covenants and agrees that from the date hereof until the completion of the Closing:

**4.1 Operation of the Business.**

(a) Seller shall use commercially reasonable efforts to continue to carry on the business of the Stations and keep its books and accounts, records and files in the usual and ordinary manner in which the business of the Stations has been conducted in the past. Seller shall operate the Stations in accordance in all material respects with the terms of the FCC Authorizations and in compliance in all material respects with all applicable laws, rules and regulations and all applicable FCC rules and regulations. Notwithstanding the foregoing, Seller shall be permitted to use all of its cash and cash equivalents for any purpose whatsoever, including without limitation, for payment of any of Seller's liabilities or obligations or the making of distributions to its owners. For purposes of this Agreement, "commercially reasonable efforts" shall mean the efforts that a commercially reasonable person desirous of achieving a result would use in similar circumstances to achieve that result as expeditiously as reasonably practicable, provided, however, that, except as otherwise set forth herein, a person required to use commercially reasonable efforts under this Agreement will not be thereby required to take any action that would materially and adversely change the benefits to such person under this Agreement or the transactions contemplated hereby, to make any change to its business, to incur any fees or expenses (other than normal and usual filing fees, processing fees, normal maintenance costs, and incidental expenses), to commence any litigation or to incur any other material burden.

(b) Seller shall provide Buyer with copies of the regular monthly internal operating statements relating to the Stations for the monthly accounting periods between the date of this Agreement and the Closing Date by August 10, 2012, in the case of June 2012, September 7,

2012, in the case of July 2012, October 2, 2012, in the case of August 2012, and October 30, 2012, in the case of September 2012, which statements shall be prepared in accordance with Seller's past practice and shall, in all material respects, accurately and fairly present the results of Seller's operations during such periods.

(c) Seller shall use commercially reasonable efforts to preserve its business organization, keep available the services of its employees, and preserve its relationships with customers, suppliers and others with whom it deals.

(d) Nothing contained in this Agreement shall give Buyer any right to control the programming, operations or any other matter relating to the Stations prior to the Closing Date, and Seller shall have complete control of the programming, operations and all other matters relating to the Stations up to the Closing Date.

(e) Seller shall use commercially reasonable efforts to keep all Tangible Personal Property and Real Property in good condition and repair, ordinary wear and tear excepted, and shall maintain adequate and usual supplies of office supplies, spare parts and other materials as have been customarily maintained in the past.

(f) Seller shall use commercially reasonable efforts to act and refrain from acting, as the case may be, so as not to cause any of the representations and warranties set forth in Article 2 to be untrue on and as of the Closing Date, except for changes therein in the ordinary and usual course of business.

(g) Seller shall not, without the prior written consent of Buyer:

(i) Sell, lease, transfer, or agree to sell, lease or transfer, any of the Stations' Assets which individually or in the aggregate are material to the operation of the Stations;

(ii) Except in the ordinary course of business or as may be required by applicable law, (A) grant any raises to employees of the Stations or (B) enter into, terminate, renew or amend any contract of employment with any employee or employees of the Stations;

(iii) Except in the ordinary course of business, (A) enter into, renew, amend or terminate (other than by expiration of the term in the contract) any time sales contracts with respect to the Stations or (B) enter into any trade or barter arrangements with respect to the sale of commercial advertising time that will not be fully performed by Seller on or before the Closing Date;

(iv) Enter into, renew or amend any other Contract with respect to the Stations except Contracts entered into, renewed or amended (A) in the ordinary course of business, and (B) which provide for the payment to or by Seller of \$10,000 or less;

(v) Except in the ordinary course of business, consistent with past practice, materially amend, materially modify or terminate any License; or

(vi) Apply to the FCC for any construction permit that would materially adversely affect the Stations' present operations, or make any change in the Stations' buildings, leasehold improvements or fixtures except in the ordinary course of business.

**4.2 Access to Facilities, Files and Records.** At the reasonable request of Buyer, Seller shall from time to time give or cause to be given to the officers, employees, accountants, counsel, agents, consultants and representatives of Buyer: (a) reasonable access during normal business hours to all employees, facilities, properties, accounts, books, deeds, title papers, insurance policies, licenses, agreements, contracts, commitments, records and files of every character, equipment, machinery, fixtures, furniture, vehicles, notes and accounts payable and receivable of Seller with respect to the Stations; and (b) all such other information concerning the Stations as Buyer may reasonably request. In connection with its inspection of such facilities, properties and other assets and information, Buyer shall indemnify, defend and hold Seller harmless against and from any loss, cost or damage to Seller or its managers, members, officers, employees, agents and representatives, including reasonable attorneys' fees, arising out of or relating to such inspection, including injury to persons or damage to the property or businesses of Seller. Without limiting the generality of the foregoing, Buyer shall be permitted at Buyer's sole cost and risk to conduct a Phase I Environmental Site Assessment of: (i) Seller's compliance with Environmental Laws; and (ii) the presence of Hazardous Materials at the Real Property, and Seller shall reasonably cooperate with Buyer in connection with such investigation; provided, however, that such Phase I Environmental Site Assessment shall not include any environmental testing or sampling, including, without limitation, any groundwater, soil vapor, soil or indoor air testing or sampling.

