

Second Amendment

By this Second Amendment, SCTV, Inc. (“SCTV”), the proposed transferee, reports that Mr. Davis and AIC have executed the attached **Amended and Restated Option Exercise Agreement**. This restated agreement reflects modifications that the parties have made to certain of the form agreements attached as exhibits to the restated option agreement. In particular, the modified exhibits, which are attached hereto, reflect the revisions described below:

- A revised form of the **SCTV Option Agreement** (Exhibit A) that eliminates the provisions whereby the periodic Option Fee Payments would have been credited against the Exercise Price. In addition, the revised form of the SCTV Option Agreement clarifies and expands the “put option” that enables Mr. Davis to require AIC to purchase his Shares of SCTV.
- A revised form of **Amendment #2 to the Local Management Agreement** (“LMA **Amendment 2**”) (Exhibit G) that makes SCTV, rather than AIC, responsible for payment of the Quarterly Management Fee to Mr. Davis.
- Revised forms of the **Davis Security Agreement** (Exhibit B), the **Second Amending Agreement to Amended and Restated Credit Agreement** (Exhibit F), and the **Fifth Amendment to Operating Agreement of Pappas Telecasting of Southern California LLC**. The revisions to these three forms merely conform the documents to the modifications made to the SCTV Option Agreement and LMA Amendment 2.

**AMENDED AND RESTATED OPTION EXERCISE AGREEMENT
(Davis)**

AMENDED AND RESTATED OPTION EXERCISE AGREEMENT (this "Agreement"), dated as of August 12, 2010, by and between Azteca International Corporation, a Delaware corporation ("AIC"), and Dennis J. Davis, an individual ("Seller"). AIC and Seller are sometimes referred to herein individually as a "Party" and collectively as the "Parties." This Agreement amends and restates that certain Option Exercise Agreement dated as of December 30, 2009 among the Parties. Capitalized terms used but not defined herein shall have the meanings given such terms in the PTSC Option Agreement (as defined below).

WITNESSETH:

WHEREAS, the Parties, together with Pappas Telecasting Companies, a Nevada corporation ("PTC"), Harry J. Pappas, an individual ("Pappas"), and LeBon G. Abercrombie, an individual ("Abercrombie", and collectively with Seller, PTC and Pappas the "Sellers"), have previously entered into that certain Option Agreement, dated as of December 27, 2007 (the "PTSC Option Agreement"), pursuant to which the Sellers granted to AIC the right to purchase (the "PTSC Option") all of their respective ownership interests ("Interests") in Pappas Telecasting of Southern California LLC, a Delaware limited liability company ("PTSC");

WHEREAS, simultaneously herewith, AIC is exercising the PTSC Option;

WHEREAS, on December 16, 2009, AIC caused SCTV, Inc. to be incorporated in the State of Delaware ("SCTV") and simultaneously herewith is entering into a subscription agreement with SCTV in the form of Exhibit C hereto, pursuant to which, at the closing of the exercise of the PTSC Option, (a) AIC will (i) contribute to SCTV the Interests it acquires from Pappas, (ii) contribute to SCTV its right to receive the Interests from Abercrombie and (iii) contribute to SCTV its right to receive Interests from Seller and (b) Seller will contribute to SCTV his 4.440% Interest in PTSC, all in consideration for which SCTV will issue (i) to AIC twenty (20) shares of its common stock, par value \$.001 per share ("Common Stock"), (ii) to Abercrombie its promissory note in accordance with the option exercise agreement, dated as of December 30, 2009, between AIC and Abercrombie ("Abercrombie Option Exercise Agreement") and (iii) to Seller eighty (80) shares of Common Stock ("SCTV Shares"), so that, upon completion of such closing, PTSC will be a wholly owned subsidiary of SCTV and SCTV will be owned eighty percent (80%) by Seller and twenty percent (20%) by AIC; and

WHEREAS, in connection with AIC's exercise of the PTSC Option, the Parties desire to waive certain of their rights under the PTSC Option Agreement in consideration for the agreements set forth herein and to be entered into pursuant hereto.

NOW, THEREFORE, in consideration of the recitals and of the mutual covenants and agreements set forth herein, the Parties, intending to be legally bound, hereby agree as follows:

1. Option Purchase Price. Subject to the terms and conditions of this Agreement, Seller hereby waives his right to receive \$5,500,000 in cash on the Closing Date, as the

Purchase Price payable to Seller pursuant to Section 3.3(a)(ii) of the PTSC Option Agreement, as consideration for the 4.440 percent Interest in PTSC owned by him. In lieu of such Purchase Price and in exchange for the 4.440 percent Interest in PTSC, at the Closing, AIC shall cause SCTV to transfer eighty (80) shares of Common Stock, which ownership interest in SCTV shall at all times represent 80% of the outstanding capital stock of SCTV.

2. SCTV Option Agreement. At the Closing, Seller shall execute and deliver, and AIC shall execute and deliver, an option agreement in the form of Exhibit A hereto (“SCTV Option Agreement”). In consideration of Seller entering into the SCTV Option Agreement, AIC shall agree to pay to Seller an option fee (“SCTV Option Fee”) in accordance therewith. AIC’s obligation to pay the SCTV Option Fee and exercise price upon exercise or deemed exercise thereof shall be secured by a security interest in all of PTSC’s Interests pursuant to a security agreement, made by SCTV in favor of Seller, in the form of Exhibit B hereto (the “Davis Security Agreement”). At the Closing, AIC shall (a) prepare and file all UCC-1’s, UCC-2’s or UCC-3’s necessary to provide Seller with a perfected first priority security interest in PTSC’s Interests as provided in the Davis Security Agreement and (b) cause SCTV to execute and deliver the Davis Security Agreement.

3. Stockholders Agreement. At the Closing, each of Seller and AIC shall execute and deliver a stockholders agreement in the form of Exhibit D hereto (“Stockholders Agreement”), which provides, among other things, certain voting requirements and requirements regarding the management of SCTV.

4. Escrow Instructions. Pursuant to Section 2(b) of that certain Escrow Agreement, dated as of December 27, 2007, among AIC, PTC and JPMorgan Chase Bank, N.A. as escrow agent, in order for AIC to obtain the release of the Escrow Documents (as defined therein), AIC is required to deliver evidence of the deposit of \$5,500,000 in a bank account designated by Seller or, alternatively, deliver joint written instructions executed by Seller. At the Closing, Seller shall execute and deliver to AIC such joint written instructions in the form of Exhibit E hereto.

5. Amended Credit Agreement. At the Closing, AIC shall execute and deliver to PTSC, and Seller shall cause SCTV, on behalf of PTSC, to execute and deliver to AIC, an amendment of the Amended and Restated Credit Agreement, dated as of December 27, 2007, by and between AIC and PTSC, in the form of Exhibit F hereto, which shall provide, among other things, for the extension of certain payments thereunder.

6. Amended Optionee LMA. At the Closing, AIC shall execute and deliver to PTSC, and Seller shall cause SCTV, on behalf of PTSC, to execute and deliver to AIC, an amendment to the Local Marketing Agreement, dated as of February 11, 2003, by and among PTSC, Pappas Southern California License, LLC, AIC and TV Azteca, a *sociedad anónima de capital variable* organized under the laws of Mexico, in the form of Exhibit G hereto, which shall provide, among other things, for the payment of certain additional fees by AIC to PTSC thereunder.

7. PTSC Operating Agreement. At the Closing, AIC shall execute and deliver to PTSC, and Seller shall cause SCTV, on behalf of PTSC, to execute and deliver to AIC, an

amendment to that certain Operating Agreement of PTSC, dated as of October 23, 1997, as amended, in the form of Exhibit H hereto, to reflect, among other things, the transactions contemplated hereby.

8. Tax Acknowledgement. Notwithstanding anything to the contrary contained herein or in any related documents, the Parties acknowledge and agree that for tax purposes the transactions contemplated hereunder shall be treated as the present exercise by AIC of the PTSC Option to acquire Seller's 4.440 percent Interest in PTSC in exchange for an installment note in respect of which Seller shall be entitled to report such sale on the installment method under Section 453 of the Internal Revenue Code of 1986, as amended (the "Code").

9. PTSC Option. Section 3.3(b)(ii) of the PTSC Option shall be void and, except as affected hereby, the PTSC Option Agreement shall remain in full force and effect according to its terms.

10. Seller's Representations and Warranties. On the date hereof and at the Closing, Seller acknowledges, represents and warrants to AIC as follows:

(a) Seller understands that the SCTV Shares have not been registered under the Securities Act of 1933, as amended, or any applicable state securities law by reason of specific exemptions under the provisions thereof which depend in part upon the representations made by Seller in this Agreement. Seller understands that AIC is relying upon Seller's representations and agreements contained in this Agreement (and any supplemental information furnished by Seller) for the purpose of determining whether this transaction meets the requirements for such exemptions.

(b) Seller has such knowledge, skill and experience in business, financial and investment matters so that Seller is capable of evaluating the merits and risks of an investment in the SCTV Shares.

(c) Seller has made, either alone or together with advisors (if any), such independent investigation as the Seller deems to be, or such advisors (if any) have advised to be, necessary or advisable in connection with an investment in the SCTV Shares; and Seller and Seller's advisors (if any) have received all information and data which Seller and such advisors (if any) believe to be necessary in order to reach an informed decision as to the advisability of an investment in the SCTV Shares.

(d) Seller represents that (i) he can bear the risk of loss of his entire investment in the SCTV Shares and (ii) he is capable of bearing the economic risk of an investment in the SCTV Shares for the indefinite future.

(e) Seller understands that the SCTV Shares are "restricted securities" under applicable securities laws and that Seller may dispose of the SCTV Shares only pursuant to an effective registration statement or an exemption from such registration if available. As a consequence, Seller understands that he must bear the economic risks of the investments in the SCTV Shares for an indefinite period of time.

(f) Seller hereby confirms that Seller is acquiring the SCTV Shares for investment only and not with a view to or in connection with any distributions thereof.

11. AIC's Representations and Warranties. AIC represents and warrants to Seller as follows:

(a) SCTV is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware, and has the requisite corporate power and authority to own or lease, operate its assets and properties and conduct its business.

(b) SCTV has the requisite corporate power and authority to execute and deliver the Davis Security Agreement and the Stockholders Agreement, and, SCTV has the requisite corporate power and authority to consummate the transactions contemplated thereby and to comply with the terms, conditions and provisions thereof.

(c) The execution, delivery and performance of the Davis Security Agreement and the Stockholders Agreement have been duly authorized and approved by all necessary corporate action of SCTV and does not require any further authorization or consent of SCTV or its stockholders. The Davis Security Agreement and the Stockholders Agreement are legal, valid and binding agreements of SCTV enforceable in accordance with their respective terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(d) None of the execution, delivery and performance by SCTV of the Davis Security Agreement or the Stockholders Agreement, the issuance of the SCTV Shares, the consummation by SCTV of any of the transactions contemplated thereby or compliance by SCTV with, or fulfillment by SCTV of the terms, conditions and provisions thereof will:

(i) conflict with, result in a breach of the terms, conditions or provisions of, or constitute a default, an event of default or an event creating rights of acceleration, termination or cancellation or a loss of rights under, or result in the creation or imposition of any Lien upon any assets of SCTV under, the certificate of incorporation or bylaws of SCTV, any indenture, note, mortgage, lease, guaranty or material agreement, or any Order, to which SCTV is a party or any of the assets of SCTV is subject or by which SCTV is bound, or any Requirement of Law affecting SCTV or its assets except for any such conflicts, breaches or other occurrences of the type referred to above, which would not individually or in the aggregate have a material adverse effect on SCTV or prevent the consummation by SCTV of the transactions contemplated thereby; or

(ii) require the approval, consent, authorization or act of, or the making by SCTV of any declaration, filing or registration with, any third party or Governmental Authority, except for such of the foregoing as are necessary pursuant to the HSR Act, the Communications Act or the rules and regulations of the FCC, and except for any such approvals, consents, authorizations or other actions of the type referred to above which would

not individually or in the aggregate have a material adverse effect on SCTV or prevent the consummation by SCTV of the transactions contemplated thereby.

(e) Immediately prior to the execution hereof, AIC owned 100% of the outstanding shares of common stock of SCTV, free and clear of all Liens except the option under the SCTV Option Agreement, and transferred and caused to be issued to Seller eighty (80) of such shares constituting eighty percent (80%) of the total issued and outstanding shares of Common Stock. There are no agreements with, options or rights of, or commitments to any Person (other than AIC), to acquire any shares of the capital stock of SCTV. There are no classes of shares of common stock of SCTV other than the shares of Common Stock.

(f) Immediately prior to the execution hereof, SCTV did not (i) own or lease, directly or indirectly, any real, personal, intangible or tangible property of any nature or (ii) conduct, transact or otherwise engage in any business or operations.

(g) To the Knowledge of AIC, SCTV is not a party to any Claim pending or, to the Knowledge of AIC, threatened which could reasonably be expected to restrict the ability of SCTV to consummate the transactions contemplated by this Agreement. To the Knowledge of the AIC, there is no Order to which SCTV is subject that would restrict the ability of SCTV to consummate the transactions contemplated by this Agreement.

(h) Neither SCTV nor any party acting on its behalf has paid or become obligated to pay any fee or commission to any broker, finder or intermediary for or on account of the transactions contemplated by this Agreement.

12. Additional Condition Precedent to Obligations of Optionee. In addition to the conditions precedent set forth in Article IX of the PTSC Option Agreement, the obligations of AIC under this Agreement and the PTSC Option Agreement to consummate the Closing shall be subject to the completion of AIC's purchase of the Interests owned by PTC and Pappas in accordance with the terms of the PTSC Option Agreement and owned by Abercrombie pursuant to the Abercrombie Option Exercise Agreement. At such closing, AIC will cause to be issued to Seller a legal opinion of its counsel in form and substance customary in transactions similar to the transactions contemplated hereby, but which shall opine as to the perfection of the security interest granted by SCTV to Seller in the Interests under the Davis Security Agreement.

13. Expenses. AIC shall bear the expenses reasonably incurred by Seller and Abercrombie in connection with the transactions contemplated hereby (including, without limitation, reasonable attorneys' fees), *provided*, that each of Seller and Abercrombie present AIC with copies of all invoices, *provided, further*, that in no event shall AIC be liable for more than \$50,000 of such expenses in the aggregate. Notwithstanding the foregoing, the \$50,000 limitation set forth in this Section 13 shall not apply to fees charged by Cozen O'Connor PC in its representation of Seller, Abercrombie or the Company, as applicable, in connection with the execution of this Agreement.

14. Miscellaneous. This Agreement (a) shall be governed by, and construed in accordance with, the laws of the State of New York applicable to contracts entered into and to be performed wholly within said State, (b) together with the PTSC Option Agreement and the other agreements and instruments referred to therein and herein, constitutes the entire agreement of the Parties with respect to the subject matter hereof, superseding all prior agreements, written or oral, (c) may not be amended, except in writing, (d) may be executed in counterparts, (e) shall be enforceable, notwithstanding the unenforceability of any particular provision hereof, with respect to all other provisions hereof and (f) may not be assignable by any Party, except with the prior written consent of the other.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the date first above written.

AZTECA INTERNATIONAL
CORPORATION

By: _____

Name:

Title:

By: _____

Name:

Title:

DENNIS J. DAVIS

OPTION AGREEMENT

Dated as of _____, 2010

by and between

DENNIS J. DAVIS

and

AZTECA INTERNATIONAL CORPORATION

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OPTION AGREEMENT

OPTION AGREEMENT (this “Agreement”), dated as of _____, 2010 (“Option Effective Date”), by and between Dennis J. Davis (“Seller”) and Azteca International Corporation, a Delaware corporation (“AIC”). Seller and AIC are sometimes referred to herein individually as a “Party” and collectively as the “Parties”.

RECITALS

WHEREAS, Seller is the owner of eighty (80) shares of common stock, par value \$.001 per share (the “Shares”) of SCTV, Inc., a Delaware corporation (the “Company”); and

WHEREAS, Seller desires to grant to Optionee, and Optionee desires to receive from Seller, an option to purchase the Shares, all on the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the recitals and of the mutual covenants and agreements set forth herein, the Parties, intending to be legally bound, hereby agree as follows:

1. DEFINITIONS

Section 1.1 Definitions. As used in this Agreement, the following terms have the meanings specified or referred to in this Section 1.1:

“AAA” has the meaning specified in Section 12.11(h).

“Abercrombie Note” means that certain promissory note issued on the Option Effective Date by the Company to LeBon G. Abercrombie in the principal amount of \$5,500,000.

“Affiliate” means, with respect to any Person, any other Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person. For the purposes of this definition, the term “controls,” “is controlled by” or “under common control with” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

“Agreement” has the meaning specified in the preamble.

“AIC” has the meaning specified in the preamble.

“Amended and Restated Note” has the meaning specified in the Amended Credit Agreement.

“Amended Credit Agreement” means that certain Amended and Restated Credit Agreement, dated as of February 11, 2003, as amended, by and between AIC and PTSC.

“Amended LMA” means that certain Local Marketing Agreement, dated as of February 11, 2003, as amended, by and among PTSC, the Subsidiary, AIC and TV Azteca.

“Business” means the conduct of the business of the Station.

“Business Day” means any day other than a Saturday, Sunday or other day on which commercial banks in New York, New York, Fresno, California or Mexico City, Mexico are authorized or required by law or executive order to close.

“Claim Notice” has the meaning specified in Section 10.3(a).

“Claims” means any actions, suits, proceedings, claims, complaints, disputes, arbitrations or investigations.

“Closing” has the meaning specified in Section 3.2.

“Closing Date” has the meaning specified in Section 3.2.

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

“Communications Act” means the Communications Act of 1934, as amended.

“Company” has the meaning specified in the recitals.

