

**ASSET PURCHASE AGREEMENT**

**Among**

**MEREDITH CORPORATION,**

**KPHO BROADCASTING CORPORATION**

**and**

**NEXSTAR BROADCASTING, INC.**

**IN RESPECT OF TELEVISION STATION**

**KASW(TV), PHOENIX, ARIZONA**

**Dated as of October 21, 2014**

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## ASSET PURCHASE AGREEMENT

**ASSET PURCHASE AGREEMENT**, dated as of October 21, 2014 (this "Agreement"), by and among (i) MEREDITH CORPORATION, an Iowa corporation ("Meredith"), and KPHO BROADCASTING CORPORATION, an Arizona corporation and wholly-owned subsidiary of Meredith ("KPHO" and, together with Meredith, "Seller"), on the one hand, and (ii) Nexstar Broadcasting, Inc., a Delaware corporation ("Buyer"), on the other hand.

### WITNESSETH:

**WHEREAS**, Seller and Option Party (as defined herein) are the owners of the assets used in the operation of the television broadcast station KASW(TV), Phoenix, Arizona (the "Station"), and operate the Station pursuant to certain authorizations issued to Option Party by the Federal Communications Commission (the "FCC");

**WHEREAS**, pursuant to that certain Option Agreement, dated as of June 19, 2014, between Seller and Option Party (the "Option Agreement"), Seller holds an option to purchase from Option Party certain assets (including the FCC Authorizations), and to assume certain liabilities of Option Party, relating to the operation of the Station that are subject to the option set forth therein (respectively, the "Option Assets" and the "Option Liabilities");

**WHEREAS**, pursuant to the terms of the Option Agreement, Option Party has agreed to take all action reasonably requested by Seller to facilitate the sale and transfer of the Option Assets to Seller or any Person designated by Seller in writing;

**WHEREAS**, prior to the Closing (as defined herein), Seller shall exercise its option under the Option Agreement to purchase the Option Assets and assume the Option Liabilities, and such transactions shall be consummated in connection with the Closing as provided herein; and

**WHEREAS**, pursuant to the terms and subject to the conditions set forth in this Agreement, Seller desires to sell, assign and transfer to Buyer, and Buyer desires to purchase, accept and assume from Seller, the Purchased Assets and the Assumed Liabilities (each as defined below);

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements hereinafter set forth, it is hereby agreed among the parties as follows:

### ARTICLE I

#### 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:

“**Action**” means any action, arbitration, assertion, audit, charge, claim, complaint, grievance, demand, hearing, litigation, mediation (whether civil, criminal, administrative, investigative or private).

“**Affected Employees**” has the meaning specified in Section 6.2(a).

“**Affiliate**” means, with respect to any Person, any other Person which directly or indirectly controls, is controlled by or is under common control with such Person.

“**Agreed Accounting Principles**” means GAAP as used in the preparation of the Balance Sheet.

“**Agreed Adjustments**” has the meaning specified in Section 2.7(b).

“**Agreement**” has the meaning specified in the introductory paragraph hereof.

“**Ancillary Agreements**” means any certificate, agreement, document or other instrument to be executed and delivered by Seller or Option Party in connection with the Transactions.

“**Arbitrator**” has the meaning specified in Section 2.7(c).

“**Assignment of FCC Authorizations**” has the meaning specified in Section 2.8(a).

“**Assumed Liabilities**” has the meaning specified in Section 2.3(a).

“**Balance Sheet**” has the meaning specified in Section 3.4.

“**Balance Sheet Date**” has the meaning specified in Section 3.4.

“**Business**” has the meaning specified in Section 2.1.

“**Business Day**” means any day on which banks in the City of New York are not required or authorized to close.

“**Buyer**” has the meaning specified in the introductory paragraph hereof.

“**Buyer Ancillary Agreements**” has the meaning specified in Section 4.2(a).

“**Buyer Benefit Plan**” has the meaning specified in Section 6.2(c).

“**Buyer Group Member**” means Buyer, its Affiliates, directors, officers, employees and agents and their respective successors and assigns.

“**Buyer Material Adverse Effect**” means any event, occurrence, fact, condition, change, development or effect that would materially adversely affect the ability of Buyer to perform its obligations under this Agreement, other than changes (i) relating to generally applicable economic conditions or the television broadcasting industry in general, other than



those having a disproportionate impact on Buyer, or (ii) resulting from the execution of this Agreement or the consummation of the transactions contemplated hereby.

“**CERCLA**” means the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§ 9601 et seq., and any regulations promulgated thereunder.

“**Claim Notice**” has the meaning specified in Section 9.3(a).

“**Closing**” has the meaning specified in Section 2.4.

“**Closing Date**” has the meaning specified in Section 2.4.

“**Closing Date Balance Sheet**” has the meaning specified in Section 2.7(b).

“**Closing Date Payment**” has the meaning specified in Section 2.6(b).

“**Closing Date Working Capital Amount**” means the amount, if any, by which (i) the Current Assets, as reflected on the Closing Date Balance Sheet as finally determined in accordance with Section 2.7, exceed (ii) the Current Liabilities, as reflected on the Closing Date Balance Sheet as finally determined in accordance with Section 2.7; provided that if such Current Assets are equal to such Current Liabilities, then the Closing Date Working Capital Amount shall be zero.

“**Closing Date Working Capital Deficit**” means the amount, if any, by which (i) the Current Liabilities, as reflected on the Closing Date Balance Sheet finally determined in accordance with Section 2.7, exceed (ii) the Current Assets, as reflected on the Closing Date Balance Sheet as finally determined in accordance with Section 2.7.

“**Code**” means the Internal Revenue Code of 1986, as amended, and the rules, regulations and written policies of the IRS promulgated under the foregoing, in each case, as in effect from time to time.

“**Collective Bargaining Agreements**” means any collective bargaining agreement covering any employee of the Business.

“**Communications Act**” means the Communications Act of 1934, as amended, and the rules and regulations of the FCC promulgated under the foregoing, in each case, as in effect from time to time.

“**Conditional Grant**” has the meaning specified in Section 3.9(d).

“**Confidentiality Period**” has the meaning specified in Section 6.6.

“**Contaminant**” means any material, waste, pollutant, hazardous substance, toxic substance, hazardous waste, special waste, in each case regulated or defined as “hazardous,” “toxic,” pollutant” or “contaminant,” or words of similar import pursuant to any Environmental Law, including asbestos, asbestos containing material, petroleum or petroleum-derived substance or waste, or any constituent of any such substance or waste.

**“Current Assets”** means (i) those assets of Seller or Option Party classified as “Current Assets” on the Balance Sheet in accordance with the Agreed Accounting Principles and (ii) any pro-rated assets described in Section 2.5(b)(i), but excluding any Excluded Assets.

**“Current Liabilities”** means (i) those liabilities of Seller or Option Party classified as “Current Liabilities” on the Balance Sheet in accordance with the Agreed Accounting Principles and (ii) any pro-rated liabilities described in Section 2.5(b)(ii), but excluding any Excluded Liabilities and any Tax liabilities.

**“Cutoff Time”** has the meaning specified in Section 2.5(b).

**“Disputed Items”** has the meaning specified in Section 2.7(c).

**“Employee Plans”** has the meaning specified in Section 3.21(a).

**“Encumbrance”** means any charge, claim, condition, mortgage, deed of trust, lien, option, pledge, hypothecation, security interest, collateral security arrangement, right of first refusal, conditional sale or other title retention agreement, encumbrance, adverse interest, exception to or defect in title or other ownership interest (including reservations, rights of entry, possibilities of reverter, encroachments, easements, rights-of-way, restrictive covenants, leases and licenses), or other charge or restriction of any kind, including any restriction on use, voting, transfer, receipt of income, or exercise of any other attribute of ownership, or the filing of or agreement to give any financing statement or other lien with respect to any assets or property under the Uniform Commercial Code of the State of Arizona or a comparable law of any jurisdiction.

**“Environmental Encumbrance”** means an Encumbrance in favor of any Governmental Body for (a) any liability under any Environmental Law, or (b) damages arising from, or costs incurred by such Governmental Body in response to, a Release or threatened Release of a Contaminant into the environment.

**“Environmental Law”** means all Laws relating to or addressing (a) the environment, health or safety, including but not limited to CERCLA, OSHA and RCRA and any state equivalent thereof; (b) governing the use, treatment, storage, disposal, transport or handling of Contaminant; or (c) related to Releases or threatened Releases of, or exposure to, any Contaminant.

**“ERISA”** means the Employee Retirement Income Security Act of 1974, as amended.

**“Estimated Purchase Price”** means the Purchase Price, as determined on an estimated basis by Seller in good faith and as reflected in the certificate referred to in Section 2.6(a).

**“Event of Loss”** means any loss, taking, condemnation, or destruction of, or damage to, any of the Purchased Assets or the Business.

**“Excluded Assets”** has the meaning specified in Section 2.2.

**“Excluded Liabilities”** has the meaning specified in Section 2.3(b).

**“Expense”** means any and all expenses incurred in connection with investigating, defending or asserting any claim, action, suit or proceeding incident to any matter indemnified against hereunder (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).

**“FCC”** has the meaning set forth in the recitals.

**“FCC Applications”** has the meaning specified in Section 5.3(a).

**“FCC Authorizations”** means those Governmental Permits issued by the FCC with respect to the Station, and including any applications therefor and renewals or modifications thereof between the date hereof and the Closing.

**“FCC Consent”** means action by the FCC (including action by staff acting on delegated authority) granting its consent to the FCC Applications and to the consummation of the Transactions.

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

**“GAAP”** means the United States generally accepted accounting principles set forth in opinions and pronouncements of the Accounting Principals Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board.

**“Governmental Body”** means any foreign, federal, state, local or other governmental authority or regulatory body.

**“Governmental Consents”** means (i) the FCC Consent, and (ii) all authorizations, consents, Orders and approvals of all Governmental Bodies, including any State Attorney General, that are or may become necessary for the execution, delivery and consummation of the Transactions.

**“Governmental Permits”** has the meaning specified in Section 3.9(a).

**“Group Agreements”** has the meaning specified in Section 5.6.

**“Indebtedness”** means, without duplication, any liability of the Business, the Seller, the Option Party (or any of their respective Affiliates in respect of the Business) (i) for borrowed money whether current, short-term, long-term, secured or unsecured (including all

obligations for principal, interest, premiums, penalties, fees, expenses and breakage costs and other obligations related thereto), (ii) evidenced by any note, bond, debenture or other debt security, (iii) for the reimbursement of letters of credit, bankers' acceptance or similar credit transactions, (iv) arising under any currency, interest rate swap, hedge or similar instrument, (v) arising under a guaranty or similar obligation with the respect to liabilities of any other Person of the types described in clauses (i) through (iv) above.

**"Indemnified Party"** has the meaning specified in Section 9.3(a).

**"Indemnified Event"** has the meaning specified in Section 9.3(b).

**"Indemnitor"** has the meaning specified in Section 9.3(a).

**"Instrument of Assumption"** has the meaning specified in Section 2.3(a).

**"Intellectual Property"** means United States and foreign patents, pending patent applications, trademark registrations, pending trademark applications, unregistered trademarks and trade names, domain names, copyright registrations, pending copyright applications, unregistered copyrights, jingles, slogans, logos, Twitter accounts and content, Facebook accounts and content, all applications and renewals relating to any of the foregoing, trade secrets, including advertising customer lists, mailing lists, processes, know-how and other proprietary or confidential information, and any other intellectual property rights or proprietary rights, including moral rights, in all of the foregoing.

**"IRS"** means the Internal Revenue Service.

**"Knowledge of Seller"** means, as to a particular matter, the actual knowledge of the following persons: John Zieser, Perry Bradshaw, Doug Lowe, Larry Oaks and Ed Munson.

**"KPHO"** has the meaning specified in the introductory paragraph hereof.

**"Laws"** means any and all domestic (federal, state or local) or foreign laws, rules, regulations, orders, judgments, principles of common law, statutes, ordinances, Governmental Permits or decrees or other binding determination promulgated by any Governmental Body.

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

**"Market"** means "Designated Market Area," as determined by The Nielsen Company, of the Station.

**"Material Adverse Effect"** means any event, occurrence, fact, condition, change, development or effect that would (i) materially adversely affect the ability of Seller to perform its obligations under this Agreement, or (ii) have a material adverse effect on the assets, results of operations or financial condition of the Station or the Business, taken as a whole, other than changes (a) relating to generally applicable economic conditions or the television broadcasting industry in general, other than those having a disproportionate impact on Seller, the Purchased Assets or the Business, (b) resulting from the announcement by Seller of its intention to sell the

Purchased Assets or the Business or (c) resulting from the execution of this Agreement (including the identity of Buyer) or the consummation of the transactions contemplated hereby.

**“Meredith”** has the meaning specified in the introductory paragraph hereof.

**“MVPD”** means any multi-channel video programming distributor defined under the Communications Act as of the date hereof, including cable systems, satellite master antenna television systems, telephone companies and direct broadcast satellite systems.

**“Objection Notice”** has the meaning specified in Section 2.7(b).

**“Option Agreement”** has the meaning specified in the second recital hereof.

**“Option Assets”** has the meaning specified in the second recital hereof.

**“Option Liabilities”** has the meaning specified in the second recital hereof.

**“Option Party”** means, collectively, SagamoreHill of Phoenix LLC and SagamoreHill of Phoenix Licenses LLC.

**“Option Payment”** means the payment due and payable by Seller to Option Party in connection with Seller’s exercise of its option under the Option Agreement.

**“Order”** means any decree, order, judgment, injunction, temporary restraining order or other order in any suit or proceeding (whether civil, criminal, administrative, investigative, private or informal) by or with any Governmental Body or under any Laws.

**“OSHA”** means the Occupational Safety and Health Act, 29 U.S.C. §§ 651 et seq., and any regulations promulgated thereunder.

**“Permitted Encumbrance”** means (a) liens for Taxes, assessments or other governmental charges which are not yet due and payable, (b) liens of landlords and liens of carriers, warehousemen, mechanics and materialmen and other similar liens imposed by law arising in the ordinary course of the Business which are not yet due and payable, (c) easements, servitudes, rights-of-way, covenants, consents, conditions, reservations, encroachments, minor defects or irregularities in title, variations and other restrictions affecting the use of any Real Property listed or referred to in Schedule 3.10(b) which in the aggregate could not reasonably be expected to materially impair the use of the Purchased Assets for the purposes for which they are or may reasonably be expected to be held, (d) the licenses set forth in Schedule 3.12, (e) other non-monetary Encumbrances on property which do not materially impair the existing use of the property affected by such Encumbrances and (f) the items on Schedule 3.14.

**“Person”** means any person, employee, individual, corporation, limited liability company, partnership, trust, or any other non-governmental entity or any governmental or regulatory authority or body.

**“Preliminary Closing Date Balance Sheet”** has the meaning specified in Section 2.7(a)(i).

**“Preliminary Closing Date Working Capital Calculation”** has the meaning specified in Section 2.7(a)(iii).

**“Preliminary Purchase Price”** has the meaning specified in Section 2.7(a)(ii).

**“Program Rights Agreements”** means any agreement of Option Party presently existing or entered into after the date of this Agreement and prior to the Closing in accordance with the terms of this Agreement to broadcast television programs or shows as part of a Station’s programming, including all film and program barter agreements, sports rights agreements, news rights or service agreements and syndication agreements.

**“Purchased Assets”** has the meaning specified in Section 2.1.

**“Purchase Price”** has the meaning specified in Section 2.5.

**“RCRA”** means the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901 et seq., and any regulations promulgated thereunder.

**“Real Property”** has the meaning specified in Section 3.10(b).

**“Real Property Leases”** has the meaning specified in Section 3.10(b).

**“Receivables”** means the outstanding accounts receivable of the Business which are less than 180 days old and included on the Closing Date Balance Sheet.

**“Release”** means any release, spill, emission, leaking, pumping, injection, deposit, disposal, discharge, dispersal, leaching or migration into the indoor or outdoor environment or into or out of any property, including the movement of Contaminants through or in the air, soil, surface water, groundwater or property.

**“Remedial Action”** means actions required to (a) clean up, remove, abate, treat or in any other way address Contaminants in the indoor or outdoor environment; (b) prevent the Release or threatened Release or minimize the further Release of Contaminants; or (c) investigate and determine if a remedial response is needed and to design such a response and post-remedial investigation, monitoring, operation and maintenance and care.

**“Required Consents”** has the meaning specified in Section 5.2(d).

**“Resolution Period”** has the meaning specified in Section 2.7(b).

**“Review Period”** has the meaning specified in Section 2.7(b).

**“Schedule”** means the any schedule to this Agreement which is delivered concurrently with this Agreement and is hereby incorporated herein and made a part hereof.

**“Seller”** has the meaning specified in the introductory paragraph hereof.

**“Seller Group Member”** means Seller and its Affiliates, directors, officers, employees and agents and their respective successors and assigns.

**“Seller Property”** means any real or personal property, plant, building, facility, structure, equipment or unit, or other asset owned, leased or operated by Seller and used primarily in the Business.

**“Specified MVPD”** means those MVPDs that have more than 5,000 subscribers with respect to the Station in the Station’s Market.

**“Station”** has the meaning specified in the first recital hereof.

**“Station Agreements”** has the meaning specified in Section 3.18.

**“Straddle Period”** has the meaning specified in Section 6.1(a).

**“Tangible Personal Property”** has the meaning specified in Section 2.1(d).

**“Tax”** means any federal, state, local or foreign net income, alternative or add-on minimum, gross income, gross receipts, property, sales, use, transfer, gains, license, excise, employment, payroll, capital stock, escheat, environmental, franchise, social security, stamp, registration and value-added taxes, withholding or minimum tax, or any other tax custom, duty, governmental fee or other like assessment or charge of any kind whatsoever, together with any interest or any penalty, addition to tax or additional amount imposed by any Governmental Body and shall include any obligation to indemnify or otherwise assume or succeed to the Tax liability of another person/entity.

**“Termination Date”** has the meaning specified in Section 10.1(a)(v).

**“Tower Space Lease Agreement”** means the Tower Space Lease Agreement between Seller and Buyer, which the parties shall negotiate in good faith within thirty days after the date hereof, pursuant to which Seller will continue to lease space on the Station’s tower for a period of five years after the Closing.

