

## ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (the "Agreement") is entered into as of August 13, 2003, by and among KULR CORPORATION, L.L.C., a Delaware limited liability company ("KULR"), KFBB CORPORATION, L.L.C., a Delaware limited liability company ("KFBB" and collectively with KULR, the "Sellers" and each, a "Seller"), MAX MEDIA OF MONTANA LLC, a Virginia limited liability company (the "Company"), WOOSTER REPUBLICAN PRINTING COMPANY, an Ohio corporation ("Parent"), and MMM LICENSE LLC, a Virginia limited liability company ("License Sub" and collectively with the Company, the "Buyer").

### RECITALS

A. KULR is the licensee of television broadcast Stations KULR-TV Channel 8 and KULR-DT Channel 11, both licensed to Billings, Montana, and K66BR, licensed to Livingston, Montana (the "KULR Stations"). KFBB is the licensee of television broadcast Stations KFBB-TV Channel 5 and KFBB-DT Channel 8, both licensed to Great Falls, Montana, KHBB-LP, licensed to Helena, Montana, and K43DC Channel 43, licensed to Lewistown, Montana (the "KFBB Stations" and together with the KULR Stations, the "Stations"). The Sellers operates the Stations pursuant to certain licenses, franchises, authorizations and approvals, including associated broadcast auxiliary, cable antenna relay service and business radio authorizations issued by the Federal Communications Commission ("FCC").

B. The Sellers desire to sell, assign and transfer to the Buyer the Stations, the Authorizations, and all of the assets used in the operations of the Stations and described in more detail below, and the Buyer desires to purchase from the Sellers the Stations, the Authorizations and all of the assets used in the operations of the Stations and described in more detail below, all under the terms and conditions described herein. The parties acknowledge that the Authorizations will be transferred to License Sub and all other assets will be transferred to the Company.

C. The Parent owns substantially all of the issued and outstanding equity interests of Sellers and will derive substantial benefits from the transactions contemplated by this Agreement, which benefits are hereby acknowledged by the Parent. The Parent, therefore, desires to enter into this Agreement for the sole purpose of guaranteeing the indemnification obligations of Sellers. The Parent has received valid and legally sufficient consideration to execute and deliver this Agreement and become obligated to the Buyer pursuant to the terms and conditions of Sections 5.12 and 5.13 and Article 10 of this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual promises, representations, warranties and covenants herein contained, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

### ARTICLE 1 DEFINITIONS

"ABC" means American Broadcasting Companies, Inc.

“ABC Affiliation Agreement” means the Affiliation Agreement dated February 10, 1997 by and between ABC and KFBB, as amended by side letter agreements dated June 30, 1999 and October 2, 2002.

“Affiliate” of any Person means (a) any Person that owns or controls, is owned or controlled by, or under common control with, such Person or (b) any member of the immediate family of the specified Person.

“Affiliation Agreements” has the meaning set forth in Section 2.1(i).

“Assets” has the meaning set forth in Section 2.1.

“Assumed Employees” has the meaning set forth in Section 11.10.

“Assumed Liabilities” has the meaning set forth in Section 2.3(b).

“Authorizations” has the meaning set forth in Section 3.10.

“Buyer Indemnitees” has the meaning set forth in Section 10.2(a).

“Closing” has the meaning set forth in Section 2.7.

“Closing Date” has the meaning set forth in Section 2.7.

“COBRA” means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

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

“Consents” has the meaning set forth in Section 3.14.

“Contest Notice” has the meaning set forth in Section 10.4(b).

“Contract” means any executory agreement, arrangement, commitment or understanding, written or oral, express or implied, relating to the operation of the Stations, to which a Seller is a party or is bound, including, without limitation, orders and agreements for the sale of advertising, leases for Leased Real Property and Tangible Personal Property, Program License Agreements and Affiliation Agreements.

“Contract Schedules” has the meaning set forth in Section 2.1(f).

“Deficiencies” has the meaning set forth in Section 10.3.

“Disclosure Schedule” has the meaning set forth in Article 3.

“Duplicate Records” has the meaning set forth in Section 2.1(j).

“Earnest Money Escrow Agreement” has the meaning set forth in Section 2.4.

“Earnest Money Escrow Deposit ” has the meaning set forth in Section 2.4.

“Effective Time” has the meaning set forth in Section 2.6(a).

“Election” has the meaning set forth in Section 5.9(c).

“Employee Welfare Benefit Plan” has the meaning set forth in ERISA §3(1).

“Environmental Laws” means any and all federal, state or local laws (including common law), rules, orders, regulations, statutes, ordinances, codes, guidelines properly enforced by governmental authorities, administrative orders, or requirements of any governmental authority regulating or imposing standards of liability, standards of conduct or standards of remediation with respect to protection of public health or environmental media (including without limitation soil, surface water, ground water, stream sediments or air), including, without limitation, the Resource Conservation and Recovery Act, the Toxic Substances Control Act, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Hazardous Materials Transportation Act, the Federal Insecticide, Fungicide, and Rodenticide Act, the Clean Water Act, the Safe Drinking Water Act, the Clean Air Act, and applicable state analogues, all as in effect on the date hereof and as amended.

“Environmental Permits” has the meaning set forth in Section 3.17.

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

“Escrow Agent” has the meaning set forth in Section 2.4.

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

“FCC” has the meaning set forth in Recital A.

“FCC Applications” has the meaning set forth in Section 5.9(a).

“FCC Order” means the order of the FCC consenting to the assignment of all Authorizations to the Buyer without any conditions that would restrict, limit, increase the cost or burden of or otherwise adversely affect or impair, in any material respect, the right of the Sellers or the Buyer to the ownership, use, control, enjoyment or operation of the Stations or the proceeds therefrom; provided, however, that any condition which requires that the Stations be operated in accordance with conditions similar to and not more adverse than those contained in the present Authorizations issued for operation of the Stations shall not be deemed to have such effect.

“Final” means an order of a governmental authority, or the failure of a governmental authority to act when required by law to prevent a proposed action, which creates rights (i) which are effective, (ii) with respect to which no appeal, request for stay, request for reconsideration or other request for review is pending, (iii) with respect to which the time for appeal, requesting a stay, requesting reconsideration or requesting other review has expired, and (iv) with respect to which the time for the governmental authority to set aside an action sua sponte has expired.

“Final Closing Date” has the meaning set forth in Section 11.1.

“Financial Statement” has the meaning set forth in Section 3.7(a).

“GAAP” means United States generally accepted accounting principles as in effect from time to time.

“Government Agency” has the meaning as set forth in Section 3.11(a).

“Governing Documents” has the meaning set forth in Section 3.1.

“Hazardous Materials” means any materials regulated as hazardous or toxic under applicable Environmental Laws, including, without limitation, petroleum, petroleum products, fuel oil, crude oil or any fraction thereof, derivatives or byproducts of petroleum products or fuel oil, natural gas, natural gas liquids, liquefied natural gas, synthetic natural gas useable for fuel, hazardous substances, toxic substances, polychlorinated biphenyls, medical waste, biomedical waste or infectious materials.

“Income Tax” means any federal, state, local, or foreign income tax, including any interest, penalty, or addition thereto, whether disputed or not.

“Indemnification Escrow Agreement” has the meaning set forth in Section 2.5(b).

“Indemnification Escrow Amount” has the meaning set forth in Section 2.5(b).

“Indemnifying Party” has the meaning set forth in Section 10.2.

“Indemnitees” has the meaning set forth in Section 10.4(a).

“Intangible Property” has the meaning set forth in Section 2.1(g).

“Interim Balance Sheet” has the meaning set forth in Section 3.7(a).

“IRS” means the Internal Revenue Service.

“Knowledge” means (i) with respect to the Sellers, the actual knowledge, after due inquiry, of Bruce Cummings, Robert Dix, Troy Dix, Dale Gerber and, with respect to Sections 3.10, 3.11 and 3.22 of this Agreement, Mark Huller (with respect only to KULR) and Mike Warner (with respect only to KFBB), or any successors to their positions before Closing, and (ii) with respect to Buyer, the actual knowledge of David Wilhelm, Gene Loving and John Trinder or any successor to their positions before Closing.

“Latest Balance Sheet Date” has the meaning set forth in Section 3.8.

“Leased Equipment” has the meaning set forth in Section 2.1(a).

“Leased Real Property” has the meaning set forth in Section 2.1(c).

“Legal Expenses” shall mean any and all fees (whether of attorneys, accountants or other professionals), costs and expenses of any kind actually and reasonably incurred by any Person

identified herein and its counsel in investigating, preparing for, defending against, or providing evidence, producing documents or taking other action with respect to any threatened or asserted claim.

“Material Consent” has the meaning set forth in Section 5.6.

“Multiemployer Plan” has the meaning set forth in ERISA §3(37).

“NBC” means NBC Television Network.

“NBC Affiliation Agreement” means the Affiliation Agreement dated March 26, 1997 by and between NBC, MDM Broadcasting, Inc., L.L.C. and KULR.

“Ordinary Course of Business” means the ordinary course of business consistent with past custom and practice (including with respect to quantity and frequency).

“Owned Improvements” has the meaning set forth in Section 3.16(b).

“Owned Real Property” has the meaning set forth in Section 2.1(c).

“PBGC” means the Pension Benefit Guaranty Corporation.

“Person” means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, or a governmental entity (or any department, agency, or political subdivision thereof).

“Permitted Encumbrances” has the meaning set forth in Section 2.3(a).

“Program License Agreements” has the meaning set forth in Section 2.1(d).

“Purchase Price” has the meaning set forth in Section 2.5(a).

“Real Property” has the meaning set forth in Section 2.1(c).

“Real Property Leases” has the meaning set forth in Section 3.16(a).

“Receivables” has the meaning set forth in Section 2.2(e).

“Release” means any release, spill, leak, emission, discharge, deposit, pumping, pouring, emptying, discharging, injecting, escaping, leaching, disposing or dumping of Hazardous Materials.

“Representatives” has the meaning set forth in Section 5.12.

“Reportable Event” has the meaning set forth in ERISA §4043.

“Returns” has the meaning set forth in Section 3.9(a).

“Security Interest” has the meaning set forth in Section 2.3(a).

“Seller Indemniteses” has the meaning set forth in Section 10.2(b).

“Station Benefit Plan” has the meaning set forth in Section 3.21(d).

“Stations” has the meaning set forth in the Recitals.

“Subsidiary” means any corporation, partnership, limited liability company or other legal entity with respect to which a specified Person (or a Subsidiary thereof) owns a majority of the common stock, partnership interests, membership interests or other entity interests or has the power to vote or direct the voting of sufficient securities to elect a majority of the directors, managers or general partners.

“Superior Claims” has the meaning set forth in Section 10.1.

“Tangible Personal Property” has the meaning set forth in Section 2.1(a).

“Taxes” has the meaning set forth in Section 3.9(a).

“Third Party Assignee” has the meaning set forth in Section 5.9(b).

“Third Party Assignment” has the meaning set forth in Section 5.9(b).

“Trade Accounts” has the meaning set forth in Section 2.3(e).

“Transaction” has the meaning set forth in Section 5.12(a).

“Unsolicited Proposal” has the meaning set forth in Section 5.12(b).

“Value of Trades” has the meaning set forth in Section 2.3(e).

## ARTICLE 2 PURCHASE AND SALE OF PROPERTIES AND ASSETS

2.1 Assets. The Sellers agree to sell and the Buyer agrees to purchase all properties and assets, real, personal and mixed, tangible and intangible, of every type and description, wherever located (except for Excluded Assets) that are owned or leased by the Sellers and used or held for use by the Stations, including, without limitation, the property and assets (except the Excluded Assets) that are acquired between the date hereof and the Closing Date and are used in the operations of the Stations (collectively, the “Assets”). Without limiting the foregoing, the Assets shall include the following, except to the extent that any of the following are included within the Excluded Assets:

(a) Tangible Personal Property. All equipment, transmitters, electrical devices, antennae, cables, tower equipment, distribution systems, amplifiers, microwave equipment, converters, testing equipment, computers and computer equipment, furniture, fixtures, office materials and supplies, hardware, tools, spare parts, vehicles, towers, software, prize inventory and other tangible personal property owned or leased by the Sellers on the date hereof, including,

without limitation the tangible personal property described on attached Schedule 2.1(a), together with any additions, modifications, alterations or improvements between the date of this Agreement and the Closing Date (collectively, the "Tangible Personal Property").

(b) Licenses and Authorizations. All rights in and to the Authorizations issued to the Sellers or any Affiliate of the Sellers, including, without limitation, all rights in and to the call letters KULR-TV, KULR-DT, K66BR, K24FL, KFBB-TV, KFBB-DT, KHBB-LP and K43DC, all of those Authorizations listed and described on attached Schedule 2.1(b), including without limitation, all amendments and all applications therefor, together with any renewals, extensions or modifications thereof and additions thereto and all public inspection files and other required records of the Sellers, including, without limitation, those required by the FCC.

(c) Real Property. All real property and any interests therein, including, without limitation, land, easements, air rights, rights of way and fee ownership, buildings, towers, guy wires, anchors, structures, fixtures and improvements owned by the Sellers (the "Owned Real Property") listed on Schedule 2.1(c) and the Sellers' interests in the leases, licenses, leased rights of way and other interests of every kind and description in and to all of the real property, towers, buildings and improvements thereon, leased or licensed by the Sellers (the "Leased Real Property") as of the date hereof, including, without limitation, those listed on Schedule 2.1(c), and any additions, improvements and alterations thereto made between the date of this Agreement and the Closing Date (the Owned Real Property and the Leased Real Property, collectively, the "Real Property").

(d) Program License Agreements. All program license agreements and rights to broadcast programs and films, whether for cash or barter (the "Program License Agreements"), held by the Sellers as of the date hereof, including, without limitation, those listed on Schedule 2.1(d), together with all Program License Agreements that are entered into in the Ordinary Course of Business of the Stations between the date of this Agreement and the Closing Date, except those entered into after the execution of this Agreement which require the consent of the Buyer to be added to the schedules and which the Buyer elects not to assume pursuant to Section 6.3; *provided, however*, the Buyer is under no obligation to assume any liability under any Program License Agreement existing as of the date of this Agreement that is not listed and described on Schedule 2.1(d).

(e) Agreements for Sale of Time. All orders and agreements now existing, or entered into in the Ordinary Course of Business between the date hereof and the Closing Date, for the sale of advertising time on the Stations (including Trade Accounts to the extent provided in Section 2.3(e) below), except those which on the Closing Date have already been filled or have terminated or expired.

(f) Other Contracts. All Contracts (other than Program License Agreements, Contracts described in Section 2.3(e) and Affiliation Agreements) in connection with the business and operations of the Stations, together with all Contracts (other than Program License Agreements, Contracts described in Section 2.3(e) and Affiliation Agreements) that are entered into in the Ordinary Course of Business of the Stations between the date of this Agreement and the Closing Date, except those entered into after the execution of this Agreement which require the consent of the Buyer to be added to the schedules and which the Buyer elects not to assume

pursuant to Section 6.3; *provided, however*, the Buyer is under no obligation to assume any liability under any Contract existing as of the date of this Agreement which is not listed or referenced on Schedule 2.1(f). Schedules 2.1(d), 2.1(f) and 2.1(i) are collectively referred to as the "Contract Schedules."

(g) Intangible Property. All trademarks, trade names, call letters, service marks, franchises, patents, jingles, slogans, logotypes, software licenses, domain names, websites (including www.kulr8.com and www.kfbb.com) and other intangible rights, owned or licensed and used or held for use by the Sellers as of the date of this Agreement, including, without limitation, all of those listed and described on attached Schedule 2.1(g), and those acquired by the Sellers between the date hereof and the Closing Date (collectively, the "Intangible Property").

(h) Programming and Copyrights. All programs and programming materials and elements of whatever form or nature which have been created or produced by the Sellers as of the date of this Agreement, whether recorded on tape or any other substance or intended for live performance, and whether completed or in production, and all related common law and statutory copyrights owned by the Sellers, together with all such programs, materials, elements and copyrights acquired by the Sellers between the date hereof and the Closing Date.

(i) Network Affiliation Agreements. Any and all of the Stations' network affiliation agreements, including, but not limited to, the ABC Affiliation Agreements and the NBC Affiliation Agreement (collectively, the "Affiliation Agreements"), true copies of which with all amendments are attached to Schedule 2.1(i).

(j) Files and Records. All files and other records of the Sellers relating to the Stations and the Assets (other than duplicate copies of such files, hereinafter "Duplicate Records") including, without limitation, all books, files, correspondence, studies, reports, projections, schematics, blueprints, engineering data, customer lists, reports, specifications, signal and program carriage, projections, statistics, creative materials, mats, plates, negatives and other advertising, marketing or related materials, dealings with governmental authorities (including all reports filed by or on behalf of the Sellers with the FCC and statements of account filed by or on behalf of the Sellers with the U.S. Copyright Office) and all other business, technical and financial information regardless of the media on which stored.

(k) Claims. Subject to Section 2.2(k), any and all of the Sellers' claims and rights against third parties who are not Affiliates of the Sellers or Parent, including, without limitation, all Sellers' rights under manufacturers' and vendors' warranties, and all deposits, refunds, rights to recovery and rights of setoff and recoupment related to the Assets.

(l) Prepaid Items. Except as set forth in Section 2.2(n), all prepaid expenses and prepaid *ad valorem* taxes (which shall be prorated, if applicable, as provided in Section 2.6) and rent, utility and other deposits held by third parties.

(m) Goodwill. All of the Sellers' goodwill in, and going concern value of, the Stations.

(n) Franchises, Permits. All franchises, approvals, licenses, orders, registrations, certificates, variances and similar rights obtained from governments and governmental agencies.

2.2 Excluded Assets. Notwithstanding the foregoing, the following assets of the Sellers, to the extent in existence on the Closing Date, shall be retained by the Sellers (collectively, the "Excluded Assets"):

(a) Certain Assets. Pension, 401(k), profit sharing and savings plans and trusts and any other "employee benefit plan" within the meaning of Section 3(3) of ERISA and any assets thereof.

(b) Limited Liability Company Records. The minute books, member lists, limited liability company agreement and similar limited liability company records of the Sellers.

(c) Employee Personal Property. Any personal property which is listed on Schedule 2.2 and located at either Seller's office but owned by any employee of such Seller.

(d) Cash and Investments. All of the Sellers' cash on hand or in bank accounts and any other marketable securities or cash equivalents including, without limitation, certificates of deposit, commercial paper, treasury bills, or money market accounts.

(e) Tax Returns. All income and franchise tax returns and supporting schedules.

(f) Receivables. Except as provided otherwise in Section 2.3(e), all receivables of the Sellers accrued through the Effective Time (the "Receivables").

(g) Rights under this Agreement. All rights of the Sellers under this Agreement.

(h) Intangible Property. All Intangible Property not used or held for use by the Sellers in the operations of the Stations.

(i) Contracts. All rights and interests of the Sellers under the Contracts that are not assumed by the Buyer.

(j) Certain Tax Claims. All rights and interests (a) in, to or under any tax sharing agreement or arrangements and (b) in and to any claims or causes of action (including any cross-claims or counter-claims) relating to any Taxes (including any deposits, rebates, credits or other Tax benefits).

(k) Rights in Respect of Excluded Liabilities. All guarantees, warranties, indemnities and rights, claims and causes of action against any Person that would entitle the Sellers to recompense in respect of any Excluded Liability, except to the extent such guarantees, warranties, indemnities, rights, claims and causes of action would entitle the Buyer to recompense, whether in whole or in part, for any Assumed Liability.

(l) Certain Claims. All rights and interests in and to indemnity claims, judgments, rights of recovery, rights of set-off and causes of action of the Sellers against third parties and all insurance, warranty and condemnation proceeds, and rights thereto.

(m) Tax Refunds. Any claims for (or rights to) refunds for Taxes for periods ending on or prior to the Closing Date.

(n) Pre-paid Items. All pre-paid deposits, insurance and software license fees and other pre-paid expenses.

### 2.3 Liabilities.

(a) Security Interests. The Assets shall be sold and conveyed to the Buyer free and clear of all mortgages, liens, deeds of trust, security interests, pledges, options, restrictions, prior assignments, charges, claims, defects in title and encumbrances of any kind or type whatsoever (collectively, the "Security Interests") except for: (i) the Security Interests disclosed on Schedule 2.3(a), (ii) liens for taxes, assessments, or governmental charges or levies, other than Income Taxes and other taxes of the Sellers that do not relate to the Assets, and which are not yet due and payable, accruing before the Effective Time, (iii) the obligations of the Sellers arising after the Effective Time which the Buyer has agreed to assume under the Contracts as described in Section 2.3(b), (iv) mechanics and materialman liens arising in the Ordinary Course of Business (provided that the Sellers shall cause such liens to be discharged promptly after the Closing without any liability to the Buyer and provided that the Sellers deposit with Escrow Agent, as hereinafter defined, at Closing funds sufficient to discharge any such liens), (v) statutory landlord's liens imposed for any default occurring after Closing, (vi) liens or encumbrances granted by landlords with respect to Leased Real Property, (vii) such imperfections or exceptions to title or encumbrances, including without limitation easements, rights of way, covenants, restrictions, reservations and zoning and building ordinances and restrictions as do not materially diminish the marketability of the parcel of Owned Real Property to which they are attached, materially interfere with the ownership, use or operation of the Owned Real Property to which they are attached, or materially impair or interfere with the operation of the Stations and (viii) such other matters as the Buyer may approve in writing. The Security Interests referred to in the foregoing clauses (i)-(viii) are collectively referred to herein as "Permitted Encumbrances."