**4.3 Consents.** Marked with an asterisk on **Schedule 1.1(d)** are all Contracts listed therein with respect to which a consent or approval to the transactions provided for in this Agreement is required. ("Restricted Contracts"). Seller shall use commercially reasonable efforts to obtain consents and approvals to the assignment of all Restricted Contracts. Those Contracts listed on Schedule 1.1(d) that are marked with a double asterisk are referred to herein as "Material Restricted Contracts." To the extent that the consent or approval of any third person is required under any Restricted Contract in order to make an assignment from Seller to Buyer or otherwise to consummate the transactions contemplated by this Agreement, and if any such consent or approval is not obtained at or before the Final Closing Date, then: (a) if and only if such consent or approval is not obtained with respect to one or more Material Restricted Contracts, Buyer may elect to terminate this Agreement, or (b) Buyer may waive the condition in Section 7.5, if applicable, and proceed with the Closing; provided, that in such event, until such consent is obtained, the parties shall cooperate to provide Buyer the benefits of any such Contract and to enforce any rights arising under such Contract and to the extent that Buyer is provided the benefits of such Contract, Buyer shall perform the obligations of Seller arising after the Closing Date with respect to such Contract.

**4.4 Consummation of Agreement.** Subject to the provisions of Section 10.1 of this Agreement: (a) Seller shall use its commercially reasonable efforts to fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement, and to cause the transactions contemplated by this Agreement to be fully carried out; and (b) Seller shall not take any action intended to make the consummation of this Agreement contrary to the Communications Act or the rules, regulations or policies of the FCC.

**4.5 Risk of Loss.**

(a) The risk of loss, damage, impairment, confiscation or condemnation, whether by force majeure or other casualty, to the Stations' Assets between the date of this Agreement and



the Closing Date will be on Seller. Seller shall use commercially reasonable efforts to repair, replace and restore the Stations' Assets 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 the amount of any applicable deductibles or self-insurance retentions), and that Buyer's sole remedies if Seller elects not to fully repair, replace or restore will be (i) to terminate this Agreement if any such loss, damage, impairment, confiscation or condemnation results in the failure of any of the conditions set forth in Section 7 to be satisfied as of the Final Closing Date, (ii) extend the Closing Date in accordance with Section 4.5(b), or (iii) to waive such defect and proceed toward Closing in accordance with the terms of this Agreement (provided that Seller will promptly remit to Buyer all Proceeds, plus the amount of any applicable deductibles or self-insurance retentions, with respect to such loss or damage).

(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 Authorizations (not to include ordinary course scheduled maintenance), Seller will give prompt notice thereof to Buyer and Buyer will have the right, by giving written notice to Seller within ten (10) business days after receipt of such notice, to (i) terminate this Agreement if normal broadcast transmissions are not resumed by November 15, 2012, or (ii) postpone the Closing Date until five (5) business days after the resumption of normal transmission. In the event Buyer elects to postpone the Closing Date, (x) such postponement shall also result in an equal extension of the Final Closing Date, (y) during the period of postponement, Seller shall use its commercially reasonable efforts to resume normal broadcast transmissions, and (z) in the event transmission in accordance with the FCC Authorizations cannot be resumed within the effective period of the FCC's consent to assignment of the FCC Authorizations to Buyer, 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 120 days in the aggregate. If transmission in accordance with the FCC Authorizations has not been resumed so that the Closing Date does not occur within such extended period, or any agreed extension thereof, Buyer will have the right, by giving written notice to Seller within five business days after the expiration of such 120-day period, or any agreed extension thereof, to terminate this Agreement without any further obligation.

**4.6 Employees.** At the Closing, Seller shall terminate the employment of the Stations' employees.

**4.7 Notice of Proceedings.** Seller will promptly notify Buyer in writing on: (a) becoming aware of any order or decree or any complaint praying for an order or decree restraining or enjoining the consummation of this Agreement or the transactions contemplated hereunder; or (b) receiving any notice from any governmental department, court, agency or commission of its intention (i) to institute an investigation into, or institute a suit or proceeding to restrain or enjoin, the consummation of this Agreement or such transactions, or (ii) to nullify or render ineffective this Agreement or such transactions if consummated.



**5. COVENANTS OF BUYER.** Buyer covenants and agrees that from the date hereof until the completion of the Closing:

**5.1 Consents.** Buyer shall cooperate with Seller to obtain the consents of any third person required under any Restricted Contract to the assignment from Seller to Buyer but in no event shall Buyer be required, as a condition of obtaining such consents or approvals, to expend any monies on, before or after the Closing Date, or to offer or grant any accommodations or concessions adverse to Buyer.