**“Transactions”** means the transactions contemplated by this Agreement.

**“Transition Services Agreement”** has the meaning specified in Section 2.8(a)(v).

**“Transmitter Lease Agreement”** means the Transmitter Lease Agreement between Seller and Buyer, which the parties shall negotiate in good faith within thirty days after the date hereof, pursuant to which Buyer will continue to lease space for the Station’s transmission system in a building owned by Seller for a period of five years after the Closing.

## ARTICLE II

### PURCHASE AND SALE OF PURCHASED ASSETS

**Section 2.1 Purchase and Sale of Purchased Assets.** Upon the terms and subject to the conditions of this Agreement, on the Closing Date, Seller shall, and pursuant to the terms of the Option Agreement shall cause Option Party to, sell, transfer, assign, convey and deliver to

Buyer and Buyer shall purchase from Seller pursuant to this Agreement, free and clear of all Encumbrances (except for Permitted Encumbrances), all of the assets, properties and business (excepting only the Excluded Assets), including the Option Assets, which Seller has the right to cause Option Party to transfer to Buyer pursuant to the Option Agreement, of every kind and description, wherever located, real, personal or mixed, tangible or intangible, owned or held by Seller or Option Party and used primarily with respect to the Station and the business of the Station (the “Business”) as the same shall exist on the Closing Date (herein collectively referred to as the “Purchased Assets”), including, without limitation, all right, title and interest of Seller and Option Party in, to and under:

(a) All Receivables;

(b) The FCC Authorizations and all other assignable Governmental Permits listed in Schedule 3.9(a);

(c) The Real Property Leases described in Schedule 3.10(b);

(d) All machinery, equipment (including cameras, computers and office equipment), auxiliary and translator facilities, transmitting towers, transmitters, broadcast equipment, antennae, supplies, inventory (including all films, programs, records, tapes, recordings, compact discs, cassettes, spare parts and equipment), advertising and promotional materials, engineering plans, records and data, vehicles, furniture and other personal property owned or held by Seller or Option Party, as applicable, and primarily relating to the Station (“Tangible Personal Property”), excluding the items described in Section 2.2(h);

(e) The Intellectual Property owned by Seller or Option Party or any of their Affiliates and used exclusively in the Business and the licenses relating to any of the foregoing including the items listed in Schedule 3.12(a);

(f) (i) All contracts of Seller or Option Party, as applicable, for the sale of broadcast time for advertising or other purposes made in the ordinary course of the Business and consistent with past practice; (ii) all contracts for the purchase of merchandise, supplies or personal property or for the receipt of services made in the ordinary course of the Business and consistent with past practice which are terminable by Seller or Option Party, as applicable, on thirty (30) days’ notice or less; (iii) the contracts, agreements or understandings listed or described in Schedule 3.18 (in the case of Group Agreements, to the extent applicable to the Station) and designated on such Schedule as an “Assumed Contract” and (iv) any other contract, agreement or understanding (evidenced in writing) entered into by Seller or Option Party, as applicable, primarily in respect of the Business which (A) is of the general nature described in subsections (b), (d), (e), (j) or (k) of Section 3.18 but which, by virtue of its specific terms, is not required to be listed in Schedule 3.18 or (B) is entered into after the date hereof consistent with the provisions of Section 5.4 of this Agreement;

(g) All rights, claims or causes of action of Seller or Option Party, as applicable, against third parties arising under warranties from manufacturers, vendors and others in connection with the Purchased Assets or Assumed Liabilities;



(h) All prepaid rentals and other prepaid expenses (except for prepaid insurance) arising from payments made by Seller or Option Party, as applicable, in the ordinary course of the operation of the Business prior to the Closing Date for goods or services where such goods or services have not been received at the Closing Date;

(i) All books and records (including all computer programs used primarily in connection with the operation of the Business or the Station) of Seller or Option Party, as applicable, relating to the assets, properties, business and operations of the Business or the Station 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; and

(j) All other assets or properties not referred to above which are reflected on the Balance Sheet or acquired by Seller or Option Party, as applicable, as permitted under this Agreement, except (i) any such assets or properties disposed of after the Balance Sheet Date in the ordinary course of the Business and (ii) Excluded Assets.

**Section 2.2 Excluded Assets.** Notwithstanding the foregoing, the Purchased Assets shall not include the following (whether or not included in Option Assets) (herein referred to as the “Excluded Assets”):

(a) All cash and cash equivalents (including any marketable securities or certificates of deposit) of Seller or Option Party;

(b) All claims, rights and interests of Seller or Option Party, as applicable, in and to any refunds for federal, state or local franchise, income or other Taxes or fees of any nature whatsoever for periods prior to the Closing Date;

(c) Any rights, claims or causes of action of Seller or Option Party, as applicable, against third parties relating to the assets, properties, business or operations of the Business arising out of transactions occurring prior to the Closing Date, except to the extent and only to the extent any such claims relate to the Purchased Assets;

(d) All bonds held, contracts or policies of insurance and prepaid insurance with respect to such contracts or policies;

(e) Seller’s and Option Party’s minute books, stock transfer books, records relating to formation, 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 Purchased Assets) and any books and records (including computer programs) relating primarily to a business of Seller or Option Party or any of their Affiliates unrelated to the Business or the Station;

(f) All records prepared in connection with the sale or transfer of the Station, including bids received from others and analyses relating to the Station and the Purchased Assets;

(g) The contracts, agreements or understandings of Seller or Option Party listed in Schedule 3.18 and designated on such Schedule as a “Contract Not Assumed” and any contract, agreement or understanding listed in Schedule 3.18 which expires prior to the Closing Date and any contracts, agreements or understandings between or among Seller, Option Party and any Affiliates of Seller or Option Party relating to the Station and the Purchased Assets unless listed in Schedule 3.18 as an “Assumed Contract”;

(h) The items designated in Schedule 2.2 as “Excluded Assets”;

(i) Any trade name, trademarks, service marks, domain names or logos using or incorporating the names “Meredith,” “KPHO,” “KTVK” or any variation or derivative thereof;

(j) All records and documents relating to Excluded Assets or to liabilities other than Assumed Liabilities;

(k) All of Seller’s, Option Party’s or their Affiliates’ employee benefit agreements, plans or arrangements (including, without limitation, all Employee Plans);

(l) Any intercompany receivable of Seller or Option Party from any of its Affiliates;

(m) Any rights of or payment due to Seller or Option Party under or pursuant to this Agreement or the other agreements with Buyer contemplated hereby; and

(n) Any other asset of Seller or Option Party that is not primarily related to the Station or the Business.

### **Section 2.3 Assumption of Liabilities.**

(a) Upon the terms and subject to the conditions of this Agreement, on the Closing Date, Buyer shall deliver to Seller an undertaking and assumption, in the form of Exhibit A (the “Instrument of Assumption”), pursuant to which Buyer shall assume and be obligated for, and shall agree to pay, perform and discharge in accordance with their terms, the following obligations and liabilities of Seller or Option Party (except to the extent such obligations and liabilities constitute Excluded Liabilities):

(i) all liabilities of Seller or Option Party to the extent reflected or reserved against on the Closing Date Balance Sheet and included in “Current Liabilities” in the calculation of the Closing Date Working Capital Amount or Closing Date Working Capital Deficit, as the case may be;

(ii) all liabilities and obligations related to, associated with or arising out of (A) the occupancy, operation, use or control of the Real Property listed in Schedule 3.10(b) on or after the Closing Date or (B) the operation of the Business on or after the Closing Date;

(iii) all liabilities and obligations of Seller or Option Party to the extent arising on or after the Closing Date under (A) the Station Agreements and other agreements included as Purchased Assets and (B) the agreements entered into by Seller or Option Party, as applicable, with respect to the Business after the date hereof consistent with the terms of Section 5.4 of this Agreement, except, in each case, (i) to the extent such liabilities and obligations, but for a breach or default by Seller or Option Party, as applicable, would have been paid, performed or otherwise discharged on or prior to the Closing Date or to the extent the same arise out of any such breach or default or (ii) to the extent such liabilities would be for the account of Seller or Option Party, as applicable, pursuant to Section 2.5(b);

(iv) all liabilities for Taxes that are the responsibility of Buyer pursuant to Section 6.1 hereof; and

(v) for the avoidance of doubt, all liabilities and obligations of Buyer pursuant to Section 6.2 hereof.

All of the foregoing to be assumed by Buyer hereunder (including the Option Liabilities which Buyer has agreed to assume pursuant to this Agreement) are referred to herein as the “Assumed Liabilities.”

(b) Buyer shall not assume or be obligated for any of, and Seller and Option Party, as applicable, shall solely retain, pay, perform, defend and discharge all of, its liabilities or obligations of any and every kind whatsoever, direct or indirect, known or unknown, absolute or contingent, not expressly assumed by Buyer under Section 2.3(a) and, notwithstanding anything to the contrary in Section 2.3(a), none of the following (whether or not included in Option Liabilities) (herein referred to as “Excluded Liabilities”) shall be “Assumed Liabilities” for purposes of this Agreement:

(i) all liabilities for Taxes attributable to the Station or the Business, except as set forth in Section 6.1 hereof;

(ii) any liability or obligation of Seller or Option Party, as applicable, in respect of Indebtedness or any intercompany payable of Seller or Option Party, as applicable, or any of their Affiliates;

(iii) all liabilities and obligations related to, associated with or arising out of the occupancy, operation, use or control of any of the Real Property listed or described in Schedule 3.10(b) prior to the Closing Date;

(iv) all liabilities of Seller or Option Party, as applicable, to the extent arising prior to the Closing Date in connection with the ownership or operation of the Purchased Assets or the operation of the Business, other than those included in “Current Liabilities” in the calculation of the Closing Date Working Capital Amount or Closing Date Working Capital Deficit, as the case may be;

(v) all liabilities arising out of any proceeding pending as of the Closing Date, or to the extent arising out of or relating to matters or events occurring on or prior to the Closing Date (whether or not such claim is then asserted), including, without limitation,

any such claims for personal injury (including worker's compensation or otherwise) or property damage;

(vi) any liabilities or obligations, whenever arising, related to, associated with or arising out of the Excluded Assets;

(vii) all liabilities of Seller under the Option Agreement not expressly assumed by Buyer in this Agreement;

(viii) any liabilities or obligations, whenever arising, related to, associated with or arising out of the employee benefit agreements, plans or arrangements of Seller, Option Party or any of their Affiliates (including, without limitation, all Employee Plans), including any stay bonuses;

(ix) all severance obligations of Seller, Option Party or any of their Affiliates, if any, to former employees of Seller or Option Party, as applicable, arising prior to the Closing Date or employees of Seller or Option Party arising out of Seller's or Option Party's termination of the employment of such employees on the Closing Date in connection with the consummation of the transactions contemplated hereby and Buyer's offer of employment to the Affected Employees as contemplated in Section 6.2(a), other than the obligations of Buyer pursuant to Section 6.2(d);

(x) any intercompany liabilities or obligations due from Seller or Option Party, as applicable, to any of their Affiliates, including Seller's payment of the Option Payment to Option Party;

(xi) any costs and expenses incurred by Seller or Option Party incident to the negotiation and preparation of this Agreement or the Ancillary Agreements and their performance and compliance with the agreements and conditions contained herein or therein; and

(xii) any of Seller's or Option Party's liabilities or obligations under this Agreement or the Ancillary Agreements.

The Seller, Option Party and/or their Affiliates, as applicable, shall timely perform and discharge in accordance with their respective terms all Excluded Liabilities.

**Section 2.4 Closing Date.** The purchase and sale of the Purchased Assets provided for in Section 2.1 (the "Closing") shall be consummated at 10:00 A.M., local time, three (3) Business Days after the date on which the FCC Consent has become a Final Order (provided, Buyer may, in its sole discretion and upon at least ten (10) days prior written notice to Seller, waive the requirement that the FCC Consent become a Final Order, so long as the FCC Consent has been granted), subject to the satisfaction or waiver of the conditions set forth in Articles VII and VIII, at the offices of Cooley LLP, Washington, DC (the "Closing Date"); provided that either party may elect to conduct the Closing through electronic exchange of executed documents.

**Section 2.5 Purchase Price.**

(a) The purchase price for the Purchased Assets (the “Purchase Price”) shall be determined in accordance with Section 2.7 and shall be equal to:

- (i) Sixty-Eight Million Dollars (\$68,000,000), plus
- (ii) the Closing Date Working Capital Amount, or minus
- (iii) the Closing Date Working Capital Deficit.

(b) In determining the Closing Date Working Capital Amount or the Closing Date Working Capital Deficit, as the case may be, Buyer and Seller shall prorate all income earned and all expenses incurred in connection with the Business and operation of the Station as of close of business on the last Business Day prior to the Closing Date (the “Cutoff Time”). Sales commissions earned by employees of Seller or Option Party prior to the Closing Date and related to the sale of advertisements broadcast on the Station prior to the Cutoff Time shall be the responsibility of Seller or Option Party, and sales commissions related to the sale of advertisements broadcast on the Station after the Cutoff Time shall be the responsibility of Buyer. It is agreed and understood by the parties that any payables under Program Rights Agreements that are contractually due in the month in which the Closing takes place shall be apportioned on a pro rata basis based upon the number of days in the calendar month which includes the Closing Date. With respect to trade, barter or similar agreements for the sale of time for goods or services assumed by Buyer pursuant to Section 2.1(g)(i), if at the Cutoff Time the Business has an aggregate negative or positive barter balance (i.e., the amount by which the value of air time to be provided by the Business after the Cutoff Time exceeds, or conversely, is less than, the fair market value of corresponding goods and services), there shall be a proration or adjustment and such excess or deficiency, as the case may be, shall be treated either as prepaid time sales or a receivable of Seller or Option Party, and adjusted for as a proration in Buyer’s or Seller’s favor, as applicable. In determining barter balances, the value of air time shall be based upon the fair market value of the goods and services received by the Business, and corresponding goods and services shall include those to be received by the Business after the Cutoff Time plus those received by the Business before the Cutoff Time to the extent conveyed by Seller or Option Party to Buyer as a part of the Purchased Assets. Sections 2.5, 2.6 or 2.7 shall not be interpreted, however, so as to provide a double payment or double credit to Seller or Buyer for any item in the calculation of the Closing Date Payment or the Closing Date Balance Sheet. Without limiting the foregoing, Buyer and Seller agree that:

(i) “Current Assets,” as used herein, shall include prepaid expenses reflecting amounts paid by Seller or Option Party, as applicable, prior to the Closing Date which represent benefits to be realized on or after the Closing Date under contracts included in the Purchased Assets or otherwise relating to the Station to the extent the same do not relate to Excluded Assets or Short Term Program Rights (as defined in the Balance Sheets); and

(ii) “Current Liabilities,” as used herein, shall include accounts payable and accrued expenses reflecting expenses and costs incurred prior to the Closing Date which represent benefits realized before the Closing Date under contracts included in the Purchased Assets or otherwise relating to the Station to the extent the same do not relate to Excluded Liabilities or Short Term Program Rights Obligations (as defined in the Balance

Sheets). For the avoidance of doubt, Seller or Option Party, as applicable, shall pay the Affected Employees at or promptly following the Closing Date the accrued, unused vacation leave or sick leave of the Affected Employees.

**Section 2.6 Determination of Estimated Purchase Price; Payment on Closing Date.**

(a) At least five (5) Business Days prior to the Closing Date, Seller shall deliver to Buyer a certificate executed on behalf of Seller by an authorized officer thereof, dated the date of its delivery, setting forth Seller's good faith estimate of (i) the Closing Date Working Capital Amount or the Closing Date Working Capital Deficit, as the case may be, and (ii) the Estimated Purchase Price. Such certificate shall be based on the then most recently available monthly financial statements of Seller and Option Party, as they relate to the Station, and shall reflect Seller's estimate of the prorations contemplated by Section 2.5(b) as of the Cutoff Time.

(b) On the Closing Date, Buyer shall pay Seller an amount equal to the Estimated Purchase Price (the "Closing Date Payment") by bank wire transfer of immediately available funds to such bank account or accounts designated by Seller for such purpose not less than three (3) Business Days before the date such payment is required to be made. For the avoidance of doubt, payment of the Option Payment to the Option Party shall be the sole responsibility of Seller, shall not increase the Purchase Price and shall be paid by Seller to Option Party at or prior to Closing.

**Section 2.7 Determination of Closing Date Working Capital and Purchase Price.**

(a) As promptly as practicable following the Closing Date (but not later than ninety (90) days after the Closing Date), Buyer shall:

(i) prepare, in accordance with the Agreed Accounting Principles, a balance sheet as of the Cutoff Time with respect to the Purchased Assets and the Assumed Liabilities (the "Preliminary Closing Date Balance Sheet");

(ii) determine the Purchase Price in accordance with the provisions of this Agreement (such Purchase Price as determined by Buyer being called the "Preliminary Purchase Price"); and

(iii) deliver to Seller a certificate executed by Buyer setting forth or attaching the Preliminary Closing Date Balance Sheet and Buyer's calculation of the Closing Date Working Capital Amount or the Closing Date Working Capital Deficit, as the case may be (the "Preliminary Closing Date Working Capital Calculation") derived therefrom and the Preliminary Purchase Price.