(b) Assumed Liabilities. Except as otherwise provided herein and subject to the terms and conditions of this Agreement (including Section 11.6), simultaneously with the sale, transfer, conveyance and assignment to the Buyer of the Assets, the Buyer shall assume, and hereby agrees to pay, satisfy, discharge, perform and fulfill when due, (i) all liabilities and obligations arising or to be performed after the Closing Date under the Contracts that are assigned and transferred to the Buyer pursuant to the Assignment and Assumption Agreement and under any Contracts the benefits and burdens of which are assigned to the Buyer under Section 11.6 and (ii) all Trade Accounts (collectively the "Assumed Liabilities"). Buyer agrees to indemnify and hold the Sellers and their respective successors and assigns harmless from and against any and all such Assumed Liabilities in accordance with the terms of Article 10 below.

(c) Excluded Liabilities. Other than the Assumed Liabilities, the Buyer shall not assume or be liable for, and does not undertake or attempt to assume or discharge any obligation of the Sellers, specifically including without limitation:

(i) any liability or obligation of the Sellers arising out of any Contract not assumed by the Buyer under Sections 2.3(b), 5.6 or 6.3 and any liability arising under Contracts before the Effective Time;

(ii) any liability or obligation of the Sellers arising out of or relating to any pension, 401(k), employee benefit, retirement or profit sharing plan maintained by a Seller, or any liability for COBRA continuation coverage, vacation and sick days or pay of any employee of the Sellers;

(iii) for any compensation accrued at or before the Effective Time or any severance pay to any employee or independent contractor of the Sellers and any related payroll tax;

(iv) any liability or obligation of the Sellers arising out of any litigation, proceeding or claim by any Person based on the activities of the Sellers, the operation of the Stations or the use of the Assets before the Effective Time, whether such litigation, proceeding or claim is pending, threatened or asserted before, on or after the Closing Date; and

(v) any and all other liabilities, obligations, debts or commitments of the Sellers whatsoever, whether accrued now or hereafter, whether fixed or contingent, whether known or unknown, or any claims asserted against the Sellers, any employee of the Sellers, the Stations or any of the Assets or other items owned by the Sellers at the Effective Time relating to any event (whether act or omission) before the Effective Time, including, without limitation, Sellers' obligation to pay Taxes, including, without limitation, any taxes due upon liquidation of the Sellers or the sale of the Assets by the Sellers, and any other corporate income, franchise, sales, use, business and occupation taxes.

(d) Retained Obligations of the Sellers. The Sellers retain and shall hereafter pay, satisfy, discharge, perform and fulfill all obligations and liabilities other than the Assumed Liabilities, including, without limitation those described in Section 2.3(c) (the "Excluded Liabilities"), as they become due, without any charge or cost to the Buyer. The Sellers agree to indemnify and hold the Buyer and its successors and assigns harmless from and against any and all such Excluded Liabilities in accordance with the terms of Article 10 below.

(e) Trade Accounts. The Sellers' trade and barter accounts, trade contracts and trade commitments receivable and payable (the "Trade Accounts") are listed in detail on Schedule 2.3(e), which lists the Sellers' gross dollar obligations to provide airtime by advertiser and the gross airtime assets available to the Sellers as of August 1, 2003. The Sellers will transfer all Trade Accounts to the Buyer at the Closing, effective as of the Effective Time, and the Buyer shall assume the Trade Accounts; *provided, however*, if the aggregate airtime liability of the advertising-for-advertising Trade Accounts to be assumed by the Buyer at Closing exceeds the value of advertising to be received by the Stations as of the Effective Time ("Value of Trades") by more than \$10,000, all as determined in accordance with Sellers' customary bookkeeping practices,

then the excess Trade Accounts shall appear as a debit to Sellers in the closing pro rations in accordance with Section 2.6(a); *provided, further*, all such Trade Accounts assumed by the Buyer shall be subject to preemption for cash advertising.

2.4 Earnest Money Escrow Agreement and Deposit. On execution of this Agreement, Buyer shall deliver to Lawyer's Title Insurance Corporation (the "Escrow Agent") the sum of Six Hundred Twelve Thousand Five Hundred Dollars (\$612,500.00) in cash (the "Earnest Money Escrow Deposit"). The Earnest Money Escrow Deposit shall be held by the Escrow Agent in accordance with the terms of an earnest money escrow agreement dated the date of this Agreement in the form of attached Exhibit A (the "Earnest Money Escrow Agreement"). At the Closing, the Earnest Money Escrow Deposit will be retained by Escrow Agent pursuant to Section 2.5(b) and shall be credited dollar-for-dollar against the Purchase Price. Any and all accrued interest relating to the Earnest Money Escrow Deposit shall be paid to the Buyer. If the Closing does not take place in accordance with the terms of this Agreement, then the Earnest Money Escrow Deposit will be delivered to the Sellers or the Buyer in accordance with the terms and conditions set forth in Section 11.1.

2.5 Purchase Price, Payment, and Allocation.

(a) Purchase Price. The aggregate purchase price to be paid for the Assets will be Twelve Million Two Hundred Fifty Thousand Dollars (\$12,250,000.00) as adjusted by Section 2.6 (the "Purchase Price").

(b) Method of Payment. The Earnest Money Escrow Agreement shall be terminated and the Earnest Money Escrow Deposit shall be retained by the Escrow Agent (hereafter, the "Indemnification Escrow Amount") pursuant to the Indemnification Escrow Agreement in the form of attached Exhibit B ("Indemnification Escrow Agreement") which shall be executed by the Sellers, the Buyer and the Escrow Agent at the Closing. The balance of the Purchase Price shall be paid by the Buyer at Closing by wire transfer of immediately available funds pursuant to the instructions of the Sellers, which instructions shall be delivered to the Buyer at least two business days before the Closing.

(c) Allocation of Purchase Price. The Buyer and the Sellers agree that the Purchase Price shall be allocated among the Assets in the manner set forth on Schedule 2.5. The asset allocation agreed to by the parties pursuant to this Section 2.5 shall be referred to as the "Allocation." The Sellers and the Buyer agree (i) to jointly complete IRS Form 8594 in the manner required by Section 1060 of the Code, the regulations thereunder and the Allocation, and to separately file such IRS Form 8594 with its federal income tax return for the tax year in which the Closing occurs and (ii) that neither Sellers nor Buyer will take a position on any Tax Return inconsistent with the Allocation without the written consent of the other party; *provided, however*, that nothing contained herein shall prevent Buyer or Sellers from settling any proposed deficiency or adjustment by any taxing authority based upon or arising out of the Allocation, and neither Buyer nor Sellers shall be required to litigate before any court, any proposed deficiency or adjustment by any taxing authority challenging such Allocation. Notwithstanding anything to the contrary in this Agreement, the provisions of this Section 2.5 shall survive the Closing.

## 2.6 Adjustments.

(a) General Rule. The operation of the Stations and the income and normal operating expenses attributable thereto through 11:59:59 p.m. (Eastern Standard Time) at the end of the Closing Date (the "Effective Time") shall be for the account of the Sellers and thereafter for the account of the Buyer; therefore all items allocable to both the period before and the period after the Effective Time, shall be prorated between the Sellers and the Buyer as of the Effective Time. At Closing, the parties shall make all known prorations and estimate any remaining prorations.

(b) Adjustment Schedule. The Buyer will prepare and deliver to the Sellers within 90 days after the Closing Date a report computing the details of the determination, in accordance with the provisions of Section 2.6(a), of the final prorations as compared to the estimated prorations made at Closing. The report will include reasonable detail concerning the determination, and the Buyer will provide the Sellers and its Representatives reasonable access to the books, records, workpapers, facilities and employees of the Stations and to the workpapers of the Buyer's Representatives in connection with the review of such determination. Within 30 days after receiving the report, the Sellers will provide the Buyer with any objections to the computations. If the Sellers have no objections, the party obligated to make payment under the report will do so within five business days after the expiration of the 30-day period. Any disagreement which cannot be resolved by the parties within 30 days will be resolved by the Sellers and the Buyer each selecting a certified public accountant knowledgeable in the broadcast industry to resolve the dispute. If these two accountants cannot resolve the dispute within 30 days after submission to them, then the two accountants shall select a third certified public accountant knowledgeable in the broadcast industry and not previously engaged by the Buyer or the Sellers and the agreement of two of the three accountants shall be binding on the parties and subject to judicial enforcement. Each party shall bear the costs of its own accountant and one-half of the cost of the third accountant.

2.7 Closing. The consummation of the transactions provided for in this Agreement (the "Closing") shall take place at (a) the offices of Williams Mullen, 222 Central Park Avenue, Suite 1700, Virginia Beach, Virginia, at 11:00 a.m. on the date which is mutually set by the Sellers and the Buyer and occurs within five business days after the FCC Order becomes Final and all conditions to Closing set forth in Articles 7 and 8 have been satisfied, or (b) if the Buyer waives the finality of the FCC Order, such other place, time or date as the parties may agree on in writing, within five business days after the satisfaction of all conditions to Closing set forth in Articles 7 and 8. The date on which the Closing is to occur is referred to herein as the "Closing Date."

## ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF THE SELLERS

The Sellers, jointly and severally, represent and warrant to the Buyer that the statements contained in this Article 3 are true and correct as of the date of this Agreement and will be true and correct in all material respects as of the Closing Date (as though made then and as though the Closing Date were substituted for the date of this Agreement throughout this Article 3; provided that any representations and warranties made as of a specific date need only

be true and correct as of such date), except as set forth in the disclosure schedule delivered by the Sellers to the Buyer attached hereto (the "Disclosure Schedule") and the other schedules attached to this Agreement. Nothing contained in the Schedules shall broaden the scope of any representation or warranty of the Sellers contained in this Agreement. The disclosure of a matter in any part of the Schedules shall qualify other parts of the Disclosure Schedule to the extent that such disclosure would put a reasonable person on notice of the applicability of the disclosure in one part to such other part. The Disclosure Schedule will be arranged in paragraphs corresponding to the lettered and numbered paragraphs contained in this Article 3. Subject to Section 6.3, from the date hereof until the Closing Date, the Sellers shall have the right to revise the Disclosure Schedule to reflect changes resulting from events occurring or actions taken in the Ordinary Course of Business; provided, that this shall not affect the Sellers' obligations hereunder with respect to the Excluded Liabilities.

3.1 Corporate Status. Each Seller is a limited liability company duly formed, validly existing and in good standing under the laws of the State of Delaware, and is duly qualified to transact business in Montana and every state in which the failure to be qualified would have a material adverse effect on the Stations or the Assets. Each Seller has the requisite power to carry on its business as it is now being conducted and to own and operate the Stations owned by it, and each Seller has the requisite power to enter into and complete the transactions contemplated by this Agreement. Neither Seller has any business other than the operation of the Stations owned by it. Attached as Schedule 3.1 are the Certificate of Formation and all amendments thereto of each Seller (together with the Limited Liability Company Agreement of each Seller, the "Governing Documents").

3.2 No Options. Except as set forth on Schedule 3.2, no Affiliate of the Sellers or any other Person has an interest in, or option to acquire, any of the Assets (other than the Excluded Assets). In connection with the execution of this Agreement, Sellers have complied with the terms of any option agreements set forth on Schedule 3.2.

3.3 Entity Action. All actions and proceedings necessary to be taken by or on the part of each Seller in connection with the performance, execution and delivery of this Agreement have been duly and validly taken and this Agreement has been duly and validly authorized, executed, and delivered by each Seller and constitutes the legal, valid and binding obligation of each Seller enforceable against each in accordance with and subject to its terms.

3.4 No Defaults. Neither the execution, delivery and performance by the Sellers of this Agreement nor the consummation by the Sellers of the transactions contemplated hereby is an event that, of itself or with the giving of notice or the passage of time or both, will: (a) violate or conflict with any provision of the Governing Documents of either Seller; (b) assuming that the consents: (i) referred to in Section 5.6, (ii) required in connection with any assignment to the Buyer of the Contracts or (iii) otherwise contemplated by this Agreement are obtained, constitute a violation of, conflict with or result in any breach of or any default under, result in any termination or modification of, or cause any acceleration of any obligation of either Seller under any contract, mortgage, indenture, agreement, lease or other instrument to which such Seller is party or by which it is bound; or (c) result in the creation or imposition of any Security Interest against the Stations or the Assets.

3.5 Contracts, Leases, Agreements and Other Commitments. Neither Seller is a party to, nor is either Seller bound by, any written or oral contract, agreement, lease, power of attorney, guaranty, surety arrangement or other commitment related to the operation of the Stations owned by it, including, but not limited to, any contract or agreement for the purchase or sale of merchandise or for programming or software of such Seller or for the rendition of services, except for the Contracts listed on the Contract Schedules, the Sellers have provided to the Buyer or its Representatives complete and correct copies of all written Contracts and all amendments, modifications, extensions and renewals thereof and written summaries of all oral Contracts. The Disclosure Schedule specifies those Contracts that require consent to transfer. No change in any material term or provision of any Contract will occur as a result of the acquisition of the Assets by the Buyer or the assignment by the Seller party thereto of such Contract to the Buyer.

3.6 Breach. Except as set forth on Schedule 3.6, the Sellers are not in violation or breach of any of the terms, conditions or provisions of their Governing Documents, any Program License Agreement, Affiliation Agreement, or other material Contract, any material indenture, mortgage or deed of trust or other instrument, or any court order, judgment, arbitration award or decree relating to or affecting the Stations or the Assets to which either Seller is a party or by which it is bound. All accrued and currently payable amounts due from the Sellers under the Contracts have been paid. To the Knowledge of the Sellers, no other party thereto is in default or breach under any of the Contracts.

3.7 Financial Information. Attached to this Agreement as Schedule 3.7 are true and correct copies (collectively, the "Financial Statements") of the unaudited financial statements of each Seller at September 30, 2002, including an unaudited balance sheet as of such date and an unaudited statement of operations for the period then ended, and the unaudited financial statements of each Seller at May 31, 2003, including an unaudited balance sheet as of such date (the "Interim Balance Sheet" and the date of the Interim Balance Sheet, the "Latest Balance Sheet Date") and an unaudited statement of operations of each Seller for the period then ended (the "Interim Income Statements," collectively, the Interim Balance Sheets and Interim Income Statements are the "Interim Financial Statements"). The Financial Statements present fairly in all material respects the financial position of that Seller as of their respective dates and the results of operations for the periods indicated.

3.8 Liabilities. There are no liabilities or obligations of the Seller relating to the Business accruing or arising before the date of this Agreement, whether arising under Contracts, related to tax or non-tax matters, known or unknown as of the date of this Agreement, due or not yet due, liquidated or unliquidated, fixed, contingent or otherwise, including penalty, acceleration or forfeiture clauses in any Contract, that should be reflected in the Interim Financial Statements (the date of the Interim Balance Sheet is the "Latest Balance Sheet Date") that are not so reflected, except as otherwise listed and described on Schedule 3.8, and except liabilities that arise in the Ordinary Course of Business (none of which results from, arises out of, relates to, is in the nature of, or was caused by any breach of contract or warranty, tort, infringement or violation of law) between the Latest Balance Sheet Date, as the case may be, and the Effective Time.

3.9 Taxes. All federal, state and local returns, reports, estimates and other statements (“Returns”) required to have been filed with any jurisdiction with respect to either Seller and the operation of the Stations owned by it with respect to any income, franchise, property, sales, value-added, payroll, withholding, excise, assessment, levy, capital and all other taxes, duties, penalties, assessments or deficiencies of every nature and description (collectively, “Taxes”) have been duly and timely filed by that Seller and each such Return correctly reflects the amount of Taxes required to be reported and/or paid. The Sellers have paid all Taxes due and payable which they are required to pay before the date hereof, except to the extent that such amounts are reserved for in the Interim Balance Sheet. There are no Taxes that are past due. No consent extending the applicable statute of limitations has been filed by or with respect to either Seller with respect to any of such Taxes for any years. Notwithstanding the foregoing, the representations and warranties set forth in this Section 3.9 are made only to the extent (a) Buyer is or may become liable for Taxes of Seller and (b) Taxes may result in a Security Interest on the Assets.

3.10 Licenses. Each Seller is the holder of all FCC licenses, permits, franchises, authorizations and approvals and all other material licenses, permits, franchises, authorizations and approvals, including associated broadcast auxiliary, cable antenna relay service and business radio authorizations or authorizations of any governmental or quasi-governmental authority required for the operation of the Stations owned by it, both analog and digital (collectively, the “Authorizations”), and all of such Authorizations are listed on Schedule 3.10. The Authorizations constitute all of the licenses and authorizations required under the Communications Act of 1934, as amended (the “Communications Act”), or the rules, regulations and policies of the FCC as of the date hereof for the operation of the Stations, including, without limitation, the conversion to digital. The Authorizations are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired. Except as listed and described on Schedule 3.10, there is not pending or, to the Sellers’ Knowledge, threatened any action by or before the FCC to revoke, suspend, cancel, rescind or modify any of the Authorizations (other than proceedings to amend FCC rules of general applicability) and there is not now issued or outstanding or pending or, to the Sellers’ Knowledge, threatened by or before the FCC, any order to show cause, notice of violation, notice of apparent liability, or notice of forfeiture or complaint against the Sellers or the Stations. The Stations are operating in compliance with the Authorizations, the Communications Act and the current rules, regulations and policies of the FCC and the ordinances, rules, regulations and policies of the State of Montana. Other than the Authorizations, there are no FCC licenses, permits or authorizations and no other material licenses, permits or authorizations of any governmental or quasi-governmental authority required to operate the Stations as currently operated.

3.11 Additional Regulatory Matters.

(a) Reports. All reports and filings required to be filed by the Sellers with the FCC and all material reports and filings required to be filed by the Sellers with any other agency of the Federal, State or local government (“Government Agency”) have been timely filed. All FCC reports and filings are accurate and complete and all other reports and filings are accurate and complete in all material respects and from the date hereof to the Effective Time all will be filed on a timely basis. Each Seller maintains appropriate public files at the Stations as required by FCC rules. With respect to FCC Authorizations of the Sellers, each Seller is operating only those

facilities for which appropriate Authorizations have been obtained from the FCC and are in effect and the Seller is complying with the terms and conditions of such Authorizations.

(b) No Notices. Each Seller has no Knowledge and has not received actual notice or communication indicating that it is not in compliance with all requirements of (i) the FCC or the Communications Act or (ii) applicable state and local statutes, regulations and ordinances. Each Seller has no Knowledge and has not received any written notice or communication, formal or informal, indicating that the FCC, or any other Government Agency is considering revoking, suspending, modifying, canceling, rescinding or terminating any Authorization.

(c) RF Radiation. The operation of the Stations does not cause or result in exposure of workers or the general public to levels of radio frequency radiation in violation of FCC rule Section 1.310 or FCC OST/OET Bulletin Number 65. Renewal of the Authorizations issued by the FCC would not constitute a "major action" within the meaning of Section 1.1301, *et seq.*, of the FCC's rules.

(d) Children's Rules. During the current renewal period each Seller has complied with all FCC rules, regulations and policies concerning children's programming and neither Seller has exceeded the limitations on program length commercials or the number of minutes of commercials in any children's program aired on the Stations.

(e) Affiliation Agreements. The Affiliation Agreements attached to Schedule 2.1(i) to this Agreement are valid and binding obligations of the Seller party thereto and, to the Sellers' Knowledge, are valid and binding obligations of each other party thereto, and the Seller party thereto has not received any actual notice of any intent or desire of ABC, with respect to the KFBB Stations, or NBC, with respect to the KULR Stations, to change the terms of, terminate or not renew such Affiliation Agreements.

(f) No Grandfathered Operations. None of the individual or collective operations of the Stations or any other FCC authorized facility operated by the Sellers would, if conducted or built out (or subsequently operated) by the Buyer after the Closing, violate the Communications Act, FCC rules, any law or regulation binding on the operator thereof, or would require any waiver of any FCC rule for the Buyer to continue such operation or operations after the Closing.

3.12 Owned Real Property. Schedule 2.1(c) contains a complete and accurate list, as of the date thereof, of all Owned Real Property used in the operation of the Stations and the conduct of the Sellers' businesses. All of the Owned Real Property, and the improvements located on the Owned Real Property, have been maintained in accordance with any standards or guidelines imposed by the FCC, are in good operating condition and repair, subject to reasonable wear and tear based on their respective age and are adequate for the purposes and uses for which they are currently being utilized. There are no condemnation or eminent domain proceedings pending or, to the Sellers' Knowledge, threatened against the Owned Real Property, the Seller owning such Owned Real Property has not received any actual notice of any condemnation or eminent domain proceedings against the Owned Real Property. The Seller owning the Owned Real Property has good, marketable and insurable fee simple title to the Owned Real Property, free and clear of all

liens, claims, charges, options, rights of tenants or other encumbrances of any nature whatsoever except for Permitted Encumbrances.

3.13 Business Operations. Except as set forth on Schedule 3.13, the only business that each Seller has conducted since its formation is the operation of its Stations. Neither Seller has at any time engaged in the business of selling goods from inventory, of leasing tangible personal property or of developing, selling, licensing or sublicensing software, software licenses or any other Intangible Property. Schedule 3.13 lists all business addresses, trade names and names of predecessor entities used by the Sellers since October 1, 1996. Except as set forth on Schedule 3.13, neither Seller has been a party to a merger, consolidation, liquidation, recapitalization or other business combination since October 1, 1996.