“Copyrights” means copyrights and mask works, including all renewals and extensions thereof, copyright registrations and applications for registration thereof, and non-registered copyrights.

“Cut-Off Date” means (i) the twelfth anniversary of the Option Effective Date or (ii) if the Amended LMA is terminated pursuant to Section 12 thereof or pursuant to Section 12.2 thereof as a result of Optionee's Breach (as defined in the Amended LMA), the first anniversary of the date the Amended LMA is terminated.

“Defending Party” has the meaning specified in Section 12.11(c).

“Expense” means any and all expenses incurred in connection with investigating, defending or asserting any Claim incident to any matter indemnified against in this Agreement (including, without limitation, court filing fees, court costs, arbitration fees or costs, witness fees, and reasonable fees and disbursements of legal counsel, investigators, expert witnesses, consultants, accountants and other professionals).

“Exercise Period” has the meaning specified in Section 2.1(b).

“Exercise Price” has the meaning specified in Section 3.3.

“Extended Cut-Off Date” has the meaning specified in Section 11.3.

“Extension Request” has the meaning specified in Section 11.3.

“FCC” means the Federal Communications Commission.

“FCC Consent” means action by the FCC granting its unconditional consent to the transfer of control of the Company to Optionee, as contemplated by Section 6.11(a)(i).

“FCC Licenses” means all licenses, permits or other authorizations issued by the FCC relating to or necessary for the operation of the Station.

“Final Order” means an FCC Consent as to which the time for filing a request for administrative or judicial review, or for instituting administrative review sua sponte, shall have expired without any such filing having been made or notice of such review having been issued; or, in the event of such filing or review sua sponte, as to which such filing or review shall have been disposed of favorably to the grant and the time for seeking further relief with respect thereto shall have expired without any request for such further relief having been filed.

“GAAP” means generally accepted accounting principles in the United States applied on a consistent basis.

“Governmental Authority” (a) when used herein in connection with any representation, warranty, covenant, agreement or obligation of the Company, means the government of the United States of America and any state, city, locality or other political subdivision thereof, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, and any corporation or other entity owned or controlled, through stock or capital ownership or otherwise, by any of the foregoing Governmental Authorities referred to in this clause (a); and (b) when used herein connection with any representation, warranty, covenant, agreement or obligation of Optionee, means the governments of the United States of America and Mexico and any state, city, locality or other political subdivision thereof, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, and any corporation or other entity owned or controlled, through stock or capital ownership or otherwise, by any of the foregoing Governmental Authorities referred to in this clause (b).

“Governmental Permits” means all licenses, certificates, variances, filings, permissions, franchises, permits, privileges, immunities, approvals and other authorizations from a Governmental Authority that are necessary to entitle the Company to own or lease, operate and use its assets, to carry on and conduct the Business and to use the Station's call letters as conducted or used as of the Option Effective Date.

“HSR Act” means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

“Indemnified Party” has the meaning specified in Section 10.3(a).

“Indemnitor” has the meaning specified in Section 10.3(a).

“Initial Transaction Date” means February 11, 2003.

“Initiating Party” has the meaning specified in Section 12.11(c).

“Intellectual Property” shall mean all of the following, as they exist anywhere in the world: Patents, Trademarks, Copyrights, Trade Secrets, Software, Internet Assets and IP Licenses. For the avoidance of doubt, the term “Intellectual Property” specifically excludes the name “Pappas”, “Pappas Telecasting” or any name confusingly similar thereto.

“Internet Assets” means domain names, Internet addresses and other computer identifiers, web sites, web pages and similar rights and items.

“IP Licenses” means all licenses, sublicenses, distributor agreements or permissions, including, without limitation, the right to receive royalties or any other consideration relating to any Station Intellectual Property.

“Knowledge” means (a) with respect to Seller, the actual knowledge (without inquiry) of Seller and (b) with respect to Optionee, the actual knowledge (without inquiry) of Luis J. Echarte, Jorge Jaidar, Horacio Medal, Adrian Steckel, Martin Breidsprecher or Francisco Borrego.

“Late Fee Payment” means an amount equal to 2.5% of the applicable Option Fee Payment due, plus interest thereon at a rate equal to 10% per annum from the date due or from such other date as may be determined by the FCC Expert or arbitrators in any proceeding pursuant to Section 12.11.

“Leased Real Property” means the real property covered by the Real Property Leases.

“Lien” means, with respect to any property, (a) any mortgage, deed of trust, lien, pledge, encumbrance, claim, charge, assignment, hypothecation, security interest or encumbrance of any kind, any other type of preferential arrangement in respect of such property or any filing of any financing statement under the UCC or any other similar notice of Lien under any similar notice or recording statute of any Governmental Authority, including any easement, right-of-way or other encumbrance on title to Real Property, in each of the foregoing cases whether voluntary or imposed by law, and any agreement to give any of the foregoing; (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such property; and (c) in the case of securities, any purchase option, call or similar right of a third party with respect to such securities.

“Loss” means any and all losses, costs, obligations, liabilities, settlement payments, awards, judgments, fines, penalties, damages, deficiencies or other charges.

“Material Adverse Effect” means a material adverse effect (a) on the PTSC Assets (taken as a whole), PTSC’s ability to operate the Station and the Business as they exist and are being operated on the Option Effective Date or the Closing Date, as applicable or (b) on the ability of Seller to consummate the transactions contemplated hereby; *provided, however*, that any adverse change, effect, event, occurrence, state of facts or development attributable to conditions generally affecting the industry in which PTSC and the Subsidiary participate or the U.S. economy as a whole, shall not be deemed in themselves, either alone or in combination, to constitute, and none of them shall be taken into account in determining whether there has been or

will be, a Material Adverse Effect.

“Option” has the meaning specified in Section 2.1(a).

“Option Effective Date” has the meaning specified in the preamble.

“Option Exercise Notice” has the meaning specified in Section 2.2(a)(i).

“Option Expert” has the meaning specified in Section 12.11(b).

“Option Expert Decision” has the meaning specified in Section 11.1(b).

“Option Expert Claims Decision” has the meaning specified in Section 12.11(d).

“Option Fee Payment” has the meaning specified in Section 2.1(a).

“Option Fee Payment Date” means each three-month, six-month, nine-month and annual anniversary of the Option Effective Date or the next Business Day thereafter if any such date is not a Business Day.

“Optionee” means AIC or any Permitted Transferee.

“Optionee Group Member” means Optionee, TV Azteca, S.A. de C.V. and their respective directors, officers, successors and assigns.

“Orders” means any judgment, injunction, writ, award, decree or order issued by any Governmental Authority.

“Party” or “Parties” has the meaning specified in the preamble.

“Patents” means patents, patent applications and inventions, designs and improvements described and claimed therein, patentable inventions and other patent rights.

“Permitted Liens” means (a) Liens for Taxes, assessments or other governmental charges which are not yet due and payable, (b) with respect to any of the PTSC Assets and PTSC’s leasehold interest under any of the Real Property Leases, including, without limitation, any Tower Lease, any Lien which does not materially interfere with the use of Station, the PTSC Assets or such leasehold interest in the manner in which it was being used, (c) Liens arising as a result of any action taken by Optionee or any failure by Optionee to take an action required under the Amended LMA, and (d) Liens arising or permitted pursuant to the terms of the Amended Credit Agreement.

“Permitted Transferee” has the meaning specified in Section 12.3(b).

“Person” means any individual, firm, corporation, partnership, trust, incorporated or unincorporated association, joint venture, joint stock company, limited liability company, Governmental Authority or other entity of any kind, and shall include any successor (by merger or otherwise) of such entity.

“Personal Property” means all personal property owned or leased by PTSC or the Subsidiary as of the Option Effective Date having a depreciation cost of \$50,000 or more used, held by PTSC or the Subsidiary for the operation of the Station, or necessary for the operation of the Station as it is being operated as of the Option Effective Date.

“Prohibited Contract” has the meaning specified in Section 6.3(b)(iii).

“PTSC” means Pappas Telecasting of Southern California LLC, a Delaware limited liability company.

“PTSC Assets” means all of the rights, assets and properties owned or leased by PTSC or the Subsidiary primarily in the operation of the Station, including, without limitation, all right, title and interest of PTSC and the Subsidiary in, to and under:

(a) All Governmental Permits owned, held or possessed by PTSC or the Subsidiary, including, without limitation, those granting PTSC or the Subsidiary the right to use the Station's call letters, and all applications for modification, extension or renewal thereof, and any applications for any Governmental Permits pending on the Closing Date;

(b) All interest of PTSC and the Subsidiary in all real property (including, without limitation, leaseholds, licenses, rights-of-way, easements, and other interests of every kind and description in and to real property), buildings, transmitters, antennae, transmitting towers, fixtures and improvements used or held for use, or to be used or held for use, in the operation of the Station, including, without limitation, the Leased Real Property and any additions and improvements thereto or between the Option Effective Date and the Closing Date (collectively, “Real Property”), and any option, right or contract to purchase, lease or occupy any Real Property;

(c) All machinery, electrical devices, cables, tools, hardware, equipment (including computers and office equipment), broadcast equipment, supplies, inventory (including all programs, records, tapes, recordings, digital video discs, compact discs, cassettes, spare parts and equipment), motor vehicles, advertising and promotional materials, engineering plans, records and data, furniture and other personal property owned by PTSC or the Subsidiary on the Option Effective Date, used or useful in the operation of or relating to the operation of the Station, including, without limitation, the Personal Property and any option, right or contract to purchase, lease or use any of the foregoing, but excluding any modification, deletion, replacement or improvement thereto made or acquired by AIC, or disposed of by PTSC or the Subsidiary or Optionee, between the Option Effective Date and the Closing Date in accordance with the terms of this Agreement or the Amended LMA or disposed or used up by AIC under the Amended LMA;

(d) The Station Intellectual Property, including, without limitation, the right to use the trade name “KAZA-TV”, but excluding all accounting and payroll software;

(e) (i) All Station Agreements and (ii) any other contract, agreement or understanding (evidenced in writing) entered into by PTSC or the Subsidiary in respect of the Station, the Business or any PTSC Asset that is entered into after the Option Effective Date (other than any Prohibited Contract not agreed to in writing by Optionee) or entered into by or at

the direction of Optionee at any time from the Initial Transaction Date in accordance with the terms of the Amended LMA;

(f) Any rights, claims or causes of action of PTSC and the Subsidiary against third parties arising under warranties from manufacturers, vendors and others in connection with the PTSC Assets or the Station;

(g) All books and records of PTSC and the Subsidiary relating primarily to the rights, assets, properties and operations of the Station or any PTSC Asset, including, without limitation, all files, logs, programming information and studies, technical information and engineering data, news and advertising studies or consulting reports and sales correspondence relating primarily to the Station or the PTSC Assets, but excluding any and all books and records relating to Taxes and any and all books and records (including computer programs) relating to a business of PTSC or the Subsidiary unrelated to the PTSC Assets or the Station;

(h) All other assets or properties not referred to above, which are used or held for use primarily in connection with the operation of the Station or the PTSC Assets except any such assets or properties disposed of in the ordinary course of the Business consistent with the terms of this Agreement and the Amended LMA;

(i) PTSC's and the Subsidiary's limited liability company seal, minute books, equity or member record books, records relating to formation, but specifically excluding Tax Returns and related documents and supporting work papers and any other records and returns relating to Taxes, assessments and similar governmental levies (other than real and personal property Taxes, assessments and levies imposed on the PTSC Assets); and

(j) All books, records and documents of PTSC or the Subsidiary relating to the rights, assets, properties and operations of the PTSC Assets, but specifically excluding the books, records and documents of PTSC and the Subsidiary not primarily relating to the PTSC Assets.

For the avoidance of doubt, the term PTSC Assets shall exclude all rights, assets and properties owned, held or used by Optionee in the conduct of the Amended LMA, as to which Seller make no representations, warranties or covenants.

“Put Event” has the meaning specified in Section 11.1.

“Put Notice” has the meaning specified in Section 11.2.

“Real Property” has the meaning specified in subsection (b) of the definition of PTSC Assets.

“Real Property Leases” means all leases, subleases, licenses and other agreements under which either PTSC or the Subsidiary uses or occupies or has the right to use or occupy, now or in the future.

“Requirements of Law” means, as to any Person, any law, statute, treaty, rule, regulation, right, privilege, qualification, license or franchise or determination of an arbitrator or

a court or other Governmental Authority or stock exchange, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject or pertaining to any or all of the transactions contemplated hereby.

“Responding Party” has the meaning specified in Section 11.3.

“Responding Party Review Period” has the meaning specified in Section 11.3.

“Seller” has the meaning specified in the preamble.

“Seller’s Closing Certificate” has the meaning specified in Section 9.1(c).

“Shares” has the meaning specified in the recitals.

“Stockholders Agreement” means that certain Stockholders Agreement, dated as of the Option Effective Date, by and between Seller, AIC and the Company.

“Software” means computer software programs, including, without limitation, all source code, object code, specifications, designs and documentation related thereto.

“Station” means television station KAZA-TV, PSIP Channel 54, Avalon, California.

“Station Agreements” means the contracts, leases or other agreements relating to the operation of the Station or the PTSC Assets to which PTSC or the Subsidiary is a party as of the Option Effective Date.

“Station Intellectual Property” means the Intellectual Property owned or licensed by PTSC or the Subsidiary for use primarily in connection with the operation of the Station or the PTSC Assets or otherwise primarily associated with the identification of the Station, excluding any Intellectual- Property primarily used in connection with a business of PTSC or the Subsidiary unrelated to the Station or the PTSC Assets.

“Submitting Party” has the meaning specified in Section 11.3.

“Subsidiary” means Pappas Southern California License LLC, a Delaware limited liability company wholly owned by PTSC.

“Tax” or “Taxes” means (a) any and all federal, state, provincial, local, foreign and other taxes, levies, fees, imposts, duties, and similar governmental charges (including any interest, fines, assessments, penalties or additions to tax imposed in connection therewith or with respect thereto) including, without limitation, taxes imposed on, or measured by, income, franchise, profits or gross receipts, ad valorem, value added, capital gains, sales, goods and services, use, real or personal property, capital stock, license, branch, payroll, estimated withholding, employment, social security (or similar), unemployment, compensation, utility, severance, production, excise, stamp, occupation, premium, windfall profits, transfer and gains taxes, and customs duties, and (b) any transferee liability in respect of any items described in clause (a) above.

“Tax Returns” means all returns, reports, forms or other information filed or required to be filed with respect to any Tax.

“Tower Lease” means any sublease entered into by PTSC with American Tower L.P. relating to the analogue transmission tower or the digital transmission tower, as applicable, that is located on land subject to a lease agreement by and between American Tower L.P. and the United States Forest Service, until such time as such sublease terminates.

“Trade Secrets” means trade secrets, know-how, inventions, processes, procedures, databases, confidential business information and other proprietary or confidential information and rights (whether or not patentable or subject to copyright, mask work or trade secret protection).

“Trademarks” means trademarks, service marks, trade dress, trade names, brand names, designs, logos, or corporate names, whether registered or unregistered, and all registrations and applications for registration thereof, and all goodwill related thereto.

“Transfer Application” has the meaning specified in Section 6.10(a)(i).

2. THE OPTION

Section 2.1 Grant of Option; Option Fee.

(a) Subject to the terms and conditions of this Agreement, Seller hereby grants to Optionee the exclusive right and option (“Option”) to purchase, on the Closing Date, the Shares. In consideration of Seller granting the Option hereunder, Optionee shall pay to Seller, on each Option Fee Payment Date, by wire transfer of immediately available funds, a quarterly nonrefundable option fee, each in an amount set forth in Column B of the Option Fee Schedule attached as Exhibit A hereto (each such payment, an “Option Fee Payment”) or, if earlier, until such time as the Option shall be exercised and the Exercise Price shall be paid in full. In the event that Optionee fails to make an Option Fee Payment on the applicable Option Fee Payment Date, in addition to such Option Fee Payment, Optionee shall pay to Seller the applicable Late Fee Payment; *provided, however*, that (i) such Late Fee Payment shall not accrue or be payable during the pendency of any dispute under this Agreement unless, and only to the extent, determined by the FCC Expert or arbitrators to be due in connection with the resolution of such dispute in accordance with Section 12.11.

(b) In the event that Optionee shall fail to exercise the Option on or before the twelfth (12th) anniversary of the Option Effective Date (“Exercise Period”), Optionee shall pay Seller (i) any unpaid Option Fee Payments and any portion thereof accrued since the last Option Fee Payment Date, plus (ii) any Late Fee Payment.

Section 2.2 Option Exercise Procedures.

(a) The Option may be exercised by (i) Optionee giving written notification (“Option Exercise Notice”) of such exercise to Seller, (ii) Seller giving a Put Notice in accordance with Section 11.2, or (iii) Optionee making payment of the Exercise Price. Upon the

exercise of the Option in accordance herewith, the Parties shall comply with the provisions of Section 6.10.

(b) Upon exercise of the Option during the Exercise Period, Optionee shall continue to make Option Fee Payments in accordance herewith pending Closing and Seller and Optionee shall be required to consummate the purchase and sale of the Shares, subject to the terms and conditions of this Agreement.

3. PURCHASE AND SALE OF SHARES

Section 3.1 Purchase and Sale of Shares. Upon the terms and subject to the conditions of this Agreement, on the Closing Date, Seller shall sell, transfer, assign, convey and deliver to Optionee, and Optionee shall purchase from Seller, the Shares, free and clear of all Liens other than the Permitted Liens.