(b) Seller shall have thirty (30) days following receipt of the certificate referenced in Section 2.7(a) (the "Review Period") in which to review the Preliminary Closing Date Balance Sheet, the Preliminary Purchase Price and the Preliminary Closing Date Working Capital Calculation. In the event Seller does not object to the Preliminary Closing Date Balance Sheet, the Preliminary Purchase Price or the Preliminary Closing Date Working Capital Calculation prior to expiration of the Review Period, the Preliminary Closing Date Balance

Sheet, the Preliminary Purchase Price and the Preliminary Closing Date Working Capital Calculation shall become (i) the "Closing Date Balance Sheet," (ii) the "Purchase Price" and (iii) the "Closing Date Working Capital Amount" or the "Closing Date Working Capital Deficit," as the case may be, respectively, for all purposes of this Agreement, including for purposes of determining the adjustment payment (if any) specified in Section 2.10. In the event Seller objects to the Preliminary Closing Date Balance Sheet, the Preliminary Purchase Price or the Preliminary Closing Date Working Capital Calculation, Seller shall give a written notice to Buyer specifying its objections in reasonable detail and the basis therefor, prior to expiration of the Review Period ("Objection Notice"). During the fifteen (15) Business Day period following Buyer's receipt of the Objection Notice (the "Resolution Period"), Buyer and Seller shall attempt to resolve the differences specified in the Objection Notice and any resolution by them (evidenced in writing) of such differences (the "Agreed Adjustments") shall be final, binding and conclusive. In the event Buyer and Seller resolve all disputed items set forth in the Objection Notice by the Agreed Adjustments, the Preliminary Closing Date Balance Sheet, the Preliminary Purchase Price and the Preliminary Closing Date Working Capital Calculation, in each case as adjusted by the Agreed Adjustments, shall become (x) the "Closing Date Balance Sheet," (y) the "Purchase Price" and (z) the "Closing Date Working Capital Amount" or the "Closing Date Working Capital Deficit," as the case may be, respectively, for all purposes of this Agreement, including for purposes of determining the adjustment payment (if any) specified in Section 2.10.

(c) If at the conclusion of the Resolution Period any objections raised by Seller remain unresolved, then the amounts so in dispute (the "Disputed Items") shall be submitted to a firm of independent public accountants (the "Arbitrator") mutually selected by Seller and Buyer within ten (10) Business Days after the expiration of the Resolution Period. The Arbitrator shall determine and resolve, based solely on presentations by Buyer and Seller, and not by independent review, the Disputed Items, consistent with the Agreed Accounting Principles. In resolving the Disputed Items, the Arbitrator's determination shall be no higher or lower than the respective amounts proposed by Buyer and Seller. The Arbitrator's determination shall be made within thirty (30) Business Days of its selection, shall be set forth in a written statement delivered to Buyer and Seller and shall be final, binding and conclusive on the parties hereto. The Preliminary Closing Date Balance Sheet, the Preliminary Purchase Price and the Preliminary Closing Date Working Capital Calculation shall be adjusted to reflect all Agreed Adjustments and the resolution of all Disputed Items by the Arbitrator and, as so adjusted, shall be (i) the "Closing Date Balance Sheet," (ii) the "Purchase Price" and (iii) the "Closing Date Working Capital Amount" or the "Closing Date Working Capital Deficit," as the case may be, respectively, for all purposes of this Agreement, including for purposes of determining the adjustment payment (if any) specified in Section 2.10.

(d) The parties hereto shall make available to Buyer, Seller and, if applicable, the Arbitrator, such books, records and other information (including work papers) as any of the foregoing may reasonably request to prepare or review the Preliminary Closing Date Balance Sheet, the Preliminary Purchase Price and the Preliminary Closing Date Working Capital Calculation or any matters submitted to the Arbitrator. The fees and expenses of the Arbitrator shall be paid proportionately by Buyer and Seller based on the determination of the Arbitrator of the unresolved objections submitted to it pursuant to Section 2.7(c). The calculation of such proportionate payments shall be based on the relative position of the determination of the

Arbitrator in comparison to the positions submitted to it by Buyer and Seller pursuant to Section 2.7(c).

## **Section 2.8    Closing Date Deliveries.**

(a) On the Closing Date, Seller shall deliver or cause to be delivered to Buyer each of (i) a bill of sale and assignment from Seller, in substantially the form of Exhibit B-1, conveying all of the Purchased Assets held by Seller, (ii) a bill of sale and assignment from Option Party, in substantially the form of Exhibit B-2, conveying all of the Purchased Assets held by Option Party (other than the FCC Authorizations), (iii) an Assignment of FCC Authorizations from Option Party, in substantially the form of Exhibit C, assigning to Buyer the FCC Authorizations (the “Assignment of FCC Authorizations”), (iv) any documents or other deliveries that may be reasonably requested by Buyer in order to clear or otherwise remedy any defect or Encumbrance (other than Permitted Encumbrances), (v) the transition services agreement substantially the form of Exhibit D (the “Transition Services Agreement”), (vi) the Transmitter Lease Agreement, (vii) the Tower Space Lease Agreement, (viii) domain name transfers duly executed by the Seller or Option Party, as applicable, assigning the Business domain names to Buyer, (ix) all of the documents and instruments required to be delivered by Seller pursuant to Article VIII, (x) assignment agreements duly executed by the appropriate Seller relating to any agreement listed as an “Assumed Contract” on Schedule 3.18, (xi) a certificate of good standing of Meredith, issued as of a recent date by the Secretary of State of the State of Iowa, a certificate of good standing of KPHO, issued as of a recent date by the Secretary of State of the State of Arizona, a certificate of good standing of Option Party, issued as of a recent date by the Secretary of State of the State of Delaware, (xii) certified copies of all resolutions of Meredith or KPHO necessary to authorize the execution, delivery and performance of this Agreement and the Ancillary Agreements, including the consummation of the Transactions contemplated hereby, (xiii) a certification of non-foreign status, in form and substance reasonably satisfactory to Buyer, in accordance with Treas. Reg. § 1.1445-2(b) and (xiv) such other documents and instruments as Buyer has determined to be reasonably necessary to consummate the Transactions.

(b) On the Closing Date, Buyer shall deliver to Seller (i) the Closing Date Payment, (ii) all of the documents and instruments required to be delivered by Buyer pursuant to Article VII, (iii) the Assignment of FCC Authorizations, (iv) the Transition Services Agreement, (v) the Transmitter Lease Agreement, (vi) the Tower Space Lease Agreement, (vii) the Instrument of Assumption, (viii) a certificate of good standing of Buyer, issued as of a recent date by the secretary of state of Delaware, and (ix) such other documents and instruments as Seller has determined to be reasonably necessary to consummate the Transactions.

## **Section 2.9    Further Assurances.**

(a) On the Closing Date, Seller shall (i) deliver to Buyer such other bills of sale, deeds, endorsements, assignments and other good and sufficient instruments of conveyance and transfer as Buyer may reasonably request or as may be otherwise reasonably necessary to vest in Buyer all the right, title and interest of Seller in, to or under any or all of the Purchased Assets and (ii) take all steps as may be reasonably necessary to put Buyer in actual possession and control of all the Purchased Assets. From time to time following the Closing, Seller shall



execute and deliver, or cause to be executed and delivered, to Buyer such other instruments of conveyance and transfer as Buyer may reasonably request or as may be otherwise necessary to more effectively convey and transfer to, and vest in, Buyer and put Buyer in possession of, any part of the Purchased Assets, and, in the case of licenses, certificates, approvals, authorizations, agreements, contracts, leases, easements and other commitments included in the Purchased Assets which cannot be transferred or assigned effectively without the consent of third parties, which consent has not been obtained prior to the Closing, to cooperate with Buyer at its reasonable request in endeavoring to obtain such consent.

(b) Without limiting Section 5.3(d) hereof, to the extent that any Station Agreement or other agreement included as a Purchased Asset cannot be assigned without consent and such consent is not obtained prior to the Closing Date, Seller shall use all commercially reasonable efforts to (including by using commercially reasonable efforts to enforce its rights under the Option Agreement to cause Option Party to) provide Buyer the benefits of any such agreement and, to the extent Buyer is provided with the benefits of such agreement, Buyer shall perform or discharge on behalf of Seller or Option Party the obligations and liabilities under such agreement in accordance with the provisions thereof. In addition to Buyer's obligation pursuant to the foregoing sentence, as to any Station Agreement or other agreement included as a Purchased Asset that is not effectively assigned to Buyer as of the Closing Date but is thereafter effectively assigned to Buyer, Buyer shall, from and after the effective date of such assignment, assume, and shall thereafter pay, perform and discharge as and when due, all Assumed Liabilities of Seller or Option Party arising under such agreement.

(c) On the Closing Date, Buyer shall deliver to Seller such other undertakings and assumptions and other good and sufficient instruments of conveyance, transfer and assumption as Seller may reasonably request or as may be otherwise reasonably necessary to evidence Buyer's assumption of and obligation to pay, perform and discharge the Assumed Liabilities. From time to time following the Closing, Buyer shall execute and deliver, or cause to be executed and delivered, to Seller such other undertakings and assumptions as Seller may reasonably request or as may be otherwise necessary to more effectively evidence Buyer's assumption of and obligation to pay, perform and discharge the Assumed Liabilities.

**Section 2.10 Purchase Price Adjustment.** Promptly (but not later than five (5) Business Days) after the determination of the Purchase Price pursuant to Section 2.7 that is final and binding as set forth herein:

(a) if the Purchase Price as finally determined pursuant to Section 2.7 exceeds the Estimated Purchase Price, Buyer shall pay to Seller, by wire transfer of immediately available funds to such bank accounts of Seller as Seller shall designate in writing to Buyer, the difference between the Purchase Price and the Estimated Purchase Price; or

(b) if the Purchase Price as finally determined pursuant to Section 2.7 is less than the Estimated Purchase Price, Seller shall pay to Buyer, by wire transfer of immediately available funds to such bank accounts of Buyer as Buyer shall designate in writing to Seller, the difference between the Purchase Price and the Estimated Purchase Price.

**Section 2.11 Allocation of Purchase Price.** All amounts constituting consideration within the meaning of and for the purposes of Section 1060 of the Code shall be allocated among the Purchased Assets and the Assumed Liabilities, as applicable, in the manner required by Section 1060 of the Code. Within 120 days of the Closing Date, each of Buyer and Seller shall provide information to the other regarding the providing party's proposed allocation of the Purchase Price and Assumed Liabilities in accordance with the requirements of Section 1060 of the Code, and, if the parties reach agreement with respect to such allocation, then each party agrees to complete and timely file IRS Form 8594 (or any successor form), to file all income Tax Returns in accordance with such agreed allocation, and to take no action with respect to Taxes inconsistent with such agreed allocation. If the parties do not reach agreement with respect to such allocation, then the parties shall have no further obligation under this Section 2.11, and each party shall make its own determination of such allocation.

### ARTICLE III

#### REPRESENTATIONS AND WARRANTIES OF SELLER

As an inducement to Buyer to enter into this Agreement and to consummate the transactions contemplated hereby, Seller represents and warrants to Buyer as follows:

**Section 3.1 Organization.** Meredith is duly organized, validly existing and in good standing under the laws of the State of Iowa, and KPHO is duly organized, validly existing and in good standing under the laws of the State of Arizona. Seller has the requisite corporate power and authority to operate the Station as operated by it, to use the Purchased Assets used by it and to carry on the Business as now conducted by it. Option Party is duly organized, validly existing and in good standing under the laws of the State of Delaware and each is qualified to do business in the State of Arizona. Option Party has the requisite corporate power and authority to operate the Station as operated by it, to use the Purchased Assets used by it and to carry on the Business as now conducted by it.

**Section 3.2 Subsidiaries and Investments.** Except as set forth in Schedule 3.2, Seller does not, directly or indirectly, (a) own, of record or beneficially, any outstanding voting securities or other equity interests in any corporation, partnership, joint venture or other entity which is involved in or relates to the Business or (b) otherwise control any such corporation, partnership, joint venture or other entity which is involved in or relates to the Business.

**Section 3.3 Authority of Seller and Option Party.**

(a) Each of Meredith and KPHO has the requisite corporate power and authority to execute and deliver this Agreement and the Ancillary Agreements to be executed and delivered by Meredith or KPHO pursuant hereto, to consummate the transactions contemplated hereby and thereby and to comply with the terms, conditions and provisions hereof and thereof. Option Party has the requisite corporate power and authority to execute and deliver the Ancillary Agreements to be executed and delivered by Option Party pursuant hereto and to execute, deliver and perform under the Option Agreement and to comply with the terms, conditions and provisions hereof and thereof.

(b) The execution, delivery and performance of this Agreement and the Ancillary Agreements by each of Meredith and KPHO (to the extent a party thereto) have been duly authorized and approved by all necessary action of Meredith and KPHO and do not require any further authorization or consent of Meredith and KPHO, or their respective stockholders. The execution and delivery by Option Party of the Ancillary Agreements to which it is a party, the performance by Option Party of its obligations thereunder and the consummation by Option Party of the transactions contemplated thereby are within such Option Party's limited liability company powers, have been duly authorized and approved by the managers of such Option Party and no other limited liability company action of the part of such Option Party is necessary to authorize and approve the execution, delivery and performance by such Option Party of the Ancillary Agreements to which it is or will be a party and the consummation by each such Option Party of the transactions contemplated hereby and thereby. This Agreement is, and each other Ancillary Agreement when executed and delivered by Meredith, KPHO and Option Party, as applicable, and the other parties thereto will be, a legal, valid and binding agreement of Meredith, KPHO and Option Party (to the extent a party thereto) enforceable in accordance with its 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) Except as set forth in Schedule 3.3, none of the execution, delivery and performance by either Meredith or KPHO of this Agreement or by Meredith, KPHO or Option Party, as applicable, of the Ancillary Agreements, the consummation by Meredith, KPHO or Option Party of any of the transactions contemplated hereby or thereby or compliance by Meredith, KPHO or Option Party with or fulfillment by Meredith, KPHO or Option Party 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 Encumbrance upon any of the Purchased Assets under, (A) the certificate of incorporation, bylaws or organizational documents of such Person, (B) any Station Agreement, (C) any Governmental Permit, (D) any judgment, order, award or decree to which such Person is a party or any of the Purchased Assets is subject or by which such Person is bound, (E) any statute, other law or regulatory provision affecting such Person or the Purchased Assets, or (F) any material indenture, note, mortgage, lease, guaranty or material agreement to which Seller is a party or any of the material assets of Seller is subject or by which Seller is bound, except, in the case of each of the foregoing clauses (B), (C), (D), or (E), as would not reasonably be expected to have a Material Adverse Effect; or

(ii) require the approval, consent, authorization or act of, or the making by Meredith, KPHO, or Option Party of any declaration, filing or registration with, any third Person or any foreign, federal, state or local court, governmental or regulatory authority or body, except for such of the foregoing as are necessary pursuant to the Communications Act and except, in any case, as would not reasonably be expected to have a Material Adverse Effect.

(d) Pursuant to the terms of the Option Agreement, Option Party is obligated to take all actions reasonably necessary or required by it to facilitate the sale and transfer of the Option Assets to Seller. A complete and correct copy of the Option Agreement, together with all amendments thereto, have heretofore been delivered or made available to Buyer by Seller.

**Section 3.4 Financial Statements.** Schedule 3.4 contains (a) the unaudited balance sheets of the Station as of December 31, 2012 and December 31, 2013, respectively, and the related statements of income for the years then ended and (b) the unaudited balance sheet (the “Balance Sheet”) of the Station as of September 30, 2014 and the related unaudited statement of income for the nine-month period then ended. Except as set forth in Schedule 3.4, each of such balance sheets and statements of income have been derived from the books and records of Seller or Option Party, as applicable, relating to the Business and prepared in accordance with GAAP consistently applied and present fairly, in all material respects, the financial position and results of operations of the Station as of their respective dates and for the respective periods covered thereby.

**Section 3.5 Operations Since Balance Sheet Date.**

(a) Except as set forth in Schedule 3.5(a), since the June 30, 2014 (the “Balance Sheet Date”), there has been no change in the financial condition or the results of operations of the Business, or change in the Seller’s or Option Party’s accounting methods which, individually or in the aggregate, which has had or would reasonably be expected to have a Material Adverse Effect.

(b) Except as set forth in Schedule 3.5(b), since the Balance Sheet Date the Business has been conducted by Seller and Option Party only in the ordinary course and in conformity with past practice. Without limiting the generality of the foregoing, since the Balance Sheet Date, except as set forth in Schedule 3.5(b), neither Seller nor Option Party has, in respect of the Station, the Business or the Purchased Assets:

(i) sold, leased, transferred or otherwise disposed of or mortgaged or pledged, or imposed or suffered to be imposed any Encumbrance (other than Permitted Encumbrances) on, any of the Purchased Assets, other than assets that would not be material, individually or in the aggregate, to the Business and assets sold or otherwise disposed of for fair value in the ordinary course of the Business consistent with past practice;

(ii) acquired, or agreed to acquire (A) by merging or consolidating with, or by purchasing all or a substantial equity or voting interest in any Person, or (B) any assets that would be material, individually or in the aggregate, to the Business and, with respect to clause (B), other than in the ordinary course of the Business consistent with past practice;

(iii) created, incurred, guaranteed or assumed, or agreed to create, incur, guarantee or assume, any Indebtedness (other than money borrowed or advances from Seller, any of Seller’s Affiliates or Option Party’s Affiliates in the ordinary course of the Business consistent with past practice) or entered into any capitalized leases other than in the ordinary course of the Business consistent with past practice;

(iv) hired any employee other than in the ordinary course of the Business consistent with past practice;

(v) terminated or cancelled any insurance coverage maintained by Seller or Option Party with respect to any material assets without replacing such coverage with a comparable amount of insurance coverage, other than in the ordinary course of the Business consistent with past practice;

(vi) granted or instituted any increase in any rate of salary or compensation or any profit sharing, bonus, incentive, deferred compensation, insurance, pension, retirement, medical, hospital, disability, welfare or other employee benefit plan other than in the ordinary course of the Business consistent with past practices; or

(vii) entered into any agreement or made any commitment to take any action described in subparagraphs (i) through (vi) above.

**Section 3.6 No Undisclosed Liabilities.** Except as set forth in Schedule 3.6, to the Knowledge of Seller, neither Seller nor Option Party is subject, with respect to the Business, to any liability (including, without limitation, unasserted claims, whether known or unknown), whether absolute, contingent, accrued or otherwise, which is not shown or reserved for in the Balance Sheet, other than liabilities of the same nature as those set forth in the Balance Sheet and the notes thereto and incurred in the ordinary course of the Business after the Balance Sheet Date and those which have not had and would not, individually or in the aggregate, reasonably be expected to have, a Material Adverse Effect.

**Section 3.7 Taxes.**

(a) Each of Seller and Option Party, as applicable, has, in respect of the Business, either filed or obtained extensions for filings pursuant to established procedures all material foreign, federal, state, county or local income, excise, property, sales, use, franchise or other Tax returns and reports which are required to have been filed by Seller or Option Party, as applicable, under Laws on or prior to the date of this Agreement and has paid or made provision for the payment of all material Taxes which have become due pursuant to such returns or pursuant to any assessments which have become payable and which are not being contested in good faith by appropriate proceedings. All such Tax returns filed were correct and complete in all material respects.