**5.2 Consummation of Agreement.** Subject to the provisions of Section 10.1 of this Agreement: (a) Buyer shall use its commercially reasonable efforts to fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement, and to cause the transactions contemplated by this Agreement to be fully carried out; and (b) Buyer shall not take any action that would make the consummation of this Agreement contrary to the Communications Act or the rules, regulations, or policies of the FCC.

**5.3 Confidentiality.** Buyer will hold all information obtained under Section 4.1(g)(vi) of this Agreement in confidence and will not disclose any of such information other than to those assisting Buyer in evaluating and closing this transaction, their employees and representatives, and those who will provide financing for the transaction, but in each case only on a need-to-know basis. Buyer's confidentiality obligations hereunder shall not apply to information which (a) Buyer obtained on a non-confidential basis from a source other than Seller, its officers, directors, shareholders, employees, agents, representatives, or advisors, provided that such source is not known by Buyer to be bound by a confidentiality agreement with or other obligation of secrecy to Seller or another party, or (b) becomes generally available to the public other than as a result of its disclosure by Seller, or the directors, officers, shareholders, employees, representatives, agents, or advisors of Seller.

**5.4 Employees.** Prior to the Closing, Buyer shall offer employment to all employees of Seller (to the extent employed by Seller as of the Closing Date) in substantially comparable positions and at the same rate of base salary or wages they received from Seller. Those employees who agree to be employed by Buyer are defined as the "Transferred Employees." Buyer shall provide the Transferred Employees with such benefits under such employee benefit plans to be determined in good faith, and adopted, by Buyer. Buyer will cause each of the plans in which Transferred Employees are eligible to participate to take into account, for purposes of eligibility and vesting thereunder, the length of service of such Transferred Employees with Seller prior to the Closing Date, to a comparable extent that such service was credited under a comparable employee benefit plan of Seller; provided, however, that such credit shall not result in a duplication of benefits for the same period of service. Each Transferred Employee (to the extent such Transferred Employee is participating in, and not subject to any waiting period or any condition or exclusion based on pre-existing conditions, medical history, claims experience, or evidence of insurability or genetic factors with respect to, Seller's health care plans as of immediately prior to the Closing) shall be entitled to participate in Buyer's health care plans without regard to any waiting period or any condition or exclusion based on pre-existing conditions, medical history, claims experience, or evidence of insurability or genetic factors. Seller shall pay out each Transferred Employee's accrued but unused vacation to such Transferred Employee as of the Closing.

**5.5 Notice of Proceedings.** Buyer will promptly notify Seller in writing on: (a) becoming aware of any order or decree or any complaint praying for an order or decree restraining or enjoining the consummation of this Agreement or the transactions contemplated hereunder; or (b) receiving any notice from any Governmental Authority of its intention (i) to institute an investigation into, or institute a suit or

proceeding to restrain or enjoin, the consummation of this Agreement or such transactions, or (ii) to nullify or render ineffective this Agreement or such transactions if consummated.

**6. CONDITIONS TO THE OBLIGATIONS OF SELLER.** The obligations of Seller under this Agreement are, at its option, subject to the fulfillment of the following conditions prior to or on the Closing Date:

**6.1 Representations, Warranties and Covenants.**

(a) Each of the representations and warranties of Buyer contained in this Agreement shall have been true and correct in all material respects as of the date when made and shall be deemed to be made again on and as of the Closing Date and shall then be true and correct in all material respects, except to the extent changes are permitted or contemplated pursuant to this Agreement;

(b) Buyer shall have performed and complied in all material respects with each and every covenant and agreement required by this Agreement to be performed or complied with by it prior to or on the Closing Date;

(c) Buyer shall have furnished Seller with a certificate, dated the Closing Date and duly executed by a Manager of Buyer to the effect that the conditions set forth in Sections 6.1(a) and 6.1(b) have been satisfied; and

**6.2 Proceedings.** No party hereto shall be subject to any restraining order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby; no action or proceeding shall have been instituted before any Governmental Authority to restrain or prohibit, or to obtain substantial damages in respect of, the consummation of the transactions contemplated by this Agreement; and none of the parties to this Agreement shall have received written notice from any Governmental Authority of (i) its intention to institute any action or proceeding to restrain or enjoin or nullify this Agreement or the transactions contemplated hereby, or to commence any investigation (other than a routine letter of inquiry, including a routine Civil Investigative Demand) into the consummation of this Agreement or (ii) the actual commencement of such an investigation.

**6.3 FCC Authorizations.** The FCC Applications shall have been granted without any conditions materially adverse to Seller.