Section 3.2 Closing Date. The purchase and sale of the Shares provided for in Section 3.1 (the "Closing") shall be consummated on a date occurring within five (5) Business Days after the conditions set forth in Sections 8 and 9 are satisfied or, if permissible, waived in writing by the Party that has the benefit of such condition, in its sole and absolute discretion (other than delivery of items to be delivered at the Closing and other than satisfaction of those conditions that by their nature are to be satisfied at the Closing, it being understood that the occurrence of the Closing shall remain subject to the delivery of such items and the satisfaction or waiver of such conditions at the Closing) or such other date as may be agreed upon by Seller and Optionee, but in no event after midnight New York City time on the then applicable Cut-Off Date or, if applicable, the Extended Cut-Off Date, at the offices of K&L Gates LLP, 599 Lexington Avenue, New York, New York, or at such other place and at such time as shall be agreed upon by Seller and the Optionee (such date and time being hereinafter called the "Closing Date").

Section 3.3 Exercise Price. The exercise price for the Option shall be, on any date, an amount equal to U.S.\$5,500,000 ("Exercise Price").

Section 3.4 Deliveries.

(a) Concurrently with the execution of this Agreement, Seller has delivered to AIC, to be held in escrow and released in accordance with Section 3.4(d), certificate(s) representing the Shares, together with a stock power executed in blank by Seller and his spouse.

(b) At the Closing, Seller shall deliver to Optionee, at the expense of Optionee, such other documents and instruments, if any, as are reasonably requested by Optionee to evidence, at Closing, that the Shares are free and clear of all Liens, other than Liens arising pursuant to this Agreement.

(c) At the Closing, Optionee shall pay, or cause to be paid, to Seller, at the expense of Optionee, the Exercise Price, plus the pro rata portion of the Option Fee since the last Option Fee Payment Date at the then applicable rate, by wire transfer of immediately available funds denominated in U.S. dollars to an account designated in writing by Seller at least two (2) Business Days prior the Closing Date; and

(d) Upon the consummation of the Closing pursuant to the terms and conditions of this Agreement, the Company shall (i) cancel the certificates representing the Shares in the name of Seller, together with the stock power executed in blank by Seller and his spouse and (ii) transfer ownership of the Shares to Optionee on the Company's books and records, and (iii) issue new certificates evidencing such Shares in the name of Optionee or its designee.

(e) Effective immediately upon the consummation of the Closing pursuant to the terms and conditions of this Agreement, Seller hereby resigns as a member of the board of directors of the Company, as manager of PTSC and any other office of the Company or PTSC held by Seller.

4. REPRESENTATIONS AND WARRANTIES OF SELLER

Seller hereby represents and warrants to Optionee as follows:

Section 4.1 Capacity of Seller: No Conflicts.

(a) Seller has the legal capacity to execute and deliver this Agreement and the Stockholders Agreement.

(b) This Agreement and the Stockholders Agreement have been duly executed and delivered by Seller and when executed and delivered by Seller, shall be, a legal, valid and binding agreement of Seller enforceable against Seller in accordance with their respective terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(c) None of the execution, delivery and performance by Seller of this Agreement or the Stockholders Agreement, the consummation by Seller of any of the transactions contemplated hereby or thereby or compliance by Seller with, or fulfillment by Seller of, the terms, conditions and provisions hereof or thereof will:

(i) conflict with, result in a breach of the terms, conditions or provisions of, or constitute a default, an event of default or an event creating rights of acceleration, termination or cancellation or a loss of rights under, or result in the creation or imposition of any Lien upon any of the Shares or any Requirement of Law affecting Seller or the Shares, except for any such conflicts, breaches or other occurrences of the type referred to above, which would not in the aggregate have a Material Adverse Effect or prevent the consummation by Seller of the transactions contemplated hereby; or

(ii) require the approval, consent, authorization or act of, or the making by Seller of any declaration, filing or registration with, any third party or any Governmental Authority, except for such of the foregoing as are necessary pursuant to the HSR Act, the Communications Act or the rules and regulations of the FCC, and except for any such approvals, consents, authorizations or other actions of the type referred to above which would

not in the aggregate have a Material Adverse Effect or prevent the consummation by Seller of the transactions contemplated hereby.

Section 4.2 Title to the Shares. Seller owns, beneficially and of record, the Shares, free and clear of all Liens other than Permitted Liens. Subject to compliance with the HSR Act, the Communications Act and applicable securities laws, Seller has the unrestricted power and authority to transfer the Shares to Optionee in accordance with this Agreement. Upon delivery to Optionee of the Shares by or on behalf of Seller and payment therefor pursuant to this Agreement, Optionee shall acquire good and valid title to the Shares, free and clear of all Liens other than Permitted Liens.

Section 4.3 Citizenship. Seller is not a “foreign person” as defined in Section 1445(f)(3) of the Code.

5. REPRESENTATIONS AND WARRANTIES OF OPTIONEE

Optionee represents and warrants to Seller as follows:

Section 5.1 Organization. Optionee is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware, and has the requisite corporate power and authority to own or lease and operate its assets and properties.

Section 5.2 Capacity or Authority; No Conflicts.

(a) Optionee has the requisite corporate power and authority or legal capacity, as applicable, to execute and deliver this Agreement, and, Optionee has the requisite corporate power and authority to consummate the transactions contemplated hereby and thereby and to comply with the terms, conditions and provisions hereof and thereof.

(b) The execution, delivery and performance of this Agreement has been duly authorized and approved by all necessary corporate action of Optionee and does not require any further authorization or consent of Optionee or its stockholders. This Agreement is a legal, valid and binding agreement of Optionee enforceable in accordance with its terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors’ rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(c) Other than the fact that Optionee does not have the legal ability to hold the Shares under current law, none of the execution, delivery and performance by Optionee of this Agreement, the consummation by Optionee of any of the transactions contemplated hereby or compliance by Optionee with, or fulfillment by Optionee of the terms, conditions and provisions hereof will:

(i) conflict with, result in a breach of the terms, conditions or provisions of, or constitute a default, an event of default or an event creating rights of acceleration, termination or cancellation or a loss of rights under, or result in the creation or imposition of any Lien upon any assets of Optionee under, the certificate of incorporation or

bylaws of Optionee, any indenture, note, mortgage, lease, guaranty or material agreement, or any Order, to which Optionee is a party or any of the assets of Optionee is subject or by which Optionee is bound, or any Requirement of Law affecting Optionee or its assets except for any such conflicts, breaches or other occurrences of the type referred to above, which would not individually or in the aggregate have a material adverse effect on Optionee or prevent the consummation by Optionee of the transactions contemplated hereby; or

(ii) require the approval, consent, authorization or act of, or the making by Optionee of any declaration, filing or registration with, any third party or Governmental Authority, except for such of the foregoing as are necessary pursuant to the HSR Act, the Communications Act or the rules and regulations of the FCC, and except for any such approvals, consents, authorizations or other actions of the type referred to above which would not individually or in the aggregate have a material adverse effect on Optionee or prevent the consummation by Optionee of the transactions contemplated hereby.

Section 5.3 Ownership; Options. Immediately prior to the execution hereof, AIC owned 100% of the outstanding shares of common stock of the Company, free and clear of all Liens except this Option, and caused to be issued to Seller eighty (80) of such shares constituting eighty percent (80%) of the issued and outstanding common stock of the Company. There are no agreements with, options or rights of, or commitments to any Person (other than Optionee), to acquire any shares of the capital stock of the Company.

Section 5.4 Operations; Assets. Immediately prior to the execution hereof, the Company did not (a) own or lease, directly or indirectly, any real, personal, intangible or tangible property of any nature or (b) conduct, transact or otherwise engage in any business or operations.

Section 5.5 Litigation. To the Knowledge of Optionee, neither Optionee nor AIC is a party to any Claim pending or, to the Knowledge of Optionee, threatened which would reasonably be expected to restrict the ability of Optionee to consummate the transactions contemplated by this Agreement. To the Knowledge of the Optionee, there is no Order to which Optionee or AIC is subject that would restrict the ability of Optionee to consummate the transactions contemplated by this Agreement.

Section 5.6 No Finder. Neither Optionee nor any party acting on its behalf has paid or become obligated to pay any fee or commission to any broker, finder or intermediary for or on account of the transactions contemplated by this Agreement.

Section 5.7 Optionee's Reliance. Optionee acknowledges that neither Seller nor any other Person has made, and Optionee has not relied upon, any representation or warranty (expressed or implied), except as expressly set forth in this Agreement, as supplemented by the Schedules hereto, or the certificates to be delivered pursuant to this Agreement by Seller or at the Closing.

6. ACTION PRIOR TO THE CLOSING DATE

Each of Seller and Optionee, as applicable, covenants and agrees to take or not to take, as the case may be, the following actions between the Option Effective Date and the Closing Date:

Section 6.1 Preserve Accuracy of Representations. Seller shall not willfully and intentionally take any action which would reasonably be expected to impair Seller's ability to render the representations and warranties contained in Section 4.

Section 6.2 FCC Authorizations and Other Matters. Each of Seller and Optionee shall comply in all material respects with all rules and regulations of the FCC applicable to it and shall authorize and assist, and cooperate in enabling, the Company, PTSC and Subsidiary to comply with (a) all rules and regulations of the FCC applicable to the Company, PTSC and the Subsidiary and (b) the terms and conditions of their respective material contracts (including, without limitation, any Tower Lease, the Amended LMA and the Amended Credit Agreement), in each case pertaining to the operation of the Station and all other applicable laws, rules, ordinances and regulations pertaining to the operation of the Station. Upon request, Seller shall promptly execute (as an officer of the Company or manager of PTSC) any necessary applications for renewal of FCC Authorizations necessary for the operation of the Station as presently conducted and, to the extent reasonably requested, shall cooperate and assist in the enhancement, protection, preservation or maintenance of the PTSC Assets and the business and operation of the Station.

Section 6.3 Restrictions. Unless approved by the board of directors of the Company (including the member of the board designated by Optionee), Seller shall not, acting in his capacity as a majority shareholder, director or officer of the Company or the manager of PTSC, authorize or assist the Company, PTSC or the Subsidiary to:

- (a) make any material change in the Business or the operations of the Station;
- (b) enter into any lease, contract, agreement or waiver pertaining to the Business, the Station or the PTSC Assets that (i) has a term which extends beyond five (5) years after the Option Effective Date and is not terminable at any time by the Company (or its successors or assigns) upon thirty (30) days (or less) notice, (ii) requires payments by the Company (or its successors or assigns) of more than \$50,000 during any consecutive twelve (12) month period or (iii) is not necessary to or useful in the transmission or operation of the Station (any such lease, contract or agreement, a "Prohibited Contract"); *provided* that the Company may enter into a Prohibited Contract so long as any such Prohibited Contract is not part of the PTSC Assets and the assets subject to such Prohibited Contract are not part of the PTSC Assets;
- (c) other than in the ordinary course of business or in connection with the payment of the Option Fee Payments hereunder and all obligations under the Abercrombie Note, sell, lease (as lessor), transfer or otherwise dispose of, or mortgage or pledge, or impose or suffer to be imposed any Lien (other than Permitted Liens) on, any of the PTSC Assets;
- (d) take any action or refuse to take any action which could be reasonably expected to result in the violation or breach of any material contract of the Company, PTSC, or the Subsidiary, including, without limitation, any Tower Lease, the Amended LMA and the Amended Credit Agreement;
- (e) acquiesce in any infringement, unauthorized use or impairment of any Station Intellectual Property or change the Station's call signs;

(f) apply to the FCC for any construction permit that would materially restrict the Station's present operations or make any material adverse change in the buildings or leasehold improvements owned by PTSC;

(g) enter into any arrangement or contract with its Affiliates, other than any Tower Leases, the Amended LMA, the Amended Credit Agreement;

(h) without the prior written consent of Optionee, increase the principal amount of any indebtedness for borrowed money or capitalized lease obligations, except with respect to the Abercrombie Note;

(i) authorize or approve any action that is inconsistent with the Company's operations solely as a holding company; or

(j) authorize or approve the incurrence by (i) the Company of any expense other than those that are necessary to operate as a holding company in the ordinary course or (ii) PTSC of any expense other than those that are necessary to operate the Business in the ordinary course consistent with past practices.

Each of Seller and Optionee shall notify each other in writing promptly upon acquiring Knowledge of the occurrence of any action or event described in Section 6.3(a) through (j).

Section 6.4 Reports; Access to Facilities, Files and Records. From time to time, at the request of Optionee, Seller shall, to the extent that he has the legal authority to do so, give or cause to be given to the officers, employees, accountants, counsel, and representatives of the Company, PTSC and the Subsidiary:

(a) access, upon reasonable prior notice, during normal business hours, to all facilities, property, accounts, books, Tax Returns and related information, deeds, title papers, insurance policies, licenses, agreements, contracts, commitments, records, equipment, machinery, fixtures, furniture, vehicles, accounts payable and receivable, and inventories of the Company, PTSC and the Subsidiary; and

(b) all such other information in Seller's possession concerning the affairs of the Station as Optionee may reasonably request.

Section 6.5 Notice of Proceedings. Each Party shall notify the other Party in writing promptly upon acquiring Knowledge of any of the following:

(a) any Orders applicable to the Company, PTSC, the Subsidiary, the PTSC Assets, the Station or the Business;

(b) any violation by the notifying Party, the Company, PTSC, or the Subsidiary of any Requirements of Law; and

(c) any Claims pending or threatened against the notifying Party, the Company, PTSC or the Subsidiary in respect of the Shares, the PTSC Assets, the Station or the Business.

Section 6.6 Notice of Certain Developments. Each Party shall give written notice to other Party, promptly after it acquires Knowledge of the same, (a) if any PTSC Asset shall have suffered damage on account of fire, explosion, or other cause of any nature which is sufficient to prevent operation of the Station in any material respect for more than three (3) consecutive days, or (b) if the regular broadcast transmission of the Station in the normal and usual manner in which it heretofore has been operating is interrupted in a material manner for a period of more than three (3) consecutive days.

Section 6.7 No Premature Assumption of Control. Except as provided under the Amended LMA, nothing contained in this Section 6 shall give Optionee any right to control the programming, operations, or any other matter relating to the Station prior to the Closing Date.

Section 6.8 Tax Matters. Notwithstanding anything to the contrary contained herein or in any related documents, Seller and AIC hereby acknowledge and agree that when taken together this Agreement and the Option Exercise Agreement entered into as of December 30, 2009, constitute for tax purposes the sale as of the date hereof of Seller's interest in PTSC to AIC in exchange for an installment note under which payments are to be made in accordance herewith and the Option Exercise Agreement and the Shares received by Seller on the date hereof shall have a nominal or no value. Accordingly, without the consent and approval of the board of directors of the Company (including the director designated by AIC), Seller shall not, acting in his capacity as a majority shareholder, director or officer of the Company or the manager of PTSC:

(a) take any action or fail to take any action that causes PTSC or the Subsidiary not to be treated as a flow through entity for U.S. federal income tax purposes;

(b) make any significant change in any Tax or accounting methods or systems of internal accounting controls (including procedures with respect to the payment of accounts payable and collection of accounts receivable); or

(c) make or revoke any material election with regard to Taxes, file any material amended Tax Returns or settle or compromise any material federal, state, local or foreign income Tax liability.

Section 6.9 Restrictions on Transfer of Control. Other than in accordance with the Option, Seller shall not, directly or indirectly, sell, assign, convey, pledge, mortgage, encumber, hypothecate or otherwise dispose of, any of the Shares or any rights therein; *provided, however,* that the Shares may be transferred upon Seller's death to any of his immediate family members; *provided, further,* that such immediate family member agrees to be bound by the terms and conditions of this Agreement and all other agreements, documents or instruments required to be delivered pursuant to that certain Option Exercise Agreement entered into as of December 30, 2009 by Optionee and Seller. Any action in violation hereof shall be void *ab initio* and the Company shall not record or recognize any such action on its books and records.

Section 6.10 FCC Consent; HSR Act Approval; Other Consents and Approvals of Governmental Authorities.

(a) As soon as reasonably practicable following the date of the exercise of the Option, as to Optionee, and, within the applicable Requirements of Law, as to PTSC and Seller:

(i) Seller and Optionee shall prepare and cause to be filed with the FCC a complete application or applications requesting the FCC's consent to the transfer of control of the Company to Optionee from Seller (collectively, the "Transfer Application"). The Parties agree that they shall prosecute the Transfer Application in good faith and with due diligence and Seller and Optionee shall take all reasonable and necessary action on its part to obtain the FCC's consent and approval of any Transfer Applications. Seller and Optionee agree that they shall furnish all information required for any Transfer Application or other filing to be made with the FCC pursuant to this Section 6.10(a)(i) in connection with the transactions contemplated by this Agreement and shall promptly comply with all requests by the FCC for additional information or documentation in connection with any Transfer Application. Seller and Optionee shall take all reasonable steps to file timely and complete responses to any objections filed against the Transfer Application and to prosecute such responses in good faith and with due diligence. Each Party shall promptly advise the other of any material communication or other information received by or otherwise known to such Party that relates to the Transfer Application or is reasonably likely to have an adverse impact on the grant or timing of the FCC Consent. Any fees assessed by the FCC incident to the filing or grant of the Transfer Application and any other application(s) contemplated by this Section 6.10(a)(i) shall be borne by Optionee. Each of Seller and Optionee shall make available to the other, promptly after the filing or filings thereof, copies of all reports filed by it or its Affiliates on or prior to the Closing Date with the FCC in respect of the Station. Seller and Optionee shall fully cooperate with each other in good faith in connection with the actions described in this Section 6.10(a)(i). The Parties shall not intentionally take, or fail to take, any action which would reasonably be expected to materially delay the receipt of or otherwise adversely affect the grant of the FCC Consent. In the event that a Permitted Transferee is actually denied by the FCC in obtaining approval, or withdraws its Transfer Application, Seller shall cooperate with AIC and replacement Permitted Transferee, at the expense of Optionee, in obtaining approval for any such replacement Permitted Transferee selected by AIC. To the extent that any obligation of Optionee is required to be performed under 6.11(a)(i), performance of said obligation by the Permitted Transferee shall be deemed to be a satisfactory discharge of AIC's obligations as Optionee hereunder.