(b) All material Taxes required to be withheld by Seller or Option Party, as applicable, from employees of the Business for income Taxes, social security and other payroll Taxes have been collected or withheld, and either paid to the respective Governmental Bodies, set aside in accounts for such purpose, or accrued, reserved against and entered upon the books of Seller or such Option Party, as applicable.

(c) There are no Encumbrances for Taxes on any of the Purchased Assets other than Permitted Encumbrances and there is no liability for Taxes arising out of the operation or ownership of the Station or the Business prior to Closing that could give rise to an Encumbrance on the Purchased Assets in the hands of Buyer, excepting any Permitted

Encumbrance and excepting any Encumbrance arising as a result of actions by Buyer or the failure of Buyer to perform its obligations under this Agreement.

(d) None of the Purchased Assets is properly treated as owned by Persons other than Seller or Option Party, as applicable, for Tax purposes.

(e) There are no material disputes, claims, proceedings or other actions currently pending or threatened in writing for the assessment or collection of Taxes from Seller or Option Party, as applicable, with respect to the Business or any of the Purchased Assets. Neither Seller nor Option Party, as applicable, has requested or been granted an extension of time for filing any Tax return with respect to the Business or the Purchased Assets which has not yet been filed. Neither Seller nor Option Party, as applicable, has consented to extend to a date later than the due date of this Agreement the time in which any Tax attributable to the Business or the Purchased Assets may be assessed or collected by any Tax authority. No claim has been made, to the Knowledge of Seller, by a Tax authority in a jurisdiction where Seller or Option Party, as applicable, does not file Tax returns claiming that such Person is or may be subject to Taxes assessed by such jurisdiction, where Seller or Option Party, as applicable, has located any Purchased Asset, has any employee working with respect to the Business, has any sales with respect to the Business, or otherwise conducts any business with respect to the Business.

(f) Neither Seller nor Option Party is a party to or bound by any Tax allocation or Tax sharing agreement that includes the Purchased Assets or the Business. Neither Seller nor Option Party is a foreign person so that Section 897 of the Code is not applicable to the purchase and sale of the Purchased Assets.

**Section 3.8 Sufficiency of Assets and Legality of Use.** Except as set forth in Schedule 3.8 and except for the Excluded Assets and with respect to the services to be provided under the Transition Services Agreement and the property to be leased pursuant to the Transmitter Lease Agreement, the Purchased Assets (i) constitute all the assets and properties whether tangible or intangible, whether personal, real or mixed, wherever located, that are used primarily in the operation of the Station, (ii) are sufficient to conduct the operation of the Station in the manner in which the Station is conducted on the date hereof, and (iii) are in such good and serviceable condition (subject to normal wear and tear) as is necessary for the conduct of the Business and the operations of the Station as presently conducted.

**Section 3.9 Governmental Permits; FCC Matters.**

(a) Option Party owns, holds or possesses all registrations, licenses, permits, approvals and regulatory authorizations and, any additions, renewals and extensions thereof or thereto, and all pending applications for modification, extension or renewal thereof from a Governmental Body that are necessary to entitle it to own or lease, operate and use the assets of the Station that it owns and to carry on and conduct the Business substantially as conducted immediately prior to the date of this Agreement (herein collectively called "Governmental Permits"), except for such Governmental Permits as to which the failure to so own, hold or possess would not have a Material Adverse Effect. Schedule 3.9(a) sets forth a list and brief description of each material Governmental Permit applicable to the Station, including the FCC Authorizations, held by Option Party as of the date of this Agreement. The FCC Authorizations

constitute all registrations, licenses, franchises, permits issued by the FCC in respect of the Station.

(b) Option Party has fulfilled and performed its obligations under each of the Governmental Permits except, in each case and in the aggregate, for noncompliance that has not had and could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Each of the Governmental Permits is, in all material respects, valid, subsisting and in full force and effect and has not been revoked, suspended, canceled, rescinded or terminated.

(c) The Station is being operated in all material respects in accordance with the FCC Authorizations and in compliance in all material respects with the Communications Act and all other Laws applicable to the Station. Neither Seller nor Option Party has received any written notice of any violation of the FCC Authorizations or the Communications Act. Except as set forth on Schedule 3.9(c), there is not (i) pending, or, to the Knowledge of Seller, threatened, any legal proceeding by or before the FCC to revoke, suspend, cancel, rescind, terminate, adversely modify or refuse to renew in the ordinary course any FCC Authorization (other than, in the case of modifications, proceedings to amend the FCC rules of general applicability) or (ii) issued or outstanding, by or before the FCC, any (A) order to show cause, (B) notice of violation, (C) notice of apparent liability or (D) order of forfeiture, in each case, against the Station, Seller or Option Party with respect to the Station that has resulted or would reasonably be expected to result in any action described in the foregoing clause (i) with respect to such FCC Authorizations. The FCC Authorizations have been issued by the FCC for full terms customarily issued by the FCC for each class of Station, and with the terms expiring as indicated on Schedule 3.9(a), and the FCC Authorizations are not subject to any condition except for those conditions appearing on the face of the FCC Authorizations and conditions applicable to broadcast licenses generally or otherwise disclosed in Schedule 3.9(a). Option Party has (i) paid or caused to be paid all FCC regulatory fees due in respect of the Station, and (ii) timely filed all material registrations and reports required to have been filed with the FCC relating to the FCC Authorizations.

(d) Except as disclosed in Schedule 3.9(d), to the Knowledge of Seller, there are no facts or circumstances relating to Seller or Option Party, which would reasonably be expected to (i) result in the FCC's refusal to grant the FCC Consent, (ii) materially delay the obtaining of the FCC Consent, or (iii) cause the FCC to impose any material condition on its granting of the FCC Consent. Except as disclosed in Schedule 3.9(d), Seller has no reason to believe that the FCC Applications might be challenged or might not be granted by the FCC in the ordinary course due to any fact or circumstance relating to Seller, Option Party or Seller's or Option Party's operation of the Station. To the Knowledge of Seller, there are no facts or circumstances that would, under the Communications Act or any other Laws, disqualify Option Party as an assignor of the FCC Authorizations with respect to the Station or as the owner and operator of the Station. Buyer acknowledges that (i) Option Party's acquisition of the Station's FCC Authorizations was subject to certain conditions imposed by the FCC (the "Conditional Grant") and (ii) notwithstanding anything to the contrary herein, the obligations of Seller and Option Party hereunder are subject to the obligations set forth in the Conditional Grant and any requests made by the FCC in connection with the Conditional Grant.



This Section 3.9 does not relate to Governmental Permits for environmental, health and safety, which are the subject solely of Section 3.22.

**Section 3.10 Real Property; Real Property Leases.**

(a) Neither Seller nor Option Party own any real property that is used primarily in connection with the operation of the Station.

(b) Schedule 3.10(b) sets forth a list of each material lease or similar agreement primarily relating to the Business under which Seller or Option Party is lessee of, or holds or operates, any real property owned by any third Person (collectively, the “Real Property Leases” and the property leased under such Real Property is referred to herein, as the “Real Property”). Seller or Option Party, as applicable, enjoys, in all material respects, peaceful and undisturbed possession of the leased premises under the Real Property Leases.

(c) All of the Real Property Leases listed on Schedule 3.10(b) (i) constitute a valid and binding obligations of Seller or Option Party, as applicable, and to the Knowledge of Seller, the other parties thereto, (ii) are in full force and effect, and (iii) neither the Seller or the Option Party, nor to Knowledge of Seller, any other party thereto is in breach of, or default thereunder which, with or without notice, lapse of time or both, would constitute a material default under the provisions of any of the Real Property Leases or would allow the other party to terminate such Real Property Lease or bring a claim for any Loss.

(d) Except as set forth on Schedule 3.10(d), no other Person has the right to use or occupy any leased real property which is the subject of any Real Property Lease and neither Seller nor Option Party, as applicable, has collaterally assigned or granted any other security interest in any Real Property Lease.

(e) As of the date of this Agreement, to the Knowledge of Seller, no property leased by Seller or Option Party under any Real Property Lease is subject to any pending or threatened suit for condemnation or other taking by any public authority. Seller’s or Option Party’s use and occupancy of the Real Property complies, in all material respects, with all regulations, codes, ordinances and statutes of all applicable Governmental Bodies.

(f) Each parcel of Real Property has reasonable access to and from roads adjoining the Real Property.

**Section 3.11 Personal Property Leases.** There are no leases or other agreements or right under which Seller or Option Party, as applicable, is lessee of, or holds or operates, any machinery, equipment, vehicle or other tangible personal property owned by a third Person and used in or relating to the Business, except those which are terminable by Seller or Option Party, as applicable, without penalty on thirty (30) days’ notice or less or which provide for annual rentals less than \$50,000.

**Section 3.12 Intellectual Property.**

(a) Schedule 3.12(a) lists all United States and foreign patents, pending patent applications, trademark registrations, pending trademark applications and domain names issued



to, assigned to and filed by Seller or Option Party, as applicable, used to identify the Station or otherwise used by Seller or Option Party, as applicable, primarily in connection with the Business, all of which is transferable to the Buyer by the sole act of Seller or Option Party without the consent, approval or waiver of any other Person, except for any consents listed on Schedule 3.3, and without affecting the Buyer's continuing right to use the Intellectual Property after the applicable Closing.

(b) The Intellectual Property includes all of the intellectual property and proprietary rights used in or necessary for the operation of the Business and the Seller or Option Party, applicable, has good and marketable title to, or has the exclusive right to use, the Intellectual Property free and clear of Encumbrances, other than Permitted Encumbrances. Except as disclosed in Schedule 3.12(b), to the Knowledge of Seller, Seller or Option Party, as applicable, either: (i) owns the entire right, title and interest in and to the items listed in Schedule 3.12(a), free and clear of Encumbrances except for Permitted Encumbrances; or (ii) has the right and license to use the same in the conduct of the Business.

(c) Except as disclosed in Schedule 3.12(c), to the Knowledge of Seller: (i) all patents and registrations identified in Schedule 3.12(a) are in force, and all applications identified in Schedule 3.12(a) are pending without challenge (other than office actions that may be pending before the Patent and Trademark Office or its foreign equivalents); (ii) the Intellectual Property owned by Seller or Option Party, as applicable, and material to the conduct of the Business is valid and enforceable; and (iii) Seller or Option Party, as applicable, has the right to bring actions for infringement or unauthorized use of the Intellectual Property owned by Seller or Option Party, as applicable, and material to the conduct of the Business.

(d) Except as disclosed in Schedule 3.12(d), to the Knowledge of Seller: (i) during the two (2) years prior to the date of this Agreement, no written claim has been made or asserted that alleges the Intellectual Property owned by Seller and material to the conduct of the Business infringes the Intellectual Property of another Person; (ii) no litigation, arbitration or other proceeding is currently pending with respect to the Intellectual Property owned by Seller; and (iii) during the two (2) years prior to the date of this Agreement, no written claim has been made or asserted that challenges the validity or ownership of any Intellectual Property owned by Seller and material to the conduct of the Business.

(e) There are no royalty agreements between the Seller or Option Party, on the one hand, and any third party relating to Intellectual Property, on the other hand.

**Section 3.13 Receivables.** All Receivables of Seller or Option Party, as applicable, relating to the Business have arisen from bona fide transactions in the ordinary course of the Business and, to the Knowledge of Seller, constitute valid claims which are not subject to counterclaims or setoffs.

**Section 3.14 Title to Purchased Assets.** Seller or Option Party, as applicable, has good and marketable title to, or a valid leasehold interest in, the Purchased Assets, free and clear of all Encumbrances, except for Permitted Encumbrances.

**Section 3.15 Tangible Personal Property.** Schedule 3.15 contains a list of material items of Tangible Personal Property included in the Purchased Assets. Except as set forth on Schedule 3.15, all material items of Tangible Personal Property are in good operating condition, ordinary wear and tear excepted. No Tangible Personal Property has been removed since June 19, 2014, except for such Tangible Personal Property which was obsolete or replaced.

**Section 3.16 Employees.**

(a) Schedule 3.16 contains: (a) a list of the Affected Employees, (b) the current rate of compensation, including bonus and incentive pay rights, provided by Option Party to such employees, (c) employment status (i.e., active, disabled, or on authorized leave), (d) title, and (e) whether full-time or part-time for each Affected Employee. Since the Balance Sheet Date, except as disclosed in Schedule 3.16, Option Party has not: (i) increased the compensation payable or to become payable to or for the benefit of any Affected Employee (other than normal annual salary increases consistent with past practice), (ii) increased the amount payable to any Affected Employee upon the termination of such person's employment, or (iii) increased, augmented or improved benefits granted to or for the benefit of the Affected Employees under any bonus, profit sharing, pension, retirement, deferred compensation, insurance or other direct or indirect benefit plan or arrangement.

(b) The Seller and Option Party have complied in all material respects with all labor and employment Laws, including without limitation those which relate to wages, hours, terms and conditions of employment, classification of employees, discrimination in employment and collective bargaining, equal opportunity, harassment, immigration, disability, workers' compensation, unemployment compensation, occupational health and safety, Code Section 409A and the withholding, collection and payment of income, FICA Taxes and other Taxes, in each case, as applicable to the Affected Employees. Within the past three (3) years, to Seller's Knowledge, no employee layoffs have occurred that could implicate the Worker Adjustment and Retraining Notification Act of 1988 or any similar state or local Laws (collectively, the "WARN Act"), and no such layoffs will be implemented without advance notice to the Buyer.

(c) Except as provided in Section 6.2, the consummation of the Transactions will not cause the Buyer to incur or suffer any liability relating to, or obligation to pay, severance, termination or other payments to any Affected Employee or any liability under or with respect to any Employee Plans.

**Section 3.17 Employee Relations.**

(a) None of the Affected Employees are subject to any Collective Bargaining Agreement.

(b) No union or similar organization represents employees of Seller or Option Party, as applicable, with respect to the Business, and, to the Knowledge of Seller, no such organization is attempting to organize such employees. As of the date of this Agreement, no unfair labor practice charge against Seller or Option Party in respect of the Station is pending or, to Seller's Knowledge, threatened before the National Labor Relations Board, any state labor relations board or any court or tribunal, nor has any written complaint pertaining to any such

charge or potential charge been filed against Seller or Option Party, in each case, that would be reasonably likely to result in any liability that is material to the Business, taken as a whole. As of the date of this Agreement, there is no strike, slowdown, work stoppage or other material labor dispute pending or, to Seller's Knowledge, threatened in respect of the Station.

**Section 3.18 Contracts.** Except as set forth in Schedule 3.18 or any other Schedule hereto, as of the date of this Agreement, Seller, its Affiliates and Option Party, with respect to the Business, is not a party to or bound by:

(a) any contract for the acquisition, sale, lease or license of properties or assets of Seller or Option Party with a value of excess of \$100,000 or any capital lease;

(b) any contract for the purchase, rental or use of any recordings, programming or programming services which is not terminable by Seller or Option Party without penalty on thirty (30) days' notice or less or which involves the payment after the date hereof of more than \$50,000 over the remaining term of such contract;

(c) any contract that is a "local marketing agreement" or time brokerage agreement, joint sales agreement, shared services agreement, management services agreement, local news sharing agreement or similar contract;

(d) any contracts with on-air talent or consultants to Seller or Option Party that involves a commitment for annual consideration with a value in excess of \$75,000;

(e) any employment agreement, or similar contract or Employee Plan providing for compensation, severance or a fixed term of employment in respect of services performed by an employee of Seller or Option Party;

(f) any Real Property Leases or material leases of subleases to which Seller or Option Party is a party as lessor or sublessor;

(g) any partnership, joint venture or other similar agreement or arrangement;

(h) any agreement or instrument which provides for, or relates to, the incurrence by Seller of debt for borrowed money (except for such agreements or instruments which shall not apply to Buyer or its Affiliates upon Closing);

(i) any affiliation agreement with a national television network;

(j) any retransmission agreement with any Specified MVPD;

(k) any contract involving Intellectual Property, other than licenses of off-the-shelf software with a replacement value or aggregate annual license and maintenance fees of less than \$5,000;

(l) any contract for capital expenditures in excess of \$50,000 for any single item and \$100,000 in the aggregate;

(m) any agreement outside of the ordinary course of the Business containing any covenant or provision prohibiting Seller from engaging in any line or type of business (except for such agreements which shall not apply to Buyer or its Affiliates upon Closing);

(n) Collective Bargaining Agreements; or

(o) any contract (other than any contract of the type described in clauses (a) through (o) above) that (i) involves the payment or potential payment by or to Seller or Option Party of more than \$100,000 per annum (other than payments to Seller or Option Party for advertising) or (ii) cannot be terminated within ninety (90) days after giving notice of termination and without resulting in any material cost, penalty or liability to Seller, Option Party or Buyer.

Schedule 3.18 also indicates whether each contract, agreement or other instrument listed therein is to be deemed an “Assumed Contract” or a “Contract Not Assumed” for purposes of this Agreement.

**Section 3.19 Status of Contracts.** Except as set forth in Schedule 3.19 or in any other Schedule hereto, each of the leases, contracts and other agreements listed in Schedules 3.10(b) and 3.18 applicable to the Station (provided, in the case of Schedule 3.18, such contract or other agreement is designated therein as an “Assumed Contract”, but excluding the contracts and other agreements designated in Schedule 3.18 as a “Contract Not Assumed,”) (collectively, the “Station Agreements”) constitutes a valid and binding obligation of Seller and, to the Knowledge of Seller, the other parties thereto (subject to bankruptcy, insolvency, reorganization or other similar laws relating to or affecting the enforcement of creditors’ rights generally) and is in full force and effect (subject to bankruptcy, insolvency, reorganization or other similar laws relating to or affecting the enforcement of creditors’ rights generally) and except as set forth in Schedule 3.3 and except for those Station Agreements which by their terms will expire prior to the Closing Date or will be otherwise terminated prior to the Closing Date in accordance with the provisions hereof or at the direction of Buyer, may be transferred to Buyer pursuant to this Agreement and will be in full force and effect at the time of such transfer, in each case without breaching the terms thereof or resulting in the forfeiture or impairment of any rights thereunder and without the consent, approval or act of, or the making of any filing with, any other Person. Except as has not, individually or in the aggregate, had and would not reasonably be expected to have a Material Adverse Effect, (i) Seller and Option Party are not in breach of, or default under, the Station Agreements and, to the Knowledge of Seller, no other party to the Station Agreements is in breach of, or default under, the Station Agreements, and (ii) to the Knowledge of Seller, no event has occurred which would result in a breach of, or default under, the Station Agreements (in each case, with or without notice or lapse of time or both). Complete and correct copies of each of the Station Agreements, together with all amendments thereto, have heretofore been delivered or made available to Buyer by Seller.