3.14 Approvals and Consents. The only material approvals or consents of persons or entities not a party to this Agreement that are legally or contractually required to be obtained by the Sellers in connection with the consummation of the transactions contemplated by this Agreement are those set forth on Schedule 5.6 of the Disclosure Schedule ("Consents"). Except as set forth on Schedules 3.14 or 5.6 of the Disclosure Schedule, no FCC permit, license, consent, approval or authorization and no other material permit license, consent, approval or authorization of, or filing with, any governmental regulatory authority or agency is required of the Sellers in connection with the execution, delivery and performance of this Agreement or the consummation of the transactions contemplated hereby.

3.15 Condition of Assets.

(a) All Assets. The Assets and the Excluded Assets constitute all of the assets used or necessary to conduct the operation of the Stations as presently conducted.

(b) Tangible Personal Property. Schedule 2.1(a) contains a true and complete list as of the date hereof of all items of Tangible Personal Property of every kind or description owned by the Sellers, except immaterial office materials and supplies and promotional/sales supplies (which office supplies or any replacements thereof shall be part of the Assets), with a fair market value in excess of \$1,000. Any Tangible Personal Property that is leased by the Sellers as of the date hereof, whether as lessor or lessee, is separately designated on Schedule 2.1(a).

(c) Good Title, Good Operating Condition. Except as listed and described on Schedule 3.15(c): (i) the Sellers have good title to or a valid and enforceable right to use all of the Assets owned, leased or licensed by them, in each case, free and clear of all Security Interests of every kind or character (other than Permitted Encumbrances); (ii) the Sellers are the owner, lessee or licensee of all of the Tangible Personal Property listed on the Schedules to this Agreement and of all Tangible Personal Property not listed on the Schedules to this Agreement which is material to the operation of the Stations; and (iii) all Tangible Personal Property, including equipment and electrical devices, is in good operating condition and repair in light of their age, reasonable wear and tear excepted, and has been maintained in accordance with any standards or guidelines imposed by the FCC.

### 3.16 Leased Real Property.

(a) Leases. The Sellers have provided to the Buyer true and complete copies of all real property lease agreements, including all amendments and modifications thereto, and all other licenses or other rights to possession of any real property used or held by the Sellers other than Owned Real Property (the "Real Property Leases").

(b) Interests. The Sellers' interest in the Leased Real Property is as set forth on Schedule 2.1(c). Except as listed on Schedule 2.1(c), the Leased Real Property and all of the fixtures, towers and improvements thereon owned or leased by the applicable Seller (collectively, the "Owned Improvements") are in good operating condition and repair, subject reasonable wear and tear based on their respective age, and have been maintained in accordance with any standards or guidelines imposed by the FCC.

(c) All Leases. The Real Property Leases constitute all the real property leases to which either Seller is lessee and the Owned Real Property and the Leased Real Property are the only real property now used by the Sellers in the operation of the Stations as the Stations are presently operated.

(d) Good Title. With respect to the Real Property Leases, the Seller party to each Real Property Lease is the holder of a leasehold interest in the Real Property Leases and has good title to the Owned Improvements (other than fixtures), in each case, free and clear of all liens, claims and encumbrances, except for Permitted Encumbrances, the liens, claims and encumbrances identified in such leases or as specifically stated on Schedule 2.1(a). With respect to each such lease, except as otherwise disclosed on Schedule 2.1(c), (i) the leases are the valid and binding obligation of the Seller party thereto and, to the Sellers' Knowledge, the valid and binding obligation of each other party thereto, (ii) all accrued and currently payable rents and other payments required by such leases to be paid by the Seller party thereto have been paid, (iii) the Seller party thereto entered into such leases in the Ordinary Course of Business and such Seller has been in peaceable possession since the beginning of the original term of any such lease, (iv) neither the Seller party thereto nor, to the Sellers' Knowledge, any other party thereto is in default under any such lease, (v) the Seller party thereto has not given nor received any notice of default or termination, and no condition exists with respect to such Seller or, to the Sellers' Knowledge, with respect to any other party to such lease and no event has occurred with respect to such Seller or, to the Sellers' Knowledge, with respect to any other party to such lease that, with the giving of notice, the lapse of time or the happening of any further event would become a default or permit early termination under any such lease and (vi) subject to obtaining any required consent, the validity or enforceability of any such lease will in no way be affected by the sale of the Assets or the other transactions contemplated herein. Except as set forth on Schedule 5.6, no third-party consent or approval is required for the assignment of the Real Property Leases to the Buyer.

3.17 Environmental Matters. With respect to the ownership and operation of the Stations, and except as set forth in Schedule 3.17: (a) Sellers are in compliance in all material respects with all Environmental Laws; (b) Sellers hold all permits, licenses and approvals of governmental authorities necessary for the current use, occupancy or operation of the Stations under applicable Environmental Laws ("Environmental Permits"); (c) Sellers are in compliance in all material respects with such Environmental Permits; (d) such Environmental Permits are transferable

to the Buyer; and (e) there are no aboveground or, to Sellers' Knowledge, underground storage tanks on any of the Real Property. Hazardous Materials have not been Released at, on, in or under any of the Real Property in excess of a "Reportable Quantity" under Environmental Laws by Sellers or, to Sellers' Knowledge, by any other Person. No litigation or proceeding relating to Environmental Laws or any Release of Hazardous Materials is pending or, to Sellers' Knowledge, is threatened against the Stations or Sellers.

3.18 Environmental Studies. Except as set forth in Schedule 3.18, there are no environmental reports, studies or analyses in the possession of Sellers relating to the Real Property or the operation of the Stations concerning: (a) Hazardous Materials; (b) compliance with applicable Environmental Laws; or (c) compliance with Environmental Permits, if any.

3.19 Compliance with Law and Regulations. Except as disclosed in diligence provided to the Buyer by the Sellers specifically referencing this Section 3.19, the Sellers are in compliance with all FCC requirements and in all material respects with all other requirements of federal, state and local law and all requirements of all federal, state and local governmental bodies or agencies having jurisdiction over either of them, the operations of the Stations, the use of the Assets and the Leased Real Property. Without limiting the foregoing, the Sellers have obtained all material licenses, permits, certificates and authorizations needed or required for its operations, and the use of the Owned Real Property and Leased Real Property. The Sellers have properly filed all FCC reports and other documents required to be filed and all other material reports and other documents required to be filed with any federal, state or local government or subdivision or agency thereof. The Sellers have not received any actual notice from the FCC or any written notice from any other federal, state or municipal authority or body that any of its properties, facilities, equipment or business procedures or practices fails to comply with any applicable law, ordinance, regulation, building or zoning law or requirement of any public authority or body. Notwithstanding the foregoing, the representations and warranties in this Section 3.19 with respect to Taxes are addressed exclusively in Section 3.9, with respect to FCC and other regulatory matters are addressed exclusively in Sections 3.10 and 3.11, with respect to environmental matters are addressed exclusively in Section 3.17 and with respect to employee, ERISA and other employee benefit matters are addressed exclusively in Section 3.21.

3.20 Insurance. The Sellers maintain and will continue to maintain in full force and effect through the Effective Time commercially reasonable insurance policies covering them and the Assets. All of such policies are in full force and effect and the Sellers are not in default of any material provision thereof. The Sellers have not received notice from any issuer of any such policies of its intention to cancel, terminate or refuse to renew any policy issued by it.

3.21 Labor, Employment Contracts and Benefit Programs.

(a) No Collective Bargaining Agreements. There are no collective bargaining agreements or written or oral agreements relating to the terms and conditions of employment or termination of employment covering any employees, consultants or agents of the Sellers, except as listed on Schedule 3.21. Except as listed on Schedule 3.21, all employees of the Sellers are employees-at-will. There are no unfair labor practice charges or other employee-related complaints, grievances or arbitrations against the Sellers pending or, to the Sellers' Knowledge, threatened before the National Labor Relations Board, the Equal Employment Opportunity

Commission, the Occupational Safety and Health Administration, the Department of Labor, any arbitration tribunal or any other federal, state, local or other governmental authority. There is no strike, picketing, slowdown or work stoppage by or concerning such employees pending against or involving as of the date hereof the Sellers. No representation question is pending or, to the Sellers' Knowledge, threatened with respect to any of the Stations' employees.

(b) Employee Manuals. True and complete copies of all current handbooks and written policies and procedures relating to employment by the Sellers including, but not limited to, compensation, benefits, equal employment opportunity and safety have been delivered by Sellers to Buyer.

(c) Compliance. The Seller is not liable for any arrears for wages, benefits, Taxes, damages or penalties for failing to comply with any law, rule, regulation, ordinance, order or decree relating in any way to labor or employment.

(d) Employee Plans. Except as listed on Schedule 3.21, the Seller does not maintain, sponsor or contribute to, whether in written or oral form, any pension plan, profit sharing plan, deferred compensation plan, stock option or stock bonus plan, savings plan, welfare plan or other benefit plan or arrangement, policy, practice, procedure or contract concerning employee benefits, fringe benefits, severance pay or retiree benefits of any kind, whether governed by ERISA, relating to or covering any employees of the Seller or the Stations (each, a "Station Benefit Plan"). The Seller has furnished the Buyer with true, complete and accurate copies of all summary plan descriptions of Station Benefit Plans.

(e) ERISA Compliance. To the Seller's Knowledge, each of the Stations Benefit Plans is in compliance in all material respects with all applicable requirements of ERISA, the Code and other applicable law. To the Seller's Knowledge, each of the Stations' Benefit Plans has been administered in all material respects in accordance with its terms and with applicable legal requirements. The IRS has issued an opinion letter confirming the qualified status of the form of the prototype document adopted by Seller with respect to the 401(k) profit sharing plan that it contributes to. No Station Benefit Plan is a "defined benefit plan" (within the meaning of Section 3 (35) of ERISA).

(f) No Multiemployer Plans. The Seller (i) has never contributed to a Multiemployer Plan; and (ii) has never incurred any liability under Title IV of ERISA to the PBGC or to a Multiemployer Plan.

(g) Employees. Schedule 3.21 lists the names, job titles and current compensation of all employees of each Seller as of May 31, 2003. Each employee's employment commencement date is set forth on Schedule 3.21.

3.22 Litigation. Except as set forth on Schedule 3.22, there are no suits, arbitrations, administrative charges or other legal proceedings or claims or, to the Sellers' Knowledge, threatened against the Sellers. To the Sellers' Knowledge, there are no governmental investigations pending or threatened against the Sellers. Neither Seller has been operating under or subject to, or in default with respect to, any order, writ, injunction or decree relating to the Stations or the Assets of any court or federal, state, municipal or other governmental department,

commission, board, agency or instrumentality which would have a material adverse effect on the condition of the Stations or any of the Assets or on the ability of the Sellers to enter into this Agreement or consummate the transactions contemplated hereby.

3.23 Intangible Property. Except as set forth on Schedule 3.23. The Sellers have all right, title and interest in and to all Intangible Property necessary for the operation of the Stations as presently operated. The Sellers have not received actual notice of any claim against it involving any conflict or claim of conflict of any of the items listed on Schedule 2.1(g). Each item of Intangible Property owned or used by the Sellers immediately before the Closing will be owned or available for use by the Buyer on identical terms and conditions immediately after the Closing. The Sellers have taken reasonable actions to maintain and protect each item of Intangible Property that it owns or uses. No service or programming produced and provided by the Sellers or, to the Sellers' Knowledge, any other programming or other material used, broadcast or disseminated by the Sellers or the Stations, infringes on any copyright, patent or trademark of any other party. The Sellers have not received any written notice of any claim of infringement of any third-party's copyright, patent, trademark, service mark, logotype, license or other proprietary right, including any call sign, slogan or logo used by any broadcast stations or cable systems in the marketing areas of the Stations. The Sellers own or possess adequate licenses or other rights to use all copyrights, patents, trademarks, service marks, trade names, logotypes and other intangible rights used to operate the Stations.

3.24 Intentionally Omitted.

3.25 Brokers. Except for commissions payable to Wood & Company, Inc., which shall be paid by the Sellers, there is no broker or finder or other Person who would have any valid claim through the Sellers against any of the parties to this Agreement for a commission or brokerage fee or payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement of, or action taken by, the Sellers.

3.26 Conflicting Interests. Except as disclosed on Schedule 3.26, neither the Sellers nor any director, officer, member, manager, partner, employee or shareholder of the Sellers, nor any Affiliate of any of the foregoing, (i) has any financial interest in any supplier, advertiser or customer of the Sellers or in any other business enterprise with which the Stations or the Sellers engages in business or with which the Stations or the Sellers are in competition or (ii) owns any asset, tangible or intangible, which is used in the business of the Sellers. The ownership of less than one percent of the outstanding capital stock of a publicly-held corporation shall not be deemed to be a violation of this representation and warranty.

3.27 Matters Arising After the Interim Balance Sheet Date. Except as set forth on Schedule 3.27, between the date of the Financial Statements and the date of this Agreement:

(a) There has not been any material adverse change in the financial condition or business of the Sellers other than any change resulting from or arising in connection with general economic or industry conditions, uncured material default by the Sellers under the terms of the Real Property Leases or any material physical damage or loss to any of the Assets (except where such damage or loss was covered by insurance and repair or replacement of the damaged or lost assets has been completed);

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

(c) Each Seller has preserved its business organization intact in all material respects and has used commercially reasonable efforts to keep available the services of its key employees and to preserve relationships with NBC, ABC, the FCC and its customers, advertisers, suppliers and others with whom it deals;

(d) Neither Seller has sold, lease, transferred, or assigned any of its assets, tangible or intangible, other than in the Ordinary Course of Business;

(e) Neither Seller has entered into any agreement, contract, license or lease outside the Ordinary Course of Business;

(f) No party (including the Sellers) has accelerated, terminated, modified or cancelled any agreement, contract, lease or license involving an outstanding amount of more than \$10,000 to which either Seller is a party or by which either Seller is bound;

(g) The Sellers have not permitted the imposition of any Security Interests upon any of the Assets (other than Permitted Encumbrances or Security Interests that will be terminated prior to Closing); and

(h) The Sellers have not taken any action outside of the Ordinary Course of Business, except as related to the transactions contemplated hereby.

3.28 FAA Compliance. The Sellers and the Assets are in compliance with the rules and regulations of the Federal Aviation Administration (the "FAA") applicable to the Stations. All towers used by the Stations are in compliance with all painting, lighting and tower registration requirements of the FAA, the FCC and any other governmental authority. Attached as Schedule 3.28 is a copy of the most recent tower inspection report of the Stations.

3.29 Coverage. Attached as Schedule 3.29 is a list of all the cable systems in the Designated Market Areas (as defined in 47 C.F.R. § 76.55(e)) of the Stations and sets forth which systems carry the Stations and which systems do not carry the Stations.

3.30 Bankruptcy. Neither Seller is insolvent or the subject of bankruptcy or any similar proceeding.

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

ARTICLE 4  
REPRESENTATIONS AND WARRANTIES OF THE BUYER

Buyer represents and warrants to Sellers as follows:

4.1 Qualification as a Broadcast Licensee. The Buyer is familiar with the Communications Act and the existing rules, regulations and policies of the FCC. The Buyer is legally and financially qualified under the Communications Act and the rules, regulations and policies of the FCC to acquire the Stations from the Sellers. Except as set forth on Schedule 4.1, there is no fact or condition known to the Buyer that would, under the Communications Act and the existing rules, regulations and policies of the FCC, disqualify Buyer as owner and operator of the Stations or constitute grounds for the filing of a petition to deny or objection related to the qualifications of the Buyer or that would reasonably be expected to result in a delay for FCC approval of the assignment applications. Except as set forth on Schedule 4.1, to the Buyer's Knowledge, no waiver of any FCC rule, regulation or policy existing as of the date of this Agreement will be required, with respect to the Buyer, to obtain FCC approval of the assignment applications. There are no proceedings, complaints, notices of forfeiture, claims, or investigations pending or, to the Knowledge of Buyer, threatened against any, or in respect of any, of the broadcast stations licensed to Buyer or its Affiliates that would materially impair the qualifications of Buyer to become a licensee of the Stations or delay the FCC's processing of the FCC Applications.

4.2 Status.

(a) Buyer. Each of the Company and License Sub is a limited liability company duly organized, in good standing and validly existing under the laws of the Commonwealth of Virginia. Each of the Company and License Sub is (or will be at the Closing) duly authorized to transact business in the states necessary with respect to ownership and operation of the Assets. Each of the Company and License Sub has the requisite power and authority to enter into and complete the transactions contemplated by this Agreement.

(b) Approvals and Consents. There are no approvals or consents of Persons not a party to this Agreement that are legally or contractually required to be obtained by the Buyer in connection with the consummation of the transactions contemplated by this Agreement other than the FCC.

4.3 No Defaults. Neither the execution, delivery and performance by the Company and License Sub of this Agreement nor the consummation by the Company and License Sub of the transactions contemplated hereby is an event that, of itself or with the giving of notice or the passage of time or both, will: (a) violate or conflict with any provision of the Articles of Organization or Operating Agreement of such entity, (b) constitute a violation of, conflict with or result in any breach of or any default under, result in any termination or modification of, or cause any acceleration of any obligation under any contract, mortgage, indenture, agreement, lease or other instrument to which such entity is a party or by which it is bound or the assets of it are bound, or by which it may be affected, or result in the creation of any Security Interest on any of the assets of such entity, or (c) violate any judgment, decree, order, statute, law, rule or regulation of any court, arbitrator or government or regulatory body applicable to such entity or its assets.

4.4 Entity Action. All actions and proceedings necessary to be taken by or on the part of the Company, License Sub or its members in connection with the performance, execution and delivery of this Agreement have been duly and validly taken, and this Agreement has been duly and validly authorized, executed and delivered by the Company and License Sub and constitutes the legal, valid and binding obligation of each of the Company and License Sub, enforceable against the Company and License Sub in accordance with and subject to its terms.

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

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

## ARTICLE 5 COVENANTS OF THE SELLERS PENDING THE CLOSING

The Sellers and the Buyer to the extent referenced in this Article 5 covenant and agree that, from the date hereof until the completion of the Closing:

### 5.1 Operations of the Business.

(a) Ordinary Operations. Until the Closing, the Sellers will use their commercially reasonable efforts to carry on operations of the Stations and keep their respective books and accounts, records and files in the usual and ordinary manner in which the business of the Stations has been conducted in the past, including, but not limited to, spending amounts on advertising, promotions and marketing of the Stations between the date of this Agreement and the Closing Date, as set forth in the Budget attached as Schedule 5.1. The Sellers shall operate the Stations in compliance in all material respects with the terms of the Authorizations and all applicable laws, rules and regulations, including, without limitation, FCC rules and regulations.

(b) Current Statements. The Sellers shall provide the Buyer with copies of the Sellers' monthly internal balance sheets and related statements of operations for the monthly accounting periods between the date hereof and the Closing Date, by the 20<sup>th</sup> day of each month for the preceding calendar month, which statements shall present fairly in all material respects the financial position of the Sellers and the results of operations for the period indicated. Such monthly statements shall show: (i) the current month's and prior year's actual results for such month and the current month's budget, each by line item, (ii) year-to-date information and comparative prior year period information for each of the foregoing, each by line item, and (iii) items of non-recurring income and expense separately, all of which shall be presented fairly in all material respects. In addition, the Sellers shall provide to the Buyer

simultaneously with the delivery of these monthly financial statements, financial information readily available to the Sellers to permit the Buyer to compute readily the income from operations and broadcast cash flow of the Stations for such month and the year-to-date and, if required by the Buyer's lender and at the Buyer's expense, permit an audit by an independent firm of certified professional accountants of the cash flow of the Stations.

(c) Preserve Business. While operating the Stations, the Sellers shall use commercially reasonable efforts to preserve (i) its business organization intact in all material respects, and retain substantially as at present the key employees, consultants and agents of the Stations and (ii) the goodwill of the Stations and the material suppliers, advertisers, customers and others having business relations with the Stations.

(d) Assets in Good Repair. All Tangible Personal Property and Leased Real Property shall be maintained in good operating condition and repair consistent with past practice, reasonable wear and tear excepted, and the entity operating the Stations shall maintain usual supplies of office supplies, spare parts and other materials as have been customarily maintained in the past. The Sellers shall use commercially reasonable efforts to preserve intact the Assets and to maintain in effect the casualty and liability insurance on the Assets heretofore in force.

(e) Notification to Buyer. If a Seller establishes or modifies any severance plan, pays any substantial bonuses (except in the Ordinary Course of Business), enters into any contract of employment with any employee or employees of the Seller or the Stations, or changes any benefits to employees or consultants or enter into any independent contractor agreement, it shall promptly notify the Buyer of such in writing.