**6.4 Deliveries.** Buyer shall have complied with each and every one of its obligations set forth in Section 8.2.

**7. CONDITIONS TO THE OBLIGATIONS OF BUYER.** The obligations of Buyer under this Agreement are, at its option, subject to the fulfillment of the following conditions prior to or on the Closing Date:

**7.1 Representations, Warranties and Covenants.**

(a) Each of the representations and warranties of Seller contained in this Agreement shall have been true and correct as of the date when made and shall be deemed to be made again

on and as of the Closing Date and shall then be true and correct (without giving effect to all limitations as to “materiality” and “Material Adverse Effect” set forth in such representations and warranties), except, in each case, (i) where the failure of such representations and warranties to be so true and correct would not, in the aggregate, have a Material Adverse Effect (as defined below) and (ii) changes are permitted or contemplated pursuant to this Agreement;

(b) Seller shall have performed and complied in all material respects with each and every covenant and agreement required by this Agreement to be performed or complied with by it prior to or on the Closing Date;

(c) Seller shall have furnished Buyer with a certificate, dated the Closing Date and duly executed by an officer of Seller, to the effect that the conditions set forth in Sections 7.1(a) and 7.1(b) have been satisfied; and

(d) For purposes of this Agreement, “Material Adverse Effect” means any circumstance, change, condition, development or effect that, individually or in the aggregate, has had, or would have, a material and adverse effect on the business, condition (financial or otherwise), or results of operations of the Stations, or on the Stations’ Assets; other than any circumstance, change, condition, development or effect resulting in any material respect from (A) general changes in the economy or financial markets of the United States or any other region outside of the United States, or in the television broadcasting industry, (B) changes in general legal, regulatory, political, economic or business conditions (including the commencement, continuation or escalation of a war or material armed hostilities, acts of terrorism, or the occurrence of natural disasters), (C) changes in GAAP or any law, rule or regulation applicable to Seller or the Stations, (D) the announcement of this Agreement or pendency or consummation of the transactions contemplated hereby, (E) any action taken by Buyer, (F) any failure by Seller to achieve any financial projection or forecast or (G) compliance with the terms of, or the taking of any action required by, this Agreement.

**7.2 Proceedings.** No party hereto shall be subject to any restraining order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby; no action or proceeding shall have been instituted before any Governmental Authority to restrain or prohibit, or to obtain substantial damages in respect of, the consummation of the transactions contemplated by this Agreement; and none of the parties to this Agreement shall have received written notice from any Governmental Authority of (i) its intention to institute any action or proceeding to restrain or enjoin or nullify this Agreement or the transactions contemplated hereby, or to commence any investigation (other than a routine letter of inquiry, including a routine Civil Investigative Demand) into the consummation of this Agreement or (ii) the actual commencement of such an investigation.

**7.3 FCC Authorizations.** The FCC Applications shall have been granted without any conditions materially adverse to Buyer, and such grant shall have become Final, except that the requirement that such grant shall have become Final may be waived by Buyer. For purposes of this Agreement, the term “Final” shall mean that action shall have been taken by the FCC (including action duly taken by the FCC’s staff, pursuant to delegated authority) which shall not have been reversed, stayed, enjoined, set aside, annulled or suspended, with respect to which no timely request for stay, petition for rehearing, appeal or certiorari or *sua sponte* action of the FCC with comparable effect shall be pending and as to which the time for filing any such request, petition, appeal, certiorari or for the taking of any such *sua sponte* action by the FCC shall have expired or otherwise terminated.

**7.4 Deliveries.** Seller shall have complied with each and every one of its obligations set forth in Section 8.1.

**7.5 Consents.** All consents of other persons or parties as may be required for the assignment of Material Restricted Contracts to Buyer shall have been obtained.

**7.6 ABC Renewal.** The affiliation agreement with ABC that expires on or about September 30, 2012, shall have been renewed in a form and substance acceptable to Buyer in its sole and absolute discretion.

**7.7 Revised Schedules.** Seller shall have delivered to Buyer, at least five (5) days before the Closing Date, a revised form of Schedule 1.1(d) as is necessary to reflect 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 Contracts.

**7.8 Liens Released.** All Encumbrances other than Permitted Encumbrances shall be released of record and there shall be no liens in respect of the Stations' Assets, except for Permitted Encumbrances and those that will arise as a direct result of Buyer's actions in the consummation of the Closing.

**7.9 Title Insurance.** Irrevocable binding commitments for fully-paid policies of title insurance on the Owned Property, insuring in Buyer marketable fee simple title to the Owned Property in an amount that is not less than the market value established from the county assessor's office as set forth on Schedule 1.1(c), subject only to the Permitted Encumbrances and such other Encumbrances as Buyer may approve in its sole discretion.

## **8. ITEMS TO BE DELIVERED AT THE CLOSING.**

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

(a) Bills of sale, certificates of title, special warranty deeds, endorsements, assignments and other good and sufficient instruments of sale, conveyance, transfer and assignment, in form and substance reasonably satisfactory to Buyer, sufficient to sell, convey, transfer and assign to Buyer all right, title and interest of Seller in and to the Stations' Assets in accordance with the terms hereof;

(b) The required consents under Section 4.3;

(c) Certified copies of resolutions, duly adopted by the Board of Managers and members of Seller, which shall be in full force and effect at the time of the Closing, authorizing the execution, delivery and performance by Seller of this Agreement and the Seller Related Agreements and the consummation of the transactions contemplated hereby;

(d) The certificate referred to in Section 7.1(c);

(e) The Escrow Agreement; and

(f) A certificate in compliance with Treasury regulations section 1.1445-2(b) certifying that the transactions contemplated by this Agreement are exempt from withholding under Section 1445 of the Code.