(ii) If required, each of Seller and Optionee shall prepare and file with the Federal Trade Commission and the Antitrust Division of the Department of Justice a Pre-Merger Notification and Report Form under the HSR Act and thereafter make any other required submissions under the HSR Act, or any rules and regulations promulgated thereunder, in connection with Optionee's purchase and sale of the Shares and the other transactions contemplated hereby. Seller and Optionee shall respond as promptly as practicable to all inquiries or requests received from the Federal Trade Commission, the Antitrust Division of the Department of Justice or any other Governmental Authority for additional information or documentation pertaining to antitrust matters. The Parties shall cooperate with each other in connection with the making of all such filings and responses. Each of Seller and Optionee warrants that all such filings by it will be, as of the date filed, true and accurate in all material respects and in accordance with the requirements of the HSR Act and any such rules and regulations. Each of Seller and Optionee agrees to make available to the other, prior to the filing

thereof, such non-confidential information as may be required by such commission or department to be filed as additional information requested by such agencies under the HSR Act and such rules and regulations. The cost of any filing fees payable under the HSR Act in connection with the notifications and information described in this Section 6.10(a)(ii) shall be borne by Optionee.

(b) Seller and Optionee shall each use commercially reasonable efforts to obtain all consents, amendments or permits from Governmental Authorities that are required by the terms thereof or this Agreement for the consummation of the transactions contemplated by this Agreement.

Section 6.11 Additional Covenant. Each of Seller and Optionee shall take all commercially reasonable efforts to cause the consummation of the transactions contemplated by this Agreement. To the extent that Seller has the legal authority to do so, Seller shall, and shall cause the Company, PTSC and the Subsidiary to, afford, and cause their respective officers and agents to afford, to Optionee, AIC and their respective representatives and agents, prior to the Closing Date, reasonable access to the properties, business, personnel, tax and financial, real estate, and other data and information of the Company, PTSC, and the Subsidiary; *provided*, that (a) such access specifically excludes access to any matters of Seller, the Company, PTSC or the Subsidiary protected by the attorney-client privilege; (b) such Persons enter into customary confidentiality agreements with the Company, PTSC or Seller, as applicable, relating to such data and information; (c) Seller receives reasonable advance notice of access (for the avoidance of doubt, two (2) days shall be deemed reasonable advance notice), prior to the desired date of access; and (d) PTSC has no obligation to take any action to deliver any documents, data or information to such Person at a location other than at the then-current location of such documents, data or information. Seller and Optionee shall not, and Seller shall cause PTSC not to, take any action that is inconsistent with their respective obligations under this Agreement or that could reasonably be expected to hinder or delay the consummation of the transactions contemplated by this Agreement. Seller and Optionee shall not, and Seller shall cause PTSC not to, take any action that is inconsistent with their respective obligations under this Agreement or that could reasonably be expected to hinder or delay the consummation of the transactions contemplated by this Agreement.

Section 6.12 Employees. At the sole option of Optionee, Seller shall cause the Company to cause PTSC to terminate all of its employees effective immediately prior to the Closing in accordance with any Requirement of Law.

Section 6.13 Amended Credit Agreement. In the event that an Event of Default shall occur under the Amended Credit Agreement, Optionee shall not exercise any remedy available to it to foreclose thereunder, unless Seller shall have received payment of all amounts due to him hereunder and Mr. LeBon G. Abercrombie shall have received all amounts due to him under the Abercrombie Note, unless, (a) such Event of Default was caused by Seller (and, if disputed by Seller, finally determined to be caused by Seller in accordance with the dispute resolution procedures set forth in Section 12.11), (b) Seller shall have breached his material obligations hereunder or under the Stockholders Agreement or under any other agreements entered into in connection herewith (and, if disputed by Seller, Seller shall be finally determined to have committed such breach in accordance with the dispute resolution procedures set forth in

Section 12.11) or (c) Optionee shall deposit with JP Morgan Chase Bank, N.A. or such other financial institution that Seller shall consent to (which consent shall not be unreasonably withheld, conditioned or delayed), as escrow agent, an amount equal to the then applicable Exercise Price and any unpaid amounts under the Abercrombie Note, to be held in escrow pending receipt of written instructions from the Option Expert or the arbitrators pursuant to Section 12.11 to deliver such Exercise Price and unpaid amounts under the Abercrombie Note to Seller and Mr. Abercrombie, in the event such dispute is resolved in favor of Seller, or to Optionee, in the event such dispute is resolved in favor of Optionee. Optionee shall continue to make Option Payments in accordance herewith and payments under the Abercrombie Note in accordance therewith during the pendency of any such dispute. In the event that such dispute shall be resolved in favor of Optionee, no Put Event shall be deemed to have occurred hereunder and Optionee shall continue to make Option Payments in accordance herewith and payments under the Abercrombie Note in accordance therewith, subject to Optionee's rights pursuant to Section 12.16. Notwithstanding the provisions of Section 12.11, in the event that upon receipt of an Option Expert Claim Decision, Seller intends to continue Optionee's forbearance hereunder by invoking the provisions of Section 12.11(e), he shall so notify Optionee within five (5) Business Days of such receipt or such Option Expert Claim Decision shall be deemed final for purposes of this Section 6.13 only.

7. INTENTIONALLY OMITTED

8. CONDITIONS PRECEDENT TO OBLIGATIONS OF SELLER

The obligations of Seller under this Agreement to consummate the Closing shall, at the option of Seller, be subject to the satisfaction or waiver by Seller in writing, on or prior to the Closing Date, of the following conditions:

Section 8.1 No Restraint or Litigation.

(a) Any applicable waiting period under the HSR Act shall have expired or have been terminated and there shall not be in effect any preliminary or permanent injunction or other Order by a Governmental Authority, no Requirement of Law shall have been promulgated or enacted by a Governmental Authority and there shall not be in effect any temporary restraining order of a court of competent jurisdiction, which, in any case, restrains or prohibits the transactions contemplated hereby.

(b) There shall not be in existence any Claim instigated by a Governmental Authority before any court or governmental agency or body to prohibit the transactions contemplated by this Agreement; *provided, however*, that this condition may not be invoked by Seller if any such action, suit or proceeding was solicited or encouraged by, or instituted as a result of any act or omission of, Seller in material breach of this Agreement.

Section 8.2 FCC Consent. The FCC Consent shall have been granted, without any condition or qualification which is materially adverse to Seller.

Section 8.3 Closing Deliveries. Optionee shall deliver to Seller all of the closing deliveries specified in Section 3.4(c).

9. CONDITIONS PRECEDENT TO OBLIGATIONS OF OPTIONEE

The obligations of Optionee under this Agreement to consummate the Closing shall, at the option of Optionee, be subject to the satisfaction or waiver by Optionee in writing on or prior to the Closing Date, of the following conditions:

Section 9.1 No Misrepresentation or Breach of Covenants and Warranties.

(a) Each of the representations and warranties of Seller contained in Sections 4.1 and 4.2, that is qualified as to materiality shall be true and correct in all respects, and each of such foregoing representations and warranties not so qualified shall be true and correct in all material respects, as of the Closing Date (except that any representation and warranty made as of a specified date shall continue to be true and correct on and as of such date and except for changes therein (i) specifically permitted by this Agreement or the Amended LMA, (ii) resulting directly from any transaction specifically consented to in writing by the Optionee or any transaction contemplated by this Agreement or the Amended LMA or (iii) resulting from AIC's performance under the Amended LMA.

(b) Seller shall have complied, in all material respects, with and duly performed all agreements, covenants and conditions on its part to be complied with and performed pursuant to or in connection with this Agreement on or prior to the Closing Date.

(c) Seller shall have delivered to Optionee a certificate in the form attached hereto as Exhibit 9.1(c), dated as of the Closing Date, duly executed by Seller, certifying that the condition described in subsections (a) and (b) above has been satisfied (the "Seller's Closing Certificate"). The conditions set forth in Sections 9.1(a) and (b) shall be deemed to have been satisfied if, at the Closing, Seller delivers Seller's Closing Certificate to Optionee.

Section 9.2 No Restraint or Litigation.

(a) Any applicable waiting period under the HSR Act shall have expired or been terminated and there shall not be in effect any preliminary or permanent injunction or other Order by a Governmental Authority, no Requirement of Law shall have been promulgated or enacted by a Governmental Authority and there shall not be in effect any temporary restraining order of a court of competent jurisdiction, which, in any case, restrains or prohibits the transactions contemplated hereby.

(b) There shall not be in existence any material Claim instigated by a Governmental Authority before any court or governmental agency or body to prohibit the transactions contemplated by this Agreement; *provided, however*, that this condition may not be invoked by Optionee if any such action, suit or proceeding was solicited or encouraged by, or instituted as a result of any act or omission of, Optionee in breach of this Agreement.

Section 9.3 FCC Consent. The FCC Consent shall have been granted, without any condition or qualification which is materially adverse to Optionee or to the operations of the Station, and shall have become a Final Order.

Section 9.4 PTSC Assets. Other than the rights, assets and properties used in the operation of the Station that are owned or leased by AIC, PTSC or the Subsidiary, as applicable shall hold all of the PTSC Assets.

10. INDEMNIFICATION

Section 10.1 Indemnification by Seller. Seller agrees to indemnify and hold harmless each Optionee Group Member from and against any and all Losses and Expenses incurred by such Optionee Group Member in connection with or arising from:

(a) any willful or intentional, material breach by Seller of any of his covenants, agreements or obligations in this Agreement or in the Stockholders Agreement; or

(b) any willful or intentional, material breach of any representation or warranty of Seller contained in this Agreement or any certificate delivered by or on behalf of Seller at the Closing pursuant hereto.

The indemnification provided for in this Section 10.1 shall terminate (12) twelve months after the Closing Date (and no claims shall be made by any Optionee Group Member under this Section 10.1 thereafter), except that the indemnification by Seller shall continue in any event as to:

(i) the representations and warranties of Seller set forth in Section 4.2;
and

(ii) any Loss or Expense of which any Optionee Group Member has notified Seller in accordance with the requirements of Section 10.3 on or prior to the date such indemnification would otherwise terminate in accordance with this Section 10.1, as to which the obligation of Seller shall continue until the liability of Seller shall have been determined pursuant to this Section 10 and Seller shall have reimbursed all Optionee Group Members for the full amount of such Loss and Expense in accordance with this Section 10.

Section 10.2 Indemnification by Optionee. Optionee agrees to indemnify and hold harmless Seller from and against any and all Losses and Expenses incurred by Seller in connection with or arising from:

(a) any willful or intentional, material breach by Optionee, or any other failure of Optionee to perform, any of its covenants, agreements or obligations in this Agreement;

(b) any willful or intentional, material breach of any warranty or the inaccuracy of any representation of Optionee contained or referred to in this Agreement or any certificate delivered by or on behalf of Optionee pursuant hereto;

(c) The indemnification provided for in this Section 10.2 shall terminate twelve (12) months after the Closing Date (and no claims shall be made by Seller under this Section 10.2 thereafter), except that the indemnification by Optionee shall continue in any event as to:

(i) the representations and warranties of Optionee set forth in Section 5.3, to which no time limitation shall apply; and

(ii) any Loss or Expense of which Seller has notified Optionee in accordance with the requirements of Section 10.3 on or prior to the date such indemnification would otherwise terminate in accordance with this Section 10.2, as to which the obligation of Optionee shall continue until the liability of Optionee shall have been determined pursuant to this Section 10, and Optionee shall have reimbursed Seller for the full amount of such Loss and Expense in accordance with this Section 10.

Section 10.3 Notice of Claims.

(a) Any Optionee Group Member or Seller seeking indemnification hereunder (the "Indemnified Party") shall give promptly to the Party obligated to provide indemnification to such Indemnified Party (or, in the case of an Optionee Group Member Indemnified Party, to Seller) (the "Indemnitor") a written notice (a "Claim Notice") describing in reasonable detail the facts giving rise to the claim for indemnification hereunder and shall include in such Claim Notice (if then known) the amount or the method of computation of the amount of such claim, and a reference to the provision of this Agreement or any other agreement, document or instrument executed hereunder or in connection herewith upon which such claim is based. The failure of any Indemnified Party to give a Claim Notice promptly as required by this Section 10.3 shall not affect such Indemnified Party's rights under this Section 10 except to the extent such failure is actually prejudicial to the rights and obligations of the Indemnitor.

(b) After the giving of any Claim Notice pursuant hereto, the amount of indemnification to which an Indemnified Party shall be entitled under this Section 10 shall be determined: (i) by the written agreement between the Indemnified Party and the Indemnitor; (ii) by a final judgment or decree of any court of competent jurisdiction; or (iii) by any other means to which the Indemnified Party and the Indemnitor shall agree. The judgment or decree of a court shall be deemed final when the time for appeal, if any, shall have expired and no appeal shall have been taken or when all appeals taken shall have been finally determined. The Indemnified Party shall have the burden of proof in establishing the amount of Losses and Expenses suffered by it.

Section 10.4 Third Person Claims.

(a) In order for a Party to be entitled to any indemnification provided for under this Agreement in respect of, arising out of or involving a Claim or demand made by any third Person against an Indemnified Party, such Indemnified Party must notify the Indemnitor in writing, and in reasonable detail, of such third Person Claim promptly after receipt by such Indemnified Party of written notice of the third Person Claim. Thereafter, the Indemnified Party shall promptly deliver to the Indemnitor copies of all notices and documents (including court papers) received by the Indemnified Party relating to the third Person Claim. Notwithstanding the foregoing, should a Party be physically served with a complaint with regard to a third Person Claim, the Indemnified Party must notify the Indemnitor with a copy of the complaint within ten (10) Business Days after receipt thereof and shall deliver to the Indemnitor within ten (10) Business Days after the receipt of such complaint copies of notices and documents (including

court papers) physically served upon the Indemnified Party relating to the third Person Claim. The failure of any Indemnified Party to give the Claim Notice promptly (or in five (5) Business Days in the case of service of a complaint upon the Indemnified Party) as required by this Section 10.4 shall not affect such Indemnified Party's rights under this Section 10 except to the extent such failure is actually prejudicial to the rights and obligations of the Indemnitor.

(b) In the event of the initiation of any legal proceeding against an Indemnified Party by a third Person, the Indemnitor shall have the sole and absolute right after the receipt of notice, at its option and at its own expense, to be represented by counsel of its choice and to control, defend against, negotiate, settle or otherwise deal with any Claim or demand which relates to any loss, liability or damage indemnified against hereunder; *provided, however,* that the Indemnified Party may participate in any such proceeding with counsel of its choice and at its expense. The Parties agree to cooperate fully with each other in connection with the defense, negotiation or settlement of any such Claim or demand. To the extent the Indemnitor elects not to defend such Claim or demand, and the Indemnified Party defends against or otherwise deals with any such Claim or demand, the Indemnified Party may retain counsel, reasonably acceptable to the Indemnitor, at the expense of the Indemnitor, and control the defense of such Claim or demand. Neither the Indemnitor nor the Indemnified Party may settle any such Claim or demand which settlement obligates the other Party to pay money, to perform obligations or to admit liability, without the consent of the other Party, such consent not to be unreasonably withheld. After any final judgment or award shall have been rendered by a court, arbitration board or administrative agency of competent jurisdiction and the time in which to appeal therefrom has expired, or a settlement shall have been consummated, or the Indemnified Party and the Indemnitor shall arrive at a mutually binding agreement with respect to each separate matter alleged to be indemnified by the Indemnitor hereunder, the Indemnified Party shall forward to the Indemnitor notice of any sums due and owing by it with respect to such matter and the Indemnitor (or, in the case of an Optionee Group Member Indemnified Party, Seller) shall pay all of the sums for which indemnification under this Section 10 is provided so owing to the Indemnified Party by wire transfer, certified or bank cashier's check within thirty (30) days after the date of such notice.

Section 10.5 Limitations.

(a) In any case where an Indemnified Party actually recovers from third Persons any amount in respect of a matter with respect to which an Indemnitor has indemnified it pursuant to this Section 10, such Indemnified Party shall promptly pay over to the Indemnitor the amount so recovered (after deducting therefrom the full amount of the expenses incurred by it in procuring such recovery), but not in excess of the sum of (i) any amount previously so paid by the Indemnitor to or on behalf of the Indemnified Party in respect of such matter and (ii) any amount expended by the Indemnitor in pursuing or defending any Claim arising out of such matter.

(b) Except in Claims of common law fraud or except for remedies that cannot be waived as a matter of law and injunctive and provisional relief, if the Closing occurs, this Section 10 shall be the sole and exclusive remedy for breaches of this Agreement (including any covenant, obligation, representation or warranty contained in this Agreement or in any certificate delivered pursuant to this Agreement); *provided, however,* that nothing contained herein shall

limit the Parties' obligations, rights or remedies under the Amended LMA, the Amended Credit Agreement, the Amended and Restated Note.

11. SELLER PUT OPTION

Section 11.1 Put Event. The occurrence of any one or more of the following events under this Agreement that is not in dispute or subject to a dispute resolution procedure hereunder shall be deemed a "Put Event":

(a) in the event that Optionee fails to pay any Option Fee Payment when such payment becomes due, and such failure remains uncured for ten (10) Business Days after Seller gives written notice of such failure to Optionee (or if a dispute shall exist hereunder with respect to any such Option Fee Payment, ten (10) Business Days after final resolution of such dispute in accordance herewith);

(b) in the event that an "Event of Default" occurs pursuant to the Amended Credit Agreement, other than an Event of Default described in section 6.13(a) or (b);

(c) in the event that an "Event of Default" occurs pursuant to the Abercrombie Note;

(d) in the event of a willful and intentional, material breach by Optionee of any of its agreements, representations or warranties contained in this Agreement, and the failure of Optionee to cure such breach within thirty (30) days after receipt of written notice from Seller requesting such breach to be cured unless Optionee is faithfully pursuing to cure such breach, but because of the conditions of the breach it cannot be cured within such thirty (30)-day period; or

(e) in the event that the Closing shall not have occurred by midnight New York City time on the then applicable Cut-Off Date, or if extended pursuant to Section 11.3, the then applicable Extended Cut-Off Date, *provided*, that Seller's failure to fulfill any obligation under this Agreement is not the cause of, or has not resulted in, the failure of the Closing to occur prior to such date; or

(f) in the event that Optionee shall fail to exercise the Option on or before the expiration of the Exercise Period.