5.2 Prohibited Actions. Before the Closing Date, the Sellers shall not, without the prior written consent of the Buyer:

(a) Sell, lease as lessor or transfer or agree to sell, lease or transfer, any Assets except for sales or leases in the Ordinary Course of Business;

(b) Except as may be required by existing written plans or agreements (which written plans and agreements are included in the Schedules hereto or have otherwise been provided to the Buyer), grant any raises to any of its employees or consultants (except in the Ordinary Course of Business);

(c) Renegotiate, modify, renew, amend, or terminate (other than by expiration) any Affiliation Agreement or Program License Agreement or, except in the Ordinary Course of Business, any other existing Contracts, including, without limitation, any time sales contract;

(d) Make any changes in the Stations' buildings, leasehold improvements or fixtures except in the Ordinary Course of Business;

(e) Enter into any contracts with Affiliates of the Sellers with respect to the Stations or the Assets;

(f) Apply to the FCC for any construction permit that would restrict the Sellers' present operations;

(g) Enter into any barter or trade contract or contracts that are prepaid other than in the Ordinary Course of Business;

(h) Make or attempt to make any change in the Authorizations, other than to keep the Authorizations in full force and effect; or

(i) Consent to the execution, placement, creation or amendment of easements, restrictions, rights-of-way or other matters (other than Permitted Encumbrances) affecting title to the Owned Real Property.

5.3 No Distributions or Payments. Sellers shall not make any distributions to its members or partners with respect to interests in the Sellers of any kind or nature, except either entity may distribute the Excluded Assets.

5.4 Access to Facilities, Files and Records. At the reasonable request of the Buyer and on reasonable advance notice, the Sellers shall, from time to time, promptly give or cause to be given to the Representatives of the Buyer reasonable access during normal business hours to: (i) all facilities, properties, accounts, books, deeds, title papers, insurance policies, agreements, contracts, commitments, records and files of every character, including, without limitation, minute books, equipment, machinery, fixtures, furniture, vehicles, notes and accounts payable and receivable relating to the Stations; and (ii) all such other information concerning the Sellers, the Stations, and the Assets as the Buyer may reasonably request. All such activities shall be at the expense and risk of the Buyer, and the Buyer shall indemnify, defend and hold harmless the Sellers for any losses, cost, damages or liabilities, including without limitation reasonable attorneys' fees, resulting from the Buyer's negligence with respect to such activities or from the Buyer's breach of Section 6.4. The Sellers shall cause their accountants, and any of their agents in possession of the Sellers' books and records, to cooperate with the Buyer's requests for information pursuant to this Agreement and shall request such accountants to provide the Buyer access to all of the accountants' audit and tax work papers with respect to the Sellers or the Stations. All such access and activities and the results thereof shall be subject to Section 6.4.

5.5 Representations and Warranties. The Sellers shall give detailed written notice to the Buyer promptly on learning of the occurrence of any event that would cause or constitute a breach, or that would have caused a breach had such event occurred or been known to the Sellers on or before the date of this Agreement, of any of the Sellers' representations or warranties contained in this Agreement.

5.6 Consents. The Sellers shall use commercially reasonable efforts (not involving the commencement of litigation or granting of any accommodation (financial or otherwise) or the incurrence of any other liability or obligation) to obtain prior to the Closing the following: (i) the consent or approval of any third Person required under any Contract listed on the Contract Schedules or entered into in the Ordinary Course of Business after the date hereof to assign any such contract from the Sellers to the Buyer, including providing adequate notice of

the assignment where applicable; and (ii) a subordination, non-disturbance and attornment agreement from any such mortgagee of landlords under the Real Property Leases on such lender's standard form which provides that the rights of tenant under such lease shall not be disturbed provided tenant is not in default. The Buyer has designated certain of these consents as material to the operations of the Stations as noted on Schedule 5.6 (a "Material Consent"). Subject to Section 11.6, the Buyer shall not be obligated to accept the assignment of any Contract or any liability under such Contract for which a consent is not obtained and, if such consent is obtained after the Closing, the Buyer will not be required to assume any liability under such Contract until such consent is obtained and the Buyer is placed in the position it would have been in if the consent had been obtained before the Closing.

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

5.8 Consummation of Agreement. Subject to the provisions of Section 11.1 of this Agreement, the Sellers shall use commercially reasonable efforts to fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement and to cause the transactions contemplated by this Agreement to be fully carried out pursuant to the terms of this Agreement.

5.9 Applications for FCC Consents and Appointment of a Trustee.

(a) As promptly as practicable after the date of this Agreement and as allowed by the FCC, the Sellers and the Buyer shall cause to be filed applications with the FCC requesting the FCC's written consent to: (i) the assignment of the Authorizations for the KULR Stations to the Buyer; and (ii) the assignment of the Authorizations for the KFBB Stations to one of the following: (X) to the Buyer; (Y) to a Trustee who shall be appointed by Buyer in accord with the provisions of this Section; or (Z) to a Third Party Assignee as provided below (the "FCC Applications"). The determination of the assignee of the Authorizations for the KFBB Stations shall be made in accordance with Sections (b) and (c) below. The Sellers and the Buyer shall use their commercially reasonable efforts to take all steps that are proper, necessary or desirable to expedite the preparation of the FCC Applications and their prosecution to a favorable conclusion. Each party shall promptly provide the other with a copy of any pleading, order or other document served on such party relating to such applications. The Sellers and the Buyer shall furnish all information required by the FCC. If Closing occurs hereunder before the FCC Order shall have become Final, then the parties' obligations under this Section shall survive the Closing until the FCC Order shall have become Final.

(b) Because Section 73.3555(b) of the FCC's rules prohibits Buyer from holding a cognizable interest in both Station KFBB and Station KGTF in Great Falls, Buyer shall exercise commercially reasonable efforts to negotiate and present for Sellers' approval, such approval not to be unreasonably withheld, within 60 days from the date the application

referenced in Section 5.9(a) is filed with the FCC, either (1) a binding agreement to sell Station KGTF to an independent third party who is qualified to acquire that station in full accord with the FCC's rules (a "Third Party Assignee"), or (2) a binding agreement to assign Buyer's interest in the Agreement for sale of Station KFBB from Buyer to a Third Party Assignee (the elected option being the "Third Party Assignment"). The Buyer agrees to periodically report to the Sellers its sale progress during such period and will deliver promptly to the Sellers a copy of any executed letter of intent or other material document with respect to the sale. The Buyer further agrees to prepare and submit to the FCC within 30 days of Sellers' written approval of the Third Party Assignment, an application for FCC consent to the Third Party Assignment, with appropriate amendment of the FCC Applications, if necessary. The Sellers and the Buyer shall use their commercially reasonable efforts to take all steps that are proper, necessary or desirable to expedite the preparation of the application for FCC consent to the Third Party Assignment and its prosecution to a favorable conclusion.

(c) As an alternative to the procedure described in subparagraph (b), Buyer may, with Sellers' prior written consent, appoint an independent, insulated Trustee to hold the license of either Station KFBB or Station KGTF at and for a limited time after the Closing. Should Buyer elect to pursue this option, Buyer shall make an election either (1) to have Seller assign the Authorizations of Station KFBB to the Trustee rather than the Buyer at the Closing, or (2) to assign the FCC station license of Station KGTF to the Trustee in advance of the closing (the "Election"). Buyer shall use its best efforts to make the Election as soon as possible, and in any event Buyer shall make the Election no later than 60 days after the date of this Agreement; *provided, however*, that if it is necessary to avoid material prejudice to the timely processing of the FCC Applications, Buyer shall make the Election no later than 30 days after the date of this Agreement. Buyer is familiar with the insulation and other conditions the FCC has previously required in connection with permitting the temporary use of a trust to avoid a violation of Section 73.3555(b), and Buyer agrees to use all commercially reasonable efforts to create a trust agreement that the FCC will promptly approve. Buyer further agrees to modify the trust agreement as may be necessary to obtain the FCC Consent, including, without limitation, modifying the time period to be allowed for the Trustee to sell the station he or she holds in trust to an independent third party in the event a waiver of Section 73.3555(b) is not granted. Should the Sellers in their reasonable discretion determine that the FCC Order, approving the FCC Applications as they would be amended to propose the assignment of the appropriate station to the Trustee, would likely receive the FCC's consent on or before March 31, 2004, Seller shall consent to Buyer's appointment of a Trustee under this Section 5.9(c) and to the appropriate amendment of the FCC Applications.

#### 5.10 Title to Real Property.

(a) With respect to any Real Property, within 30 days after the date of this Agreement, Sellers shall deliver to the Buyer to the extent not previously delivered copies of (A) all soil, engineering and environmental reports and studies in its possession, (B) any existing surveys and plats, (C) Sellers' source deeds, (D) any and all title insurance commitments and title insurance policies, (E) the real property tax bills for the current fiscal year, and (F) any permits issued by any Governmental Agency. The parties acknowledge that Buyer shall have the right to conduct a title examination and survey of the Real Property and a Phase I or Phase II environmental site assessment of any or all of the Real Property before Closing provided,

however, that if any such Phase I or Phase II environmental site assessment will involve drilling or sampling that could adversely affect the condition of the property, Buyer will obtain Sellers' prior written consent before undertaking such site assessment, which consent will not be unreasonably withheld or delayed.

(b) If such title examination reports and surveys received by the Buyer on or before the earlier of: (i) 30 days after the date of this Agreement or (ii) the date the parties mutually agree to file the FCC application pursuant to Section 5.9(a) above, reveal the existence of any matters which materially interfere with such respective ownership or leasehold rights, use or operation of such respective Real Property, or materially impair or interfere with the operation of the Stations, then Buyer may elect to give written notice to Seller of such matters which Buyer deems to be a defect in such respective Real Property ("Real Property Defects"). With any such notice of Real Property Defects to Seller, Buyer shall provide the Sellers with a copy of such respective title examination and/or surveys received by Buyer. The Sellers may, at their sole discretion, elect to cure such Real Property Defects to Buyer's reasonable satisfaction. If the Sellers do not elect to cure such Real Property Defects, as provided above, then Buyer may elect, in its sole discretion, to either terminate this Agreement, or to accept a transfer of the Real Property without such Real Property Defects being cured by the Sellers and such defects being accepted by the Buyer as an update to the Disclosure Schedules. Written notice of the Buyer's election shall be given to Sellers within 10 business days of receipt of Sellers' election notice.

5.11 Publicity. Neither the Sellers, nor the Buyer, nor any of their respective Affiliates shall issue or cause the publication of any press release or any other public statement or any correspondence or other communication with respect to the execution and Closing of this Agreement unless the other party shall have had the prior opportunity to review and comment thereon and such release or statement has been consented to by such party.

5.12 Exclusivity.

(a) Between the day of this Agreement and the termination of this Agreement, the Sellers and Parent agree that they shall not, nor shall they authorize or permit any of their respective directors or managers, officers, employees, Affiliates, agents and advisors (including, without limitation, attorneys, accountants, consultants, bankers and financial advisors) (collectively, the "Representatives") to, offer or seek to offer, or entertain or discuss any offer, to sell the Stations or the Assets to, or deal in such regard with any parties other than the Buyer. Further, during such period, neither Sellers, Parent nor their Representatives, shall solicit, enter into or continue any discussion, negotiations or agreement with, or provide information to, any Person other than the Buyer relating to any sale or acquisition of all or a substantial portion of the Assets or any other similar transaction (a "Transaction"). In addition, during such period, neither Sellers, Parent nor their Representatives shall enter into any agreement or understanding, whether oral or written, that would prevent the consummation of the transactions contemplated hereby. If, notwithstanding the foregoing, the Sellers, Parent or any Representative shall receive any written proposal or inquiry regarding a Transaction, the Sellers or Parent shall promptly notify Buyer thereof and disclose to Buyer the terms thereof.

(b) Notwithstanding the foregoing, this Section 5.12 shall not prohibit either Sellers' board of managers from furnishing information to, or entering into discussions or

negotiations with, any person in connection with an unsolicited proposal in writing by such person regarding a Transaction (any such proposal, an "Unsolicited Proposal"), if, and only to the extent that, (i) such Seller's board of managers, after consultation with such Seller's independent legal counsel, determines in good faith that (A) such action is required for such Seller's board of directors to comply with its fiduciary duties to members imposed by applicable law, and (B) such Unsolicited Proposal is superior to the proposed transaction with Buyer from a financial point of view, and (ii) in connection with furnishing such information to or entering into discussions or negotiations with such person, such Seller gives Buyer prior written notice of such Seller's intention to furnish such information or begin such discussions, which written notice shall include a description of all of the relevant details relating to the written proposal received by such Seller.

(c) If a Seller (i) consummates a Transaction related to an Unsolicited Proposal or (ii) otherwise breach this Section 5.12 and, within 12 months after such breach, Sellers close a Transaction, then immediately upon either such closing, Sellers shall pay to Buyer in cash the sum of \$500,000 in satisfaction of all obligations of Sellers under this Agreement and as Buyer's sole remedy.

5.13 Confidentiality. Any and all information, disclosures, knowledge or facts regarding the Buyer and its operations derived from or resulting from the Sellers' acts or conduct (including, without limitation, acts or conduct of the Sellers' Representatives) under the provisions of this Section or otherwise obtained by the Sellers or Parent (or their Representatives) pursuant to or in connection with this Agreement, shall be confidential and shall not be divulged, disclosed or communicated to any other Person, except as required by law and to the Sellers' Representatives and their respective attorneys for the purpose of consummating the transactions contemplated by this Agreement and the Sellers shall be responsible for any breach of confidentiality by any such Person. None of Sellers or their Representatives shall use any of such information, disclosures, knowledge or facts for any purpose other than consummating the transactions contemplated by this Agreement. If this Agreement terminates before Closing, the Sellers shall return promptly any information obtained regarding the Buyer, and the Sellers shall instruct their Representatives also to return any such information. The Sellers and Parent shall indemnify, defend and hold harmless the Buyer for any losses, cost, damages or liabilities, including without limitation reasonable attorneys' fees, resulting from the breach of this Section 5.13.

5.14 Regulatory Fees. KULR will pay any and all past due regulatory fees relating to Station KULR-TV in full before Closing.

5.15 Cooperation. If KYUS Broadcasting Corporation ("KYUS) determines to terminate the Time Brokerage Agreement dated April 29, 1998, as amended by that certain Amendment to Time Brokerage Agreement, dated May 16, 2002, between KYUS and KULR based on a failure to comply with the option granted to KYUS thereunder, the Sellers, at the Buyer's expense, agree to cooperate with the Buyer using commercially reasonable efforts to defend such termination.

ARTICLE 6  
COVENANTS OF THE BUYER PENDING THE CLOSING

The Buyer covenants and agrees that from the date of this Agreement until the completion of the Closing:

6.1 Consummation of Agreement. Subject to the provisions of Section 11.1 of this Agreement, the Buyer shall use commercially reasonable efforts to fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement and to cause the transactions contemplated by this Agreement to be fully carried out pursuant to the terms of this Agreement.

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

6.3 Contracts Not to be Assumed. From time to time following the date of this Agreement, the Seller may add additional Contracts to the schedules to be assigned to and assumed by the Buyer at the Closing. If such Contracts involve payments equal to or less than \$5,000 per year individually and were entered into in the Ordinary Course of Business, such Contracts do not require the prior written consent of the Buyer in order to be assigned to and assumed by the Buyer at the Closing. If such Contracts involve payments exceeding \$5,000 per year individually or are Affiliation Agreements, such Contracts require the prior written consent of the Buyer in order to be assigned to and assumed by the Buyer at the Closing, which consent will not be unreasonably withheld. The Buyer agrees to respond to any written request for such consent, which shall include a copy or a reasonably complete description of the Contract, within five business days. Failure to so respond in 5 business days shall constitute consent. Without such prior written consent, the Buyer may choose to accept or reject such Contracts in its sole discretion.

6.4 Confidentiality. Any and all information, disclosures, knowledge or facts regarding the Sellers, the Assets and the Stations and their operations derived from or resulting from the Buyer's acts or conduct (including, without limitation, acts or conduct of the Buyer's Representatives) under the provisions of this Section or otherwise obtained by the Buyer (or its Representatives) pursuant to or in connection with this Agreement, shall be confidential and shall not be divulged, disclosed or communicated to any other Person, except as required by law and to the Buyer's Representatives and their respective attorneys for the purpose of consummating the transactions contemplated by this Agreement and the Buyer shall be responsible for any breach of confidentiality by any such Person. None of Buyer or their Representatives shall use any of such information, disclosures, knowledge or facts for any purpose other than consummating the transactions contemplated by this Agreement. If this Agreement terminates before Closing, the Buyer shall return promptly any information obtained regarding the Sellers,

the Stations or the Assets and the Buyer shall instruct its Representatives also to return any such information.

6.5 Applications for FCC Consents. The Buyer agrees to the covenants set forth in Section 5.9

6.6 Seller's 1031 Exchange. Purchaser acknowledges that Seller may elect to sell the Property to Purchaser in connection with an Internal Revenue Code Section 1031 Tax-Deferred Exchange (the "Exchange") with respect to Seller. In such case, Seller may assign Seller's rights, but not Seller's obligations hereunder, to a qualified intermediary (the "Intermediary") as provided in Treas. Reg. Section 1.1031(k)-1(g)(4), on or before the Closing. Purchaser agrees to reasonably cooperate with Seller to accomplish such Exchange and the closing of the transaction contemplated by this Contract, including acknowledging notice of the assignment of this Contract by Seller to the Intermediary, provided that Purchaser shall not be obligated to incur any expenses, or any additional liability, or unreasonable delay in connection with such Exchange. Seller shall indemnify and hold Purchaser harmless from any liability, damage, cost, and expense, including reasonable attorney's fees, which may occur as a result of the Exchange.

## ARTICLE 7 CONDITIONS TO THE OBLIGATIONS OF THE SELLERS

The obligations of the Sellers under this Agreement are, at their option, subject to the fulfillment of the following conditions before or on the Closing Date:

### 7.1 Representations, Warranties and Covenants.

(a) Representations True. Each of the representations and warranties of the Buyer contained in this Agreement shall have been true and correct as of the date when made and shall be deemed to be made again on and as of the Closing Date and shall then be true and correct in all material respects except to the extent changes are permitted or contemplated pursuant to this Agreement; *provided* that any representations and warranties made as of a specific date need only be true and correct as of such date;

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

(c) Certificate of the Buyer. The Sellers shall be furnished with a certificate, dated the Closing Date and duly executed by an officer or manager of the Buyer to the effect that the conditions set forth in Sections (a) and (b) have been satisfied; and

(d) Other Documents. The Sellers shall be furnished with such certificates, documents or instruments with respect to the Buyer as the Sellers may have reasonably requested before the Closing to carry out the intent and purposes of this Agreement.

7.2 Proceedings.

(a) No Injunction. No party shall be subject to any restraining order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

(b) Postponement. In the event such a restraining order or injunction is in effect (and is not Final), this Agreement may not be terminated by the Sellers pursuant to this Section 7.2 before the Final Closing Date but the Closing shall be delayed during such period. This Agreement may be terminated after such date if such restraining order or injunction remains in effect.

7.3 Deliveries. The Buyer shall have complied with each and every one of its obligations set forth in Section 9.2.

7.4 Authorizations. Except as otherwise contemplated by Section 2.7, the FCC Order shall have been granted, shall be effective and shall have become Final.

7.5 Other Consents. The Buyer shall have obtained all consents, approvals and waivers of other persons or parties as may be required for the consummation of the transactions contemplated by this Agreement. NBC and ABC shall have consented to the assignment of the Affiliation Agreements to the Buyer without cost to Sellers.

ARTICLE 8  
CONDITIONS TO THE OBLIGATIONS OF THE BUYER

The obligations of the Buyer under this Agreement are, at its option, subject to the fulfillment of the following conditions before or on the Closing Date:

8.1 Representations, Warranties and Covenants.

(a) Representations True. Each of the representations and warranties of the Sellers contained in this Agreement shall have been true and correct as of the date when made; and each of such representations and warranties shall be deemed to be made again on and as of the Closing Date and shall then be true and correct in all material respects except to the extent changes are permitted or contemplated pursuant to this Agreement; *provided* that any representations and warranties made as of a specific date need only be true and correct as of such date; *provided, further* that the representations and warranties in Sections 3.8 and 3.11 shall be true and correct as of Closing only to the extent that the failure of such representations and warranties would have a material adverse effect on the Business;

(b) Sellers' Performance. The Sellers shall have performed and complied in all material respects with each and every covenant and agreement required by this Agreement to be performed or complied with by them before or on the Closing Date;

(c) Sellers' Certificates. The Sellers shall have furnished the Buyer with certificates, dated the Closing Date and duly executed by the President of each Seller, to the effect that the conditions set forth in Sections 8.1(a) and (b) have been satisfied; and

(d) Other Documents. The Buyer shall be furnished with such certificates, documents or instruments with respect to the Sellers as the Buyer may have reasonably requested before the Closing to carry out the intent and purposes of this Agreement.

## 8.2 Proceedings.

(a) No Injunction. No party shall be subject to any restraining order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

(b) Postponement. If such a restraining order or injunction is in effect (and is not Final), then this Agreement may not be terminated by the Buyer pursuant to this Section 8.2 before the Final Closing Date, but the Closing shall be delayed during such period. This Agreement may be terminated after such date if such restraining order or injunction remains in effect.

8.3 Liens Released. All Security Interests pertaining to the Assets other than Permitted Encumbrances shall be released of record, and there shall be no liens in respect of the Assets, except Permitted Encumbrances.

8.4 Deliveries. The Sellers shall have complied with each and every one of their respective obligations set forth in Section 9.1.

8.5 Other Consents. The Sellers shall have obtained all Material Consents, except those approved by the Buyer in writing. NBC and ABC shall have consented to the assignment of the Affiliation Agreements to the Buyer, without a decrease in Stations compensation or remaining term and without any other material change in such agreements, except those approved by the Buyer in writing.