**Section 3.20 No Violation, Litigation or Regulatory Action.** Except as set forth in Schedule 3.20:

(a) Seller and Option Party, as applicable, are, and at all times since June 19, 2014, has been in compliance with all Laws which are applicable to the Purchased Assets, the Station or the Business in all material respects; and

(b) Since June 19, 2014 and through the date of this Agreement, neither Seller nor Option Party has received any material written notice of violation of any Laws; and

(c) As of the date of this Agreement, there are no Actions, suits or proceedings by or before any court or any Governmental Body which are pending or, to the Knowledge of Seller, threatened against Seller or Option Party in respect of the Purchased Assets, the Station or the Business which, (i) if adversely determined, would reasonably be expected to have a Material Adverse Effect or (ii) would reasonably be expected to affect Seller's ability to perform their obligations under this Agreement in any material respect or otherwise impede, prevent or materially delay the consummation of the transactions contemplated by this Agreement.

**Section 3.21 Insurance.** Option Party or Seller currently maintains, in respect of the Purchased Assets, the Station and the Business, policies of fire and extended coverage and casualty, liability and other forms of insurance in such amounts and against such risks and losses as are in the judgment of Seller prudent for the Business. Except as set forth in Schedule 3.21 with respect to the Business, there are no outstanding claims under any insurance policy or default with respect to provisions in any such policy which claim or default individually or in the aggregate would reasonably be expected to have a Material Adverse Effect.

**Section 3.22 Employee Plans; ERISA.**

(a) Schedule 3.22 sets forth a list of (i) each pension, retirement, profit sharing, deferred compensation, stock bonus or other similar plan relating to the Business, (ii) each medical, vision, dental or other health plan relating to the Business, (iii) each life insurance plan relating to the Business and (iv) any other material employee benefit plan relating to the Business, in each case, to which Seller or Option Party is on the date hereof required to contribute, or which Seller or Option Party on the date hereof sponsors for the benefit of any of its employees, or under which employees of the Business (or their beneficiaries) of Seller or Option Party are on the date hereof eligible to receive benefits, including, without limitation, any Employee Benefit Plan (as defined in Section 3(3) of ERISA) (except for those plans that are "multiemployer plans" within the meaning of ERISA Section 3(37) collectively, the "Employee Plans"). A true and correct copy of each Employee Plan has been made available to Buyer.

(b) All Employee Plans are in compliance in all material respects with the provisions of ERISA, the Code and other applicable Laws promulgated thereunder to the extent that ERISA, the Code and other Laws are intended to apply. Each of Seller's Employee Plans that is intended to be qualified under Section 401(a) of the Code has received a currently favorable determination letter from the IRS. Except as set forth on Schedule 3.22(b), neither Seller nor Option Party maintains, sponsors, participates in or contributes to any employee pension benefit plan (as defined in Section 3(2) of ERISA) in connection with the Business that is subject to Title IV of ERISA or Section 412 of the Code. Except as set forth on

Schedule 3.22(b), Seller or Option Party, on the date hereof, does not participate in, or owe withdrawal liability to, any Multiemployer Plan (as defined in Section 4001(a)(3) of ERISA).

**Section 3.23 Environmental Protection.** Except as set forth in Schedule 3.23:

(a) As of the date of this Agreement, to Seller's Knowledge, the Station and the Business are in compliance with all Environmental Laws in all material respects;

(b) To Seller's Knowledge, Seller and Option Party, as applicable, has, in respect of the Business, obtained all environmental, health and safety Governmental Permits necessary for its operation, except for such Governmental Permits as to which the failure to so own, hold or possess would not have a Material Adverse Effect. All such Governmental Permits are in good standing and Seller and Option Party, as applicable, is in compliance with all terms and conditions of such Governmental Permits in all material respects;

(c) To Seller's Knowledge, as of the date of this Agreement, neither Seller nor Option Party, with respect to the Business, is subject to any on-going investigation by or agreement with any Person (including without limitation any prior owner or operator of Seller Property) respecting (i) any Environmental Law, (ii) any Remedial Action or (iii) any claim of Losses and Expenses arising from the Release or threatened Release of a Contaminant into the environment;

(d) To Seller's Knowledge, as of the date of this Agreement, neither Seller nor Option Party is, with respect to the Business, subject to any judicial or administrative proceeding, order, judgment, decree or settlement alleging or addressing a violation of or liability under any Environmental Law; and

(e) The operations of the Business do not exceed the permissible levels of exposure to RF radiation specified in the Communications Laws or under Environmental Laws; and

(f) To Seller's Knowledge, neither Seller nor Option Party has received any written notice or written claim to the effect that it is or may be liable to any Person as a result of the Release or threatened Release of a Contaminant.

**Section 3.24 MVPD Matters.** Schedule 3.24 contains, as of the date hereof, (i) a list of each retransmission consent contract to which Seller or Option Party is a party with any Specified MVPD and (ii) a list of the MVPDs that, to the Knowledge of Seller, carry the Station and have more than five thousand (5,000) subscribers with respect to the Station outside of the Station's Market. To the Knowledge of Seller, the Option Party has entered into retransmission consent contracts with respect to each Specified MVPD, and no MVPD is retransmitting the signal of the Station without the authorization of the Option Party. The Station has made timely retransmission consent elections for the 2015-2017 retransmission consent election cycle with respect to each Specified MVPD in the Station's Market. Since December 31, 2012 and until September 30, 2014, (A) no such Specified MVPD has provided written notice to Option Party or Seller of any material signal quality issue or has failed to respond to a request for carriage or sought any form of relief from carriage of a Station from the FCC; (B) neither Option Party nor Seller has received any written notice from any such Specified MVPD of such Specified

MVPD's intention to delete a Station from carriage or to change the Station's channel position; and (C) to the Knowledge of Seller, no Specified MVPD that had previously carried the signal of a Station ceased to carry the signal of the Station for a period of more than 24 hours for any reason, including upon expiration of retransmission consent with respect to the Station.

**Section 3.25 Certain Business Practices.** Neither Seller nor Option Party, nor, to the Knowledge of Seller, any authorized representative of Seller or Option Party (acting in such capacity), has, directly or indirectly, (a) offered, paid, promised to pay, or authorized a payment, of any money or other thing of value (including any fee, gift, sample, travel expense or entertainment) or any commission payment, or any payment related to political activity, to any government official or employee, to any employee of any organization owned or controlled in part or in full by any Governmental Body, or to any political party or candidate, to influence the official or employee to act or refrain from acting in relation to the performance of official duties, with the purpose of obtaining or retaining business or any other improper business advantage or (b) taken any action which would cause them to be in violation of the Foreign Corrupt Practices Act of 1977 or any other anti-corruption or anti-bribery law applicable to Seller or Option Party (whether by virtue of jurisdiction or organization or conduct of business).

**Section 3.26 No Finder.** Other than Moelis & Company, none of Seller, Option Party or any party acting on their 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.

## ARTICLE IV

### REPRESENTATIONS AND WARRANTIES OF BUYER

As an inducement to Seller to enter into this Agreement and to consummate the Transactions, Buyer represents and warrants to Seller as follows:

**Section 4.1 Organization.** Buyer is a corporation duly organized, validly existing and in good standing under the laws of the state of its incorporation. Buyer has the requisite corporate power and authority to own, lease and operate the properties and assets used in connection with its business as currently being conducted or to be acquired pursuant hereto.

**Section 4.2 Authority of Buyer.**

(a) Buyer has the requisite corporate power and authority to execute and deliver this Agreement and all of the other agreements and instruments to be executed and delivered by Buyer pursuant hereto (collectively, the "Buyer Ancillary Agreements"), 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 and the Buyer Ancillary Agreements by Buyer have been duly authorized and approved by all necessary action of Buyer and do not require any further authorization or consent of Buyer or its stockholders. This Agreement is, and each other Buyer Ancillary Agreement when executed and delivered by Buyer and the other parties thereto will be, a legal, valid and binding agreement of Buyer

enforceable in accordance with its 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) Except as set forth in Schedule 4.2, none of the execution, delivery and performance by Buyer of this Agreement and the other Buyer Ancillary Agreements, the consummation by Buyer of any of the transactions contemplated hereby or thereby or compliance by Buyer with or fulfillment by Buyer 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 Encumbrance upon any assets of Buyer under, (A) the certificate of incorporation or bylaws of Buyer, (B) any indenture, note, mortgage, lease, guaranty or material agreement, or any judgment, order, award or decree, to which Buyer is a party or any of the assets of Buyer is subject or by which Buyer is bound, or (C) any Laws affecting Buyer or its assets; or

(ii) require the approval, consent, authorization or act of, or the making by Buyer of any declaration, filing or registration with, any third Person or Governmental Body, except for such of the foregoing as are necessary pursuant to the Communications Act.

**Section 4.3 Litigation.** Buyer is not a party to any action, suit or proceeding pending or, to the knowledge of Buyer, threatened which, if adversely determined, would reasonably be expected to restrict the ability of Buyer to consummate the transactions contemplated by this Agreement. There is no order to which Buyer is subject which would reasonably be expected to restrict the ability of Buyer to consummate the transactions contemplated by this Agreement.

**Section 4.4 No Finder.** Neither Buyer 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 4.5 Qualifications as FCC Licensee.** Buyer is legally, financially and otherwise qualified to be the licensee of, and to acquire, own, operate and control, the Station under the Communications Act, including the provisions relating to media ownership and attribution, foreign ownership and control, and character qualifications. To the knowledge of Buyer, there are no facts or circumstances that would, under the Communications Act or any other applicable Law, disqualify Buyer as the assignee of the FCC Authorizations with respect to the Station or as the owner and operator of the Station. Except as disclosed on Schedule 4.5, no waiver of or exemption from, whether temporary or permanent, any provision of the Communications Act, or any divestiture or other disposition by Buyer or any of their respective Affiliates of any asset or property, is necessary for the FCC Consent to be obtained under the Communications Act, as in effect as of the date hereof. To the knowledge of Buyer, there are no



facts or circumstances related to the FCC qualifications of Buyer or of any of their respective Affiliates, which might reasonably be expected to (i) result in the FCC's refusal to grant the FCC Consent with respect to the transactions contemplated herein or otherwise disqualify Buyer, (ii) materially delay the obtaining of the FCC Consent, or (iii) cause the FCC to impose any material condition on its granting of the FCC Consent.

**Section 4.6 Adequacy of Financing.** Buyer has, as of the date of this Agreement, or will have, as of the Closing Date, on hand (or access through committed credit facilities to) adequate funds to pay the Closing Date Payment.

## ARTICLE V

### ACTION PRIOR TO THE CLOSING DATE

The respective parties hereto covenant and agree to take the following actions between the date hereof and the Closing Date:

**Section 5.1 Investigation of the Business.** Upon the request of Buyer, Seller shall (and shall use its commercially reasonable efforts to enforce its rights under the Option Agreement to cause Option Party to) afford to the officers, employees and authorized representatives of Buyer (including, without limitation, independent public accountants, attorneys and consultants) reasonable access during normal business hours, and upon not less than 24-hours prior notice, to the offices, properties, employees and business and financial records (including computer files, retrieval programs and similar documentation) of the Business to the extent Buyer shall reasonably deem necessary or desirable and shall furnish to Buyer or its authorized representatives such additional information concerning the Business as shall be reasonably requested; provided, however, that Seller and Option Party shall not be required to violate any obligation of confidentiality or other obligation under applicable Laws to which it is subject in discharging its obligations pursuant to this Section 5.1. Buyer agrees that any such investigation shall be conducted in such a manner as not to interfere unreasonably with the operations of Seller or Option Party, as applicable.

**Section 5.2 Preserve Accuracy of Representations and Warranties; Notification of Certain Matters.**

(a) Each of the parties hereto shall refrain from taking any action which would render any representation or warranty contained in Article III or IV of this Agreement inaccurate as of the Closing Date. Buyer and Seller shall promptly notify the other upon becoming aware of any breach of any representation or warranty contained in this Agreement; provided, however, that a party's receipt of information or notification shall not operate as a waiver or otherwise affect any representation, warranty, covenant or agreement given or made by the other parties in this Agreement.

(b) Each party shall promptly notify the other of any Action, suit or proceeding that shall be instituted or threatened against such party to restrain, prohibit or otherwise challenge the legality of any transaction contemplated by this Agreement. Seller shall promptly notify Buyer, and Buyer shall promptly notify Seller, of any lawsuit, claim, proceeding

or investigation that may be threatened, brought, asserted or commenced against the other which would have been listed in Schedule 3.20 or would be an exception to Section 4.3 if such lawsuit, claim, proceeding or investigation had arisen prior to the date hereof.

(c) Without limiting the foregoing, pending the Closing, Seller shall give Buyer prompt written notice of the occurrence of any of the following:

(i) the commencement of any proceeding before the FCC or any other Governmental Body involving any of the FCC Authorizations, other than proceedings or litigation of general applicability to the television broadcasting industry that do not have a disproportionate impact on the Business as compared with other broadcast television stations generally;

(ii) any material labor grievance, material controversy, strike or material dispute affecting the Business or the Station related to any Affected Employee;

(iii) any material correspondence received by any Seller, Option Party or their Affiliates from any Specified MVPD concerning retransmission consent;

(iv) the loss of carriage or change in channel tier position of the Station on any Specified MVPD or the cessation of broadcasting or the cessation of broadcasting or failure of the Station to broadcast at least 80% of its authorized power for more than twenty-four (24) consecutive hours; or

(v) any Material Adverse Effect on the Business or the Station.

### **Section 5.3 FCC Consent; Other Consents and Approvals.**

(a) As promptly as practicable after the date of this Agreement, but in any event no later than seven (7) Business Days thereafter, Seller shall, pursuant to the Option Agreement, cause Option Party to join with Buyer to file, with the FCC one or more applications requesting its consent to the assignment of the FCC Authorizations with respect to the Station to Buyer, as contemplated by this Agreement (the "FCC Applications"). Seller, and shall cause Option Party to, and Buyer shall cooperate in the preparation of such applications and will diligently take, or cooperate in the taking of, all necessary, desirable and proper steps, provide any additional information required by the FCC and otherwise use commercially reasonable efforts to obtain promptly the FCC Consent. Seller and Buyer shall bear the cost of FCC filing fees relating to the FCC Applications equally. Seller shall, pursuant to the Option Agreement, cause Option Party to, make available to Buyer, promptly after the filing 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. Buyer and Seller, as applicable, shall, and Seller shall, pursuant to the Option Agreement, cause Option Party to, oppose any petitions to deny or other objections filed with respect to the FCC Applications to the extent such petition or objection relates to such party. As may reasonably be necessary to facilitate the grant of the FCC Consent, in the event that the FCC advises that, to obtain the FCC Consent in an expeditious manner, it is necessary for Buyer to enter into a customary assignment, tolling, or other similar arrangement with the FCC to resolve any complaints with the FCC relating to any FCC Authorization with respect to the Station,

Buyer shall, subject to the indemnification obligation set forth in Section 9.1(v), enter into such a customary assignment or other arrangement with the FCC.

(b) The parties hereto shall, and Seller shall use its commercially reasonable efforts to enforce its rights under the Option Agreement to cause Option Party to, use their respective best efforts to consummate and make effective the Transactions and to cause the conditions set forth in Article VII and Article VIII to be satisfied, including (i) the obtaining of all necessary actions or nonactions, consents and approvals from Governmental Bodies or other persons necessary in connection with the consummation of the Transactions and the making of all necessary registrations and filings (including filings with Governmental Bodies if any) and the taking of all reasonable steps as may be necessary to obtain an approval from, or to avoid an action or proceeding by, any Governmental Body or other persons necessary in connection with the consummation of the transactions contemplated by this Agreement), (ii) the defending of any lawsuits or other legal proceedings, whether judicial or administrative, challenging this Agreement or the consummation of the transactions performed or consummated by such party in accordance with the terms of this Agreement, including seeking to have any stay or temporary restraining order entered by any court or other Governmental Body vacated or reversed and (iii) the execution and delivery of any additional instruments necessary to consummate the transactions to be performed or consummated by such party in accordance with the terms of this Agreement and to fully carry out the purposes of this Agreement; provided, however, that, except for the sale of the Station as contemplated by this Agreement and the Option Agreement, none of Seller, Option Party, Buyer or any of their Affiliates shall under any circumstance be obligated to divest any assets or businesses owned as of the date of this Agreement, or to hold separate any such assets or businesses pending such divestiture. Each of Buyer and Seller agrees not to, and shall not permit any of their respective Affiliates to, and, except as required by applicable Laws or the regulations or requirements of any Government Bodies, Seller shall use its commercially reasonable efforts to enforce its rights under the Option Agreement to cause Option Party not to, take any action that would reasonably be expected to materially delay, materially impede or prevent receipt of the Governmental Consents.

(c) [Reserved].

(d) Seller and Buyer shall each use reasonable efforts to obtain all consents and amendments from the parties to the Station Agreements and other contracts and agreements which are included in the Purchased Assets which are required by the terms thereof for the consummation of the Transactions; provided, however, that neither Seller nor Buyer shall have any obligation to offer or pay any consideration in order to obtain any such consents or amendments; and provided, further, that the parties acknowledge and agree that such third party consents are not conditions to Closing, except for those certain third party consents applicable to the Station set forth on Schedule 5.3(d) (the “Required Consents”). Seller shall not amend or permit the Option Agreement to be amended or modified in any manner that would have the effect of preventing or otherwise delaying the consummation of the Transactions or would have the effect of modifying the obligations of Seller or Option Party thereunder in a manner that would be inconsistent with the consummation of the Transactions in accordance with the terms of this Agreement, in each such case, without obtaining consent of Buyer, which such consent shall not be unreasonably withheld or delayed so long as such amendment or modification has

not impact or otherwise does not alter Buyer's obligations under this Agreement or after consummation of the Transactions.