Section 11.2 Exercise of Put Right. Upon the occurrence, and during the continuation, of a Put Event, Seller may provide written notice ("Put Notice") to Optionee of Seller's election to require Optionee to purchase the Shares. If Seller delivers a Put Notice to Optionee, the provisions of Section 2.2 shall apply.

Section 11.3 Extension Requests. At any time prior to the granting of the FCC Consent and its becoming a Final Order but in any event not later than midnight New York City time on the fifteenth (15th) Business Day preceding the then applicable Cut-Off Date, either Seller or Optionee may provide to the other Party and to the Option Expert, a written statement (an "Extension Request") at the address and in a manner specified in Section 12.5, petitioning the Option Expert to extend the then applicable Cut-Off Date, pursuant to the authority of the Option Expert contained in this Section 11.3, (the Party providing such written notice shall be

referred to as the “Submitting Party and the other Party shall be referred to as the “Responding Party”); *provided* that no Party who has failed to fulfill any of its obligations under Section 6.10(a)(i) may be a Submitting Party. The Extension Request shall include a detailed description of all actions taken by the Parties pursuant to Section 6.10(a)(i) and all proceedings or communications between the FCC and the Submitting Party concerning the Transfer Application, together with a copy of all relevant written materials submitted to the FCC. The Responding Party shall have five (5) Business Days (the “Responding Party Review Period”) after its receipt of the Extension Request to submit a written statement to the Option Expert and the Submitting Party responding to the Extension Request, which statement may include a rebuttal to the positions set forth in the Extension Request and a detailed description of all communications between the FCC and the Responding Party regarding the Transfer Application. The Option Expert shall have the authority, based solely on the Extension Request and any written statement submitted in response thereto (if any was submitted within the Responding Party Review Period), to extend the then applicable Cut-Off Date to a date that is the three (3) month anniversary of the then applicable Cut-Off Date (the “Extended Cut-Off Date) upon a finding by the Option Expert that (i) the FCC Consent (whether or not granted at the time of the Option Expert's review of the Extension Request) is not likely to become a Final Order on or prior to the then applicable Cut-Off Date, and (ii) the FCC Consent (whether or not granted at the time of the Option Expert's review of the Extension Request) is reasonably likely to become a Final Order by the date that would be the Extended Cut-Off Date. The Option Expert shall submit his finding in writing (the “Option Expert Decision”) to the Parties, at the addresses and in a manner specified in Section 12.5, within five (5) Business Days after the expiration of the Responding Party Review Period. The Option Expert Decision shall be binding and conclusive on the Parties. The fees and expenses of the Option Expert shall be borne by the Submitting Party. The Parties acknowledge that time is of the essence with respect to this Section 11.3 and that the Option Expert shall not consider any Extension Request or responses thereto not submitted to the Option Expert within the time periods specified in this Section 11.3. For the avoidance of doubt, the timing of the Extension Request and Option Expert Decision is at the risk of the Submitting Party and no extension of the then applicable Cut-Off Date shall be effective under this Section 11.3 unless the Submitting Party and the Responding Party receive the Option Expert Decision prior to midnight New York City time on the then applicable Cut-Off Date.

12. GENERAL PROVISIONS

Section 12.1 Amendment. Any amendment, supplement or modification of or to any provision of this Agreement, and any waiver of any provision of this Agreement shall be effective (i) only if it is made or given in writing and signed by each of Optionee and Seller (ii) only in the specific instance and for the specific purpose for which made or given. No failure to exercise and no delay in exercising on the part of any Party any right, remedy, power or privilege provided in this Agreement or by statute or at law or in equity shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, remedy, power or privilege preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. No course of dealing between the Parties shall operate as a waiver of any right, power or privilege hereunder of any such Party. Each and every default by any of the Parties under this Agreement shall give rise to a separate cause of action hereunder, and separate suits may be brought under this Agreement as each cause of action arises.

Section 12.2 Entire Agreement. This Agreement, together with the exhibits and schedules hereto, are intended by the Parties as a final expression of their agreement and intended to be a complete and exclusive statement of the agreement and understanding of the Parties in respect of the subject matter contained herein and therein. There are no restrictions, promises, representations, warranties or undertakings, other than those set forth or referred to herein or therein. This Agreement, together with the exhibits and schedules hereto, supersede all prior agreements and understandings between the Parties with respect to such subject matter.

Section 12.3 Successors and Assigns.

(a) This Agreement shall inure to the benefit of, and be binding upon, the successors and permitted assigns of the Parties. Except as otherwise provided below in this Section 12.3, no assignment of any rights or delegation of any obligations provided for herein may be made by any Party without the express written consent of the other Party; *provided, however*, that this Agreement may be assigned upon Seller's death to any of his immediate family members; *provided, further*, that such immediate family member agrees to be bound by the terms and conditions of this Agreement and all other agreements, documents or instruments required to be delivered pursuant to that certain Option Exercise Agreement entered into as of December 30, 2009 by Optionee and Seller.

(b) Optionee may assign its rights and obligations under this Agreement to another Person (the "Permitted Transferee"), *provided*, that such assignment shall only be effective simultaneously with the Closing, and *provided further*, that (i) the Permitted Transferee qualifies under the Communications Act and all other Requirements of Law to become a holder of the Shares, (ii) Optionee gives written notice to Seller at least ten (10) Business Days prior to the assignment to the Permitted Transferee setting forth the ownership structure of the Permitted Transferee, (iii) the Permitted Transferee executes and delivers to Seller an undertaking in form and substance reasonably satisfactory to Seller in which the Permitted Transferee agrees to be bound by all the terms and provisions of this Agreement and (iv) Optionee and the Permitted Transferee execute and deliver to Seller an undertaking in form and substance reasonably satisfactory to Seller in which Optionee and the Permitted Transferee confirm that (A) the condition set forth in clause (i) has been complied with in all respects and (B) the Permitted Transferee has the power, authority and legal right to exercise the Option, to acquire the Shares and to otherwise consummate the transactions contemplated by this Agreement. No such assignment by Optionee shall relieve Optionee of any of its obligations hereunder. If there is such an assignment, only the Permitted Transferee, and not Optionee, shall have the right to purchase the Shares at the Closing, and such right and obligation may not be re-assigned to Optionee; *provided, however*, that nothing contained in this sentence shall be construed to restrict the ability of AIC or its Affiliates to own an equity interest in the Permitted Transferee to the maximum extent permitted by the Communications Act and the rules and regulations of the FCC promulgated thereunder.

Section 12.4 Confidentiality. No statement announcing in any way the transactions contemplated by this Agreement shall be issued by (i) any of Optionee Group Members, without the prior written consent of Seller as to the specific content of such statement, such consent not to be unreasonably withheld or delayed, (ii) Seller, without the prior written consent of Optionee as to the specific content of such statement, such consent not to be

unreasonably withheld or delayed; *provided* that this Section 12.4 shall not apply (a) in the event such disclosure is required by any pending litigation or any Requirement of Law (as determined in good faith by counsel to Optionee or Seller, as applicable), including if a court of competent jurisdiction or a duly authorized Governmental Authority requires any such statement in a Final Order or (b) if there is a Requirement of Law (as determined in good faith by counsel to Optionee or Seller, as applicable) for the filing of this Agreement or any other transaction document with a Governmental Authority or any disclosure related thereto to any Governmental Authority; and, *provided, further*, that the Parties are expressly authorized to disclose to any and all Persons the structure and tax aspects of the transactions contemplated hereby and all materials of any kind that are provided to the Parties related to such structure and tax aspects.

Section 12.5 Notices. All notices, demands and other communications hereunder shall be made in writing and shall be sent by registered or certified first-class mail, return receipt requested, courier service or personal delivery:

- (i) if to Seller,

Dennis J. Davis
910 N. Tilden
Visalia, CA 93291

with a copy to:

Law Offices of Hurley and
Laird
Post Office Box 1536
Visalia, CA 93279
Tel: (559) 739-7200
Attention: Russell F. Hurley, Esq.

- (ii) if to Optionee,

Azteca International Corporation
1139 Grand Central Avenue
Glendale, CA 91201
Tel: (818) 241-5400
Attention: Adrian Steckel
Horacio Medal

with a copy to:

K&L Gates LLP
599 Lexington Avenue
New York, NY 10022
Tel: (212) 536-4064
Attention: Roger R. Crane, Esq.

All such notices, demands and other communications shall be deemed to have been duly given when delivered by hand, if personally delivered; and when delivered by courier, if delivered by commercial courier service; and when actually received by the intended recipient, if mailed; *provided, however*, that if any notice, demand or other communication is delivered or received, as the case may be, after 5:00 P.M. New York City time on a Business Day or delivered or received, as the case may be, on a day that is not a Business Day, such notice, demand or communication shall be deemed to have been duly given pursuant to this Section 12.5 on the next succeeding Business Day. Any Party may by notice given in accordance with this Section 12.5 designate another address or Person for receipt of notices hereunder, but such notice shall be effective only upon actual receipt.

Section 12.6 Counterparts. This Agreement may be executed in any number of counterparts and by the Parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Execution and delivery of this Agreement by exchange of facsimile copies bearing the facsimile signature of a Party shall constitute a valid and binding execution and delivery of this Agreement by such Party. Such facsimile copies shall constitute enforceable original documents.

Section 12.7 Headings; Gender. The headings in this Agreement are inserted for convenience of reference only and shall not affect the interpretation of this Agreement. As used herein, masculine pronouns shall include the feminine and neuter, neuter pronouns shall include the masculine and feminine, and the singular shall be deemed to include the plural.

Section 12.8 Rule of Construction. The general rule of construction for interpreting a contract, which provides that the provisions of a contract should be construed against the Party preparing the contract, is waived by the Parties. Each Party acknowledges that such Party was represented by separate legal counsel in this matter who participated in the preparation of this Agreement or such Party had the opportunity to retain counsel to participate in the preparation of this Agreement but elected not to do so.

Section 12.9 Remedies. Except as otherwise provided herein, no remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, and each and every remedy shall be cumulative and shall be in addition to every remedy under this Agreement or now or hereafter existing at law or in equity.

Section 12.10 Specific Performance.

(a) The Parties recognize that if, prior to Closing, a Party breaches this Agreement and refuses to perform under the provisions of this Agreement, monetary damages alone would not be adequate to compensate the non-breaching Party for its injury. The non-breaching Party shall therefore be entitled, in addition to any other remedies that may be available (including, without limitation, the provisions of Sections 6.10, 6.13, 10.1 and 10.2), to obtain specific performance of the terms of this Agreement prior to Closing. If any action is brought by the non-breaching Party to enforce this Agreement, the breaching Party shall waive the defense in any such action that there is an adequate remedy at law and interpose no opposition, legal or otherwise, as to the propriety of specific performance as a remedy hereunder,

and the breaching Party agrees that the non-breaching Party shall have the right to seek specific performance without being required to prove actual damages, post bond, or furnish other security. This Section 12.10 shall not limit the non-breaching Party's ability to seek damages in the event such Party elects to terminate this Agreement as a result of the breaching Party's default hereunder instead of seeking specific performance.

(b) The Parties acknowledge and agree that Seller will have no liability whatsoever to Optionee for any damages of any type or nature if (i) the FCC Licenses are terminated or (ii) the FCC Consent is not granted, in either case for any reason other than a willful or intentional, material breach by Seller of any of its covenants, agreements or obligations contained in this Agreement or in the Stockholders Agreement.

Section 12.11 Dispute Resolution.

(a) Disputes. Notwithstanding the provisions of Section 11.3 (except to the extent of any Claim relating to non-compliance with the provisions of Section 11.3) or anything herein to the contrary, any and all Claims arising out of, relating to or in connection with, the performance of the Parties' respective obligations under this Agreement will be determined and resolved solely in accordance with the procedures set forth in this Section 12.11. Notwithstanding anything contained in this Section 12.11, the Parties shall at all times be entitled to obtain specific performance as provided in Section 12.10.

(b) The Option Expert. The Parties hereby appoint Jack Goodman, Esq. as the arbitrator (the "Option Expert") to resolve any Claims arising out of, relating to or in connection with the performance of the Parties' respective obligations under this Agreement, including awarding monetary damages; *provided, however*, that if Jack Goodman is not available to serve as the Option Expert, the Parties shall mutually agree upon an arbitrator who has significant personal and professional experience and knowledge of the television broadcast industry and applicable FCC rules, regulations, and policies.

(c) Procedures. The Option Expert will arbitrate as set forth in this Section 12.11(c). The arbitration will be commenced by the submission of a statement of claim in writing by Seller, on behalf of Seller, to Optionee and the Option Expert or by Optionee to Seller and the Option Expert (the Party submitting such a statement of claim shall be referred to as the "Initiating Party" and the other Party shall be referred to as the "Defending Party") at the addresses specified in Section 12.5. The Defending Party will have five (5) Business Days from its receipt of the statement of claim to deliver a statement of defense in writing to the Option Expert and to the Initiating Party at the addresses and in the manner specified in Section 12.5. The Initiating Party shall thereafter have three (3) Business Days from its receipt of the statement of defense to deliver a reply in writing to the Option Expert and to the Defending Party. Each of the statement of claim and the statement of defense shall be limited to no more than ten (10) pages, and the reply shall be limited to no more than five (5) pages, each double spaced, unless the Option Expert directs otherwise. If the Defending Party shall fail to submit a statement of defense and/or if the Initiating Party shall fail to submit a reply to the Defending Party's statement of defense within the times allotted, the Option Expert shall proceed to resolve the matter in accordance with Section 12.11(d) without such a statement of defense or reply. If no statement of defense shall have been filed by the Defending Party, then the Initiating Party may

not file a reply. No Party shall engage in any other communications with the Option Expert regarding any Claim, and no Party shall engage in any ex arte communication with the Option Expert.

(d) Resolution. In addition to the submissions provided for in Section 12.11(c) above, the Option Expert may consider any materials he or she may deem appropriate. The Option Expert shall issue a decision in writing no later than the earlier of ten (10) Business Days after (i) receiving a reply, or, if no reply shall have been submitted, after the last date upon which a reply could have been filed consistent with Section 12.11(c), or (ii) if no statement of defense shall have been submitted, the last date upon which a statement of defense could have been filed consistent with Section 12.11(c). Except as provided in Section 12.11(e) below, the Option Expert's decision (the "Option Expert Claims Decision") shall be binding upon the Parties, and no Party shall commence any arbitration, legal action, or other proceeding to upset or challenge the Option Expert Claims Decision.

(e) Arbitration.

(i) Notwithstanding anything to the contrary contained in this Agreement, either Party may, by providing written notice to the other Party within thirty (30) days after the date on which an Option Expert Claim Decision shall have been rendered, seek a ruling from an arbitration panel, which arbitration shall take place in Washington D.C. in accordance with the rules then in effect of the American Arbitration Association. Such arbitration will be conducted in the English language and with an arbitration panel of three (3) arbitrators, each of which shall be attorneys qualified to practice before the FCC. Each Party shall select one (1) arbitrator, and the two (2) arbitrators selected by them shall jointly select the third (3rd) arbitrator; *provided, however*, that in the event that the two arbitrators selected by the Parties cannot agree upon the third arbitrator within thirty (30) days after the second arbitrator is selected, either Party may institute a legal action in a state court sitting in New York County, New York. Any award shall be rendered by a majority of the arbitrators. Judgment upon the award so rendered may be entered in any court having jurisdiction, or application may be made to such court for judicial acceptance of any award and an order of enforcement, as the case may be.

(ii) The arbitrators shall issue to the Parties a written explanation of the reasons for the award and a full statement of the facts as found and the rules of law applied in reaching their decision. Any provisional remedy which would be available to a court of law in the State of New York shall be available from the arbitrators pending arbitration of the dispute. Either Party may make an application to the arbitrators seeking injunctive or other interim relief, and the arbitrators may take whatever interim measures they deem necessary in respect of the subject matter of the dispute, including measures to maintain the status quo until such time as the arbitration award is rendered or the dispute is otherwise resolved. The arbitrators shall apply laws of the State of New York applicable to contracts entered into and to be performed wholly within said State and shall have the authority to award any remedy or relief (except ex parte relief) that a court of the State of New York could order or grant, including specific performance of any obligation created under this Agreement, the issuance of an injunction, or the imposition of sanctions for abuse or frustration of the arbitration process.

(iii) An award rendered in connection with an arbitration pursuant to this Section 12.11(e) shall be final and binding upon the Parties, and the Parties agree and consent that the arbitral award shall be conclusive proof of the validity of the determinations of the arbitrators set forth in the award, and any judgment upon such an award may be entered and enforced in any court of competent jurisdiction.

(iv) Notwithstanding the foregoing, either Party shall have the right to institute a legal action in a court of proper jurisdiction for injunctive relief or a decree for specific performance pending final settlement by arbitration.