8.6 Revised Schedules. The Sellers shall have delivered to the Buyer such revised forms of each of the Schedules or updated information for addition to or inclusion in the Schedules as are necessary to reflect changes in such Schedules as of the Closing Date; *provided, however,* that, except for changes that are permitted by the terms of this Agreement, changes resulting from events occurring or actions taken in the Ordinary Course of Business and changes resulting solely from the representations in Sections 3.8 and 3.31, no change in any Schedule will be binding on the Buyer without its prior written consent, which consent may be withheld by the Buyer for any or no reason.

8.7 No Material Change in Business or Assets. There shall not have been a material adverse change in the Stations or Assets taken as a whole other than any change resulting from or arising in connection with (i) general economic or industry conditions or (ii) the fact, or knowledge of any third party, that the Sellers propose or have agreed to enter into a transaction of the type contemplated by this Agreement, including, without limitation, such a transaction in which the Buyer or its Affiliates is the buyer.

8.8 Authorizations. Except as otherwise contemplated by Section 2.7, the FCC Order with respect to all Authorizations issued by the FCC shall have been granted, shall be effective and shall have become Final.

8.9 Termination of Agreements. All employment agreements listed on Schedule 3.21 shall have been terminated at the Seller's cost and expense.

8.10 Assignment by MDM. MDM Broadcasting, Inc., L.L.C. shall have assigned all the rights it has in the Contracts and any other Assets to the Sellers.

## ARTICLE 9 ITEMS TO BE DELIVERED AT THE CLOSING

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

(a) Bills of Sale. Bills of sale in the form attached as Exhibit C hereto, limited warranty deeds for the Owned Real Property in the form attached as Exhibit D hereto, and appropriate certificates of title for leased automobiles;

(b) Board Resolutions. Certified copies of resolutions, duly adopted by the board of managers of each Seller, which shall be in full force and effect at the time of the Closing, authorizing the execution, delivery and performance by such Seller of this Agreement and the consummation of the transactions contemplated hereby;

(c) Officer's Certificate. The certificate referred to in Section 8.1(c);

(d) Noncompetition Agreement. The Noncompetition and Nonsolicitation Agreement between the Sellers and the Buyer in the form of Exhibit E attached (the "Noncompetition Agreement");

(e) Estoppel Certificates. NBC and ABC estoppel certificates, consents and waivers concerning the Affiliation Agreements and consents from Landlords and estoppel certificates from Landlords for those Real Property Leases indicated on Schedule 5.6, in substantially the form and substance set forth on Exhibit F hereto;

(f) Consents. The Material Consents in substantially the form and content set forth on Exhibit G hereto;

(g) Assignment and Assumption Agreement. An Assignment and Assumption Agreement in the form attached as Exhibit H hereto (the "Assignment and Assumption Agreement");

(h) Opinions. An opinion of counsel for the Seller and an opinion of FCC counsel for the Seller, both dated the Closing Date, in the forms attached as Exhibits I-1 and I-2; and

(i) Indemnification Escrow Agreement. The Indemnification Escrow Agreement.

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

(a) Purchase Price. The Purchase Price, which shall be paid in the manner specified in Section 2.5;

(b) Assignment and Assumption Agreement. The Assignment and Assumption Agreement;

(c) Resolutions. Certified copies of resolutions, duly adopted by the Manager of the Buyer, which shall be in full force and effect at the time of the Closing, authorizing the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby by the Buyer;

(d) Officer's Certificate. The certificates referred to in Section 7.1(c);

(e) Noncompetition Agreement. The Noncompetition Agreement;

(f) Opinion. An opinion of counsel for the Buyer in the form attached as Exhibit J; and

(g) Indemnification Escrow Agreement. The Indemnification Escrow Agreement.

## ARTICLE 10 SURVIVAL; INDEMNIFICATION

10.1 Survival. All representations and warranties contained in this Agreement, or in any Exhibit, certificate, or agreement delivered pursuant hereto, shall survive the Closing until 18 months after the Closing Date whereupon all such representations, warranties, and indemnities with respect thereto, shall expire and terminate and shall be of no further force or effect; *provided, however*, that representations and warranties and indemnities with respect thereto with respect to an Income Tax matter as set forth in Section 3.9, an environmental matter as set forth in Section 3.17 or 3.18, an employee matter as set forth in Section 3.21, or an OSHA matter as set forth in Section 3.17 (collectively, "Superior Claims") may be asserted at any time on or before the expiration of the statute of limitations under applicable law. If a Deficiency is asserted by either party, before the expiration of the survival or limitations period, such asserted Deficiency shall survive until the existence of such Deficiency has been finally established and the Deficiency is resolved as provided below.

## 10.2 Basic Provision.

(a) Buyer Indemnitees. The Sellers and Parent, jointly and severally (each an “Indemnifying Party”), hereby agree to indemnify and hold harmless the Buyer, its members, managers, directors, officers, agents and employees and all Affiliates, and its successors and assigns (collectively, the “Buyer Indemnitees”) from, against and in respect of, and to reimburse the Buyer Indemnitees for the amount of any and all Deficiencies. After Closing, Buyer shall be partially secured through access to the Indemnification Escrow Amount for the purpose of providing collateral security from the Deficiencies suffered or incurred pursuant to this Section 10.2(a).

(b) Sellers Indemnitees. The Buyer (“Indemnifying Party”), hereby agrees to indemnify and hold harmless the Sellers and their respective partners, members, managers, officers, agents, employees and all Affiliates, and their successors and assigns (collectively, the “Seller Indemnitees”) from, against and in respect of, and to reimburse the Seller Indemnitees for the amount of any and all Deficiencies.

## 10.3 Definition of “Deficiencies”.

(a) Deficiencies for the Buyer. As used in this Article 10, the term “Deficiencies” when asserted by the Buyer Indemnitees or arising out of a third party claim against the Buyer Indemnitees shall mean any and all losses, fines, damages, liabilities and claims sustained by the Buyer Indemnitees (provided that Deficiencies shall not include any indirect, consequential or punitive damages, including damages for lost profits and lost business opportunities) and arising out of, related to, in the nature of, caused by, based on or resulting from:

(i) Any breach of any representation or warranty or any non-fulfillment of any covenant, obligation or agreement on the part of the Sellers contained in or made in this Agreement or in an Exhibit, certificate, or agreement delivered pursuant to this Agreement;

(ii) Any failure by the Sellers to pay or discharge any Excluded Liability;

(iii) Any litigation, proceeding or claim by any third party to the extent relating to the business or operations of the Sellers, the Assets or the Stations before the Effective Time and not an Assumed Liability;

(iv) Any severance pay or other payment required to be paid by the Sellers with respect to any employee or consultant of the Sellers terminated by the Sellers on or before the Effective Time;

(v) Except for obligations or liabilities expressly assumed or undertaken by the Buyer herein, the Sellers’ operation of the Stations or the ownership of the Assets before the Effective Time (including, but not limited to, any and all claims, liabilities, and obligations arising or required to be performed by the Sellers under any lease, contract, or agreement or under this Agreement before the Effective Time);

(vi) Except for obligations or liabilities expressly assumed or undertaken by the Buyer herein, any transaction entered into by the Sellers or arising in connection with the Stations or the operation of its business or any of the Assets before the Effective Time;

(vii) Any fees, costs, expenses or other liability related to periods before the Effective Time under any music license agreement, including with BMI, ASCAP or SESAC, entered into by Sellers; or

(viii) Any and all acts, suits, proceedings, demands, assessments and judgments and all actual and reasonable fees, costs and expenses of any kind, related or incident to any of the foregoing (including, without limitation, any and all Legal Expenses).

(b) Deficiencies for the Sellers. As used in this Article 10, the term "Deficiencies" when asserted by the Seller Indemnitees or arising out of a third party claim against the Seller Indemnitees shall mean any and all losses, damages, liabilities and claims sustained by the Seller Indemnitees (provided that Deficiencies shall not include any indirect, consequential or punitive damages, including damages for lost profits and lost business opportunities) and arising out of, related to, in the nature of, caused by, based on or resulting from:

(i) Any breach of any representation or warranty or any non-fulfillment of any covenant, obligation or agreement on the part of the Buyer contained in or made in this Agreement or in an Exhibit, certificate, or agreement delivered pursuant to this Agreement;

(ii) Any failure by the Buyer to pay or discharge any Assumed Liability;

(iii) Any litigation, proceeding or claim by any third party relating to the business or operations of the Buyer, the Assets or the Stations after the Effective Time and an Assumed Liability;

(iv) The Buyer's operation of the Stations or the ownership of the Assets after the Effective Time (including, but not limited to, any and all claims, liabilities, and obligations arising or required to be performed by the Buyer under any lease, contract, or agreement or under this Agreement after the Effective Time);

(v) Any transaction entered into by the Buyer or arising in connection with the Stations or the operation of its business or any of the Assets after the Effective Time; or

(vi) Any and all acts, suits, proceedings, demands, assessments and judgments and all fees, costs and expenses of any kind, related or incident to any of the foregoing (including, without limitation, any and all Legal Expenses).

#### 10.4 Procedures for Establishment of Deficiencies.

(a) Claim Asserted. In the event that any claim shall be asserted by any third party against the Buyer Indemnitees or the Seller Indemnitees (the Buyer Indemnitees or the

Seller Indemnitees, as the case may be, hereinafter, the "Indemnitees"), which, if sustained, would result in a Deficiency, then the Indemnitees, promptly and in all events within 30 business days after learning of such claim, shall notify the Indemnifying Party of such claim and Indemnitees shall permit the Indemnifying Party to defend against such claim, at the Indemnifying Party's sole expense and through legal counsel reasonably acceptable to the Indemnitees, provided that the Indemnifying Party proceeds in good faith, expeditiously and diligently. The Indemnitees shall, at their option and expense, have the right to participate in any defense undertaken by the Indemnifying Party with legal counsel of their own selection and at their expense. The parties will cooperate fully in any such action (at no expense to the Indemnified Party) and shall make available to each other any books or records useful for the defense of such claim. No settlement or compromise of any claim which may result in a Deficiency may be made by the Indemnifying Party without the prior written consent of the Indemnitees unless: (a) before such settlement or compromise, the Indemnifying Party acknowledges in writing its obligation to pay in full the amount of the settlement or compromise and all associated expenses and (b) the Indemnitees are furnished with security reasonably satisfactory to the Indemnitees that the Indemnifying Party will in fact pay such amount and expenses or the Indemnifying Party obtains a release of the Indemnitees from all liability in respect of such claim.

(b) Notice. In the event that the Indemnitees assert the existence of any Deficiency against the Indemnifying Party, such Indemnitees shall give written notice to the Indemnifying Party in accordance with Section 12.3 of the nature and amount (to the extent known) of the Deficiency asserted. The notice also shall set forth in reasonable detail the underlying facts related thereto. If the Indemnifying Party within a period of 30 days after receipt of the Indemnitees' notice, shall not give written notice to the Indemnitees announcing its intent to contest such assertion of the Indemnitees (such notice by the Indemnifying Party being hereinafter referred to as the "Contest Notice"), such assertion of the Indemnitees shall be deemed accepted and the amount of the Deficiency if not involving a third party claim shall be deemed established. If the Deficiency is based on a third party claim, the amount of the Deficiency shall not be deemed established until the Indemnifying Party and the third party have settled such claim or the amount of the Deficiency has been established by a Final order of a government authority. In the event, however, that a Contest Notice is given to the Indemnitees within such 30-day period, then the contested assertion of a Deficiency shall be resolved through binding arbitration pursuant to Section 11.12.

(c) Agreement. The Indemnitees and the Indemnifying Party may agree in writing, at any time, as to the existence and amount of a Deficiency, and, on the execution of such agreement such Deficiency shall be deemed established.

10.5 Payment of Deficiencies. The Indemnifying Party hereby agrees to pay the amount of established Deficiencies within 30 days after the establishment thereof. The amount of established Deficiencies shall be paid in cash or, as applicable, through the Indemnification Escrow Amount. Any amounts not paid by the Indemnifying Party when due under this Section shall bear interest from and after the due date thereof until the date paid at a rate equal to the lesser of: (a) 12% per annum and (b) the highest legal rate permitted by applicable law. At the option of the Indemnitees, the Indemnitees may offset any Deficiency or any portion thereof that has not been paid by the Indemnifying Party to the Indemnitees against any obligation the Indemnitees, or any

other Party to the Indemnitees against any obligation the Indemnitees, or any of them, may have to the Indemnifying Party arising out of a Deficiency established pursuant to Section 10.4.

#### 10.6 Limitation on Deficiencies.

(a) Notwithstanding any other provision of this Agreement, except with respect to Deficiencies resulting from Superior Claims, which shall not be limited, (i) the Sellers and Parent shall not have any obligation to indemnify the Buyer from and against any Deficiencies resulting from, arising out of, relating to, in the nature of, or caused by the breach of any representation or warranty of the Sellers until the Buyer has suffered Deficiencies by reason of all such breaches in excess of a \$50,000.00 aggregate deductible (at which point the Sellers and Parent will be obligated to indemnify the Buyer from and against all Deficiencies) and (ii) there will be a \$1,225,000.00 aggregate ceiling on the obligation of the Sellers and Parent to indemnify the Buyer from and against Deficiencies resulting from the breach of any warranties or representations by the Sellers *other than* those Deficiencies of which Sellers or Parent had Knowledge before the Effective Time provided, however, that in no event shall (X) a Deficiency arising under Section 3.8 or Section 3.31 or (Y) a Deficiency of which Buyer obtains Knowledge between the date hereof and the Effective Date qualify as “Deficiencies of which Sellers or Parent had Knowledge before the Effective Time” for purposes of this Section 10.6(a)(ii). The provisions of this Section shall not apply to the Closing pro rations made pursuant to Section 2.6.

(b) The Sellers will have no liability for any Deficiencies to the extent such Deficiencies are based on or arise out of a breach of a representation or warranty that was within the Knowledge of the Buyer on or before the date hereof; provided that this limitation shall not have the effect of treating an Excluded Liability as an Assumed Liability. In the event, between the date hereof and the Effective Date, Buyer obtains Knowledge of a Deficiency, Buyer shall notify Sellers and Parent within three business days, providing the level of detail of the Deficiency as is within Buyer’s Knowledge and Sellers shall add such item to the Schedules as provided in this Agreement.

10.7 Sole Remedy. Except for any equitable remedies provided herein, the rights of the parties for indemnification relating to this Agreement shall be limited to those contained in this Article 10, and such indemnification rights shall be the exclusive remedies of the parties subsequent to the Closing Date with respect to any matter relating to this Agreement or arising in connection with the contemplated transactions. To the maximum extent permitted by law, the parties hereby waive all other rights and remedies with respect to any matter relating to this Agreement or arising in connection with the contemplated transactions, whether under any law, administrative ruling or regulation (including any right or remedy under the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq., the Comprehensive Environmental Response Compensation and Liability Act, 42 U.S.C. Section 9602 et seq., or any other Environmental Law), at common law or otherwise.

ARTICLE 11  
MISCELLANEOUS

11.1 Termination of Agreement. This Agreement may be terminated at any time on or before the Closing Date: (a) by the mutual consent of the Sellers and the Buyer; (b) by the Buyer as provided in Sections 11.8 and 11.9; (c) by either party hereto if the Closing has not taken place by June 30, 2004, as extended by the parties in good faith as needed if the Closing delay is caused solely by delays within the FCC (the "Final Closing Date") or if a Final restraining order or injunction prohibiting the consummation of the transactions contemplated hereby is entered; (d) by the Buyer on or after June 30, 2004 if the Sellers have not satisfied the conditions set forth in Article 8 and the Buyer has satisfied or is prepared and able (but for the Sellers' defaults) to satisfy the conditions of Article 7; (e) by the Sellers on or after June 30, 2004 if the Buyer has not satisfied the conditions set forth in Article 7 and the Sellers have satisfied or are prepared and able (but for Buyer's defaults) to satisfy the conditions of Article 8 or (f) by the Sellers based on the Sellers' receipt of an Unsolicited Proposal superior to the proposed transaction with Buyer from a financial point of view. Subject to Section 5.12, a termination pursuant to this Article 11 shall not relieve any party of any liability it would otherwise have for a willful breach of this Agreement. If this Agreement is terminated rightfully pursuant to this Article 11, all further obligations of the parties hereunder shall terminate, except that all obligations for confidentiality under Sections 5.13 and 6.4 shall survive such termination indefinitely. If this Agreement is terminated pursuant to Section 11.1(e) above (or otherwise due to the material default of the Buyer) and the Sellers are not in material default of their obligations hereunder, the Earnest Money Escrow Deposit shall be delivered to the Sellers as liquidated damages and as the exclusive remedy of the Sellers against the Buyer. On a termination for any other reason, including if this Agreement is terminated pursuant to Sections 11.1(a) (unless otherwise agreed by the parties), (b), (c) or (d) above, the Earnest Money Escrow Deposit shall be returned to the Buyer.

11.2 Liabilities on Termination or Breach. The parties acknowledge that the operation of the Stations is of a special, unique and extraordinary character. Upon a material breach by the Sellers of their representations, warranties, covenants and agreements under this Agreement other than due to a material breach or default under this Agreement by the Buyer, the Buyer shall be entitled to seek an injunction restraining any such breach or threatened breach or to enforcement of this Agreement by a decree or decrees of specific performance requiring the Sellers to fulfill their obligations under this Agreement.

11.3 Expenses. Each party hereto shall bear all of its expenses incurred in connection with the transactions contemplated by this Agreement including, without limitation, accounting and legal fees incurred in connection herewith; *provided, however*, the Buyer and Sellers shall equally share the filing fees with the FCC and any sales or transfer taxes arising from the transfer of the Assets to the Buyer.

11.4 Remedies Cumulative. Except as set forth in Section 5.12(c), Section 10.7 or the penultimate sentence of Section 11.1, the remedies provided in this Agreement shall be cumulative and shall not preclude the assertion by any party hereto of any other rights or the seeking of any other remedies against the other party hereto.

11.5 Preservation of Records. The Buyer will preserve and make available (including the right to inspect and copy) to the Sellers, their attorneys and accountants, for six years after the Closing Date and during normal business hours, such of the books, records, files, correspondence, memoranda and other documents transferred pursuant to this Agreement as the Sellers may reasonably require in connection with any legitimate purpose, including, but not limited to, the preparation of tax reports and returns and the preparation of financial statements. During the six-year period, the Buyer will not dispose of or destroy any such books, records, files, correspondence, memoranda or other documents without giving 30 days' prior written notice to the Sellers, which notice shall include a reasonable description of such documents, to permit the Sellers, at their expense, to examine, duplicate or take possession of all or part thereof.

11.6 Non-Assignable Contracts. Nothing contained in this Agreement shall be construed as an assignment or an attempted assignment of any Contract which is non-assignable without the consent of the other party or parties thereto, unless such consent shall be given. Notwithstanding anything contained in this Agreement to the contrary, the Sellers will not be obligated to assign to the Buyer any of their rights and obligations in and to any such Contracts without first having obtained all consents necessary for such assignment. The Sellers shall use commercially reasonable efforts (and the Buyer shall assist the Sellers) both before and for a period of 12 months after the Closing to obtain such consents to the assignment or transfer of Contracts to vest in the Buyer all of the Sellers' right, title and interest in such Contracts, in all cases in which such consent is required for assignment or transfer; *provided, however*, that, in each such case, the Sellers will not be obligated to commence any litigation or offer or grant any accommodation (financial or otherwise) to any Person or incur any other obligation or liability therefor. If such consent is not obtained, the Sellers shall cooperate with the Buyer in any reasonable and lawful arrangements (not resulting in a cost to the Sellers) necessary or desirable to provide for the Buyer to have the benefits and to have the Buyer assume the burdens arising after the Closing Date thereunder, including, without limitation, enforcement for the benefit of the Buyer, and assumption by the Buyer of the costs of enforcing, any and all rights of the Sellers thereunder against the other party thereto arising out of the cancellation thereof by such other party or otherwise, for the period commencing with the Closing Date and continuing until the earlier of (i) expiration of the original term of the applicable Contract, (ii) one (1) year following the Closing Date or (iii) the Sellers' receipt of written notice from the Buyer that the Buyer has obtained an adequate replacement for such Contract. The failure of the Sellers to obtain such consents despite the use of commercially reasonable efforts or provide to the Buyer the benefit of any Contract shall not be a breach of this Agreement.

11.7 Further Assurances. From time to time on and after the Closing Date, each party hereto will execute all such instruments and take all such actions as any other party, being advised by counsel, shall reasonably request, without payment of further consideration, in connection with carrying out and effectuating the intent and purpose hereof and all transactions and things contemplated by this Agreement including, without limitation, the execution and delivery of any and all confirmatory and other instruments in addition to those to be delivered on the Closing Date, and any and all actions which may reasonably be necessary or desirable to complete the transactions contemplated hereby. The parties shall cooperate fully with each other and with their respective counsel and accountants in connection with any steps required to be taken as part of their respective obligations under this Agreement.

11.8 Risk of Loss. The risk of loss, damage or destruction to any of the Assets from fire or other casualty or cause shall be borne by the Sellers at all times before the Effective Time. In the event of any such loss, damage or destruction, the proceeds of any claim for any loss, 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. It is expressly understood and agreed that, in the event of any loss or damage to any of the material Assets from fire, casualty or other causes before the Closing, the Sellers shall notify the Buyer of same in writing immediately. 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 damaged property is not completely repaired, replaced or restored on or before the Closing Date, the Buyer at its sole option: (a) may elect to postpone Closing until such time as the property has been completely repaired, replaced or restored to the reasonable satisfaction of the Buyer or to the condition in which it existed prior to the damage or (b) may elect to consummate the Closing and accept the property in its then condition, in which event the Sellers shall pay to the Buyer all proceeds of insurance and assign to the Buyer the right to any unpaid proceeds.