**8.2 Deliveries by Buyer.** At the Closing, Buyer shall deliver to Seller:

- (a) The Purchase Price, which shall be paid in the manner specified in Section 1.4;
- (b) An instrument or instruments of assumption of the Contracts (other than Excluded Contracts), in accordance with the terms hereof;
- (c) Certified copies of resolutions, duly adopted by the Board of Managers of Buyer, which shall be in full force and effect at the time of the Closing, authorizing the execution, delivery and performance by Buyer of this Agreement and the Buyer Related Agreements and the consummation of the transactions contemplated hereby;
- (d) The certificate referred to in Section 6.1(c); and
- (e) The Escrow Agreement.

**9. SURVIVAL; INDEMNIFICATION.**

**9.1 Survival.** All representations, warranties, covenants and agreements contained in this Agreement, or in any exhibit, schedule, certificate, agreement, document or statement delivered pursuant hereto, 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 the first anniversary of the Closing Date, whereupon all such representations, warranties, covenants and agreements shall expire and terminate and shall be of no further force or effect (other than covenants to be performed in whole or part after the Closing, each of which shall survive the Closing until 30 days after it has been performed), except (a) for the representations and warranties contained in Sections 2.1 (Status), 2.2 (Authority), 2.7 (Taxes), clauses (a) and (b) of the third sentence of 2.12 (Tangible Personal Property) solely with respect to title, the second and third sentences of 2.13(a) and the first sentence of 2.13(c) (Real Property) solely with respect to title, 3.1 (Status) and 3.2 (Authority) (collectively, the “Core Representations”), which shall survive the Closing without any time limitation, and (b) for any representation, warranty, covenant or agreement relating to any written claim for indemnification which is made prior to a relevant survival expiration date, which claim (and such representation, warranty, covenant or agreement) shall survive until such claim has been finally resolved as provided below.

**9.2 Indemnification by Seller.** Seller will indemnify and hold harmless Buyer and its officers, employees, agents, representatives, and affiliates (collectively, the “Buyer Indemnified Parties”) for, and will pay to the Buyer Indemnified Parties the amount of, any loss, liability, claim, damage, expense (including costs of investigation and defense and reasonable attorneys’ fees), whether or not involving a third-party claim (collectively, “Damages”), arising, directly or indirectly, from or in connection with: (a) any breach of any representation or warranty made by Seller in this Agreement or any other certificate or document delivered by Seller pursuant to this Agreement; (b) any breach by Seller of any covenant or obligation of Seller in this Agreement or in any Seller Related Agreement; (c) any failure by Seller to pay or discharge any liability relating to the Stations that is not expressly assumed by

Buyer pursuant to the provisions of this Agreement; (d) the operation of the Stations prior to the Closing Date; and (e) any penalties imposed by the FCC as described in Section 1.8(b) or with respect to the matters described on **Schedule 2.8(d)**. Damages shall not include internal management, administrative or overhead costs that a Buyer Indemnified Party incurs in connection with the administration, supervision or performance of actions in connection with, or related to, a matter for which indemnification is to be provided), nor shall Damages include lost profits, diminution in value or multiple, special, consequential, indirect or punitive damages.

**9.3 Indemnification by Buyer.** Buyer will indemnify and hold harmless Seller and its officers, employees, agents, representatives, and affiliates (collectively, the “Seller Indemnified Parties”), and will pay to the Seller Indemnified Parties the amount of any Damages arising, directly or indirectly, from or in connection with (a) any breach of any representation or warranty made by Buyer in this Agreement or any other certificate or document delivered by Buyer pursuant to this Agreement, (b) any breach by Buyer of any covenant or obligation of Buyer in this Agreement or in any Buyer Related Agreement, and (c) the operation of the Stations after the Closing Date.

**9.4 Notification of Claims.**

(a) A party entitled to be indemnified pursuant to Section 9.2 or 9.3 (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 materially 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 the Indemnified Party, provided that the Indemnifying Party unconditionally agrees in writing that it shall be provided indemnity to the Indemnified Party for all Damages relating to the claim disclosed in the Notice of Claim. The fees and expenses paid by the Indemnifying Party in defending such claim shall constitute Damages for all purposes 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 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 ten (10) 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 Indemnified Party 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.

**9.5 Payment.** The Indemnifying Party hereby agrees to pay the amount of established Damages in cash within fifteen (15) days after the establishment thereof. Any amounts not paid by the Indemnifying Party when due under this Section 9.5 shall bear interest from and after the due date thereof until the date paid at a rate equal to the lesser of: (a) twelve percent (12%) per annum; or (b) the highest legal rate permitted by applicable law. Except as expressly provided herein, nothing contained in this Agreement or the Escrow Agreement shall restrict Buyer Indemnified Parties from seeking indemnification under this Section 9 in excess of the funds held in escrow pursuant to the Escrow Agreement.