(f) Cure. Irrespective of whether a request for arbitration on a matter which is the subject of an Option Expert Claims Decision on an FCC claim shall have been made as provided in Section 12.11(e), each Party shall, within the time period specified in the Option Expert Claims Decision, but in any event not later than thirty (30) days after the date upon which an Option Expert Claims Decision shall have been rendered, take all action necessary to cure any violation of this Agreement consistent with the direction of the Option Expert Claims Decision, and otherwise shall perform as directed in the Option Expert Claims Decision, and to bring such Party's conduct within the terms of the Option Expert Claims Decision. In the event that any Party fails to comply with the Option Expert Claims Decision, any other Party may apply to the Option Expert under the same terms and procedures as provided in Section 12.11(c) above, for a determination by the Option Expert that such non-complying Party is in breach of the Agreement. A written decision by the Option Expert that a Party has breached an Option Expert Claims Decision, or has failed to cure or otherwise bring its conduct within the terms of the Option Expert Claims Decision, within the required time frame, shall conclusively establish a breach of this Agreement by such Party.

(g) Option Expert Compensation. The Parties agree that Optionee and Seller (collectively) shall each be responsible for one-half (1/2) of the compensation due to the Option Expert.

(h) Replacement of Option Expert. The Option Expert may resign at any time or recuse himself or herself as to a particular matter for any reason, including because the Option Expert determines in his or her sole discretion that the subject matter of the Claim is beyond the scope of the Option Expert's professional expertise or otherwise, by so notifying Optionee and Seller in writing, such resignation or recusal to be effective upon appointment of a successor Option Expert. If the Option Expert recuses himself or herself from resolving any particular Claim, he or she may, with the approval of the Initiating Party and the Defending Party, appoint a pro tempore Option Expert to resolve that particular Claim, which pro tempore Option Expert shall agree to be governed by the provisions of this Section 12.11, and the Option Expert shall otherwise remain available to resolve all other Claims in accordance with this Section 12.11. The Parties may remove the Option Expert at any time by so notifying the Option Expert in a writing signed by Optionee and Seller, and may appoint a successor Option Expert by their joint written consent. If the Option Expert resigns or is removed, or if a vacancy exists for any reason, Optionee and Seller will promptly agree upon the successor Option Expert. Failing agreement of Optionee and Seller within fourteen (14) days of the resignation or removal or recusal of the Option Expert, a successor or pro tempore Option Expert shall be designated by agreement of counsel for Optionee and Seller; *provided, however*, that if for any reason a successor Option

Expert is not designated within twenty (20) days of the resignation or removal of the Option Expert, the successor Option Expert shall be chosen by the American Arbitration Association in New York City (the “AAA”) and either Optionee or Seller shall have the right to request the AAA to make such selection by submitting the request to the AAA in writing together with a copy of this Section 12.11, simultaneously providing a copy of the request to the other in conformance with the notice provisions in Section 12.5. Any successor Option Expert appointed or designated pursuant to this Section 12.11(h) shall be the “Option Expert” for all purposes of this Section 12.11; *provided, however*, that the Option Expert selected by the AAA shall not follow the rules promulgated by the AAA but shall instead abide by the provisions of this Agreement.

Section 12.12 GOVERNING LAW. THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED HEREBY SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS ENTERED INTO AND TO BE PERFORMED WHOLLY WITHIN SAID STATE.

Section 12.13 Access to Records after Closing. For a period of six (6) years after the Closing Date, Seller and his representatives shall have reasonable access to all of the books and records of the Company and PTSC to the extent that such access may reasonably be required by Seller in connection with matters relating to or affected by the operations of PTSC prior to the Closing Date. Such access shall be afforded by Optionee upon receipt of reasonable advance notice and during normal business hours. Seller shall be solely responsible for any costs or expenses incurred by him pursuant to this Section 12.13. If Optionee shall desire to dispose of any of such books and records prior to the expiration of such six-year period, it shall, prior to such disposition, give Seller a reasonable opportunity, at Seller' expense, to segregate and remove such books and records as Seller may select.

Section 12.14 Schedules. For the purposes of the Schedules hereto, any information, item or other disclosure set forth in any Schedule shall be deemed to have been set forth in all other Schedules if it is reasonably apparent that such information, item or other disclosure is likewise applicable to such other Schedule. The disclosure of particular information in the Schedules shall not, solely by virtue of such disclosure, be construed to mean that such information is material or creates a measure of materiality for purposes of this Agreement.

Section 12.15 Consent to Jurisdiction. Any Claim for specific performance under Section 12.10 or to enforce a decision of the Option Expert shall be brought by the Parties and heard and determined only in the federal or New York State courts located in Manhattan (NYC). The Parties consent to jurisdiction before, and waive any objections of venue to, the federal and state courts sitting in New York County, New York. Each Party agrees not to assert, by way of motion, as a defense or otherwise, in any such Claim, that it is not subject personally to the jurisdiction of any such courts, that such Claim is brought in an inconvenient forum, that the venue of such Claim is improper or that this Agreement or the subject matter hereof may not be enforced in or by any such courts. Each Parry further irrevocably submits to the jurisdiction of the federal and state courts sitting in New York County, New York in any such Claim. Each of the Parties irrevocably consents to service of process in the manner provided for notices in

Section 12.5. Nothing herein contained shall be deemed to affect the right of any Party to serve process in any manner permitted by law.

EACH OF THE PARTIES IRREVOCABLY WAIVES THE RIGHT TO A TRIAL BY JURY IN ANY ACTION, SUIT, PROCEEDING OR COUNTERCLAIM OF ANY KIND ARISING OUT OF OR RELATED TO THIS AGREEMENT.

Section 12.16 Set-Off Rights. The obligations of the Parties hereunder shall not be subject to any counterclaim, set-off, deduction, diminution, abatement, recoupment, suspension, deferment, reduction or defense arising out of or based upon any claim that a Party may have against the other Party under or in connection with this Agreement, except to the extent of undisputed claims and claims disputed and finally determined in accordance herewith.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the date first above written.

AZTECA INTERNATIONAL
CORPORATION

By: _____

Name:

Title:

By: _____

Name:

Title:

SELLER

Dennis J. Davis

Davis payment schedule**Option Fee Payment**

Beginning Balance	
First Year qtr 1	68,750.00
First Year qtr 2	68,750.00
First Year qtr 3	68,750.00
First Year qtr 4	68,750.00
Second Year qtr 1	68,750.00
Second Year qtr 2	68,750.00
Second Year qtr 3	68,750.00
Second Year qtr 4	68,750.00
Third Year qtr 1	75,625.00
Third Year qtr 2	75,625.00
Third Year qtr 3	75,625.00
Third Year qtr 4	75,625.00
Fourth Year qtr 1	82,500.00
Fourth Year qtr 2	82,500.00
Fourth Year qtr 3	82,500.00
Fourth Year qtr 4	82,500.00
Fifth Year qtr 1	85,937.50
Fifth Year qtr 2	85,937.50
Fifth Year qtr 3	85,937.50
Fifth Year qtr 4	85,937.50
Sixth Year qtr 1	89,375.00
Sixth Year qtr 2	89,375.00
Sixth Year qtr 3	89,375.00
Sixth Year qtr 4	89,375.00
Seventh Year qtr 1	89,375.00
Seventh Year qtr 2	89,375.00
Seventh Year qtr 3	89,375.00
Seventh Year qtr 4	89,375.00
Eighth Year qtr 1	89,375.00
Eighth Year qtr 2	89,375.00
Eighth Year qtr 3	89,375.00
Eighth Year qtr 4	89,375.00
Ninth Year qtr 1	92,812.50
Ninth Year qtr 2	92,812.50
Ninth Year qtr 3	92,812.50
Ninth Year qtr 4	92,812.50
Tenth Year qtr 1	96,250.00
Tenth Year qtr 2	96,250.00
Tenth Year qtr 3	96,250.00
Tenth Year qtr 4	96,250.00
Eleventh Year qtr 1	103,125.00
Eleventh Year qtr 2	103,125.00
Eleventh Year qtr 3	103,125.00
Eleventh Year qtr 4	103,125.00
Twelfth Year qtr 1	103,125.00
Twelfth Year qtr 2	103,125.00
Twelfth Year qtr 3	103,125.00
Twelfth Year qtr 4	103,125.00

**SECURITY AGREEMENT
(Davis)**

SECURITY AGREEMENT, dated as of _____, 2010, (this "Agreement") by SCTV, Inc., a Delaware corporation ("Obligor"), in favor of Dennis J. Davis, an individual ("Secured Party").

WHEREAS, Secured Party, together with Azteca International Corporation, a Delaware Corporation ("AIC"), Pappas Telecasting Companies, a Nevada corporation ("PTC"), Harry J. Pappas, an individual ("Pappas"), and LeBon G. Abercrombie, an individual ("Abercrombie", and collectively with PTC, Pappas and Secured Party, the "Sellers"), entered into that certain Option Agreement, dated as of December 27, 2007 (the "PTSC Option Agreement"), pursuant to which the Sellers granted to AIC the right to purchase (the "PTSC Option") all of their respective ownership interests in Pappas Telecasting of Southern California LLC, a Delaware limited liability company ("PTSC");

WHEREAS, simultaneously herewith, AIC has exercised the PTSC Option and that certain Option Exercise Agreement, dated as of December 30, 2009, by and between AIC and Secured Party (the "Option Exercise Agreement") in which Secured Party waives certain of his rights under the PTSC Option Agreement in consideration for the agreements set forth therein;

WHEREAS, pursuant to the Option Exercise Agreement, AIC caused Obligor to transfer to Secured Party eighty (80) shares of the common stock, par value \$.001 per share ("SCTV Shares"), of Obligor as consideration for the 4.440 percent ownership interest in PTSC owned by Secured Party;

WHEREAS, pursuant to that certain Option Agreement, dated as of the date hereof (the "SCTV Option Agreement"), by and between AIC and Secured Party, as consideration for the option to purchase the SCTV Shares, AIC agreed to pay to Secured Party the Option Fee Payments and, upon exercise thereof an Exercise Price (each, as defined in the SCTV Option Agreement) in accordance with the SCTV Option Agreement; and

WHEREAS, Secured Party is willing to accept the Option Fee Payments from AIC as consideration for the Interest, *provided* that Obligor grants to Secured Party a security interest in Obligor's 100 percent ownership interest in PTSC (the "Interest") as security for the payment in full of the Obligations (as defined below).

NOW THEREFORE, the parties hereto intending to be legally bound, agree as follows:

1. **Grant of Security Interest.** As security for all Obligations (as defined below) of Obligor to Secured Party described in Section 2 below, Obligor hereby grants to Secured Party a security interest in and (except as provided below) a first priority lien on the Interest, together with all interest, distributions, accessions, additions and substitutions therefor, thereto or thereon and the proceeds and products of all the foregoing (collectively, the "Collateral"). Obligor and Secured Party will take such other actions as may be reasonably necessary to perfect the interest of Secured Party in the Collateral. Obligor hereby authorizes the Secured Party from time to time to file such Uniform Commercial Code financing statements, amendments thereto and continuations thereof as the Secured Party may deem appropriate in order to perfect and protect

the security interests created hereby in the Interest. Secured Party acknowledges that, simultaneously herewith, Obligor is granting to Lebon G. Abercrombie a security interest in the Collateral pursuant to that certain Security Agreement, dated as of the date hereof, which is intended to be a first priority security interest. Each of Obligor and Secured Party agrees that Mr. Abercrombie's security interest in the Collateral will be treated by the Secured Party as *pari passu* to Secured Party's security interest in the Collateral, proceeds from any such Collateral shall be shared with Mr. Abercrombie and Secured Party shall not otherwise take any action inconsistent therewith. Secured Party and Mr. Abercrombie will each be named as a secured party in financing statements filed hereunder to perfect the lien granted hereby.

2. **Obligations Secured.** The Collateral from time to time held hereunder shall secure the payment and performance of all liabilities and obligations of AIC to Secured Party, whether such liabilities and obligations be direct or indirect, absolute or contingent, secured or unsecured, due or to become due, primary or secondary, now existing or hereafter arising or acquired, under the SCTV Option Agreement (the "Obligations").

3. **Representations and Warranties.** Obligor hereby represents and warrants to Secured Party that Obligor has (a) such title to the Collateral as was conveyed to Obligor by Secured Party, free and clear of any claim, mortgage, pledge, lien, security interest or other encumbrance of any nature whatsoever created by, or as a result of action taken or omitted to be taken by, Obligor, except to or in favor of Secured Party hereunder, (b) has the requisite corporate power and authority to execute and deliver this Agreement and (c) has the requisite corporate power and authority to consummate the transactions contemplated hereby and to comply with the terms, conditions and provisions hereof.

4. **Issuance or Sale of Collateral.** Obligor hereby covenants and agrees that, except as set forth below or otherwise consented to by Secured Party in writing, Obligor will not directly or indirectly sell, assign, pledge or otherwise encumber or dispose of the Collateral or any interest therein. Secured Party hereby consents to any sale of the Interest the proceeds of which sale shall first be used to repay the Obligations in full.

5. **Voting Rights of Obligor.** Provided that no Event of Default (as defined in Section 8) shall have occurred and be continuing, for so long as Obligor shall be the record owner of the Collateral, Obligor shall be entitled, to the extent permitted by applicable law, to exercise voting power with respect to the Interest; *provided, however*, that in no event shall Obligor exercise such voting power in any manner contrary to or inconsistent with the terms hereof.

6. **Distributions.** In the event that Obligor is dissolved, wound up, liquidated or reorganized, whether in bankruptcy, insolvency or receivership proceedings, or upon an assignment by Obligor for the benefit of creditors, any sum to be paid or any property to be distributed upon or with respect to any Collateral shall be paid over to Secured Party in an amount not to exceed the amount necessary to repay the Obligations in full.

7. **Voting Rights, etc. on Default.** If an Event of Default shall occur and be continuing, then, subject to Section 12(b), Secured Party, for so long as said Event of Default shall continue to exist, shall be entitled to exercise any and all voting rights and all rights of payment, conversion, exchange, subscription or any other rights, privileges or options pertaining to the

Collateral as if Secured Party were the absolute owner thereof, including, without limitation, the right to exchange, at the discretion of Secured Party any and all of the Collateral upon any merger, consolidation, reorganization, recapitalization or other readjustment of the issuing corporation, and upon the exercise of any such right, privilege or option pertaining to the Collateral, to deposit and deliver any and all of the Collateral with any committee, depositary, transfer agent, registrar or other designated agency upon such terms and conditions as Secured Party may determine, all without liability except to account for property actually received by Secured Party; *provided, however,* that Secured Party shall have no duty to Obligor to exercise any of the aforesaid rights, privileges or options and shall not be responsible for any failure or delay with respect to the exercise of any such rights, privileges or options.

8. **Default.** If any one or more of the following events (herein referred to as “Events of Default”) shall occur:

(a) a “Put Event” shall occur under the SCTV Option Agreement (which shall be treated as an installment note for tax purposes issued in exchange for Secured Party’s ownership interest in PTSC), which Put Event shall not be the subject of any dispute or dispute resolution procedure thereunder;

(b) an “Event of Default” occurs pursuant to that certain promissory note by Obligor in favor of Abercrombie, dated as of the date hereof (the “Note”);

(c) a breach of any representation or warranty of Obligor or default in the performance or observance by Obligor of any other covenant or liability of Obligor to Secured Party herein, under the Note or the occurrence of a Put Event under, and as defined in the SCTV Option Agreement; or

(d) unauthorized sale or encumbrance of the Collateral, or the making of any levy thereon or any seizure or attachment thereof or the failure to pay when due any tax thereon,

then, upon the occurrence of any such Event of Default or at any time or times thereafter, unless such Event of Default shall have been waived in writing by Secured Party, Secured Party shall have all of the rights and remedies of a secured party under the Uniform Commercial Code of the State of New York and shall have full power and authority to sell or otherwise dispose of the Collateral or any part thereof, and to vote the Interest with respect to any and all matters. Notwithstanding anything to the contrary contained in this Agreement, in the event that there is a dispute under the SCTV Option Agreement or the Note, Secured Party shall not exercise any remedy available to him hereunder until such dispute has been finally resolved in accordance with their respective terms.

9. **Transfer of Collateral.** Subject to Section 12(b), Obligor hereby irrevocably appoints Secured Party as agent of Obligor to arrange for any and all transfers of the Collateral as Secured Party may from time to time deem advisable to assist Secured Party in obtaining the benefit of Secured Party’s security interest therein, including, but not limited to, the transfer of the Collateral into the name of Secured Party or its nominee at any time, the foregoing appointment being deemed a power coupled with an interest.

10. **Payment of Taxes, Charges, etc.** Secured Party, at its option, may discharge any taxes, charges, assessments, security interests, liens or other encumbrances upon the Collateral and otherwise take such actions and incur or pay such expenses as Secured Party deems necessary or advisable to protect the value of the Collateral. Any such expenditures incurred by Secured Party shall bear interest at a rate per annum which shall at all times be equal to twelve percent (12%) per annum from the date incurred to the date of payment, and shall be secured by the Collateral.

11. **Duties with Respect to Collateral.** Secured Party shall have no duty to Obligor with respect to the Collateral other than the duty to use reasonable care in the safe custody of any Collateral in its possession. Without limiting the generality of the foregoing, Secured Party, although it may do so at its option, shall be under no obligation to Obligor to take any steps necessary to preserve rights in the Collateral against other parties.

12. **Secured Party's Rights and Remedies Not Exclusive.**

(a) All of Secured Party's rights and remedies on the Obligations or the Collateral, whether evidenced hereby or by any other agreement, instrument or paper, shall be cumulative and may be exercised singly or concurrently, and, subject to Section 12(b), nothing herein shall be deemed to limit in any way any rights Secured Party might otherwise have under any other instrument or by law, including, without limiting the generality thereof, the right to negotiate any note or other instrument together with any collateral specifically described therein.