11.9 Broadcast Transmission Interruption. If, before the Closing, the regular broadcast transmission of any of the Stations is interrupted for a period of 24 continuous hours or more, solely as a result of actions of, or the failure to act by, the Seller, then the Seller shall give prompt written notice thereof to the Buyer. The Buyer shall then have the right by giving written notice to the Seller, to postpone (and if necessary re-postpone) the Closing to a date that is 15 business days after the end of any such interruption. If, solely as a result of actions of, or the failure to act by, the Seller the regular broadcast transmission of the Stations is interrupted for a continuous period of 72 hours or more at any time before Closing Date or, if at the Closing Date, the regular transmission of the Stations is interrupted and cannot be reestablished within 72 hours, then (a) the Seller immediately shall give written notice thereof to the Buyer; and (b) the Buyer shall have the right, by giving written notice to the Seller, to (i) within three business days after receiving notice from the Seller of such interruption, to terminate this Agreement without liability to the Seller or the Buyer, in which event the Earnest Money Escrow Deposit shall promptly be returned to the Buyer or its designee, or (ii) postpone the Closing as provided above.

11.10 Employees. Except as provided otherwise in this Section, the Sellers shall terminate all of the Stations' employees effective as of the Effective Time and pay all termination and severance costs in connection with such termination. The Buyer presently intends to offer employment to all of the employees of the Stations that are listed on Schedule 3.21 beginning at the Effective Time. The Buyer will provide to Seller at least 30 days before Closing a list of employees to whom it will offer employment beginning at the Effective Time ("Assumed Employees"). The Sellers acknowledge and agree that the foregoing representation by the Buyer does not require the Buyer to continue to employ any such Assumed Employee for any specific periods of time after the Effective Time. The Buyer will not give the Stations' employees who are employed by the Buyer credit for accrued vacation and sick leave unless the costs thereof are paid by the Sellers to the Buyer before or on the Closing Date or, at the Buyer's option, the Purchase Price is adjusted at Closing.

11.11 Receivables. For the period commencing as of the Closing Date and ending at the end of the twelfth month after the month of the Closing (the "Collection Period"), the Buyer shall use commercially reasonable efforts (not involving the commencement of litigation or granting

of any accommodation (financial or otherwise) or the incurrence of any other liability or obligation) to collect on behalf of the Sellers, as the Sellers' agent, all of the Sellers' accounts receivable arising from the operation of the Stations prior to the Closing. Unless specified otherwise by the customer (without a request of such by the Buyer), any payments received by the Buyer during the Collection Period with respect to any accounts receivable arising from the operation of the Stations shall be applied first to the Sellers' account receivable arising from the operation of the Stations prior to the Closing, and only after full satisfaction thereof, to the Buyer's accounts receivable arising from the operation of the Stations after the Closing. Within 10 days following the end of each of the first 13 months after the date of Closing, the Buyer shall furnish the Sellers with a list of the receivables collected within each such month. The Buyer shall deposit in the ordinary course of operations (but no less often than monthly) into an account of the Sellers designated at or before Closing to the Buyer by the Sellers all of the Seller's accounts receivable collected during the Collection Period. The Sellers shall have reasonable rights of access to the Buyer's books and records for the sole purpose of confirming payments made by account debtors with respect to such accounts receivable of the Sellers. The Buyer shall not have the right to compromise, settle or adjust the amounts of any of the Sellers' accounts receivable without the Sellers' prior written consent. Following the expiration of the Collection Period, the Buyer shall have no further obligation with respect to the Sellers' accounts receivable except to remit to the Sellers any payments that are received by the Buyer and which can be identified as payments on the Sellers' accounts receivable. The Sellers shall have full rights to collect any accounts receivable arising from operation of the Station prior to the Closing not collected prior to the expiration of the Collection Period.

11.12 Arbitration: Choice of Jurisdiction. If a controversy should arise in the performance, interpretation or application of this Agreement, either party may serve upon the other a written notice stating that such party desires to have the controversy reviewed by an arbitrator. If the parties cannot agree within 15 business days from the service of such notice upon the selection of such arbitrator, an arbitrator shall be selected or designated by the American Arbitration Association. Arbitration of such controversy, disagreement or dispute shall be conducted in accordance with the Commercial Arbitration Rules then in force of the American Arbitration Association and the decision and award of the arbitrator so selected shall be binding upon the parties. The arbitration will be held in Washington, District of Columbia. The cost of any such arbitration shall be shared equally by the parties, *provided* that the arbitrator shall be authorized to enter as part of the award to any party an amount equal to such party's attorney's fees and other costs related to the arbitration. Except as provided by the arbitrator, each party shall pay its own costs incurred as a result of its participation in any such arbitration. The provisions of this paragraph shall not affect any party's right to terminate this Agreement. Except as specifically provided in this paragraph, any arbitrator shall have no authority to award punitive damages or any other damages not measured by the prevailing party's actual damages, and may not make any ruling, finding or award that does not conform to the terms of this Agreement. Any controversy or claim arising out of or related to this Agreement which the parties are unable to resolve and which is not requested to be arbitrated as set forth above shall be submitted to the state or federal courts located in Washington, District of Columbia, which shall be the sole forums for the resolution of all disputes hereunder, to the jurisdiction of which both parties submit.

ARTICLE 12  
GENERAL PROVISIONS

12.1 Successors and Assigns. Except as otherwise expressly provided herein, this Agreement shall be binding on and inure to the benefit of the parties hereto, and their respective Representatives, successors and assigns. The Sellers may not assign any of their rights or delegate any of their duties hereunder without the prior written consent of the Buyer. The Buyer may freely assign some or all of its rights and obligations hereunder to any Person, as long as the Buyer remains fully obligated hereunder, but otherwise shall not assign any of its rights or delegate any of its duties hereunder without the prior written consent of the Sellers.

12.2 Amendments; Waivers. The terms, covenants, representations, warranties and conditions of this Agreement may be changed, amended, modified, waived, discharged or terminated only by a written instrument executed by each of the parties hereto. The failure of any party at any time or times to require performance of any provision of this Agreement shall in no manner affect the right of such party at a later date to enforce the same. No waiver by any party of any condition or the breach of any provision, term, covenant, representation or warranty contained in this Agreement, whether by conduct or otherwise, in any one or more instances shall be deemed to be or construed as a further or continuing waiver of any such condition or of the breach of any other provision, term, covenant, representation or warranty of this Agreement.

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

(a) If to the Sellers, then to:

KULR Corporation, L.L.C.  
KFBB Corporation, L.L.C.  
c/o The Daily Jeffersonian  
821 Wheeling Avenue  
P.O. Box 10  
Cambridge, Ohio 43725  
Telecopy Number: (740) 439-3533

Attn: Mr. Robert C. Dix

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

KULR Corporation, L.L.C.  
KFBB Corporation, L.L.C.  
c/o Ashland Times Gazette  
40 East Second Street  
Ashland, Ohio 44805  
Telecopy Number: (419) 281-5591

Attn: Mr. Troy Dix

and

Baker & Hostetler LLP  
3200 National City Center  
1900 East 9<sup>th</sup> Street  
Cleveland, Ohio 44114  
Telecopy Number: (216) 696-0740

Attn: Edward G. Ptaszek, Jr.

(b) If to the Buyer then to:

Max Media of Montana LLC  
900 Laskin Road  
Virginia Beach, Virginia 23451  
Telecopy Number: (757) 437-0034

Attn: A. Eugene Loving, Jr.

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

Williams Mullen  
A Professional Corporation  
Suite 900  
One Columbus Center  
Virginia Beach, Virginia 23462  
Telecopy Number: (757) 473-0395

Attn: Thomas R. Frantz, Esquire

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

12.4 Captions. The captions of Articles and Sections of this Agreement are for convenience only and shall not control or affect the meaning or construction of any of the provisions of this Agreement.

12.5 Governing Law. THIS AGREEMENT AND ALL QUESTIONS RELATING TO ITS VALIDITY, INTERPRETATION, PERFORMANCE AND ENFORCEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE, WITHOUT GIVING EFFECT TO PRINCIPLES OF CONFLICTS OF LAWS.

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

12.7 Execution: Counterparts and Facsimile. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument. This Agreement shall become binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of all of the parties reflected hereon as the signatories. Delivery of an executed counterpart of a signature page to this Agreement by facsimile shall be as effective as delivery of a manually executed counterpart of this Agreement.

12.8 Gender and Tense. Where appropriate to the context, pronouns of other terms expressed in one number or gender will be deemed to include all other numbers or genders. The use of a word in one tense will include the other tenses, where appropriate to the context.

12.9 Third-Party Beneficiaries. This Agreement is intended to benefit only the parties to this Agreement, their successors and permitted assigns. No other Person is an intended or incidental beneficiary of this Agreement.

12.10 No Party Deemed Drafter. The parties acknowledge that they have been represented by counsel in connection with this Agreement and the transactions contemplated hereby. Accordingly, any rule of law or any legal decision that would require interpretation of any claim ambiguities in this Agreement against the party that drafted it has no application and is expressly waived. Provisions of this Agreement shall be interpreted in a reasonable manner to effect the intent of the parties.

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

**SELLERS:**

**KULR CORPORATION, L.L.C.**

By: Robert C. Dix  
Its: Chairman

**KFBB CORPORATION, L.L.C.**

By: Robert C. Dix  
Its: Chairman

**PARENT:**

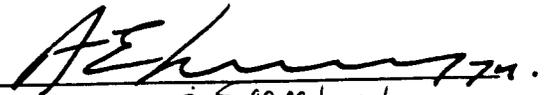
**WOOSTER REPUBLICAN PRINTING  
COMPANY**

**For the sole purpose of guaranteeing the  
indemnification obligations of Sellers and its and  
Sellers' obligations under Sections 5.12 and 5.13**

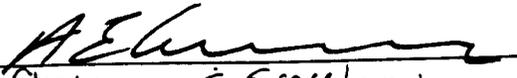
By: Robert C. Dix  
Its: President

**BUYER:**

**MAX MEDIA OF MONTANA LLC**

By:   
Its: Chairman & Secretary

**MMM LICENSE LLC**

By:   
Its: Chairman & Secretary

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## EXHIBIT A

### EARNEST MONEY ESCROW AGREEMENT

This EARNEST MONEY ESCROW AGREEMENT (the "Agreement") is entered into on \_\_\_\_\_, 2003, by and among MAX MEDIA OF MONTANA LLC, a Virginia limited liability company, and MMM LICENSE LLC, a Virginia limited liability company (collectively, the "Buyer"), KFBB CORPORATION, L.L.C., a Delaware limited liability company, and KULR CORPORATION, L.L.C., a Delaware limited liability company (collectively, "Seller"), and LAWYERS TITLE INSURANCE CORPORATION (the "Escrow Agent").

#### RECITAL

Buyer and Seller have entered into an Asset Purchase Agreement of even date (the "Purchase Agreement") pursuant to which Buyer will acquire from Seller the Assets (as defined in the Purchase Agreement). The Purchase Agreement provides that the escrow fund provided for hereby will be used to secure the liquidated damages obligation of Buyer to Seller set forth in Section 11.1 of the Purchase Agreement, on the terms and conditions set forth herein. Pursuant to the Purchase Agreement, Buyer will deliver certain funds upon the execution of the Purchase Agreement which are to be deposited into the escrow fund provided for hereby. The parties desire to establish the terms and conditions pursuant to which such escrow fund will be established and maintained.

#### AGREEMENT

The parties agree as follows:

1. Defined Terms. Capitalized terms used in this Agreement and not otherwise defined shall have the meanings given them in the Purchase Agreement.

2. Escrow.

(a) Initial Escrow. On the date of full execution of the Purchase Agreement (the "Escrow Effective Date"), Buyer shall deposit \$612,500 in immediately available funds ("Escrow Deposit") into an interest bearing escrow account maintained by the Escrow Agent. The Escrow Deposit shall be held as a trust fund and shall not be subject to any lien, attachment, trustee process or any other judicial process of any creditor of any party hereto. The Escrow Agent agrees to accept delivery of the Escrow Deposit and to hold such Escrow Deposit in escrow subject to the terms and conditions of this Agreement and Sections 2.4 and 11.1 of the Purchase Agreement.

(b) Investment of Initial Escrow Funds. Escrow Agent shall invest the funds in the Escrow Deposit as directed in writing by Buyer in any of the following:

(i) obligations issued by or guaranteed by the United States of America or any agency or instrumentality thereof;

(ii) certificates of deposit of or interest bearing accounts with national banks or corporations endowed with trust powers, including the Escrow Agent, having capital and surplus in excess of \$100,000,000;

(iii) commercial paper that at the time of investment is rated A-1 by Standard and Poor's Corporation or P-1 by Moody's Investor Service;

(iv) repurchase agreements with any bank or corporation described in clause (ii), above, fully secured by obligations described in clause (i), above; or

(v) any money market fund registered under the Investment Company Act of 1940, as amended, for which the Escrow Agent or an affiliate thereof is the adviser.

Any interest or other income earned on the Escrow Deposit funds shall be paid to the Person receiving the Escrow Deposit pursuant to Section 3(b) or to Buyer pursuant to Section 4 hereof, as the case may be.

(c) Liquidated Damages. Buyer has agreed in Section 11.1 of the Purchase Agreement to pay the Escrow Deposit in liquidated damages to Seller if the Closing fails to occur for certain reasons set forth in Section 11.1 of the Purchase Agreement; otherwise, the Escrow Deposit shall be returned to Buyer for the reasons set forth in Section 11.1 of the Purchase Agreement. The Escrow Deposit ("Initial Escrow") shall be security for this liquidated damages obligation of Buyer, subject to the limitations, and in the manner provided, in this Agreement and the Purchase Agreement.

3. Administration of Initial Escrow. Escrow Agent shall administer the Initial Escrow as follows:

(a) Escrow Agent shall hold and safeguard the Initial Escrow during the Escrow Period (as defined in Section 4 below), shall treat such fund as a trust fund in accordance with the terms of this Agreement and the Purchase Agreement and not as the property of Buyer and shall hold and dispose of the Initial Escrow only in accordance with the terms hereof.

(b) If the Closing fails to occur before the Final Closing Date, the Initial Escrow shall be distributed in accordance with Section 11.1 of the Purchase Agreement and this Section 3(b). If either Buyer or Seller wishes to terminate the Purchase Agreement it shall provide notice (the "Payment Notice") to the other parties to this Agreement and the Escrow Agent as provided herein specifying the provision of Article 11 of the Purchase Agreement pursuant to which such termination is made. Upon receipt of the Payment Notice, the Escrow Agent shall, subject to the provisions of Section 3(d) below, deliver to either Buyer or Seller (as provided in Section 11.1 of the Purchase Agreement) as promptly as practicable, the Initial Escrow.

(c) Objections to Claims. Simultaneously with delivery of any Payment Notice to Escrow Agent, a duplicate copy of such certificate shall be delivered to either the Seller or Buyer (as applicable) and for a period of 30 days after receipt of the Payment Notice, Escrow Agent shall make no delivery to Buyer or Seller from the Initial Escrow pursuant to Section 3(b)

hereof unless Escrow Agent shall have received written authorization from the other party to make such delivery. After the expiration of such 30 day period, Escrow Agent shall make delivery from the Initial Escrow in accordance with Section 3(b) hereof, *provided* that no such payment or delivery may be made if Seller or Buyer (as applicable) shall object in a written statement to the claim for liquidated damages made in the Payment Notice and such statement shall have been delivered to Escrow Agent and Seller or Buyer (as applicable) before the expiration of such 30-day period.

(d) Resolution of Conflicts.

(i) In case either Seller or Buyer shall object in writing to the claim made in any Payment Notice, Seller and Buyer shall attempt in good faith to agree upon the rights of the respective parties with respect to the claim within 30 days after Seller or Buyer, as the case may be, receives such party's written objection to the claim pursuant to Section 3(c) (the "Negotiation Period"). If Seller and Buyer should so agree during the Negotiation Period, a memorandum setting forth such agreement shall be prepared and signed by both parties and shall be furnished to Escrow Agent. Escrow Agent shall be entitled to rely on any such memorandum and distribute the Initial Escrow funds and/or other property from the Initial Escrow in accordance with the terms thereof.

(ii) If no such agreement has been reached by the end of the Negotiation Period, the dispute shall be resolved through an appropriate proceeding before the state or federal courts located in Washington, District of Columbia. A final, non-appealable order of any such court shall be binding and conclusive upon the parties to this Agreement, and Escrow Agent shall be entitled to act in accordance with such order and make or withhold payments out of the Initial Escrow in accordance therewith.

4. Release of Escrow Fund. Subject to the following requirements and provided the Purchase Agreement is not terminated before Closing, the Initial Escrow shall remain in existence from the Escrow Effective Date until the Closing Date (the "Escrow Period") and, at Closing, the Escrow Deposit shall be delivered to Seller and credited to the Purchase Price.

5. Escrow Agent's Duties.

(a) Buyer and Seller acknowledge and agree that Escrow Agent (i) shall not be responsible for any of the agreements referred to herein but shall be obligated only for the performance of such duties as are specifically set forth in this Agreement and as set forth in any additional written escrow instructions which Escrow Agent may receive after the date of this Agreement that are signed by an officer of Buyer and an officer of Seller; (ii) shall not be obligated to take any legal or other action hereunder which might in its reasonable judgment involve expense or liability unless it shall have been furnished with indemnity reasonably acceptable to it; and (iii) may rely on and shall be protected in acting or refraining from acting upon any written notice, instruction, instrument, statement, request or document furnished to it hereunder and reasonably believed by it to be genuine and to have been signed or presented by the proper person, and shall have no responsibility for determining the accuracy thereof.

(b) Escrow Agent is hereby expressly authorized to disregard any and all warnings given by any of the parties hereto or by any other person, excepting only orders or process of courts of law and notices from the parties hereto as set forth herein, and is hereby expressly authorized to comply with and obey orders, judgments or decrees of any court. In case Escrow Agent obeys or complies with any such order, judgment or decree of any court, Escrow Agent shall not be liable to any of the parties hereto or to any other person by reason of such compliance, notwithstanding any such order, judgment or decree being subsequently reversed, modified, annulled, set aside, vacated or found to have been entered without jurisdiction.

(c) Escrow Agent shall not be liable in any respect on account of the identity, authority or rights of the parties executing or delivering or purporting to execute or deliver this Agreement or any documents or papers deposited or called for hereunder.

(d) Escrow Agent shall not be liable for the expiration of any rights under any statute of limitations with respect to this Agreement or any documents deposited with Escrow Agent.

(e) Neither Escrow Agent nor any of its directors, officers or employees shall be liable to anyone for any action taken or omitted to be taken by it or any of its directors, officers or employees hereunder except in the case of gross negligence, bad faith or willful misconduct. Subject to Section 5(g) below, Buyer and Seller (collectively, the "Indemnifying Parties") covenant and agree to jointly and severally indemnify Escrow Agent and hold it harmless from and against any fee, loss, liability or expense (including reasonable attorney's fees and expenses) (a "Loss") incurred by Escrow Agent arising out of or in connection with the performance of its obligations in accordance with the provisions of this Agreement or with the administration of its duties hereunder, unless such Loss shall arise out of or be caused by Escrow Agent's gross negligence, bad faith or willful misconduct; *provided, however*, that payment for Escrow Agent's fees and expenses set forth on the fee schedule attached as Exhibit A shall be paid one-half each by Buyer and Seller, and *provided further* that the indemnity agreement contained in this Section 5(e) shall not apply to amounts paid in settlement of any Loss if such settlement is effected without the consent of Buyer and Seller.

(f) To the extent that Escrow Agent becomes liable for the payment of any taxes in respect of income derived from the investment of funds held or payments made hereunder, Escrow Agent shall satisfy such liability to the extent possible from the Initial Escrow. Subject to Section 5(g) below, the Indemnifying Parties agree to jointly and severally indemnify and hold Escrow Agent harmless from and against any taxes, additions for late payment, interest, penalties and other expenses, that may be assessed against Escrow Agent on any payment or other activities under this Agreement unless any such tax, addition for late payment, interest, penalty or other expense shall arise out of or be caused by the actions of, or a failure to act by, Escrow Agent.

(g) Each of the Indemnifying Parties shall contribute for indemnification of Escrow Agent under Sections 5(e) and 5(f) hereof (the "Indemnification Liability") to the Indemnification Liability in such proportion as is appropriate to reflect the relative fault of each individual Indemnifying Party, including up to all such Indemnification Liability in the case of

any tax liability arising from failure to provide correct information with respect to any taxes pursuant to Section 5(f) above. In all cases where there is no such basis for allocating contribution for such Indemnification Liability or except as otherwise provided in Section 5(e), one half of the total Indemnification Liability shall be paid by Seller, and one half of the total Indemnification Liability shall be paid by Buyer.