**Section 5.4    Operations of the Station Prior to the Closing Date.**

(a) Prior to the Closing Date, except as approved by Buyer pursuant to Section 5.4(b), Seller shall use commercially reasonable efforts to enforce its rights under the Option Agreement to cause Option Party, in turn, to, and Seller shall use its commercially reasonable efforts to operate and carry on the Business only in the ordinary course consistent with past practice, continue to promote and conduct advertising on behalf of the Station at levels substantially consistent with past practice, keep and maintain the Purchased Assets in good operating condition and repair (wear and tear in ordinary usage excepted), maintain the business organization of the Station intact, maintain insurance on the Purchased Assets and preserve the goodwill of the suppliers, contractors, licensors, employees, customers, distributors and others having business relations with the Business.

(b) Notwithstanding Section 5.4(a), except as set forth in Schedule 5.4(b) or except with the express prior written approval of Buyer or except as required by applicable Laws, Seller shall use commercially reasonable efforts to enforce its rights under the Option Agreement to cause Option Party to not, and Seller shall not, in respect of the Station:

(i) make any material change in the Business or the operations of the Station;

(ii) enter into any contract or commitment that would be binding on Buyer after the Closing Date and that involves the payment or potential payment by Seller or Option Party of more than \$50,000 per annum, (ii) terminate or waive any material right under any Station Agreement (excluding the expiration of any Station Agreement in accordance with its terms), or (iii) except for agreements and contracts which will be terminable by Buyer without penalty, upon notice of ninety (90) days or less, enter into any agreement or contract for the use of any digital subchannel of the Station;

(iii) make or authorize any new capital expenditures other than those set forth in the budget provided to Buyer prior to the date hereof and capital expenditures in excess of \$50,000 in the aggregate;

(iv) sell, lease (as lessor), license, transfer or otherwise dispose of or mortgage or pledge, or impose or suffer to be imposed any Encumbrance on, or agree to sell, lease, license or otherwise dispose or mortgage or pledge, or impose or suffer to be imposed any Encumbrance on of any of the Purchased Assets unless such Purchased Asset is obsolete, worthless or replaced with similar items of substantially equal or greater value and utility;

(v) make any (A) equity investment in or acquisition of any Person or (B) acquisition of any amount of assets material to the Business, except, with respect to clause (B), in the ordinary course of the Business that does not exceed \$50,000 in the aggregate;

(vi) create, incur or assume, or agree to create, incur or assume, any Indebtedness (other than money borrowed or advances from any Affiliate of Seller or Option

Party in the ordinary course of the Business which shall be paid off at or prior to the Closing or remain Excluded Liabilities);

(vii) guarantee, or otherwise become liable for, any material liability of any third Person;

(viii) adopt, or institute any increase in, any profit sharing, bonus, incentive, deferred compensation, insurance, pension, retirement, medical, hospital, disability, welfare or other employee benefit plan with respect to its employees, other than as required by any such plan or Laws;

(ix) hire any employee that would be an Affected Employee who earns base compensation at an annual rate exceeding \$50,000, or enter into any new, or materially modify the terms of any existing, Employment Agreement with any Affected Employee; materially increase the cash compensation of the Affected Employees, other than changes made in accordance with normal compensation practices and consistent with past compensation practices and not exceeding 3% of such employee's salary and bonus or incentive compensation or hourly wage, as applicable; or enter into any performance and stay bonuses that will be binding upon Buyer or the Business after the Closing;

(x) make or change any material Tax election with respect to the Purchased Assets, except as required by Law;

(xi) (A) fail to use all commercially reasonable efforts to maintain in full force and effect in accordance with their respective terms and conditions, any of the FCC Authorizations, or to not take or fail to take any action that could reasonably be expected to cause the FCC or any other Governmental Authority to institute proceedings for the suspension, revocation or adverse modification of any of the FCC Authorizations in any material respect, or (B) enter into any FCC consent decree with respect to the Station or any of the FCC Authorizations if such FCC consent decree would be binding on the Station after Closing or involves the payment by Buyer of any sum of money;

(xii) change the Station's call letters;

(xiii) enter into any Collective Bargaining Agreement;

(xiv) terminate or cancel any insurance coverage maintained by Seller or Option Party with respect to any material assets without replacing such coverage with a comparable amount of insurance coverage other than in the ordinary course of the Business;

(xv) materially change any accounting practices, procedures or methods relating to the Business (except for any change required under GAAP or applicable law) or maintain its books and records relating to the Business in a manner other than in the ordinary course of business;

(xvi) communicate to any Affected Employee any information regarding the prospective terms and conditions of his or her employment with the Buyer which is not expressly stated in this Agreement;

(xvii) enter into a new retransmission consent agreement that extends for any period beyond the Closing Date with Orbitel Communications, LLC, Qwest Broadband Services, Inc., Valley Connections, LLC, or Western Broadband, LLC; or

(xviii) agree or commit to do any of the foregoing.

**Section 5.5 Public Announcement.** None of Seller, Buyer or any of their Affiliates shall (and Seller shall use commercially reasonable efforts to enforce its rights under the Option Agreement to cause Option Party to not), without the approval of the other, make any press release or other public announcement concerning the transactions contemplated by this Agreement, except as and to the extent that any such party shall be so obligated by Laws or by the rules, regulations or policies of any national securities exchange or association, in which case the other party shall be advised and the parties shall use reasonable efforts to cause a mutually agreeable release or announcement to be issued.

**Section 5.6 Transition of Station Out of Group Agreements.**

(a) Buyer and Seller acknowledge that the agreements set forth in Schedule 5.6 relating to the Station also cover other television stations of Seller, and cannot be assigned to Buyer (the “Group Agreements”). As such, to the extent not specifically addressed in the Schedules to this Agreement, Buyer and Seller agree, and agree to cause their respective Affiliates to, use commercially reasonable efforts to work together prior to the Closing Date to arrange with the third parties to the Group Agreements to (a) remove the Station from the coverage of the Group Agreements as of the Closing Date and (b) provide coverage for the Station under separate agreements between Buyer (or its Affiliates) and such third parties.

(b) Seller and Buyer shall cooperate with each other and provide commercially reasonable assistance to each other, and Seller shall use its commercially reasonable efforts to cause Option Party, pursuant to the Option Agreement, to cooperate and provide commercially reasonable assistance, to facilitate the transition of the Business and operations and facilities of the Station to Buyer effective upon the Closing. To the extent necessary to complete the transition after the Closing, this covenant shall continue after the Closing for up to ninety (90) days at the request of either party.

**Section 5.7 Station Transition.** Seller acknowledges that Buyer will be moving the Station to new facilities owned or leased by Buyer, including the relocation of certain Purchased Assets from the Seller’s facilities to Buyer’s facilities immediately following the Closing. Seller agrees to give Buyer’s employees such access to the Seller’s facilities from the date hereof at a mutually agreeable time(s) during normal business hours and after reasonable advance notice, as may be reasonably requested for planning and facilitation of the equipment relocation; provided that such access shall be conducted in a manner that will not unreasonably disrupt the normal course of the Seller’s operation at its facilities. Seller agrees to provide reasonable cooperation with such transition and relocation of the Purchased Assets. Seller and Buyer agree that all services to be provided by Seller or Option Party after the Closing will be governed by the Transition Services Agreement.

## ARTICLE VI

### ADDITIONAL AGREEMENTS

#### Section 6.1 Taxes; Sales, Use and Transfer Taxes.

(a) Buyer and Seller agree to treat the purchase and sale of the Purchased Assets as a purchase of all the Purchased Assets by Buyer from Seller, including, for the avoidance of doubt, the Purchased Assets held by the Option Party prior to Seller's exercise of its option to acquire such assets for further sale of such assets by Seller to Buyer. Seller shall be liable for and shall pay all Taxes (whether assessed or unassessed) applicable to the Business or the Purchased Assets, in each case attributable to periods (or portions thereof) ending on or prior to the Closing Date. Buyer shall be liable for and shall pay all Taxes (whether assessed or unassessed) applicable to the Business or the Purchased Assets, in each case attributable to periods (or portions thereof) beginning after the Closing Date. For purposes of this Section 6.1(a), any period beginning on or before and ending after the Closing Date (a "Straddle Period") shall be treated as two partial periods, one ending on the Closing Date and the other beginning after the Closing Date. Notwithstanding this Section 6.1(a), all real property Taxes, personal property Taxes and similar ad valorem obligations levied with respect to the Purchased Assets for any Tax period that includes (but does not end on) the Closing Date shall be apportioned between Seller and, to the extent applicable, Option Party, on the one hand, and Buyer, on the other hand, based on the number of days of such Tax period up to and including the Closing Date and the number of days of such Tax period after the Closing Date, and Seller shall be liable for the proportionate amount of such Taxes that is attributable to the portion of the Tax period up to and including the Closing Date, and Buyer shall be liable for the proportionate amount of such Taxes that is attributable to the portion of the Tax period beginning after the Closing Date.

(b) Any sales, use or other transfer Taxes payable by reason of transfer and conveyance of the Business or the Purchased Assets hereunder and any documentary stamp or transfer Taxes payable by reason of the real estate or interests therein included in the Purchased Assets shall be borne by Seller and Buyer equally. Except as expressly provided otherwise in this Agreement, all fees relating to any filing with any Governmental Body required for transfer and conveyance of the Purchased Assets hereunder, other than amounts owing to any Governmental Body as of the date hereof or with respect to events occurring prior to the date hereof, shall be borne by Seller and Buyer equally. Seller, Option Party and Buyer shall cooperate in the preparation, execution and filing of all Tax Returns, questionnaires, applications or other documents regarding any such sales, use, documentary stamp or transfer Taxes and any similar Taxes that become payable as a direct result of the transactions contemplated hereby.

(c) Seller or Buyer, as the case may be, shall provide reimbursement for any Tax paid by the other party all or a portion of which is the responsibility of Seller or Buyer, as the case may be, in accordance with the terms of this Section 6.1. Within a reasonable time prior to the payment of any said Tax, the party paying such Tax shall give notice to the other party of the Tax payable and the portion which is the liability of each party, although failure to do so will not relieve the other party from its liability hereunder. Buyer shall promptly notify Seller in writing upon receipt by Buyer or any of its Affiliates of notice of any pending or threatened federal, state, local or foreign Tax audits, examinations or assessments which may materially

affect the Tax liabilities for which Seller would be required to indemnify any Buyer Group Member pursuant to this Section 6.1. Seller shall have the sole right to control any Tax audit or administrative or court proceeding relating to taxable periods ending on or before the Closing Date, and to employ counsel of its choice at its expense. In the case of any Straddle Period, Seller shall be entitled to participate at its expense in any Tax audit or administrative or court proceeding relating in whole or in part to Taxes attributable to the portion of such Straddle Period ending on the Closing Date and, with the written consent of Buyer, and at Seller's sole expense, may assume the entire control of such audit or proceeding. Neither Buyer nor any of its Affiliates may settle any Tax claim for any taxable year or period ending on or prior to the Closing Date (or for the portion of any Straddle Period ending on the Closing Date) which may be the subject of indemnification by Seller under this Section 6.1 without the prior written consent of Seller, which consent may be withheld in the sole discretion of Seller.

(d) Buyer acknowledges that Seller shall have the right, by notifying Buyer no later than five (5) Business Days prior to the Closing, to qualify the transactions contemplated by this Agreement as a part of a tax-deferred, like-kind exchange under Section 1031 of the Code (if such qualification is available to Buyer). Buyer and each Buyer Group Member acknowledge that Seller, as it is to receive the cash consideration under this Agreement as part of the Purchase Price, may wish to transfer a portion or all of its respective Purchased Assets as part of a tax-deferred, like-kind exchange as provided under Section 1031 of the Code. Buyer and each Buyer Group Member agree to permit Seller or one of its Affiliates to use a "qualified intermediary" for this transaction as that term is used in Treasury Regulations Section 1.1031(k)-1(g)(4) and/or an "exchange accommodation titleholder" under IRS Revenue Procedure 2000-37, and otherwise to cooperate with Seller and its Affiliates to structure the sale as a like-kind exchange, provided that none of Buyer or Buyer Group Members will be required to incur any obligation, liability or expense with respect to any such exchanges.

## **Section 6.2 Employees; Employee Benefit Plans.**

(a) On the Closing Date, Buyer will offer employment to the employees of Seller or Option Party, as applicable, set forth on Schedule 6.2 (collectively, the "Affected Employees"), who are not then on authorized leave of absence, sick leave, short or long term disability leave, military leave or layoff with recall rights, upon substantially the same terms and conditions (other than benefit plans, as addressed in Section 6.2(c)) and with substantially the same duties as in effect immediately preceding the Closing, and by the Closing Date, Seller and Option Party, as applicable, will have taken all necessary action to terminate the employment of any Affected Employee. Buyer's offer of employment to each Affected Employee on authorized leave of absence, sick leave, short or long term disability leave, military leave or layoff with recall rights as of the Closing Date and who returns to active employment immediately following such absence and within six (6) months of the Closing Date, or such later date as required under applicable Laws shall be made promptly when such Affected Employee is eligible to return to active service. The initial terms and conditions of employment for those Affected Employees who have Employment Agreements shall be as set forth in such Employment Agreements, which shall, to the extent permitted under the applicable agreements, be assigned to Buyer and assumed by Buyer, and the employment of all other Affected Employees will be "at will."



(b) Seller or Option Party or their Affiliates shall pay, discharge, and be responsible for (i) all salary or wages, bonuses, commissions and other compensation arising out of or relating to the employment the Affected Employees prior to the Closing Date and (ii) any employee benefits, including accrued vacation and/or sick leave, arising under the Employee Plans prior to the Closing Date. From and after the Closing Date, Buyer shall pay, discharge and be responsible for all salary, wages, and benefits (including vacation pay and sick leave pay pursuant to Buyer's policies) arising out of or relating to the employment of the Affected Employees by Buyer on and after the Closing Date.

(c) Buyer and Seller or Option Party, as applicable, shall jointly give notice to all Affected Employees that all benefits previously provided under Seller's or Option Party's Employee Benefit Plans are discontinued on the Closing Date and will be replaced by the benefit plans and other fringe benefits of Buyer (the "Buyer Benefit Plans"). In no event shall any Affected Employee be entitled to accrue any benefits offered by Seller or Option Party after such employee is employed by Buyer.

(d) From the Closing Date to the first anniversary of the Closing Date, Buyer agrees to provide Affected Employees who agree to employment with Buyer after the Closing Date and who remain employed with the Buyer during such period with employee benefits that are no less favorable, in the aggregate, to the employee benefits provided to similarly situated employees of the Buyer. The Buyer agrees that, for at least one (1) year after the Closing Date, it shall provide severance benefits to Affected Employees who are employed by the Buyer on the Closing Date and subsequently terminated by the Buyer other than for cause that are at least as favorable as those provided to similarly situated employees of the Buyer. For the avoidance of doubt, without limiting the foregoing, Buyer shall not owe any obligation to any Affected Employee that refuses or rejects employment with Buyer. Nothing shall prohibit the Buyer from terminating the employment of any Affected Employee at any time after the Closing Date or changing any of the terms and conditions of employment related to such Affected Employee at any time, except for such changes that are inconsistent with the Buyer's obligations as set forth in this Section 6.2.

(e) Under any Buyer Benefit Plan in which Affected Employees are eligible to participate, Affected Employees shall be credited for their length of service with Seller or Option Party, as applicable (except for the purposes of benefit accruals under a defined benefit plan, but, for the avoidance of doubt, including the amount of time Option Party credited each Affected Employee for time employed by predecessors of Option Party), including but not limited to determining eligibility to participate in, vesting of, and entitlement to, such benefits, except that such service need not be recognized to the extent such recognition would result in the duplication of benefits for the same period of service. In addition, to the extent permitted by the Buyer Benefit Plans, Buyer shall ensure that Affected Employees who agree to employment with Buyer after the Closing Date receive credit for all purposes under the Buyer Benefit Plans for any deductibles, co-payments or similar payments paid by such Affected Employees and their dependents for the calendar year in which the Closing Date occurs under a plan maintained by Seller or Option Party or their Affiliates.

(f) Any preexisting condition clause in any Buyer health plan shall be waived for the Affected Employees, except to the extent such persons were subject to such pre-existing condition limitations under the Seller's or Option Party's group health plan.

(g) Buyer shall be responsible for providing any Affected Employee whose "qualifying event," within the meaning of Section 4980B(f) of the Code, occurs after the Closing Date (and such employees' "qualified beneficiaries" within the meaning of Section 4980B(f) of the Code) with the continuation of group health coverage required by Section 4980B(f) of the Code.

(h) The Seller or Option Party, as applicable, shall retain responsibility for and continue to pay all medical, life insurance, disability and other welfare plan expenses and benefits for each Affected Employee with respect to claims incurred under the terms of the Employee Plans by such Affected Employees or their covered dependents prior to the Closing Date and Buyer shall have no obligation to provide any disability or other benefits or compensation to any such Person with respect thereto. Buyer shall have the liability and obligation for, and none of Seller, Option Party or any of their Affiliates shall have any liability or obligation for, short-term disability benefits, long-term disability benefits or salary continuation for those Affected Employees that are incurred after such employees are employed by Buyer.

(i) All workers' compensation obligations relating to, arising out of or resulting from any claim by any Affected Employee that results from an injury that occurred at or prior to the Closing Date shall be retained by Seller, Option Party or their Affiliates. All workers' compensation obligations relating to, arising out of or resulting from any claim by a Affected Employee that results from an injury that occurs after the Closing Date shall be the exclusive responsibility of the Buyer.

(j) Buyer shall be responsible for, and indemnify and hold harmless the Seller Group Members from, all liabilities or obligations under the Worker Adjustment and Retraining Notification Act and any state law equivalent statutes resulting from the Closing or from Buyer's actions following the Closing.