(b) Notwithstanding anything to the contrary in this Agreement, (i) voting rights in the Interest conferring direct or indirect control of any license, permit or other authorization issued by the FCC shall remain vested in Obligor upon and during the occurrence of an Event of Default unless and until any required prior approval of the FCC shall have been obtained; (ii) if any exercise of rights or remedies by the Secured Party in respect of the Interest requires the approval of the FCC, the Secured Party shall not exercise such rights or remedies unless and until such approval has been obtained; (iii) if the Secured Party exercises any remedies of foreclosure in respect to such Interest following the occurrence of an Event of Default, there shall be either a private or public arm's-length sale of such Interest; and (iv) prior to the exercise of any voting rights of the purchaser at such sale of such Interest, the prior consent of the FCC pursuant to 47 U.S.C. Section 310(d), in each case only if required, shall be obtained.

13. **Waivers by Obligor.** Obligor (a) waives presentment, notice, protest, notice of acceptance of this Agreement, notice of any loans made, extensions granted, collateral received or delivered or other action taken in reliance hereon and all demands and notices of every kind in connection with the delivery, acceptance, performance, default or enforcement of this Agreement, the Collateral or the Obligations, including without limitation any and all rights to judicial hearing in advance of the enforcement of any of Secured Party's rights hereunder, (b) assents to any one or more renewals, extensions or postponements of the time of payment of any of the Obligations or any other indulgence with respect thereto, to any acquisition, substitution, exchange or release of collateral therefor and to the addition or release of any person primarily or secondarily liable thereon, to the acceptance of partial payment and the settlement, compromise, adjustment or discharge of any thereof, all in such manner and at such time or times as Secured Party may deem advisable, (c) agrees to the provisions of any instrument, security or other writing evidencing any

of the Obligations, and (d) shall not assert any right arising from the discharge of any of the Obligations through realization upon Collateral or from other payment or performance hereunder until all of the Obligations shall have been paid, performed and fulfilled.

14. **Termination.** The Obligations of Obligor under this Agreement shall continue regardless of any reduction or increase in the Obligations until all Collateral has been either applied thereto or returned to Obligor. Secured Party shall, upon written request therefor by Obligor, return the Collateral to Obligor at any time after the payment in full of all Obligations.

15. **Notices.** All notices, demands and other communications hereunder shall be made in writing and shall be sent by registered or certified first-class mail, return receipt requested, courier service or personal delivery:

if to Secured Party, to: Dennis J. Davis

910 N. Tilden
Visalia, CA 93291

with a copy to:

Law Offices of Hurley and Laird
Post Office Box 1536
Visalia, CA 93279
Attention: Russell F. Hurley, Esq.

if to Obligor, to:

SCTV, Inc.
c/o Azteca International Corporation
1139 Grand Central Avenue
Glendale, CA 91201
Attention: Adrian Steckel
Horacio Medal

with a copy to:

K&L Gates LLP
599 Lexington Avenue
New York, New York 10022
Attention: Roger R. Crane, Esq.

or at such other address as the party to whom such notice or demand is directed may have designated in writing to the other party hereto in the manner provided above.

16. **Rights, Amendments and Waivers.** No amendment, modification, consent or waiver of any provision of this Agreement or of any of the rights of Secured Party hereunder or with respect to the Obligations or the Collateral shall be effective unless in writing executed by Secured Party.

17. **Consent to Jurisdiction; Governing Law; Miscellaneous.** The provisions of this Agreement are severable and, if any of the provisions of this Agreement shall be held by any court of competent jurisdiction to be unenforceable, such holding shall not affect or impair any other provision hereof or, to the extent not invalidated, the effect of said unenforceable provisions in other jurisdictions. This Agreement shall be construed and enforced under and pursuant to the

laws of the State of New York, applicable to contracts entered into and to be performed wholly within said State. Any legal action or proceeding relating to this Agreement shall be instituted in a state or federal court sitting in New York County, New York, and the parties hereto hereby irrevocably submit to the jurisdiction of any such court and waive any objection that they now or may hereafter have to venue or that such court is an inconvenient forum. This Agreement shall take effect as a sealed instrument and inure to the benefit of Secured Party and its successors and assigns and shall be binding upon Obligor and the heirs, executors, administrators, other legal representatives, successors and assigns of Obligor.

EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES THE RIGHT TO A TRIAL BY JURY IN ANY ACTION, SUIT, PROCEEDING OR COUNTERCLAIM OF ANY KIND ARISING OUT OF OR RELATED TO THIS AGREEMENT.

[Signature Page Follows]

IN WITNESS WHEREOF, Obligor has executed this Agreement on the date first above written.

SCTV, INC.

By: _____

Name: Linda Davis

Title: Secretary

ACCEPTED:

DENNIS J. DAVIS

**SECOND AMENDING AGREEMENT
TO
AMENDED AND RESTATED CREDIT AGREEMENT**

This Second Amending Agreement (this “Amendment”), is dated as of _____, 2010, among Pappas Telecasting of Southern California LLC, a Delaware limited liability company (“Debtor”), and Azteca International Corporation, a Delaware corporation (“AIC”).

WHEREAS, the parties hereto entered into an Amended and Restated Credit Agreement, dated as of February 11, 2003, and an Amending Agreement thereto, dated as of December 27, 2007 (the “Amended Credit Agreement”);

WHEREAS, the “New Option Agreement” between PTSC and AIC referred to in the Credit Agreement has been exercised by AIC and the membership interests sold thereunder were transferred to SCTV, Inc., a Delaware corporation newly organized by AIC (“SCTV”);

WHEREAS, upon completion of the closing of the exercise of the New Option Agreement, SCTV is owned eighty percent (80%) by Dennis J. Davis, a former member of PTSC (“Davis”), and twenty percent (20%) by AIC and, as of the date hereof, Davis and AIC are entering into a new option agreement with respect to Davis’ interest in SCTV (the “SCTV Option Agreement”); and

WHEREAS, the parties hereto wish to amend the “Maturity Date” of the Amended Credit Agreement as well as certain other terms of the Amended Credit Agreement, as herein provided.

NOW THEREFORE, for and in consideration of the mutual covenants herein contained, the parties hereto, intending to be legally bound, agree as follows:

1. Definitions/References.

1.1 All capitalized terms used herein shall have the meanings ascribed to them in the Amended Credit Agreement unless otherwise specified.

2. Amendments.

2.1 The following terms are hereby added to Section 1.2 of the Amended Credit Agreement:

“SCTV” shall mean SCTV, Inc., a Delaware corporation.

2.2 The term “Amended and Restated Note,” as defined in Section 1.2 of the Amended Credit Agreement, is hereby deleted in its entirety and replaced with the following definition:

““Amended and Restated Note” shall mean the Amended and Restated Promissory Note executed and delivered on _____, 2010 by the Debtor to AIC in the principal amount of \$154,000,000.”

2.3 The term “Distribution,” as defined in Section 1.2 of the Amended Credit Agreement, is hereby deleted in its entirety and replaced with the following definition:

““Distribution” shall mean any distribution by the Debtor or SCTV to pay obligations under the Abercrombie Note (as defined in the New Option Agreement).”

2.4 The term “Interest Rate,” as defined in Section 1.2 of the Amended Credit Agreement, is hereby deleted in its entirety and replaced with the following definition:

““Interest Rate” shall mean 11.6279% per annum.”

2.5 The term “Local Marketing Agreement,” as defined in Section 1.2 of the Amended Credit Agreement, is hereby deleted in its entirety and replaced with the following definition:

““Local Marketing Agreement” shall mean the Local Marketing Agreement, dated as of February 11, 2003, as amended on December 27, 2007 and the date hereof, as may be amended from time to time in accordance with the terms thereof and hereof.”

2.6 The term “Maturity Date,” as defined in Section 1.2 of the Amended Credit Agreement, is hereby deleted in its entirety and replaced with the following definition:

““Maturity Date” shall mean December 31, 2021, which date shall automatically be extended to coincide with the Extended Cut-Off Date (as such term is defined in the New Option Agreement), if applicable.”

2.7 The term “New Option Agreement,” as defined in Section 1.2 of the Amended Credit Agreement, is hereby deleted in its entirety and replaced with the following definition:

““New Option Agreement” shall mean the Option Agreement, dated as of _____, 2010, by and between Dennis J. Davis and AIC providing AIC an option to purchase eighty (80) shares of SCTV’s common stock, par value \$.001 per share.”

2.8 The term “Operational Cash Proceeds,” is added to the definitions in Section 1.2 of the Amended Credit Agreement, with the following definition:

““Operational Cash Proceeds” shall mean the cash proceeds received from AIC or any third party by SCTV or any of its subsidiaries after the Closing Date pursuant to the Local Marketing Agreement and/or pursuant to any other activity resulting from Debtor’s ownership of the Station, but excluding the Quarterly Management Fee Reimbursement and the Quarterly Maintenance Fee paid by AIC pursuant to Attachment A to the Local Marketing Agreement and excluding the SCTV Option Fee.”

2.9 The term “Option Agreement,” as defined in Section 1.2 of the Amended Credit Agreement, is hereby deleted in its entirety.

2.10 The term “PTSC Operating Agreement,” as defined in Section 1.2 of the Amended Credit Agreement, is hereby deleted in its entirety and replaced with the following definition:

““PTSC Operating Agreement” shall mean the Operating Agreement of the Debtor, dated as of October 23, 1997, as amended on August 31, 2000, July 30, 2001, February 11, 2003, the Incremental Closing Date and _____, 2010.”

2.11 Section 2.6 of the Amended Credit Agreement is hereby amended by renumbering subsection (d) as subsection (e) and by adding the following provision as subsection (d):

“Not later than one Business Day following the receipt of any Operational Cash Proceeds after the Closing Date, SCTV shall apply 100% of the Operational Cash Proceeds received with respect thereto to prepay outstanding PTSC Debt. AIC may set off any payment of Operational Cash Proceeds that it owes to SCTV, on a dollar-for-dollar basis, against outstanding PTSC Debt.”

2.12 Section 5.4 of the Amended Credit Agreement is hereby amended by adding the following provision immediately after subsection (g):

“Notwithstanding anything to the contrary contained in this Section 5.4, the Debtor Parties shall be required to furnish information required by this Section 5.4 only to the extent that such information is in the possession of a Debtor Party, Mr. Dennis J. Davis or any Person controlled by such Debtor Party or Mr. Davis.”

2.13 Section 5.6(ii) of the Amended Credit Agreement is hereby amended by adding the following proviso to the end of such section:

“; *provided, however,* the Debtor Parties shall be required to furnish information pursuant to this Section 5.6(ii) only to the extent that such information is in the possession of a Debtor Party, Mr. Dennis J. Davis or any Person controlled by such Debtor Party or Mr. Davis.”

2.14 Section 5.7 of the Amended Credit Agreement is hereby amended by adding immediately after the first reference to “financial records” the following parenthetical:

“(only to the extent that such financial records are in the possession of a Debtor Party, Mr. Dennis J. Davis or any Person controlled by such Debtor Party or Mr. Davis)”

2.15 Section 5.17 of the Amended Credit Agreement is hereby deleted in its entirety.

2.16 Section 6.4(g) of the Amended Credit Agreement is hereby deleted in its entirety and replaced with the following:

“(g)(i) any Debt Party may make intercompany loans, advances or capital contributions to any other Debt Party and (ii) the Debt Parties may make advances in the ordinary course of their businesses to any of the Debt Party Affiliates that are not Debt Parties to satisfy accounts payable incurred by such Affiliates in the ordinary course of their businesses.”

2.17 Section 6.6 of the Amended Credit Agreement is hereby deleted in its entirety and replaced with the following:

“Section 6.6 Dividends. Authorize declare or pay, directly or indirectly, any Dividends, except that any subsidiary of a Debt Party may pay cash Dividends to such Debt Party or any Wholly Owned Subsidiary of such Debt Party.

2.18 Section 6.11 of the Amended Credit Agreement is hereby deleted in its entirety.

2.19 Sections 7.1(j), 7.1(k) and 7.1(l) of the Amended Credit Agreement is hereby deleted in their entirety and replaced with the following:

“(j) SCTV, for so long as the New Option Agreement is in effect, shall (i) voluntarily or involuntarily transfer, sell, pledge or hypothecate or otherwise dispose of any membership interests of the Debtor held by SCTV, (ii) create, incur, assume or permit to exist, directly or indirectly, any Lien upon or with respect to any membership interests of the Debtor held by SCTV, or (iii) attempt, arrange, agree or contract to do any of the foregoing, in each case, except with respect to those certain Security Agreements, dated as of _____, 2010, by and between SCTV and each of Dennis J. Davis and LeBon Abercrombie.

(k) Dennis J. Davis (or, as set forth below, his immediate family members), for so long as the New Option Agreement is in effect, shall (i) voluntarily or involuntarily transfer, sell, pledge or hypothecate or otherwise dispose of any shares of the common stock of SCTV held by him other than transfers to his immediate family members upon his death, (ii) create, incur, assume or permit to exist, directly or indirectly, any Lien upon or with respect to any membership interests of SCTV held by him, (iii) attempt, arrange, agree or contract to do any of the foregoing, in each of subsections (i), (ii) and (iii), except with respect to the New Option Agreement.”

2.20 Section 8.15(c) of the Amended Credit Agreement is hereby amended by (a) deleting “PTC,” which appears immediately after “to” and immediately before “any” and (b) deleting “wholly-owned subsidiary of PTC or any other”, which appears immediately after “,” and immediately before “Affiliate”.

2.21 Section 8.4 of the Amended Credit Agreement is hereby deleted in its entirety and replaced with the following:

“Section 8.4 Notices. All notices, demands and other communications hereunder shall be made in writing and shall be sent by registered or certified first-class mail, return receipt requested, courier service or personal delivery:

- (a) if to the Debtor,

Southern California TV, LLC
910 N. Tilden
Visalia, CA 93291
Attention: Dennis J. Davis

with a copy to:

Law Offices of Hurley and Laird
Post Office Box 1536
Visalia, CA 93279
Tel: (559) 739-7200
Attention: Russell F. Hurley, Esq.

(b) if to AIC,

Azteca International Corporation
1139 Grand Central Avenue
Glendale, CA 91201
Tel: (818) 241-5400
Attention: Adrian Steckel
Horacio Medal

with a copy to:

K&L Gates LLP
599 Lexington Avenue
New York, NY 10022
Tel: (212) 536-3900
Attention: Roger R. Crane, Esq.

All such notices, demands and other communications shall be deemed to have been duly given when delivered by hand, if personally delivered; and when delivered by courier, if delivered by commercial courier service; and when actually received by the intended recipient, if mailed; *provided, however*, that if any notice, demand or other communication is delivered or received, as the case may be, after 5:00 P.M. New York City time on a Business Day or delivered or received, as the case may be, on a day that is not a Business Day, such notice, demand or communication shall be deemed to have been duly given pursuant to this Section 8.4 on the next succeeding Business Day. Any party hereto may by notice given in accordance with this Section 8.4 designate another address or person for receipt of notices hereunder, but such notice shall be effective only upon actual receipt.”

3. Miscellaneous. This Agreement (a) shall be governed by, and construed in accordance with, the laws of the State of New York applicable to contracts entered into and to be performed wholly within said State, (b) constitutes the entire agreement of the parties hereto with respect to the subject matter hereof, superseding all prior agreements, written or oral, (c) may not be amended, except in writing, (d) may be executed in counterparts, (e) shall be enforceable, notwithstanding the unenforceability of any particular provision hereof, with respect to all other

provisions hereof and (f) may not be assignable by any party, except with the prior written consent of the other(s).

[Signature Page Follows]

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

AZTECA INTERNATIONAL CORPORATION

By: _____
Name:
Title:

By: _____
Name:
Title:

PAPPAS TELECASTING OF SOUTHERN CALIFORNIA LLC

By: SCTV, Inc., its sole member

By: _____
Name: Dennis J. Davis
Title: President

LOCAL MARKETING AGREEMENT
Amendment #2

This Amendment #2 (this "Amendment"), is dated as of _____, 2010, among Pappas Telecasting of Southern California LLC, a Delaware limited liability company ("PTSC"), Pappas Southern California License LLC, a Delaware limited liability company ("PSC License" and collectively with PTSC, "Pappas"), Azteca International Corporation, a Delaware corporation ("AIC"), and TV Azteca, a *Sociedad Anonima de Capital Variable* incorporated under the laws of Mexico ("TVA").

WHEREAS, the parties hereto entered into a Local Marketing Agreement, dated as of February 11, 2003, and Amendment #1 thereto, dated as of December 27, 2007 (as amended, the "LMA"); and

WHEREAS, the "Option Agreement" referred to in the LMA has been exercised by AIC and the membership interests in PTSC were transferred to SCTV, Inc., a Delaware corporation newly organized by AIC ("SCTV");

WHEREAS, upon completion of the closing of the exercise of the Option Agreement, SCTV is owned eighty percent (80%) by Dennis J. Davis, a former member of PTSC ("Davis"), and twenty percent (20%) by AIC and, as of the date hereof, Davis and AIC are entering into a new option agreement with respect to Davis' interest in SCTV (the "New Option Agreement");

WHEREAS, as of the date hereof PTSC and AIC are entering into a "Second Amending Agreement" to amend the Amended and Restated Credit Agreement between PTSC and AIC, dated February 11, 2003, as amended by the Amending Agreement dated as of December 27, 2007 (as further amended by the Second Amending Agreement, the "Amended Credit Agreement"); and

WHEREAS, the parties hereto wish to amend the term of the LMA as well as certain other terms of the LMA, as herein provided.

NOW THEREFORE, for and in consideration of the mutual covenants herein contained, the parties hereto, intending to be legally bound, agree as follows:

1. Definitions/References.

1.1 All capitalized terms used herein shall have the meanings ascribed to them in the LMA unless otherwise specified.

1.2 All capitalized terms used in the LMA (as amended by this Amendment #2) that are described as being defined in the Option Agreement (including, without limitation, in Section 12.5.3 thereof) shall be deemed to be references such terms as defined in the New Option Agreement.