(h) Escrow Agent may resign at any time upon giving at least 30 days' written notice to Buyer and Seller; *provided, however*, that no such resignation shall become effective until the appointment of a successor escrow agent, which shall be accomplished as follows: Buyer and Seller shall use their best efforts to mutually agree upon a successor agent within 30 days after receiving such notice. If the parties fail to agree upon a successor escrow agent within such time, Buyer with the consent of Seller, which shall not be unreasonably withheld, shall have the right to appoint a successor escrow agent; *provided* that such successor escrow agent shall be a third party unaffiliated with either Seller or Buyer. The successor escrow agent selected in the preceding manner shall execute and deliver an instrument accepting such appointment and it shall thereupon be deemed the Escrow Agent hereunder and it shall without further acts be vested with all the estates, properties, rights, powers, and duties of the predecessor Escrow Agent as if originally named as Escrow Agent. If no successor escrow agent is named, Escrow Agent may apply to a court of competent jurisdiction for the appointment of a successor escrow agent. Thereafter, the predecessor Escrow Agent shall be discharged from any further duties and liabilities under this Agreement. The provisions of Sections 5(e) and 5(f) shall survive the resignation or removal of Escrow Agent or the termination of this Agreement.

6. Fees, Expenses and Taxes. Buyer and Seller agree to pay or reimburse Escrow Agent for its normal services hereunder in accordance with the fee schedule attached hereto as Exhibit A. The Escrow Agent shall be entitled to reimbursement upon 30 days' written notice for all expenses incurred in connection with Sections 5(e) and 5(f) above, and payment of any legal fees and expenses incurred by the Escrow Agent in connection with the resolution of any claim by any party hereunder. Taxes incurred with respect to the earnings of the Initial Escrow and payments made hereunder shall be borne by the party to whom such earnings are distributed (or to be distributed) or to whom such payment is made.

7. Miscellaneous.

(a) Amendments and Waivers. Any term of this Agreement may be amended or waived with the written consent of all of the parties or their respective successors and assigns. Any amendment or waiver effected in accordance with this Section 7(a) shall be binding upon the parties and their respective successors and assigns.

(b) Successors and Assigns. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

(c) Governing Law; Jurisdiction. This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law. Each of the parties to this Agreement consents to the exclusive jurisdiction and venue of the courts of the state and federal courts of Washington, District of Columbia.

(d) Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

(e) Titles and Subtitles. The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

(f) Notices. Any notice required or permitted by this Agreement shall be in writing and shall be deemed sufficient upon receipt, when delivered personally or by courier, overnight delivery service or confirmed facsimile, if such notice is addressed to the party to be notified at such party's address or facsimile number as set forth below, or as subsequently modified by written notice.

(i) If to Buyer, then to:

Max Media of Montana LLC  
900 Laskin Road  
Virginia Beach, Virginia 23451  
Telecopy Number: (757) 437-0034  
Attn: A. Eugene Loving, Jr.

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

Williams Mullen  
222 Central Park Avenue  
Suite 1700  
Virginia Beach, Virginia 23462  
Telecopy Number: (757) 473-0395  
Attn: Thomas R. Frantz, Esquire

(ii) If to Seller then to:

KULR Corporation, L.L.C.  
KFBB Corporation, L.L.C.  
c/o The Daily Jeffersonian  
821 Wheeling Avenue  
P.O. Box 10  
Cambridge, Ohio 43725  
Telecopy Number: (740) 439-3533

Attn: Mr. Robert C. Dix

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

KULR Corporation, L.L.C.  
KFBB Corporation, L.L.C.  
c/o Ashland Times Gazette  
40 East Second Street  
Ashland, Ohio 44805  
Telecopy Number: (419) 281-5591

Attn: Mr. Troy Dix

and

Baker & Hostetler LLP  
3200 National City Center  
1900 East 9<sup>th</sup> Street  
Cleveland, Ohio 44114  
Telecopy Number: (216) 696-0740  
Attn: Edward G. Ptaszek, Jr.

(iii) If to Escrow Agent then to:

Lawyers Title Insurance Corporation  
101 W. Main Street, Suite 1100  
World Trade Center, East Lobby  
Norfolk, Virginia 23510  
Telecopy Number: (757) 321-8189  
Attn: Douglas W. Dewing or Donna Rae Webster

(g) Severability. If one or more provisions of this Agreement are held to be unenforceable under applicable law, then (i) such provision shall be excluded from this Agreement, (ii) the balance of the Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of the Agreement shall be enforceable in accordance with its terms.

(h) Entire Agreement. Except as set forth in the Purchase Agreement, this Agreement constitutes the entire agreement between such parties pertaining to the subject matter hereof, and merges all prior negotiations and drafts of the parties with regard to the transactions contemplated herein. Any and all other written or oral agreements existing between the parties hereto regarding such transactions are expressly canceled.

(i) Advice of Legal Counsel. Each party acknowledges and represents that, in executing this Agreement, it has had the opportunity to seek advice as to its legal rights from legal counsel and that the person signing on its behalf has read and understood all of the terms and provisions of this Agreement. This Agreement shall not be construed against any party by reason of the drafting or preparation thereof.

(j) Tax Forms. All entities entitled to receive interest or other payments from the Escrow Deposit will provide the Escrow Agent with all forms or documents as may be legally required by any governmental authority including, without limitation, if so legally required, a W-9 or W-8 IRS tax form before the disbursement of interest.

8. FDIC Coverage. Buyer and Seller hereby certify that they are aware that the Federal Deposit Insurance Corporation (FDIC) coverages apply only to a cumulative maximum amount of \$100,000 for each individual depositor for all of depositor's accounts at the same or related institution.

9. Exceptions to FDIC Coverage. Buyer and Seller understand that certain banking instruments such as, but not limited to, repurchase agreements and letters of credit are not covered at all by FDIC insurance.

10. Escrow Agent Liability. Buyer and Seller understand that Escrow Agent assumes no responsibility for, nor will the Buyer or Seller hold Escrow Agent liable for, any Loss occurring which arises from the fact that the amount of the Escrow Deposit may cause the aggregate amount of any individual depositor's accounts to exceed \$100,000 and that the excess amount is not insured by the Federal Deposit Insurance Corporation (FDIC) and that insurance is not available on certain types of bank instruments.

**[SIGNATURE PAGE FOLLOWS]**

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

**SELLER:**

**KFBB CORPORATION, L.L.C.**  
a Delaware limited liability company

By: \_\_\_\_\_

Its: \_\_\_\_\_

**KULR CORPORATION, L.L.C.,**  
a Delaware limited liability company

By: \_\_\_\_\_

Its: \_\_\_\_\_

**BUYER:**

**MAX MEDIA OF MONTANA LLC**

By: \_\_\_\_\_  
David Wilhelm, Assistant Secretary  
and Vice President

**MMM LICENSE LLC**

By: \_\_\_\_\_  
David Wilhelm, Assistant Secretary  
and Vice President

**ESCROW AGENT:**

**LAWYERS TITLE INSURANCE  
CORPORATION**

By: \_\_\_\_\_

Its: \_\_\_\_\_

EXHIBIT A

FEE SCHEDULE

To open, administer and close an interest bearing ("Money Market")  
account at Wachovia Bank, Norfolk, Virginia \$100

As a prerequisite to opening any interest bearing account, the Escrow Agent  
must receive a completed W-9 form from the party to whom the interest will  
initially be credited.

#405720 v2 - Earnest Money Escrow Agreement- MT/Dix

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## **EXHIBIT B**

### **INDEMNIFICATION ESCROW AGREEMENT**

This INDEMNIFICATION ESCROW AGREEMENT (the "Agreement") is entered into this \_\_\_ day of \_\_\_\_\_, 2003 by and among KULR CORPORATION, L.L.C., a Delaware limited liability company ("KULR"), KFBB CORPORATION, L.L.C., a Delaware limited liability company ("KFBB" and collectively with KULR, "Seller"), MAX MEDIA OF MONTANA LLC, a Virginia limited liability company ("Company") and MMM LICENSE LLC ("License Sub and collectively with the Company, "Buyer"), and LAWYERS TITLE INSURANCE CORPORATION ("Escrow Agent").

#### **RECITAL**

Seller and Buyer have entered into an Asset Purchase Agreement, dated \_\_\_\_ \_\_, 2003 (the "Purchase Agreement") pursuant to which Buyer will acquire from the Assets (as defined in the Purchase Agreement) owned or leased by Seller and used or useful in its television broadcast businesses. The Purchase Agreement provides that the escrow fund provided for hereby will partially secure the indemnification obligations of Seller to Buyer and its affiliates, officers, directors, employees, representatives and agents under the Purchase Agreement, on the terms and conditions set forth herein. Pursuant to the Purchase Agreement, Buyer will deliver a cash payment to be deposited into the escrow fund provided for hereby. The parties desire to establish the terms and conditions pursuant to which such escrow fund will be established and maintained.

#### **AGREEMENT**

The parties agree as follows:

1. Defined Terms. Capitalized terms used in this Agreement and not otherwise defined shall have the meanings given them in the Purchase Agreement.

2. Escrow and Indemnification.

(a) Indemnification Escrow Amount. On the Closing Date, Buyer shall deposit the Escrow Deposit of \$612,500.00 into an interest bearing escrow account maintained by the Escrow Agent (together with any interest or other income thereon, the "Indemnification Escrow Amount"). The Indemnification Escrow Amount shall be held as a trust fund and shall not be subject to any lien, attachment, trustee process or any other judicial process of any creditor of any party hereto. The Escrow Agent agrees to accept delivery of the Indemnification Escrow Agreement and to hold such Indemnification Escrow Agreement in escrow subject to the terms and conditions of this Agreement and Article 10 of the Purchase Agreement.

(b) Investment of Escrow Consideration. The Escrow Agent shall invest the Indemnification Escrow Amount in any of the following:

(i) obligations issued by or guaranteed by the United States of America or any agency or instrumentality thereof;

(ii) certificates of deposit of or interest bearing accounts with national banks or corporations endowed with trust powers, including the Escrow Agent, having capital and surplus in excess of \$100,000,000;

(iii) commercial paper that at the time of investment is rated A-1 by Standard and Poor's Corporation or P-1 by Moody's Investor Service;

(iv) repurchase agreements with any bank or corporation described in clause (ii) above, fully secured by obligations described in clause (i) above; or

(v) any money market fund registered under the Investment Company Act of 1940, as amended, for which the Escrow Agent or an affiliate thereof is the adviser.

(c) Indemnification. Seller has agreed in Article 10 of the Purchase Agreement to indemnify and hold harmless Buyer Indemnitees (each of the foregoing persons is referred to hereinafter as an "Indemnified Person" and collectively as "Indemnified Persons") from and against Deficiencies as defined in Article 10 of the Purchase Agreement (the "Damages"). The Indemnification Escrow Amount shall be partial security for the indemnity obligations of Seller, subject to the limitations, and in the manner provided, in this Agreement and the Purchase Agreement.

3. Administration of Indemnification Escrow Amount. The Escrow Agent shall administer the Indemnification Escrow Amount as follows:

(a) Indemnification Escrow Amount. The Escrow Agent shall hold and safeguard the Indemnification Escrow Amount during the Escrow Period (as defined in Section 5 below), shall treat such fund as a trust fund in accordance with the terms of this Agreement and the Purchase Agreement and not as the property of Buyer and shall hold and dispose of the Indemnification Escrow Amount only in accordance with the terms hereof.

(b) Disbursement. Upon receipt by the Escrow Agent at any time after the Closing and on or before the last day of the Escrow Period (as defined in Section 5 below) of a certificate signed by any officer of Buyer (an "Officer's Certificate"):

(i) stating that Buyer or any other Indemnified Person has paid Damages,

(ii) specifying in reasonable detail the individual items of Damages included in the amount so stated, the date each such item was paid or incurred, and the nature of the misrepresentation, breach of warranty or claim to which such item is related, and

(iii) stating that Buyer delivered a copy of the Officer's Certificate to Seller as required by Section 3(c),

The Escrow Agent shall, subject to the provisions of Sections 3(c) and 3(d) below, deliver to Buyer out of the Indemnification Escrow Amount, as promptly as practicable after the expiration of Seller's Review Period (as defined below,) Indemnification Escrow Amount funds or other assets held in the Indemnification Escrow Amount in an amount equal to such Damages.

(c) Objections to Claims. At the time of delivery of any Officer's Certificate to the Escrow Agent, Buyer shall deliver a duplicate copy of such certificate to Seller and for a period of 30 days after receipt of the Officer's Certificate ("Seller's Review Period"), the Escrow Agent shall make no delivery to Buyer from the Indemnification Escrow Amount pursuant to Section 3(b) hereof unless the Escrow Agent shall have received written authorization from Seller to make such delivery. After the expiration of such 30-day period, the Escrow Agent shall make delivery from the Indemnification Escrow Amount in accordance with Section 3(b) hereof, *provided* that no such payment or delivery may be made if Seller shall object to the claim for damages made in the Officer's Certificate and provide written notice to the Escrow Agent and Buyer before the expiration of such 30-day period.

(d) Resolution of Conflicts; Arbitration.

(i) In case Seller shall object in writing to any claim or claims for Damages made in any Officer's Certificate, Seller and Buyer shall attempt in good faith to agree upon the rights of the respective parties with respect to each of such claims within 30 days after the Escrow Agent and Buyer's receipt of Seller's written objection to the claim for damages pursuant to Section 3(c) (the "Negotiation Period"). If Seller and Buyer should so agree during the Negotiation Period, a memorandum setting forth such agreement shall be prepared and signed by the parties and shall be furnished to the Escrow Agent. The Escrow Agent shall be entitled to rely on any such memorandum and distribute the Indemnification Escrow Amount funds and/or other property from the Indemnification Escrow Amount in accordance with the terms thereof.

(ii) If no such agreement has been reached by the end of the Negotiation Period, either Buyer or Seller may demand arbitration of the matter pursuant to the arbitration procedure set forth in Section 11.12 of the Purchase Agreement and the matter shall be settled by arbitration conducted by a single arbitrator, selected in accordance with Section 11.12 of the Purchase Agreement. The arbitration shall be conducted in Washington, District of Columbia. The written decision of the arbitrator as to the validity and amount of any claim in such Officer's Certificate shall be binding and conclusive upon the parties to this Agreement, and notwithstanding anything in Section 3(c) hereof, the Escrow Agent shall be entitled to act in accordance with such decision and make or withhold payments out of the Indemnification Escrow Amount in accordance therewith. The arbitrators shall award reimbursement to the prevailing party in the arbitration of its reasonable expenses of the arbitration (including costs and reasonable attorneys' fees actually incurred); provided, however, Seller's liability shall not exceed the Escrow Amount. The cost of the arbitration shall be borne by the non-prevailing party. The award of the arbitrators shall be the sole and exclusive monetary remedy of the parties and shall be enforceable in any court of competent jurisdiction.

(e) The Escrow Agent will provide Seller and Buyer with a monthly report regarding the Indemnification Escrow Amount and its activities as Escrow Agent under this Agreement. The report will include, at a minimum, a description of the investments in the Indemnification Escrow Amount and the receipts into and disbursements from the Indemnification Escrow Amount during the month.

4. Third-Party Claims. In the event that any claim shall be asserted by any third party against the Indemnification Escrow Amount, which, if sustained, would result in a Deficiency, then the Buyer, promptly and in all events within 30 business days after learning of such claim, shall notify the Seller of such claim and Seller shall permit Buyer to defend against such claim, at the Seller's sole expense and through legal counsel reasonably acceptable to the Seller, provided that Buyer proceeds in good faith, expeditiously and diligently; and provided further that failure to so notify Seller shall not relieve Seller from any liability it has under this Agreement or the Purchase Agreement with respect to such third party claim unless Seller has been prejudiced thereby. The Seller shall, at its option and expense, have the right to participate in any defense undertaken by the Buyer with legal counsel of its own selection and at its expense. The parties will cooperate fully in any such action (at no expense to Buyer) and shall make available to each other any books or records useful for the defense of such claim. No settlement or compromise of any claim which may result in a Deficiency may be made by the Buyer without the prior written consent of the Seller unless: (a) before such settlement or compromise, the Seller acknowledges in writing its obligation to pay in full the amount of the settlement or compromise and all associated expenses and (b) the Buyer is furnished with security reasonably satisfactory to Buyer that Seller will in fact pay such amount and expenses or the Seller obtains a release of Buyer from all liability in respect of such claim. In the event that Seller has consented in writing to any such settlement, Seller shall have no power or authority to object under any provision hereof or Article 10 of the Purchase Agreement to the amount of any claim by Buyer against the Indemnification Escrow Amount consistent with such settlement.

5. Release of Indemnification Escrow Amount. Subject to the following requirements, the Indemnification Escrow Amount shall remain in existence from the Closing Date until the date 12 months after the Closing Date (the "Indemnification Escrow Amount Termination Date") (the "Escrow Period"). Upon the expiration of the Escrow Period, all accrued interest, funds and other payments then remaining in the Indemnification Escrow Amount shall be delivered to Seller, *provided, however*, that an amount of the Indemnification Escrow Amount equal to the amount(s) set forth in any Officer's Certificate(s), which, subject to the objection of Seller and the subsequent arbitration of the claim in the manner provided in Section 3 above, shall be necessary to satisfy any unsatisfied claims specified in any Officer's Certificate(s) delivered to the Escrow Agent before the expiration of such Escrow Period with respect to facts and circumstances existing on or before the Indemnification Escrow Amount Termination Date shall remain in the Indemnification Escrow Amount (and the Indemnification Escrow Amount shall remain in existence) until such claims have been resolved. As soon as all such claims have been resolved, the Escrow Agent shall deliver to Seller all Indemnification Escrow Amount funds, accrued interest, and other property then remaining in the Indemnification Escrow Amount and not required to satisfy such claims.

6. Escrow Agent's Duties.

(a) Buyer and Seller acknowledge and agree that the Escrow Agent (i) shall not be responsible for any of the agreements referred to herein but shall be obligated only for the performance of such duties as are specifically set forth in this Agreement and as set forth in any additional written escrow instructions which the Escrow Agent may receive after the date of this Agreement that are signed by an officer of Buyer and by an officer of Seller; (ii) shall not be obligated to take any legal or other action hereunder which might in its reasonable judgment involve expense or liability unless it shall have been furnished with indemnity reasonably acceptable to it; and (iii) may rely on and shall be protected in acting or refraining from acting upon any written notice, instruction, instrument, statement, request or document furnished to it hereunder and reasonably believed by it to be genuine and to have been signed or presented by the proper person, and shall have no responsibility for determining the accuracy thereof.

(b) The Escrow Agent is hereby expressly authorized to disregard any and all warnings given by any of the parties hereto or by any other Person, excepting only orders or process of courts of law or written decision of arbitrators pursuant to Section 3(d), and is hereby expressly authorized to comply with and obey orders, judgments or decrees of any court or written decision of arbitrators. In case the Escrow Agent obeys or complies with any such order, judgment or decree of any court or written decision of arbitrator, the Escrow Agent shall not be liable to any of the parties hereto or to any other person by reason of such compliance, notwithstanding any such order, judgment or decree being subsequently reversed, modified, annulled, set aside, vacated or found to have been entered without jurisdiction.

(c) The Escrow Agent shall not be liable in any respect on account of the identity, authority or rights of the parties executing or delivering or purporting to execute or deliver this Agreement or any documents or papers deposited or called for hereunder.

(d) The Escrow Agent shall not be liable for the expiration of any rights under any statute of limitations with respect to this Agreement or any documents deposited with the Escrow Agent.

(e) Neither the Escrow Agent nor any of its directors, officers or employees shall be liable to anyone for any action taken or omitted to be taken by it or any of its directors, officers or employees hereunder except in the case of gross negligence, bad faith or willful misconduct. The Escrow Agent shall not be liable for any act it may do or omit to do as agent, while acting in good faith and in the exercise of its own best judgment. Any act done or omitted by the Escrow Agent on the advice of its own attorneys shall be deemed to have been done or omitted in good faith, unless the Escrow Agent has knowledge concerning the matter in questions that would cause the Escrow Agent's reliance to be unwarranted. Subject to Section 6(g) below, Buyer and Seller (collectively, the "Indemnifying Parties") covenant and agree to jointly and severally indemnify the Escrow Agent and hold it harmless from and against any fee, loss, liability or expense (including reasonable attorney's fees and expenses) (a "Loss") incurred by the Escrow Agent arising out of or in connection with the performance of its obligations in accordance with the provisions of this Agreement or with the administration of its duties hereunder, unless such Loss shall arise out of or be caused by the Escrow Agent's gross negligence, bad faith or willful misconduct; *provided*, that payment for the Escrow Agent's

standard fees and expenses set forth on the fee schedule attached as Exhibit A shall be paid one-half by each of Buyer, on the one hand, and Seller, on the other hand, and *provided further* that the indemnity agreement contained in this Section 6(e) shall not apply to amounts paid in settlement of any Loss if such settlement is effected without the consent of Buyer and Seller.

(f) To the extent that the Escrow Agent becomes liable for the payment of any taxes in respect of income derived from the investment of funds held or payments made hereunder, the Escrow Agent shall satisfy such liability to the extent possible from the Indemnification Escrow Amount. Subject to Section 6(g) below, the Indemnifying Parties agree to jointly and severally indemnify and hold the Escrow Agent harmless from and against any taxes, additions for late payment, interest, penalties and other expenses, that may be assessed against the Escrow Agent on any payment or other activities under this Agreement unless any such tax, addition for late payment, interest, penalty or other expense shall arise out of or be caused by the actions of, or a failure to act by, the Escrow Agent.