(k) Nothing contained herein, expressed or implied, is intended to confer upon any Affected Employee any right to continued employment for any period of time by reason of this Agreement and, notwithstanding anything to the contrary in this Section 6.2, the parties expressly acknowledge and agree that this Agreement is not intended to create a contract between the Buyer, the Seller, the Option Party or any of their respective Affiliates, on the one hand, and any Affected Employee on the other hand, and no Affected Employee may rely on this Agreement as the basis for any breach of contract claim against the Buyer, the Seller, the Option Party or any of their respective Affiliates.

**Section 6.3 Control of Operations Prior to Closing Date.** Notwithstanding anything contained herein to the contrary, the Closing shall not be consummated prior to the grant by the FCC of the FCC Consent. Seller and Buyer acknowledge and agree that at all times commencing on the date hereof and ending on the Closing Date, neither Buyer, Seller nor any of their respective employees, agents or representatives, directly or indirectly, shall, or have any

right to, control, direct or otherwise supervise, or attempt to control, direct or otherwise supervise any of the management or operations of the Station.

**Section 6.4 Bulk Transfer Laws.** Buyer hereby waives compliance by Seller or Option Party with the provisions of any so-called bulk sales or bulk transfer law of any jurisdiction in connection with the sale of the Purchased Assets to Buyer.

**Section 6.5 Use of Names.** Seller and Option Party are not conveying ownership rights or granting Buyer a license to use any of the trade names or trademarks of Seller, Option Party or any of their Affiliates (other than the trademarks identified in Schedule 3.12(a) which are Purchased Assets) and, after the Closing, Buyer shall not and shall not permit any of its Affiliates to use in any manner the names or marks of Seller or Option Party or any of their Affiliates or any word that is similar in sound or appearance to such names or marks to the extent such names or marks are not Purchased Assets. In the event Buyer or any Affiliate of Buyer violates any of its obligations under this Section 6.5, Seller, Option Party and their Affiliates may proceed against it in law or in equity for such damages or other relief as a court may deem appropriate. Buyer acknowledges that a violation of this Section 6.5 may cause Seller, Option Party and their Affiliates irreparable harm which may not be adequately compensated for by money damages. Buyer therefore agrees that in the event of any actual or threatened violation of this Section 6.5, any of such parties shall be entitled, in addition to other remedies that they may have, to a temporary restraining order and to preliminary and final injunctive relief against Buyer or such Affiliate of Buyer to prevent any violations of this Section 6.5, without the necessity of posting a bond.

**Section 6.6 Seller Confidentiality.** Seller and Buyer recognize that as a result of the Transactions, Seller and its Affiliates will have confidential and competitively sensitive information regarding the Station and the Business and that, after the Closing, an Affiliate of the Seller will remain the licensee of a television station that competes in the DMA. From and after the Closing for a period of three (3) years (the “Confidentiality Period”), the Seller shall, and shall use its commercially reasonable efforts to cause Option Party to, treat and hold as confidential and refrain from disclosing to any third party all Confidential Information, other than in connection with the Transactions or any Claim hereunder or to comply with applicable Laws. In the event that Seller, Option Party or any of their Affiliates are requested or required by Laws or legal process (including pursuant to written or oral question or request for information or documents in any legal proceeding, interrogatory, subpoena or civil investigative demand) to disclose any Confidential Information, such Person will (or Seller shall use its commercially reasonable efforts to cause Option Party to), to the extent practicable, notify the Buyer promptly of the request or requirement so that Buyer may seek an appropriate protective order or waive compliance with the provisions of this Section 6.6. If, in the absence of a protective order or the receipt of a waiver hereunder, any such Person is, based on the advice of legal counsel, required to disclose any Confidential Information, such Person may disclose the Confidential Information solely to the extent so required; provided, however, that such Person shall use its commercially reasonable efforts to obtain an order or other assurance that confidential treatment will be accorded to such portion of the Confidential Information required to be disclosed as the Buyer shall designate. For purposes of this Agreement, the term “Confidential Information” shall mean any such information that would be considered Confidential Information under the Confidentiality Agreement. For a period of one year after the

Closing, Seller shall not, and shall cause its Affiliates not to, make use of any Confidential Information that relates exclusively to the Station to compete with Buyer in Buyer's operation of the Station or the Business in the Market.

**Section 6.7 Exclusivity.** Seller agrees and covenants that until the Closing or the termination of this Agreement, the Seller shall not, and will use its reasonable best efforts to cause Option Party not to, discuss, negotiate or offer (or solicit offers) regarding a sale, transfer or other disposition of the Purchased Assets or any merger, combination, restructuring, refinancing or similar transaction with another Person or provide any information to any other Person regarding the Station or the Business in that connection. In connection with their obligations under the Conditional Grant, Seller and Option Party have entered into an Engagement Agreement with a divestiture trustee. The Purchased Assets shall not be transferred to such trustee as long as this Agreement is in effect unless and only to the extent required by the FCC, in which event Seller shall use its reasonable best efforts to cause the trustee to assume and perform this Agreement. Except as set forth herein, Seller represents that neither Seller nor Option Party is a party to or bound by any agreement with respect to any of the foregoing types of transactions except for this Agreement.

## ARTICLE VII

### 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, on or prior to the Closing Date, of the following conditions:

**Section 7.1 No Misrepresentation or Breach of Covenants and Warranties.** (a) There shall have been no breach by Buyer in the performance of any of its covenants and agreements contained herein; and (b) each of the representations and warranties of Buyer contained in this Agreement shall be true and correct on the date of this Agreement and the Closing Date as though made on the Closing Date (except to the extent that they expressly speak as of a specific date or time other than the Closing Date, in which case they need only have been true and correct as of such specified date or time), except for changes therein specifically permitted by this Agreement or resulting from any transaction expressly consented to in writing by Seller or any transaction contemplated by this Agreement; provided, that, in the case of each of clauses (a) and (b) above, except where the failure of such representations and warranties to be true and correct (without giving effect to any limitation as to "materiality" set forth in such representations and warranties), or the failure to perform such covenants and agreements, individually or in the aggregate, has not had and could not reasonably be expected to have a Buyer Material Adverse Effect. In addition, Buyer shall have delivered to Seller (i) a certificate, dated as of the Closing Date, signed by an officer of Buyer and certifying as to the satisfaction of the conditions specified in clauses (a) and (b) above, and (ii) all required closing deliveries set forth in Section 2.8(b)

**Section 7.2 No Restraint.** There shall not be in effect any preliminary or permanent injunction or other order, decree or ruling by a court of competent jurisdiction or by a Governmental Body, no statute, rule, regulation or executive order shall have been promulgated

or enacted by a Government Body 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.

**Section 7.3 FCC Consent.** The FCC Consent shall have been granted and shall be effective.

Notwithstanding the failure of any one or more of the foregoing conditions, Seller may proceed with the Closing without satisfaction, in whole or in part, of any one or more of such conditions and without written waiver.

## ARTICLE VIII

### CONDITIONS PRECEDENT TO OBLIGATIONS OF BUYER

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

**Section 8.1 No Misrepresentation or Breach of Covenants and Warranties.** (a) There shall have been no breach by Seller in the performance of any of its respective covenants and agreements contained herein or of the Option Party of its performance of its covenants and agreements contained in the Option Agreement; and (b) each of the representations and warranties of Seller contained in this Agreement shall be true and correct on the date of this Agreement and the Closing Date as though made on the Closing Date (except to the extent that they expressly speak as of a specific date or time other than the Closing Date, in which case they need only have been true and correct as of such specified date or time), except for changes therein specifically permitted by this Agreement or resulting from any transaction expressly consented to in writing by Buyer or any transaction contemplated by this Agreement; provided, that, in the case of each of clauses (a) and (b) above, except where the failure of such representations and warranties to be true and correct (without giving effect to any limitation as to “materiality” or “Material Adverse Effect” set forth in such representations and warranties), or the failure to perform such covenants and agreements, individually or in the aggregate, has not had and could not reasonably be expected to have a Material Adverse Effect. In addition, Seller shall have delivered to Buyer (i) a certificate, dated as of the Closing Date, signed by an officer of Seller and certifying as to the satisfaction of the conditions specified in clauses (a) and (b) above, and (ii) all required closing deliveries set forth in Section 2.8(a)

**Section 8.2 No Restraint.** There shall not be in effect any preliminary or permanent injunction or other order, decree or ruling by a court of competent jurisdiction or by a Governmental Body, no statute, rule, regulation or executive order shall have been promulgated or enacted by a Government Body 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.

**Section 8.3 FCC Consent.** The FCC consent shall have been granted and shall be effective and become a Final Order; and

**Section 8.4**    **Consents.** The Required Consents shall have been obtained and delivered to Buyer.

Notwithstanding the failure of any one or more of the foregoing conditions, Buyer may proceed with the Closing without satisfaction, in whole or in part, of any one or more of such conditions and without written waiver.

## **ARTICLE IX**

### **INDEMNIFICATION**

**Section 9.1**    **Indemnification by Seller.** From and after the Closing, Seller agrees to defend, indemnify and hold harmless each Buyer Group Member from and against any and all Loss and Expense incurred by such Buyer Group Member in connection with or arising from:

(a)    any breach by Seller of, or any other failure of Seller to perform, any of its covenants, agreements or obligations in this Agreement or in any Ancillary Agreement;

(b)    any breach of any warranty or the inaccuracy of any representation of Seller contained or referred to in this Agreement or any certificate delivered by or on behalf of Seller pursuant hereto (in each case, without giving effect to any materiality or Material Adverse Effect qualifiers therein);

(c)    any breach by Option Party of, or any other failure of Option Party to perform in any material respect, any of its covenants, agreements or obligations in, or contemplated to be performed by Option Party under, this Agreement, the Option Agreement or in any Ancillary Agreement, or any failure or inability of Seller in any material respect to cause Option Party to take, or not take, any action contemplated by or referred to in this Agreement to be taken, or not taken, by Option Party (whether or not Seller's covenant hereunder is qualified by any efforts standard);

(d)    the failure of Seller or Option Party to perform any Excluded Liabilities;

(e)    the Excluded Assets;

(f)    the ownership, business or operation of the Business before the Cutoff Time (except for the Assumed Liabilities);

(g)    any Losses which Buyer incurs as a result of accepting liability for any enforcement action by the FCC relating to any period prior to the Closing pursuant to Sections 5.3(a) and (c) above; or

(h)    any failure of the Seller to comply with their obligations under this Article IX;

provided, however, that Seller shall not be required to indemnify and hold harmless pursuant to clause (ii) with respect to Loss and Expense incurred by Buyer Group Members until, and then only to the extent that, the aggregate amount of all such Loss and Expense exceeds \$340,000;

and, provided, further, that the aggregate amount that Seller shall be required to indemnify and hold harmless pursuant to clause (ii) with respect to Loss and Expense incurred by Buyer Group Members shall not exceed \$6,800,000. The indemnification provided for in this Section 9.1 shall terminate one (1) year after the Closing Date (and no claims shall be made by any Buyer Group Members under this Section 9.1 thereafter), except that the indemnification by Seller shall continue in any event as to:

(A) the representations and warranties in Sections 3.1, 3.2, 3.3(a), 3.3(b), 3.7, 3.10, 3.14, 3.22 and 3.23 as to all of which no time limitation shall apply other than the full period of any applicable statute of limitations;

(B) the covenants of Seller set forth in Sections 6.1, 6.2, 11.3 or 11.11, as to all of which no time limitation shall apply other than the full period of any applicable statute of limitations;

(C) any Loss or Expense incurred by any Buyer Group Member in connection with or arising out of the failure of Seller or Option Party to pay or perform any Excluded Liability, as to which no time limitation shall apply; and

(D) any Loss or Expense of which any Buyer Group Member has notified Seller in accordance with the requirements of Section 9.3 on or prior to the date such indemnification would otherwise terminate in accordance with this Section 9.1, as to which the obligation of Seller shall continue until the liability of Seller shall have been determined pursuant to this Article IX, and Seller shall have reimbursed all Buyer Group Members for the full amount of such Loss and Expense in accordance with this Article IX.

**Section 9.2 Indemnification by Buyer.** From and after the Closing, Buyer agrees to indemnify and hold harmless each Seller Group Member from and against any and all Loss and Expense incurred by such Seller Group Member in connection with or arising from:

(a) any breach by Buyer, or any other failure of Buyer to perform, any of its covenants, agreements or obligations in this Agreement or in any Buyer Ancillary Agreement;

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

(c) the failure of Buyer to perform any of the Assumed Liabilities and, except for claims in respect of which Seller is obligated to indemnify Buyer pursuant to Section 9.1, Buyer's (or any successor's or assignee's) operation of the Business and/or the ownership and/or use of the Purchased Assets after the Closing Date; or

(d) any failure of the Buyer to comply with its obligations under this Section 9.2;

provided, however, that Buyer shall not be required to indemnify and hold harmless pursuant to clause (ii) with respect to Loss and Expense incurred by Seller Group Members until, and then

only to the extent that, the aggregate amount of all such Loss and Expense exceeds \$340,000; and, provided, further, that the aggregate amount that Buyer shall be required to indemnify and hold harmless pursuant to clause (ii) with respect to Loss and Expense incurred by Seller Group Members shall not exceed \$6,800,000. The indemnification provided for in this Section 9.2 shall terminate one (1) year after the Closing Date (and no claims shall be made by any Seller Group Member under this Section 9.2 thereafter), except that the indemnification by Buyer shall continue in any event as to:

(A) the representations and warranties in Sections 4.1, 4.2(a) and 4.2(b), as to which no time limitation shall apply other than the full period of any applicable statute of limitations;

(B) the covenants of Buyer set forth in Sections 6.1, 6.2, 11.3 or 11.11, as to all of which no time limitation shall apply other than the full period of any applicable statute of limitations;

(C) any Loss or Expense incurred by any Seller Group Member in connection with or arising out of the failure of Buyer to pay or perform any Assumed Liabilities, as to which no time limitation shall apply; and

(D) any Loss or Expense of which any Seller Group Member has notified Buyer in accordance with the requirements of Section 9.3 on or prior to the date such indemnification would otherwise terminate in accordance with this Section 9.2, as to which the obligation of Buyer shall continue until the liability of Buyer shall have been determined pursuant to this Article IX, and Buyer shall have reimbursed all Seller Group Members for the full amount of such Loss and Expense in accordance with this Article IX.

### **Section 9.3 Notice of Claims; Determination of Amount.**

(a) Any Buyer Group Member or Seller Group Member seeking indemnification hereunder (the “Indemnified Party”) shall give promptly to the party obligated to provide indemnification to such Indemnified Party (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 the Claim Notice promptly as required by this Section 9.3 shall not affect such Indemnified Party’s rights under this Article IX except to the extent such failure is actually prejudicial to the rights and obligations of the Indemnitor.

(b) In calculating any Loss or Expense there shall be deducted any insurance recovery in respect thereof (and no right of subrogation shall accrue hereunder to any insurer). Any indemnity payment hereunder with respect to any Loss or Expense shall be calculated on an “After-Tax Basis,” which shall mean an amount which is sufficient to compensate the Indemnified Party for the event giving rise to such Loss or Expense (the “Indemnified Event”),



determined after taking into account (1) all net increases in federal, state, local or other Taxes (including estimated Taxes) payable by the Indemnified Party as a result of the receipt of the indemnity payment being included in income, provided, however, that the parties hereto agree to report each payment made in respect of a Loss or Expense as an adjustment to the Purchase Price for federal income Tax purposes, (2) all net increases in federal, state, local and other Taxes (including estimated Taxes) payable by the Indemnified Party for all affected taxable years as a result of the Indemnified Event and (3) all net reductions in federal, state, local and foreign Taxes (including estimated Taxes) payable by the Indemnified Party as a result of the Indemnified Event. All calculations shall be made using reasonable assumptions agreed upon by Seller and Buyer and, in the case of any present value calculations, shall be made using the applicable federal rate in effect at the time of the Indemnified Event (based on the Federal mid-term rate) using semi-annual compounding plus two percentage points.

(c) After the giving of any Claim Notice pursuant hereto, the amount of indemnification to which an Indemnified Party shall be entitled under this Article IX 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 9.4 Third Person Claims.**

(a) Notwithstanding anything to the contrary contained in Section 9.3, 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 the Indemnified Party, such Indemnified Party must notify the Indemnitor in writing, and in reasonable detail, of the third Person claim within ten (10) days after receipt by such Indemnified Party of written notice of the third Person claim. Thereafter, the Indemnified Party shall deliver to the Indemnitor, within five (5) Business Days after the Indemnified Party's receipt thereof, 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 five (5) Business Days after receipt thereof and shall deliver to the Indemnitor within seven (7) Business Days after the receipt of such complaint copies of notices and documents (including court papers) received by the Indemnified Party relating to the third Person claim.

(b) In the event of the initiation of any legal proceeding against the 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 proceeding, 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. Notwithstanding the foregoing, except with respect to

any claim that involves a fine payable solely by Seller or that involves any business, station or asset of Seller or its Affiliates other than the Business, the Station or the Purchased Assets, if the Seller is the Indemnitor, then Seller shall not have the right to assume the defense of any claim that involves any FCC Authorization; provided that, with respect to any such claim, Buyer shall keep Seller reasonably informed and consider in good faith any input or proposals Seller may provide. The parties hereto agree to cooperate fully with each other in connection with the defense, negotiation or settlement of any such legal proceeding, claim or demand. To the extent the Indemnitor elects not to defend such proceeding, claim or demand, and the Indemnified Party defends against or otherwise deals with any such proceeding, 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 proceeding. Neither the Indemnitor nor the Indemnified Party may settle any such proceeding 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 shall pay all of the sums 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.

(c) The party that has assumed the control or defense of any such proceeding, claim or demand made by a third Person against the other party shall (a) provide the other party with the right to participate in any meetings or negotiations with any Governmental Body or other third Person and reasonable advance notice of any such meetings or negotiations, (b) provide the other party with the right to review in advance and provide comments on any draft or final documents proposed to be submitted to any Governmental Body or other third Person, and (c) keep the other party reasonably informed with respect to such proceeding, demand or claim, including providing copies of all documents provided to, or received from, any Governmental Body or any other third Person in connection with such proceeding, demand or claim. The Buyer Group Members, on the one hand, and the Seller Group Members, on the other hand, covenant and agree to maintain the confidence of all such drafts and comments provided by the other.