1.3 All references in the LMA (as amended by this Amendment) to the "Amended and Restated Credit Agreement" or "Amended Credit Agreement" shall be deemed to be references to the Amended Credit Agreement.

2. Consideration.

2.1 Section 1 of Attachment A to the LMA is hereby further amended by adding the following immediately following the first paragraph:

“KAZA Revenue” means gross revenue receivable by AIC solely in its capacity as broker of the Station pursuant to the LMA and relating to the operation of the Station (including without limitation the revenues received by AIC pursuant to Section 5 of the LMA, but excluding revenue received or receivable by AIC from any other business or venture) less applicable sales discounts, allowances, in accordance with International Financial Reporting Standards (“IFRS”) as promulgated by the International Accounting Standards Board (“IASB”). For purposes of the foregoing sentence, “AIC” includes AIC and any and all of its subsidiaries.

“KAZA Expenses” means the costs and expenses payable by AIC solely in its capacity as broker of the Station pursuant to the LMA and relating to the operation of the Station, including without limitation (i) any and all selling, general & administrative, and interest expense in accordance with IFRS, (ii) any and all other amounts payable by AIC to any party or individual other than Pappas and/or Pappas’s parent, SCTV, Inc., a Delaware corporation (“SCTV”) pursuant to the LMA (including without limitation, costs incurred in connection with programming the Station, the solicitation and sale of advertising, the provision of technical and engineering services to the Station), (iii) all amounts payable by AIC to Pappas and/or SCTV pursuant to the LMA (including without limitation the Quarterly Management Fee and the Quarterly Maintenance Fee), (iv) any Option Fee Payment payable by AIC pursuant to the New Option Agreement, and (v) any all amounts payable by PSC License, PTSC, and/or SCTV to AIC in respect of interest on the PTSC Debt under the Amended Credit Agreement, but excluding costs and expenses paid for or payable by AIC to any party or any third party in connection with any other business or venture. For purposes of the foregoing sentence, “AIC” includes AIC and any and all of its subsidiaries.

“Net Income” means the difference between the KAZA Revenue and the KAZA Expenses.

2.2 The definition of “Quarterly Consideration” in Section 1 of Attachment A to the LMA is hereby amended by deleting it in its entirety and replacing it with the following: “seventy percent of the Net Income during such quarter (or portion thereof), but not less than all amounts then due and payable by PSC License, PTSC, and/or SCTV to AIC in respect of interest on the PTSC Debt under the Amended Credit Agreement.”

2.3 Attachment A to the LMA is hereby further amended by adding new Sections 4 and 5 thereto as follows:

“4. Quarterly Management Fee Reimbursement. AIC shall reimburse to Pappas its expense in paying the quarterly management fee PTSC is required to make pursuant to Section 5.7 of the Operating Agreement of PTSC dated as of October 23, 1997, as amended by amendments one through fifth thereto, dated October 23, 1997, July 30, 2001, February 11, 2003, December 27, 2007 and _____, 2010, respectively (the “Quarterly Management Fee Reimbursement”).”

“5. Quarterly Maintenance Fee. AIC shall pay Pappas a quarterly maintenance fee in such amounts and at such times (whether quarterly, by acceleration or otherwise) at least three (3) Business Days in advance as are payable by SCTV, pursuant to that certain Promissory Note, dated as of _____, 2010 by SCTV in favor of LeBon G. Abercrombie.”

3. Expenses. Section 10.1 of the LMA is hereby amended by adding the following to the end of the third sentence thereof:

“(vii) any franchise tax, limited liability company fees or other governmental fees payable by Pappas or SCTV; (viii) all expenses, if any, of SCTV as relates to the operation of the Station; (ix) all fees and expenses of SCTV payable to its directors, (x) all fees and expenses incurred by Pappas and SCTV relating to the maintenance of its tax and accounting books and records and the preparation of its tax returns and audited financial statements, (xi) all fines and penalties imposed by the FCC on Pappas or SCTV for failure to comply with applicable FCC rules and regulations, *provided* that such failure did not result from a breach by Mr. Dennis J. Davis of his obligations pursuant to that certain Option Agreement dated as of _____, 2010, by and between Mr. Davis and AIC and (xii) the Quarterly Management Fee Reimbursement.”

Section 10.1 is hereby further amended by deleting in its entirety the last sentence thereof and replacing it with the following:

Notwithstanding anything to the contrary contained herein, AIC shall pay all expenses required to be paid by it hereunder monthly in advance, not later than three (3) Business Days prior to the beginning of each month. On or before the fifth (5th) Business Day prior to the beginning of each month, Pappas shall provide AIC with (a) a detailed statement of all such expenses for the prior month (with copies of any invoices therefor) together with evidence of payment thereof and (b) a schedule of such expenses for the coming month. Any overpayment of such expenses by AIC shall be deducted from its next expense payment.

4. Termination. Sections 12.2.2, 12.2.3, 12.2.4 and 12.2.5 of the LMA are hereby deleted in their entirety.

5. FCC Expert. Section 15.2 of the LMA is hereby deleted in its entirety and replaced with the following:

“Section 15.2 FCC Expert. The parties hereto hereby appoint Jack Goodman, Esq. as the arbitrator (the “FCC Expert”) to resolve any Contract Claims a, including awarding monetary damages; *provided, however*, that if Jack Goodman is not available to serve as the Option Expert, the parties hereto shall mutually agree upon an arbitrator who has significant personal and professional experience and knowledge of the television broadcast industry and applicable FCC rules, regulations, and policies.”

6. FCC Ruling. Section 15.5 of the LMA is hereby deleted in its entirety and replaced with the following:

“Section 15.5 Arbitration.

(a) Notwithstanding anything to the contrary contained in this Agreement, AIC or Pappas may, by providing written notice to the other party within thirty (30) days after the date on which an Option Expert Claim Decision shall have been rendered, seek a ruling from an arbitration panel, which arbitration shall take place in Washington D.C. in accordance with the rules then in effect of the American Arbitration Association. Such arbitration will be conducted in the English language and with an arbitration panel of three (3) arbitrators, each of which shall be attorneys qualified to practice before the FCC. Each of AIC and Pappas shall select one (1) arbitrator, and the two (2) arbitrators selected by them shall jointly select the third (3rd) arbitrator; *provided, however*, that in the event that the two arbitrators selected by AIC and Pappas cannot agree upon the third arbitrator within thirty (30) days after the second arbitrator is selected, either AIC or Pappas may institute a legal action in a state court sitting in New York County, New York. Any award shall be rendered by a majority of the arbitrators. Judgment upon the award so rendered may be entered in any court having jurisdiction, or application may be made to such court for judicial acceptance of any award and an order of enforcement, as the case may be.

(b) The arbitrators shall issue to AIC and Pappas a written explanation of the reasons for the award and a full statement of the facts as found and the rules of law applied in reaching their decision. Any provisional remedy which would be available to a court of law in the State of New York shall be available from the arbitrators pending arbitration of the dispute. Either AIC or Pappas may make an application to the arbitrators seeking injunctive or other interim relief, and the arbitrators may take whatever interim measures they deem necessary in respect of the subject matter of the dispute, including measures to maintain the status quo until such time as the arbitration award is rendered or the dispute is otherwise resolved. The arbitrators shall apply laws of the State of New York applicable to contracts entered into and to be performed wholly within said State and shall have the authority to award any remedy or relief (except ex parte relief) that a court of the State of New York could order or grant, including specific performance of any obligation created under this Agreement, the issuance of an injunction, or the imposition of sanctions for abuse or frustration of the arbitration process.

(c) An award rendered in connection with an arbitration pursuant to this Section 15.5 shall be final and binding upon AIC and Pappas, and AIC and Pappas agree and consent that the arbitral award shall be conclusive proof of the validity of the determinations of the arbitrators set forth in the award, and any judgment upon such an award may be entered and enforced in any court of competent jurisdiction.

(d) Notwithstanding the foregoing, each of AIC and Pappas shall have the right to institute a legal action in a court of proper jurisdiction for injunctive relief or a decree for specific performance pending final settlement by arbitration.”

7. Notices. Section 18.5 of the LMA is hereby deleted in its entirety and replaced with the following:

“Section 18.5 Notices. All notices, demands and other communications hereunder shall be made in writing and shall be sent by registered or certified first-class mail, return receipt requested, courier service or personal delivery:

(a) if to Pappas,

Southern California TV, LLC
910 N. Tilden
Visalia, CA 93291
Attention: Dennis J. Davis

with a copy to:

Law Offices of Hurley and Laird
Post Office Box 1536
Visalia, CA 93279
Tel: (559) 739-7200
Attention: Russell F. Hurley, Esq.

(ii) if to AIC,

Azteca International Corporation
1139 Grand Central Avenue
Glendale, CA 91201
Tel: (818) 241-5400
Attention: Adrian Steckel
Horacio Medal

with a copy to:

K&L Gates LLP
599 Lexington Avenue
New York, NY 10022
Tel: (212) 536-3900
Attention: Roger R. Crane, Esq.

All such notices, demands and other communications shall be deemed to have been duly given when delivered by hand, if personally delivered; and when delivered by courier, if delivered by commercial courier service; and when actually received by the intended recipient, if mailed; *provided, however*, that if any notice, demand or other communication is delivered or received, as the case may be, after 5:00 P.M. New York City time on a Business Day or delivered or received, as the case may be, on a day that is not a Business Day, such notice, demand or communication shall be deemed to have been duly given pursuant to this Section 18.5 on the next succeeding Business Day. Any party hereto may by notice given in accordance with this Section 18.5 designate another address or person for receipt of notices hereunder, but such notice shall be effective only upon actual receipt. For purposes of this Agreement, the term “Business Day” means any day other than a Saturday, Sunday or other day on which commercial banks in New

York, New York, Fresno, California or Mexico City, Mexico are authorized or required by law or executive order to close.”

8. There is hereby added, following Section 18.16 of the LMA, the following new Section 18.17:

“Section 8.17. Non-Broadcast Spectrum. Notwithstanding anything to the contrary in this Agreement, AIC shall have the exclusive right to offer for sale or lease, or otherwise exploit, any and all services or other provision or disposition of capacity on the portion of the Station’s digital spectrum that is not the Broadcast Spectrum (the “Non-Broadcast Spectrum”). Furthermore, any revenues relating to the operation of services, or any other provision or disposition of capacity, on the Non-Broadcast Spectrum shall be retained by AIC in their entirety, and shall be considered AIC revenue.”

9. Miscellaneous. This Agreement (a) shall be governed by, and construed in accordance with, the laws of the State of New York applicable to contracts entered into and to be performed wholly within said State, (b) constitutes the entire agreement of the parties hereto with respect to the subject matter hereof, superseding all prior agreements, written or oral, (c) may not be amended, except in writing, (d) may be executed in counterparts, (e) shall be enforceable, notwithstanding the unenforceability of any particular provision hereof, with respect to all other provisions hereof and (f) may not be assignable by any party, except with the prior written consent of the other(s).

[Signature Page Follows]

IN WITNESS WHEEOF, the parties hereto caused this Amendment to be executed as of the date first above written.

PAPPAS SOUTHERN CALIFORNIA LICENSE,
LLC

By: Pappas Telecasting of Southern California,
LLC, its sole member

By: SCTV, Inc., its sole member

By: _____
Name: Dennis J. Davis
Title: President

PAPPAS TELECASTING OF SOUTHERN
CALIFORNIA, LLC

By: SCTV, Inc., its sole member

By: _____
Name: Dennis J. Davis
Title: President

AZTECA INTERNATIONAL CORPORATION

By: _____
Name:
Title:

By: _____
Name:
Title:

TV AZTECA, S.A. DE C.V.

By: _____
Name:
Title:

**FIFTH AMENDMENT TO
OPERATING AGREEMENT OF PAPPAS TELECASTING OF
SOUTHERN CALIFORNIA LLC**

This FIFTH AMENDMENT TO OPERATING AGREEMENT OF PAPPAS TELECASTING OF SOUTHERN CALIFORNIA LLC (this "Fifth Amendment"), is entered into as of this ____ day of _____, 2010 by SCTV, Inc., a Delaware corporation ("Parent"), as the sole member of Pappas Telecasting of Southern California LLC, a Delaware limited liability company (the "Company"). Capitalized terms used herein shall have the meanings given such terms in the Operating Agreement of the Company, dated as of October 23, 1997, as amended by amendments one through fourth thereof, dated October 23, 1997, July 30, 2001, February 11, 2003 and December 27, 2007, respectively (the "Operating Agreement").

WITNESSETH:

WHEREAS, on the date hereof, Parent has acquired one hundred percent (100%) of the Interests in the Company; and

WHEREAS, Parent desires to further amend the Operating Agreement as more fully set forth herein.

NOW THEREFORE, in consideration of the premises, the Operating Agreement is hereby amended as follows:

1. Name Change. Section 1.2 of the Operating Agreement is hereby amended to change the name of the Company to Southern California TV, LLC.

2. Registered Agent. Section 1.6(c) of the Operating Agreement is hereby amended to change the name of the registered agent to Dennis J. Davis.

3. Definitions. Section 1.10 of the Operating Agreement is hereby amended:

(a) by adding the following definition:

"Abercrombie Note" shall mean that certain Promissory Note of Parent dated as of _____, 2010, in favor of Abercrombie in the principal amount of \$5,500,000;

(b) by amending the definition of Option Agreement (as added by the fourth amendment thereto) in its entirety as follows:

"Option Agreement" shall mean that certain Option Agreement, dated as of _____, __, 2010, by and between Davis and AIC."; and

(c) by deleting the following definitions (each added by the fourth amendment thereto):

Closing

Effective Date
Option Effective Period
Option Termination Date
Option Transfers
Pappas
Prohibited Option Action
PTC.

4. Principal Place of Business. Section 1.4 of the Operating Agreement is hereby deleted in its entirety and replaced with the following:

“1.4 Principal Place of Business. The principal place of business of the Company shall be at 910 N. Tilden, Visalia, CA 93291. The registered office of the Company in the State of California is located at 910 N. Tilden, Visalia, CA 93291.”

5. Allocations. Section 3.1(c) of the Operating Agreement is hereby deleted in its entirety and Section 3.1(d) shall become Section 3.1(c). Section 3.2(a)(ii) is hereby deleted in its entirety and replaced with the following:

“(ii) Second, the balance, if any, one hundred percent (100%) to the Members in proportion to their Percentage Interests.”

6. Distributions. Section 4.3(c) of the Operating Agreement (as added by the fourth amendment thereto) is hereby amended in its entirety as follows:

“(c) Until such time as all payments due and owing under the Option Agreement and the Abercrombie Note have been paid in full, the Company shall distribute such amounts as are necessary to enable Parent and/or AIC to pay the obligations under the Option Agreement and the Abercrombie Note.”

7. Manager. Section 5.1(a) of the Operating Agreement is hereby amended to change the name of the Manager to Dennis J. Davis. Section 5 of the Operating Agreement is hereby amended to add the following new Section 5.7:

“5.7 Compensation of the Manager. During the lifetime of Davis, until the later to occur of (a) Davis ceasing to serve as Manager hereunder and (b) the closing under the Option Agreement, Davis shall be entitled to receive an annual management fee equal to \$259,000 (adjusted annually as set forth below), payable quarterly in arrears on each three-month, six-month, nine-month and annual anniversary of **[insert date of this amendment]**. Such management fee shall be increased at the beginning of each subsequent twelve-month period by four percent (4%). Such management fee shall be paid to Davis as a salary.”

8. Members. Section 6.13 of the Operating Agreement (as added by the fourth amendment thereto) is hereby deleted in its entirety.

9. Tax Elections. Section 8.3 of the Operating Agreement is hereby deleted in its entirety and replaced by the following: “Since Parent owns 100% of the Interests in the

Company and the Company is a domestic limited liability company, the Company shall be treated as a “disregarded entity” (i.e., as part of Parent) for federal, state and local income tax purposes.”

Section 8.4 of the Operating Agreement (as added by the fourth amendment thereto) is hereby amended deleting Bruce M. Yeager as the Chief Financial Officer of PTSC.

10. Transfers. Section 10.1(b) of the Operating Agreement is hereby deleted in its entirety. Section 10.11 of the Operating Agreement (as added by the third amendment thereto) is hereby amended in its entirety as follows:

“10.11 Security Agreements. Notwithstanding anything to the contrary contained in the Agreement, the provisions of Section 10 hereof shall not apply to (a) the grant of security interests in the membership interests of the Company by Parent to each of Davis and Abercrombie pursuant to those certain separate Security Agreements, each dated _____, 2010, by Parent for the benefit of each of Davis and Abercrombie (“Security Agreements”) and (b) the exercise by each of Davis and Abercrombie of their respective rights under the Security Agreements, including, but not limited to, their respective rights to sell the interests secured thereunder.”

11. Conditions to Permitted Transfers. Section 10.3(e) of the Operating Agreement is hereby deleted in its entirety.

12. Winding Up. Section 12.2(c) and (d) of the Operating Agreement (as added by the fourth amendment thereto) are hereby deleted in their entirety and replaced with the following:

“(c) The balance, if any, to the Members in accordance with their respective Interests.”

13. Miscellaneous. This Agreement (a) shall be governed by, and construed in accordance with, the laws of the State of Delaware applicable to contracts entered into and to be performed wholly within said State, (b) constitutes the entire agreement of the parties hereto with respect to the subject matter hereof, superseding all prior agreements, written or oral, (c) may not be amended, except in writing, (d) may be executed in counterparts, (e) shall be enforceable, notwithstanding the unenforceability of any particular provision hereof, with respect to all other provisions hereof and (f) may not be assignable by any party, except with the prior written consent of the other(s).

[Signature Page Follows]

IN WITNESS WHEREOF, Parent caused this Fifth Amendment to be executed as of the date first above written.

SCTV, INC.

By: _____
Name: Dennis J. Davis
Title: President