## **9.6 Limitation.**

(a) Except in the case of fraud or a breach of one or more of the Core Representations, the maximum aggregate liability for either party in connection with any and all indemnification claims made pursuant to Section 9.2(a) or 9.3(a), respectively, shall be the amount of One Million Six Hundred Thousand Dollars (\$1,600,000.00) (the “Cap”).

(b) Seller shall have no liability under Section 9.2(a) until the aggregate total of all Damages for which Seller would otherwise be liable under Section 9.2(a) exceeds Eighty Thousand Dollars (\$80,000.00) (the “Threshold Amount”) and Buyer shall have no liability under Section 9.3(a) until the aggregate total of all Damages for which Buyer would otherwise be liable under Section 9.3(a) exceeds the Threshold Amount; provided, however, that if a party’s Damages exceed the Threshold Amount, such party shall be entitled to recover all of its Damages, up to the Cap (except that in the case of fraud or a breach of one or more of the Core Representations, such recovery shall not be limited by the Cap).

(c) In calculating the amount of Damages for purposes of this Section 9.6, any qualification by “in all material respects”, “materially” or like shall be disregarded as if such representation or warranty did not contain such qualification.

(d) Except in the case of fraud by Seller, indemnification pursuant to the provisions of this Section 9 shall be the sole and exclusive remedy of the parties with respect to any matters arising under or relating to this Agreement, any closing document executed and delivered pursuant to the provisions hereof and the transactions contemplated hereby, and, except with respect to indemnification related to any breach of a Core Representation, any such indemnification recovery shall be satisfied solely through the Escrow, and there shall be no further recovery once the Escrow is depleted except with respect to indemnification related to any breach of a Core Representation. Without limiting the generality of the preceding sentence, the only action which may be asserted by any Buyer Indemnified Parties under this Agreement shall be a contract action to enforce, or to recover Damages pursuant to, this Section 9, and the Buyer Indemnified Parties hereby waive any and all statutory rights of contribution or indemnification or rights of rescission or any claims sounding in tort that any of them might otherwise be entitled to under any law or any similar rules of law embodied in the common law; provided, however, that Buyer shall not have any liability to Seller if any waiver set forth in this sentence shall be found to be unenforceable; provided, further, that nothing in this Section 9.6(d) shall prevent Buyer from asserting that an Excluded Liability is the responsibility of Seller rather than Buyer.

**9.7 Subrogation.** In the event of payment by or on behalf of any Indemnifying Party to any Indemnified Party (including pursuant to this Section 9) in connection with any claim or demand by any person other than the parties hereto or their respective affiliates, such Indemnifying Party shall be subrogated to and shall stand in the place of such Indemnified Party as to any events or circumstances in respect of which such Indemnified Party may have any right, defense or claim relating to such claim or demand against any claimant or plaintiff asserting such claim or demand. Such Indemnified Party shall cooperate with such Indemnifying Party in a reasonable manner, and at the cost of such Indemnifying Party, in presenting any subrogated right, defense or claim.



**9.8 Mitigation.** The parties shall take all commercially reasonable steps (to the extent then available or possible) to mitigate all Damages upon and after having knowledge of any event that could reasonably be expected to give rise to such Damages.

**9.9 Purchase Price Adjustment.** The parties agree that any indemnification payments made hereunder shall be treated as an adjustment to the purchase price for all tax purposes.

## **10. TERMINATION.**

### **10.1 Termination of Agreement.**

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

(i) if the other party is in material 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 6.1(a) or (b) or Section 7.1(a) or (b), as applicable, 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 10.1(d);

(ii) if the FCC dismisses or denies the approvals contemplated by this Agreement in an order which has become Final; or

(iii) if the Closing has not occurred on or before the Final Closing Date.

(b) This Agreement may be terminated prior to Closing by Buyer pursuant to Section 4.3 or 4.5.

(c) This Agreement may be terminated prior to Closing by mutual written consent of Buyer and Seller.

(d) If either party asserts that the other is in material breach or default of this Agreement, the non-defaulting party shall, prior to exercising its right to terminate under Section 10.1(a), 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 or any attempt to delay the Closing Date beyond November 15, 2012, the defaulting party shall have 30 days from receipt of such notice to cure such default. Nothing in this Section 10.1(d) shall be interpreted to extend the Final Closing Date.

**10.2 Liabilities on Termination or Breach.** Except for the obligations contained in Section 5.3 with respect to confidentiality hereof which shall survive any termination of this Agreement, upon termination of this Agreement pursuant to Section 10.1, this Agreement shall forthwith become null and void, no party hereto or any of its officers, members, managers, officers, directors, employees, agents,

consultants, shareholders, principals, successors or assigns shall have any rights, liabilities, or obligations hereunder or with respect hereto; provided, however, that nothing contained herein shall relieve any party from liability for any failure to comply with any covenant or agreement contained in this Agreement or any knowing and intentional breach or knowing and intentional inaccuracy of any representation or warranty contained in this Agreement.