To the extent of any inconsistency between this Section 9.4 and Section 6.1(c), the provisions of Section 6.1(c) shall control.

#### **Section 9.5    Limitations.**

(a) In any case where an Indemnified Party recovers from third Persons any amount in respect of a matter with respect to which an Indemnitor has indemnified it pursuant to this Article IX, 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 any amount previously so paid by the Indemnitor to or on behalf of the Indemnified Party in respect of such matter.

(b) Except for remedies that cannot be waived as a matter of law and injunctive and provisional relief, if the Closing occurs, this Article IX shall be the 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) or any Buyer Ancillary Agreement or Ancillary Agreement.

**Section 9.6 No Special Damages; Mitigation.** Notwithstanding anything to the contrary contained in this Agreement, none of the parties hereto shall have any liability under any provision of this Agreement for any punitive, incidental, consequential, special or indirect damages, including loss of future profits, revenue or income, diminution in value or loss of business reputation or opportunity relating to the breach or alleged breach of this Agreement, regardless of whether such damages were foreseeable, except to the extent such damages are payable to a third party. Each of the parties agrees to take all reasonable steps to mitigate their respective Losses and Expenses upon and after becoming aware of any event or condition which could reasonably be expected to give rise to any Losses and Expenses that are indemnifiable hereunder.

## ARTICLE X

### TERMINATION

#### **Section 10.1 Termination.**

(a) Notwithstanding anything contained in this Agreement to the contrary, this Agreement may be terminated at any time prior to the Closing:

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

(ii) by Seller in the event of a breach by Buyer of any of its covenants, agreements, representations or warranties contained in this Agreement or if any of the representations or warranties of Buyer contained in this Agreement shall have been inaccurate when made, and the failure of Buyer to cure such breach within thirty (30) days after receipt of written notice from Seller requesting such breach to be cured, in each case, except where the failure of such representations and warranties to be true and correct (without giving effect to any limitation as to “materiality” set forth in such representations and warranties), or the failure to perform such covenants and agreements, individually or in the aggregate, has not had and could not reasonably be expected to have a Buyer Material Adverse Effect, provided, however, that the Seller shall not have the right to terminate this Agreement pursuant to this Section 10.1(a)(ii) if the Seller is then in breach of any of its respective covenants or agreements contained in this Agreement or any of the representations or warranties of the Seller contained in this Agreement shall be inaccurate, and, in any such case would give rise to the failure of a condition set forth in Section 8.1, or the Option Party is in material breach of any of its respective covenants or agreements contained in the Option Agreement;

(iii) by Buyer in the event of a breach by Seller of any of its covenants, agreements, representations or warranties contained in this Agreement, or the Option Party is in breach of any of its respective covenants or agreements contained in the Option Agreement, or if

any of the representations or warranties of Seller contained in this Agreement shall have been inaccurate when made, and the failure of Seller to cure such breach within thirty (30) days after receipt of written notice from Buyer requesting such breach to be cured, in each case, except where the failure of such representations and warranties to be true and correct (without giving effect to any limitation as to “materiality” or “Material Adverse Effect” set forth in such representations and warranties), or the failure to perform such covenants and agreements, individually or in the aggregate, has not had and could not reasonably be expected to have a Material Adverse Effect; provided, however, that the Buyer shall not have the right to terminate this Agreement pursuant to this Section 10.1(a)(iii) if the Buyer is then in breach of any of its covenants or agreements contained in this Agreement or any of the representations or warranties of the Buyer contained in this Agreement shall be inaccurate, and, in any such case would give rise to the failure of a condition set forth in Section 7.1;

(iv) by Seller or Buyer if any court of competent jurisdiction in the United States or other United States Governmental Body shall have issued a final and non-appealable order, decree or ruling permanently restraining, enjoining or otherwise prohibiting the consummation of the transactions contemplated hereby; or

(v) by Seller or Buyer, if (i) the Closing shall not have occurred on or before 5:00 p.m., local New York time, on the one-year anniversary of the date hereof (the “Termination Date”) and (ii) the party seeking to terminate this Agreement pursuant to this Section 10.01(a)(v) shall not have breached or failed to fulfill any of its obligations under this Agreement which were the cause of, or resulted in, the failure of the Closing to occur prior to such date.

(b) In the event that this Agreement shall be terminated pursuant to this Article X, all further obligations of the parties under this Agreement (other than Sections 11.3 and 11.11) shall be terminated without further liability of any party to the other; provided that nothing herein shall relieve any party from liability for any breach of this Agreement.

**Section 10.2 Withdrawal of Certain Filings.** All filings, applications and other submissions relating to the transactions contemplated by this Agreement as to which termination has occurred shall, to the extent practicable, be withdrawn from the Governmental Authority or other Person to which made.

## ARTICLE XI

### GENERAL PROVISIONS

**Section 11.1 Survival of Representations, Warranties and Obligations.** All representations, warranties, covenants and obligations contained in this Agreement or any certificate delivered pursuant hereto shall survive the consummation of the Transactions; provided, however, that, except as otherwise provided in Article IX, the representations and warranties contained in Articles III and IV of this Agreement shall terminate one (1) year after the Closing Date. Except as otherwise provided herein, no claim shall be made for the breach of any representation or warranty contained in Article III or IV after the date on which such representations and warranties terminate as set forth in this Section 11.1; provided that in the

event such notice is given, the right to indemnification with respect thereto shall survive the applicable survival period until such claim is finally resolved and any obligations with respect thereto are fully satisfied.

**Section 11.2 Event of Loss.** The risk of all Events of Loss prior to the Closing shall be borne by Seller, and the risk of all Events of Loss at or subsequent to the Closing shall be borne by Buyer. Upon the occurrence of an Event of Loss with respect to the Purchased Assets prior to the Closing, Seller shall take commercially reasonable steps to repair, replace and restore damaged, destroyed or lost property to its condition prior to any such loss, damage, or destruction. In the event of any Event of Loss with respect to the Purchased Assets, the proceeds of any related claim payable under any insurance policy with respect thereto shall be used to repair, replace, or restore any such property to its former condition subject to the conditions stated below. In the event of any Event of Loss which involve Purchased Assets having a book value, or replacement or repair cost, of at least \$25,000, Seller shall notify the Buyer thereof in writing as soon as practicable after Seller becomes aware of such Event of Loss. Such notice shall specify with particularity the loss or damage incurred, the cause thereof (if known or reasonably ascertainable), and the insurance coverage. In the event that the property is not repaired, replaced or restored to its condition prior to any such loss, damage, or destruction on or before the scheduled Closing Date, Buyer, at its option may, in the case of an Event of Loss involving Purchased Assets having a book value, or replacement or repair cost, of at least \$100,000 that results in an actual material disruption in the operations of the Business, (i) elect to postpone the Closing until such time as the property has been repaired, replaced or restored such that the operations of the Business resume in the ordinary course in all material respects or (ii) may elect to consummate the Closing and reduce the Purchase Price by the good faith determined cost of such replacement or repair, as agreed in good faith by Buyer and Seller.

**Section 11.3 Confidential Nature of Information.** Each party agrees that it will treat in confidence all documents, materials and other information which it shall have obtained regarding the other party during the course of the negotiations leading to the consummation of the transactions contemplated hereby (whether obtained before or after the date of this Agreement), the investigation provided for herein and the preparation of this Agreement and other related documents, and, in the event the transactions contemplated hereby shall not be consummated, each party will return to the other party all copies of nonpublic documents and materials which have been furnished in connection therewith. Without limiting the right of either party to pursue all other legal and equitable rights available to it for violation of this Section 11.3 by the other party, it is agreed that other remedies cannot fully compensate the aggrieved party for such a violation of this Section 11.3 and that the aggrieved party shall be entitled to injunctive relief to prevent a violation or continuing violation hereof.

**Section 11.4 Governing Law.** This Agreement and the transactions contemplated hereby shall be governed by and construed in accordance with the laws of the State of Delaware without reference to its choice of law rules.

**Section 11.5 Notices.** All notices, claims, demands and other communications hereunder shall be in writing and shall be deemed given (a) when sent by facsimile transmission (providing confirmation of transmission by the transmitting equipment) or e-mail of a .pdf attachment (with confirmation of receipt by non-automated reply e-mail from the recipient)

(provided, that any notice received by facsimile or e-mail transmission or otherwise at the addressee's location on any Business Day after 5:00 p.m. (New York time) shall be deemed to have been received at 9:00 a.m. (New York time) on the next Business Day) or (b) when sent by an internationally recognized overnight carrier (providing proof of delivery) or when delivered by hand, addressed to the respective parties at the following addresses (or such other address for a party as shall be specified by like notice):

If to Seller:

Meredith Corporation  
1716 Locust Street  
Des Moines, Iowa 50309-3023  
Facsimile: (515) 284-3840  
E-mail: John.Zieser@meredith.com  
Attention: John Zieser

with a copy (which shall not constitute notice) to:

Cooley LLP  
1299 Pennsylvania Avenue, N.W., Suite 700  
Washington, DC 20004  
Facsimile: (202) 842-7899  
Email: mbasile@cooley.com  
msamuel@cooley.com  
Attention: Michael Basile, Esq.  
Marc Samuel, Esq.

If to Buyer, to:

Nexstar Broadcasting, Inc.  
545 E. John Carpenter Freeway  
Suite 700  
Irving, Texas 75062  
Attention: Perry Sook  
Facsimile: (972) 373-8888  
Email: psook@nexstar.tv

with a copy (which shall not constitute notice) to:

Nexstar Broadcasting, Inc.  
545 E. John Carpenter Freeway  
Suite 700  
Irving, Texas 75062  
Attention: Elizabeth Ryder  
Facsimile: (972) 373-8888  
Email: eryder@nexstar.tv

#### **Section 11.6 Successors and Assigns; Third Party Beneficiaries.**

(a) This Agreement and all of its terms shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. Except as provided in this Section 11.6(a), this Agreement shall not be assigned by any party hereto. Any party (including, for this purpose, Seller) may assign or transfer any of its rights under this Agreement to any of its Affiliates, provided that no such assignment or transfer shall operate to relieve a party of any of its liabilities or obligations hereunder. Pursuant to Section 6.1(d), Seller shall have the right to qualify the transactions contemplated by this Agreement as a part of a tax-deferred, like-kind exchange under Section 1031 of the Code. Buyer acknowledges that Seller, in that regard, is permitted to assign its rights, but not its liabilities or obligations, under this Agreement, to one or more “qualified intermediaries” for use in this transaction as that term is used in Treasury Regulations Section 1.1031(k)-1(g)(4), and otherwise to cooperate with Seller and their respective Affiliates to structure the sale as a like-kind exchange, provided that Buyer will not be required to incur any obligation, liability or expense with respect to any such exchanges.

(b) This Agreement shall be binding upon and inure to the benefit of the parties hereto and their successors and permitted assigns. Except as expressly provided in Article IX, nothing in this Agreement, expressed or implied, is intended or shall be construed to confer upon any Person other than the parties and successors and assigns permitted by this Section 11.6 any right, remedy or claim under or by reason of this Agreement.

#### **Section 11.7 Access to Records after Closing.**

(a) For a period of six years after the Closing Date, Seller and its representatives shall have reasonable access to all of the books and records of the Business transferred to Buyer hereunder to the extent that such access may reasonably be required by Seller in connection with matters relating to or affected by the operations of the Business prior to the Closing Date. Such access shall be afforded by Buyer upon receipt of reasonable advance notice and during normal business hours. Seller shall be solely responsible for any costs or expenses incurred by it pursuant to this Section 11.7(a). If Buyer 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’s expense, to segregate and remove such books and records as the other party may select.

(b) For a period of six years after the Closing Date, Buyer and its representatives shall have reasonable access to all of the books and records relating to the Business which Seller, Option Party or any of their Affiliates may retain after the Closing Date. Such access shall be afforded by Seller, Option Party and their Affiliates upon receipt of reasonable advance notice and during normal business hours. Buyer shall be solely responsible for any costs and expenses incurred by it pursuant to this Section 11.7(b). If Seller, Option Party or any of their Affiliates shall desire to dispose of any of such books and records prior to the expiration of such six-year period, such party shall, prior to such disposition, give Buyer a reasonable opportunity, at Buyer’s expense, to segregate and remove such books and records as the other party may select.

**Section 11.8 Entire Agreement; Amendments.** This Agreement, the Exhibits and Schedules referred to herein and the other documents delivered pursuant hereto contain the entire understanding of the parties hereto with regard to the subject matter contained herein or therein, and supersede all prior agreements, understandings or intents between or among any of the parties hereto. The parties hereto, by mutual agreement in writing, may amend, modify and supplement this Agreement.

**Section 11.9 Interpretation.** Article titles and headings to Sections herein are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement. The Schedules and Exhibits referred to herein shall be construed with and as an integral part of this Agreement to the same extent as if they were set forth verbatim herein. For purposes of this Agreement, (i) the words “include,” “includes” and “including” shall be deemed to be followed by the words “without limitation,” (ii) the word “or” is not exclusive and (iii) the words “herein”, “hereof”, “hereby”, “hereto” and “hereunder” refer to this Agreement as a whole. Unless the context otherwise requires, references herein (a) to Articles, Sections, Exhibits and Schedules mean the Articles and Sections of, and the Exhibits and Schedules attached to, this Agreement and (b) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof and by this Agreement. This Agreement, the Buyer Ancillary Agreements and the Ancillary Agreements shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. References to a “party hereto” or the “parties hereto” or similar phrases shall refer to Seller and Buyer.

**Section 11.10 Waivers.** Any term or provision of this Agreement may be waived, or the time for its performance may be extended, by the party or parties entitled to the benefit thereof. The failure of any party hereto to enforce at any time any provision of this Agreement shall not be construed to be a waiver of such provision, nor in any way to affect the validity of this Agreement or any part hereof or the right of any party thereafter to enforce each and every such provision. No waiver of any breach of this Agreement shall be held to constitute a waiver of any other or subsequent breach.

**Section 11.11 Expenses.** Except as otherwise expressly provided herein, each of Seller and Buyer will pay all of its own respective costs and expenses incident to its negotiation and preparation of this Agreement and to its performance and compliance with all agreements and conditions contained herein on its part to be performed or complied with, including the fees, expenses and disbursements of its counsel and accountants.

**Section 11.12 Partial Invalidity.** Wherever possible, each provision hereof shall be interpreted in such manner as to be effective and valid under applicable law, but in case any one or more of the provisions contained herein shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision or provisions had never been contained herein.



**Section 11.13 Execution in Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be considered an original instrument, but all of which shall be considered one and the same agreement, and shall become binding when one or more counterparts have been signed by each of the parties and delivered to each of Seller and Buyer.

**Section 11.14 Disclaimer of Warranties.** Seller makes no representations or warranties with respect to any projections, forecasts or forward-looking information provided to Buyer. There is no assurance that any projected or forecasted results will be achieved. EXCEPT AS TO THOSE MATTERS EXPRESSLY COVERED BY THE REPRESENTATIONS AND WARRANTIES IN THIS AGREEMENT AND THE CERTIFICATES DELIVERED BY SELLER PURSUANT TO SECTION 8.1, SELLER IS SELLING THE BUSINESS AND THE PURCHASED ASSETS ON AN "AS IS, WHERE IS" BASIS AND SELLER DISCLAIM ALL OTHER WARRANTIES, REPRESENTATIONS AND GUARANTIES WHETHER EXPRESS OR IMPLIED. SELLER MAKES NO REPRESENTATION OR WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE AND NO IMPLIED WARRANTIES WHATSOEVER. Buyer acknowledges that none of Seller or any of their representatives or Affiliates nor any other Person has made any representation or warranty, express or implied, as to the accuracy or completeness of any memoranda, charts, summaries or schedules heretofore made available by Buyer or its representatives or Affiliates to Buyer or any other information which is not included in this Agreement or the Schedules hereto, and none of Seller or any of their representatives or Affiliates nor any other Person will have or be subject to any liability to Buyer, any Affiliate of Buyer or any other Person resulting from the distribution of any such information to, or use of any such information by, Buyer, any Affiliate of Buyer or any of their agents, consultants, accountants, counsel or other representatives.

**Section 11.15 WAIVER OF JURY TRIAL.** EACH OF THE PARTIES TO THIS AGREEMENT HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

**Section 11.16 Specific Performance.** The parties agree that irreparable damage would occur in the event that any provision of this Agreement was not performed in accordance with its specific terms or was otherwise breached or the Closing was not consummated, and that money damages would not be an adequate remedy, even if available. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions, or any other appropriate form of specific performance or equitable relief, to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof (including the parties' obligations to consummate the Closing, subject to the satisfaction or waiver of the conditions set forth in Sections 7.3 or 8.3, as applicable) in any court of competent jurisdiction, this being in addition to any other remedy to which they are entitled at law or in equity; provided that, without limiting the foregoing, either party may seek specific performance of a party's obligations under Section 5.3. Each of the parties agrees that it will not oppose the granting of an injunction, specific performance and other equitable relief on the basis that any other party has an adequate remedy at law or that any award of specific performance is not an appropriate remedy for any reason at law or in equity. Any party seeking an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement shall not be required to post any bond or other security in connection with any such order or injunction. Without limiting the foregoing,

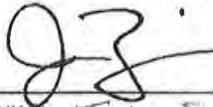
Seller agrees that Buyer, upon reasonable request, may cause Seller to enforce its rights under the Option Agreement against the Option Party by written to Seller.

[Signatures on following page]


IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

**SELLER:**

**MEREDITH CORPORATION**

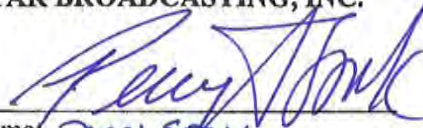
By:   
Name: John S. Zieser  
Title: Chief Development Officer/  
General Counsel

**KPHO BROADCASTING CORPORATION**

By:   
Name: John S. Zieser  
Title: Chief Development Officer/  
General Counsel

**BUYER:**

**NEXSTAR BROADCASTING, INC.**

By:   
Name: Perry Spork  
Title: CEO + President