**10.3 Specific Performance.** Seller and Buyer each acknowledges that the Stations are of a special, unique and extraordinary character and that damages may be inadequate to compensate any breach of this Agreement by either party. Accordingly, in the event of a breach by Seller of its covenants and agreements to be performed on or before the Closing Date, Buyer may (provided that it is not in material breach of its representation, warranties, covenants and agreements under this Agreement), in addition to its other rights under this Agreement, elect to obtain an injunction restraining any such breach, subject to obtaining any requisite approval of the FCC, to enforce this Agreement by a decree of specific performance requiring Seller to fulfill its obligations under this Agreement, in each case without the necessity of showing economic loss or other actual damage and without any bond or other security being required. In addition, in the event of a breach by Buyer of its covenants and agreements to be performed on or before the Closing Date, Seller may (provided that it is not in material breach of its representation, warranties, covenants and agreements under this Agreement), in addition to its other rights under this Agreement, elect to obtain an injunction restraining any such breach, subject to obtaining any requisite approval of the FCC, to enforce this Agreement by a decree of specific performance requiring Buyer to fulfill its obligations under this Agreement, in each case without the necessity of showing economic loss or other actual damage and without any bond or other security being required.

## **11. GENERAL PROVISIONS.**

**11.1 Expenses.** Except as specifically provided in Sections 1.4(b), 4.1(a) and 9, each party hereto shall bear all of its expenses incurred in connection with the transactions contemplated by this Agreement, including accounting and legal fees incurred in connection herewith; provided, however, that (a) Buyer and Seller shall each pay one-half of (i) the filing fees in connection with the FCC Applications and (ii) city, county or state sales and/or use taxes resulting from the sale of Stations' Assets to Buyer; and (b) Buyer shall be exclusively responsible for the cost of (i) the Phase I Environmental Site Assessment with respect to the Real Property, and (ii) any other environmental audits and any surveys conducted with respect to the Real Property.

**11.2 Further Assurances.** From time to time prior to, on and after the Closing Date, each party hereto will execute all such instruments and take all such actions as any other party, being advised by counsel, shall reasonably request, without payment of further consideration, in connection with carrying out and effectuating the intent and purpose hereof and all transactions and things contemplated by this Agreement. The parties shall cooperate fully with each other and with their respective counsel and accountants in connection with any steps required to be taken as part of their respective obligations under this Agreement.

**11.3 Guaranty.** Subject to the provisions of this Section, Guarantor hereby fully, unconditionally and irrevocably guarantees to Seller the due and punctual payment of the Purchase Price and any other monetary obligations of Buyer in accordance with the terms of this Agreement and the due and punctual performance of all other obligations to be performed by Buyer and agrees to cause Buyer to take all actions as are necessary for Buyer to perform all obligations to be performed by Buyer, all in accordance with the terms of this Agreement and Buyer Related Agreements.

**11.4 Accounts Receivable.** On the Closing Date, Seller shall assign to Buyer for the period from the Closing Date to the end of the sixth full calendar month following the Closing Date (the “Collection Period”), for purposes of collection only, the Accounts Receivable. Buyer shall use its best reasonable efforts in accordance with Buyer’s normal collection procedures (but without any obligation to utilize a collection agency or to commence or prosecute any litigation) to collect the full amount of all of Seller’s Accounts Receivable; provided, however, that Buyer shall not have the authority to forgive or settle any of Seller’s Accounts Receivable for less than the face amount without Seller’s prior written approval. Buyer shall pay to Seller all monies collected on such Accounts Receivable. Unless otherwise directed by the account debtors in writing, all payments received from account debtors shall be applied on a “first in-first out” basis (i.e., proceeds received will be applied to the oldest outstanding Accounts Receivable). Such payments shall be sent by Buyer to Seller no later than the 15<sup>th</sup> day following the last day of each calendar month for all accounts collected during that calendar month, and each payment shall be accompanied by an Accounts Receivable aging report current as of the end of such calendar month. All Accounts Receivable remaining uncollected as of the end of the Collection Period shall be reassigned for collection to Seller without recourse on Buyer. Buyer shall, during the Collection Period, permit Seller or its authorized representatives and agents to have access to all books and records of Buyer pertaining to Accounts Receivable and collections thereof during reasonable business hours and on reasonable advance notice.

**11.5 Public Announcements.**

(a) Prior to the Closing Date, no party shall, without the approval of the other party hereto, make any press release or other public announcement concerning the transactions contemplated by this Agreement, except as and to the extent that such party shall be so obligated by law, in which case such party shall give advance notice to the other party and the parties shall use their best efforts to cause a mutually agreeable release or announcement to be issued.

(b) Notwithstanding the foregoing, the parties acknowledge that the rules and regulations of the FCC require that public notice of the transactions contemplated by this Agreement be made after the FCC Applications have been filed with the FCC. The form and substance of such public notice, to the extent not dictated by the Communications Act or the rules and regulations of the FCC, shall be mutually agreed upon by Seller and Buyer.

**11.6 Successors and Assigns.** Except as otherwise expressly provided herein, this Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective representatives, successors and assigns. No party hereto may assign any of its rights or delegate any of its duties hereunder without the prior written consent of the other parties, and any such attempted assignment or delegation without such consent shall be void; provided, however, that Buyer may assign its rights and delegate its duties to any entity controlling, controlled by or under common control with Buyer, provided that any such assignment does not materially delay the processing of the FCC Applications, the grant of the FCC Applications, or the Closing.

**11.7 Amendments; Waivers.** The terms of this Agreement may be changed only by a written instrument executed by the parties. The failure of any party at any time or times to require compliance with any provision of this Agreement shall in no manner affect the right of such party at a later date to enforce the same. No waiver by any party of any condition or the breach of any covenant, representation or warranty contained in this Agreement, whether by conduct or otherwise, in any one or more instances

shall be deemed to be or construed as a further or continuing waiver of any such condition or of the breach of any other provision, term, covenant, representation or warranty of this Agreement.

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

If to Seller or Alta, then to:

Alta Communications, Inc.  
Re: JW Broadcasting, LLC  
Attention: Eileen Toti  
28 State Street, Suite 1801  
Boston, MA 02109  
(617) 956-1318  
(617) 262-9779 (fax)

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

Goodwin Procter LLP  
53 State Street  
Boston, Massachusetts 02109  
Attention: Michael J. Kendall, Esq.  
617-570-1765  
617-523-1231 (fax)

If to Buyer or Guarantor, then to:

825 Edmond Street  
St. Joseph, Missouri 64501  
Attention: David R. Bradley  
816-271-8500  
816-271-8695 (fax)

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

Spencer Fane Britt & Browne LLP  
1000 Walnut Street, Suite 1400  
Kansas City, Missouri 64106  
Attention: Michael L. McCann, Esq.  
816-474-8100  
816-474-3216 (fax)

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

**11.9 Knowledge.** Any references in this Agreement to Seller's knowledge, or any phrase having similar or equivalent wording, shall mean the awareness of facts or other information after due inquiry by Gene Steinberg or Kathleen Lynam. Any references in this Agreement to Buyer's knowledge, or any phrase having similar or equivalent wording, shall mean the awareness of facts or other information after due inquiry by the officers and directors of Buyer and Buyer's parent company.

**11.10 Section Headings, Construction.** The headings of sections in this Agreement are provided for convenience only and will not affect its construction or interpretation. All references to "Section" or "Sections" refer to the corresponding Section or Sections of this Agreement. All words used in this Agreement will be construed to be of such gender or number as the circumstances require. Unless otherwise expressly provided, the word "including" does not limit the preceding words or terms.

**11.11 Governing Law.** This Agreement and all questions relating to its validity, interpretation, performance and enforcement shall be governed by and construed in accordance with the laws of the State of Missouri without giving effect to principles of conflicts of laws.

**11.12 Entire Agreement.** This Agreement, the schedules hereto, and the other documents delivered hereunder constitute the full and entire understanding and agreement among the parties with regard to the subjects hereof and thereof, and supersede all prior agreements, understandings, inducements or conditions, express or implied, oral or written, relating to the subject matter hereof, except as herein contained. The express terms hereof control and supersede any course of performance and/or usage of trade inconsistent with any of the terms hereof.

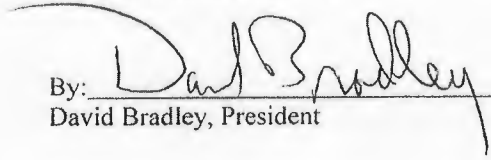
**11.13 Execution; Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument. This Agreement shall become binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of all of the parties reflected hereon as the signatories.

**11.14 No Third Party Beneficiary Rights.** This Agreement is not intended to and shall not be construed to give any person or entity other than the parties signatory hereto any interest or rights (including any third party beneficiary rights) with respect to or in connection with any agreement or provision contained herein or contemplated hereby.

[Execution page follows.]

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed by their duly authorized signatories, all as of the day and year first above written.

NPG OF MISSOURI, LLC

By:   
David Bradley, President

JW BROADCASTING, LLC

By: 

Name: Gene Steinberg

Title: President

solely for purposes of Section 11.3  
NEWS-PRESS & GAZETTE COMPANY

By: 

David Bradley, Chairman and CEO



Solely for purposes of Section 1.6:  
ALTA COMMUNICATIONS IX, L.P.

By: Alta Communications IX Managers Limited  
Partnership, its general partner

By: Alta Communications IX Managers LLC

By: Eileen M. Toti

Name: Eileen M. Toti, Member

Solely for purposes of Section 1.6:  
ALTA COMMUNICATIONS IX-B, L.P.

By: Alta Communications IX Managers Limited  
Partnership, its general partner

By: Alta Communications IX Managers LLC

By: Eileen M. Toti

Name: Eileen M. Toti, Member