(g) Each of the Indemnifying Parties shall contribute to the indemnification of the Escrow Agent under Sections 6(e) and 6(f) hereof (the "Indemnification Liability") in such proportion as is appropriate to reflect the relative fault of each individual Indemnifying Party, including up to all such Indemnification Liability in the case of any tax liability arising from failure to provide correct information with respect to any taxes pursuant to Section 6(f) above. In all cases where there is no such basis for allocating contribution for such Indemnification Liability or except as otherwise provided in Section 6(e), one half of the total Indemnification Liability shall be paid by Seller and one half of the total Indemnification Liability shall be paid by Buyer.

(h) The Escrow Agent may resign at any time upon giving at least 30 days' written notice to Buyer and Seller; *provided, however*, that no such resignation shall become effective until the appointment of a successor escrow agent, which shall be accomplished as follows: Buyer and Seller shall use their best efforts to mutually agree upon a successor agent within 30 days after receiving such notice. If the parties fail to agree upon a successor escrow agent within such time, Seller with the consent of Buyer, which shall not be unreasonably withheld, shall have the right to appoint a successor escrow agent authorized to do business in the State of Montana. The successor escrow agent selected in the preceding manner shall execute and deliver an instrument accepting such appointment and it shall thereupon be deemed the Escrow Agent hereunder and it shall without further acts be vested with all the estates, properties, rights, powers, and duties of the predecessor the Escrow Agent as if originally named as the Escrow Agent. If no successor escrow agent is named, Escrow Agent may apply to a court of competent jurisdiction for the appointment of a successor escrow agent. Thereafter, the predecessor the Escrow Agent shall be discharged from any further duties and liabilities under this Agreement. The provisions of Sections 6(e) and 6(f) shall survive the resignation or removal of the Escrow Agent or the termination of this Agreement.

7. Fees, Expenses and Taxes. Buyer and Seller agree to pay or reimburse Escrow Agent for its normal services hereunder in accordance with the fee schedule attached hereto as Exhibit A. The Escrow Agent shall be entitled to reimbursement upon 30 days' written notice for all expenses incurred in connection with Sections 6(e) and 6(f) above, and payment of any

legal fees and expenses incurred by the Escrow Agent in connection with the resolution of any claim by any party hereunder. Taxes incurred with respect to the earnings of the Indemnification Escrow Amount and payments made hereunder shall be borne by the party to whom such earnings are distributed (or to be distributed) or to whom such payment is made.

8. Miscellaneous.

(a) Amendments and Waivers. Any term of this Agreement may be amended or waived with the written consent of all of the parties or their respective successors and assigns. Any amendment or waiver effected in accordance with this Section 8(a) shall be binding upon the parties and their respective successors and assigns.

(b) Successors and Assigns. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

(c) Governing Law; Jurisdiction. This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of Delaware without giving effect to principles of conflicts of law.

(d) Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

(e) Titles and Subtitles. The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

(f) Notices. Any notice required or permitted by this Agreement shall be in writing and shall be deemed sufficient upon receipt, when delivered personally or by courier, overnight delivery service or confirmed facsimile, if such notice is addressed to the party to be notified at such party's address or facsimile number as set forth below, or as subsequently modified by written notice.

(a) If to Buyer, then to:

Max Media of Montana LLC  
900 Laskin Road  
Virginia Beach, Virginia 23451  
Telecopy Number: (757) 437- 0034  
Attn: A. Eugene Loving, Jr.

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

Williams Mullen  
A Professional Corporation  
Suite 1700  
222 Central Park Avenue  
Virginia Beach, Virginia 23462  
Telecopy Number: (757) 473-0395  
Attn: Thomas R. Frantz, Esquire

(b) If to Seller then to:

KULR Corporation, L.L.C.  
KFBB Corporation, L.L.C.  
c/o The Daily Jeffersonian  
821 Wheeling Avenue  
P.O. Box 10  
Cambridge, Ohio 43725  
Telecopy Number: (740) 439-3533  
Attn: Mr. Robert C. Dix

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

KULR Corporation, L.L.C.  
KFBB Corporation, L.L.C.  
c/o Ashland Times Gazette  
40 East Second Street  
Ashland, Ohio 44805  
Telecopy Number: (419) 281-5591  
Attn: Mr. Troy Dix

and

Baker & Hostetler LLP  
3200 National City Center  
1900 East 9<sup>th</sup> Street  
Cleveland, Ohio 44114  
Telecopy Number: (216) 696-0740  
Attn: Edward G. Ptaszek, Jr.

(c) If to the Escrow Agent then to:

Lawyers Title Insurance Corporation  
101 W. Main Street, Suite 1100  
World Trade Center, East Lobby  
Norfolk, Virginia 23510  
Telecopy Number: (757) 321-8189  
Attn: Douglas W. Dewing or Donna Rae Webster

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

(g) Severability. If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith, in order to maintain the economic position enjoyed by each party as close as possible to that under the provision rendered unenforceable. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of the Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of the Agreement shall be enforceable in accordance with its terms.

(h) Entire Agreement. Except as set forth in the Purchase Agreement, this Agreement is the product of all of the parties hereto, and constitutes the entire agreement between such parties pertaining to the subject matter hereof, and merges all prior negotiations and drafts of the parties with regard to the transactions contemplated herein. Any and all other written or oral agreements existing between the parties hereto regarding such transactions are expressly canceled.

(i) Advice of Legal Counsel. Each party acknowledges and represents that, in executing this Agreement, it has had the opportunity to seek advice as to its legal rights from legal counsel and that the person signing on its behalf has read and understood all of the terms and provisions of this Agreement. This Agreement shall not be construed against any party by reason of the drafting or preparation thereof.

(j) Tax Forms. All entities entitled to receive interest or other payments from the Indemnification Escrow Amount will provide the Escrow Agent with all forms or documents as may be legally required by any governmental authority including, without limitation, if so legally required, a W-9 or W-8 IRS tax form before the disbursement of interest.

9. FDIC Coverage. Buyer and Seller hereby certify that they are aware that the Federal Deposit Insurance Corporation (FDIC) coverages apply only to a cumulative maximum amount of \$100,000 for each individual depositor for all of depositor's accounts at the same or related institution.

10. Exceptions to FDIC Coverage. Buyer and Seller understand that certain banking instruments such as, but not limited to, repurchase agreements and letters of credit are not covered at all by FDIC insurance.

11. Escrow Agent Liability. Buyer and Seller understand that Escrow Agent assumes no responsibility for, nor will the Buyer or Seller hold Escrow Agent liable for, any Loss occurring which arises from the fact that the amount of the Escrow Deposit may cause the aggregate amount of any individual depositor's accounts to exceed \$100,000 and that the excess amount is not insured by the Federal Deposit Insurance Corporation (FDIC) and that insurance is not available on certain types of bank instruments.

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

**SELLER:**

**KULR CORPORATION, L.L.C.**,  
a Delaware limited liability company

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**KFBB CORPORATION, L.L.C.**,  
a Delaware limited liability company

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**BUYER:**

**MAX MEDIA OF MONTANA LLC**,  
a Virginia limited liability company

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**MMM LICENSE LLC**,  
a Virginia limited liability company

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**ESCROW AGENT:**

**LAWYERS TITLE INSURANCE  
CORPORATION**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

EXHIBIT A

FEE SCHEDULE

To open, administer and close an interest bearing ("Money Market")  
account at Wachovia Bank, Norfolk, Virginia \$100

To provide monthly statement of earnings (per month) \$25

To make partial distributions from escrow account (per disbursement) \$ 50

As a prerequisite to opening any interest bearing account, the Escrow Agent  
Must receive a completed W-9 form from the party to whom the interest will  
Initially be credited.

#405713 v2 - Indemnification Escrow Agreement- Max MT/ Dix

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**EXHIBIT C**

**BILL OF SALE**  
(MMM License)

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, each of KULR CORPORATION, L.L.C., a Delaware limited liability company, and KFBB Corporation, L.L.C., a Delaware limited liability company (together, the "Sellers" and each, a "Seller"), does hereby grant, bargain, sell, transfer, convey, assign and deliver to MMM LICENSE LLC, a Virginia limited liability company ("License Sub") and its successors and assigns, all of Seller's right, title and interest in and to the Authorizations, as such term is defined in the Asset Purchase Agreement, dated as of August \_\_, 2003 (the "Purchase Agreement"), by and among the Sellers, Max Media of Montana LLC, a Virginia limited liability company, and License Sub. Each Seller for itself, its successors and assigns hereby covenants and agrees that, at any time and from time to time forthwith upon the written request of License Sub, Seller will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, each and all of such further acts, deeds, assignments, transfers, conveyances, powers of attorney and assurances as may reasonably be requested by License Sub's counsel in order to assign, transfer, set over, convey, assure and confirm unto and vest in License Sub, its successors and assigns, all of Seller's right, title and interest in and to the assets sold, conveyed, transferred and delivered by this Bill of Sale.

This Bill of Sale shall be subject to, and construed and enforced in accordance with, the laws of the State of Delaware.

This Bill of Sale is being executed and delivered by the Sellers as of \_\_\_\_\_, \_\_\_\_\_. The rights and obligations of the parties are set forth in the representations, warranties, covenants, agreements and other terms and provisions of the Purchase Agreement which are incorporated herein by this reference and made a part of this Bill of Sale. Such rights and obligations shall be neither limited, altered or impaired nor enhanced or enlarged hereby or by performance hereunder.

**SELLERS:**

KULR CORPORATION, L.L.C., a Delaware limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

KFBB CORPORATION, L.L.C., a Delaware limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT C**

**BILL OF SALE**  
(Max Media)

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, each of KULR CORPORATION, L.L.C., a Delaware limited liability company, and KFBB Corporation, L.L.C., a Delaware limited liability company (together, the "Sellers" and each, a "Seller"), does hereby grant, bargain, sell, transfer, convey, assign and deliver to MAX MEDIA OF MONTANA LLC, a Virginia limited liability company (the "Buyer") and its successors and assigns, all of Seller's right, title and interest in and to the Assets, excluding the Authorizations and the Excluded Assets, as such terms are defined in the Asset Purchase Agreement, dated as of August \_\_, 2003 (the "Purchase Agreement"), by and among the Sellers, MMM License LLC, a Virginia limited liability company, and the Buyer. Each Seller for itself, its successors and assigns hereby covenants and agrees that, at any time and from time to time forthwith upon the written request of the Buyer, Seller will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, each and all of such further acts, deeds, assignments, transfers, conveyances, powers of attorney and assurances as may reasonably be requested by the Buyer's counsel in order to assign, transfer, set over, convey, assure and confirm unto and vest in the Buyer, its successors and assigns, all of Seller's right, title and interest in and to the assets sold, conveyed, transferred and delivered by this Bill of Sale.

This Bill of Sale shall be subject to, and construed and enforced in accordance with, the laws of the State of Delaware.

This Bill of Sale is being executed and delivered by the Sellers as of \_\_\_\_\_, \_\_\_\_\_. The rights and obligations of the parties are set forth in the representations, warranties, covenants, agreements and other terms and provisions of the Purchase Agreement which are incorporated herein by this reference and made a part of this Bill of Sale. Such rights and obligations shall be neither limited, altered or impaired nor enhanced or enlarged hereby or by performance hereunder.

**SELLERS:**

KULR CORPORATION, L.L.C., a Delaware limited liability company

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

KFBB CORPORATION, L.L.C., a Delaware limited liability company

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



EXHIBIT A  
TO GRANT DEED

The following described property located in \_\_\_\_\_ County, Montana:

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EXHIBIT B  
TO GRANT DEED

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## EXHIBIT E

### **NONCOMPETITION AND NONSOLICITATION AGREEMENT**

This NONCOMPETITION AND NONSOLICITATION AGREEMENT ("Agreement") is made and entered into as of \_\_\_\_\_, 200\_\_, by and between MAX MEDIA OF MONTANA LLC, a Virginia limited liability company, (the "Company"), MMM LICENSE LLC ("License Sub" and collectively with the Company "Buyer"), KULR CORPORATION, L.L.C., a Delaware limited liability company ("KULR"), KFBB CORPORATION, L.L.C., a Delaware limited liability company ("KFBB" and collectively with KULR, "Sellers"), and WOOSTER REPUBLICAN PRINTING COMPANY, an Ohio corporation (the "Parent").

#### **RECITALS**

A. Sellers and Buyer have entered into an Asset Purchase Agreement, dated \_\_\_\_\_, 2003 (the "Purchase Agreement") pursuant to which Buyer will acquire substantially all the assets owned or leased by the Sellers and used or useful in their collective television broadcast business (the "Business"), based in part on the understanding that the Parent would not compete in the Prohibited Business (as hereinafter defined) after the acquisition of such assets for the period of time stated herein.

B. The Parent is the principal member of each of the Sellers. Thus, the Parent will benefit from the sale by the Sellers.

C. The parties acknowledge that the Prohibited Business is highly competitive and that if the Parent were to compete in the Prohibited Business after the consummation of Buyer's acquisition of the assets acquired pursuant to the Purchase Agreement, then Buyer would suffer irreparable harm.

D. The Parent is entering into this Agreement and is willing to abide by the restrictive covenants contained herein to induce Buyer to execute and consummate the transactions contemplated by the Purchase Agreement.

E. The principal places of business for Sellers are in the cities of Livingston, Great Falls, Helena and Lewistown, Montana, and the counties adjacent to such cities (collectively, the "Restricted Areas").

#### AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises herein contained and contained in the Purchase Agreement, the receipt and sufficiency of which is hereby acknowledged, it is agreed as follows:

ARTICLE I  
CONSIDERATION FOR THE SELLERS' AND PARENT'S COVENANTS

For and in consideration of the covenants set forth in Sections 2.01 and 2.02 below, simultaneously with the execution and delivery of this Agreement and as an inducement to the Sellers and the Parent to enter into this Agreement, Buyer has paid the Sellers the consideration set forth in the Purchase Agreement.

ARTICLE II  
THE SELLERS' AND PARENT'S COVENANTS; SEVERABILITY; REMEDIES

2.01 Covenant Not to Compete. The Sellers and the Parent agree that for a period of three years from the date of this Agreement ("Restrictive Period"), it will not engage or participate, directly or indirectly, either as principal, agent, employee, employer, consultant, stockholder, member, director, officer, partner, lender, investor, guarantor or in any other individual or representative capacity whatsoever, in the conduct or management of, or own any stock or other proprietary interest in, any business or enterprise which operates a television broadcast station licensed to a community within the Designated Market Areas, as defined by Nielsen Media Research, which are located in the Restricted Areas (the "Prohibited Business"), unless such Parent shall have obtained the prior written consent thereto of Buyer, which may be granted or withheld in Buyer's sole discretion. The ownership of 1% or less of the common stock of a company traded on a national securities market which is engaged in the Prohibited Business shall not be a violation of this Section 2.01.

2.02 Additional Restricted Conduct. Each of the Sellers and the Parent further agrees that for a period of 24 months following the Closing, it will not:

(a) directly or indirectly, solicit, raid, entice or induce any employee of Buyer to leave the employ of Buyer or otherwise attempt to retain or obtain, directly or indirectly, the services of any such employee, unless such services do not compete with Buyer or interfere with such employee's work for Buyer; or

(b) directly or indirectly, solicit for business, deal with, or otherwise transact business with any Person, or entice or induce any Person to stop conducting business with Buyer, who or which on the date hereof is, or within the previous six months was, a customer of or advertiser with the Business, or at any time during the Restrictive Period hereunder shall be, a customer of or advertiser with Buyer. Notwithstanding the foregoing, the Parent may solicit, deal with and otherwise transact business with any such customer or advertiser, *provided* it is not for the purpose of participating in the Prohibited Business.

2.03 Remedies for Breach. Both parties recognize and agree that the Sellers' and the Parent's services and knowledge are special, unique and extraordinary character, and that any breach of the covenants and obligations undertaken by the Sellers and the Parent pursuant to this Agreement at any time would result in irreparable damage to Buyer in an amount difficult to ascertain. Accordingly, in addition to any other relief to which Buyer may be entitled, Buyer shall be entitled, if it so elects, to institute and prosecute proceedings in any court of competent

jurisdiction, either in law or in equity, to obtain damages for such breach of this Agreement (including attorneys' fees and costs), to enforce the specific performance of the terms and conditions of this Agreement by the Sellers or the Parent, or to enjoin either Seller or the Parent from performing services for any such other Person.

2.04 Scope of Agreement. For purposes hereof, all references in this Article II to Buyer shall be deemed to include its affiliates, successors and assigns.

### ARTICLE III MISCELLANEOUS

3.01 Entire Agreement; Amendment. This Agreement (to the extent any provision hereof is inconsistent with the terms and conditions of any other agreement between Buyer and the Sellers or the Parent) supersedes all other agreements, oral or written, previously made with respect to the subject matter hereof and contain the entire agreement of the parties with respect to the subject matter hereof. It may not be changed orally, but only by agreement in writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

3.02 Severability. Should any provision hereof be found to be prohibited by or unlawful or unenforceable under any applicable law of any jurisdiction, other provisions shall be substituted so as to provide Buyer, to the fullest extent permitted by applicable law, the benefits intended by this Agreement. Moreover, such a finding shall not affect any other provision of this Agreement. To the full extent, however, that the provisions of such applicable law may be waived, they are hereby waived, to the end that this Agreement be deemed to be a valid and binding agreement enforceable in accordance with its terms.

3.03 Venue. The parties agree that exclusive jurisdiction and venue (subject to proper service of process) for the resolution of all disputes arising in connection with this Agreement will be the courts for Washington, District of Columbia.

3.04 Governing Law. All questions concerning the validity and operation of this Agreement and the performance of the obligations imposed upon the parties hereunder shall be governed by the laws of the State of Delaware.

3.05 Assignments. Buyer shall have the right to assign this Agreement and to delegate all rights, duties and obligations hereunder, to any affiliate, successor-in-interest, assignee who acquires substantially all the assets of Buyer or subsidiary of Buyer. The Parent agrees that this Agreement is personal and its rights and interest hereunder may not be assigned, nor may its obligations and duties hereunder be delegated.

3.06 Cumulative Remedies; No Waiver. Each and all of the several rights and remedies provided in this Agreement, or by law or in equity, shall be cumulative, and no one of them shall be exclusive of any other right or remedy, and the exercise of any one of such rights or remedies shall not be deemed a waiver or, or an election to exercise, any other such right or remedy. No waiver of any term or condition of this Agreement shall be construed as a waiver of

any other term or condition; not shall any waiver of any default hereunder be construed as a waiver of any other default hereunder.

3.07 Notices. All notices, requests, demands and other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given if delivered by hand, telecopy or mailed, certified or registered mail with postage prepaid:

a) If to Buyer, to:

Max Media of Montana LLC  
900 Laskin Road  
Virginia Beach, Virginia 23451  
Telecopy Number: (757) 437- 0034  
Attn: A. Eugene Loving, Jr.

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

Williams Mullen  
A Professional Corporation  
222 Central Park Avenue  
Suite 1700  
Virginia Beach, Virginia 23462  
Telecopy Number: (757) 473-0395  
Attn: Thomas R. Frantz, Esquire

Or to such other person or address as Buyer shall furnish to the Parent in writing;

b) If to the Sellers or the Parent, to

KULR Corporation, L.L.C.  
KFBB Corporation, L.L.C.  
c/o The Daily Jeffersonian  
821 Wheeling Avenue  
P.O. Box 10  
Cambridge, Ohio 43725  
Telecopy Number: (740) 439-3533

Attn: Mr. Robert C. Dix

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

KULR Corporation, L.L.C.  
KFBB Corporation, L.L.C.  
c/o Ashland Times Gazette  
40 East Second Street  
Ashland, Ohio 44805  
Telecopy Number: (419) 281-5591

Attn: Mr. Troy Dix

and

Baker & Hostetler LLP  
3200 National City Center  
1900 East 9<sup>th</sup> Street  
Cleveland, Ohio 44114  
Telecopy Number: (216) 696-0740

Attn: Edward G. Ptaszek, Jr.

Or to such other person or address as the Parent or Sellers shall furnish to Buyer in writing.

3.08 Representation by Counsel; Interpretation. Buyer, Sellers and the Parent each acknowledge that each party to this Agreement has been represented by counsel in connection with this Agreement and the transactions and relationships contemplated by this Agreement. Accordingly, any rule of law or any legal decision that would require interpretation of any claimed ambiguities in this Agreement against the party that drafted it has no application and is expressly waived. The provisions of this Agreement shall be interpreted in a reasonable manner to effect the intent of Buyer, Sellers and the Parent.

3.09 Capitalized Terms. Capitalized terms not specifically defined herein shall have the meanings ascribed to them in the Purchase Agreement.

**[SIGNATURE PAGE FOLLOWS]**

IN WITNESS WHEREOF, each of the parties hereto has duly executed this Noncompetition and Nonsolicitation Agreement as of the date first written above.

**BUYER**

**MAX MEDIA OF MONTANA LLC**, a Virginia limited liability company

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**SELLERS**

**KULR CORPORATION, L.L.C.**, a Delaware limited liability company

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**KFBB CORPORATION, L.L.C.**, a Delaware limited liability company

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**PARENT**

**WOOSTER REPUBLICAN PRINTING COMPANY**, an Ohio corporation

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**EXHIBIT F**

**LANDLORD CONSENT**

\_\_\_\_\_, 2003

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attn: \_\_\_\_\_

Re: Assignment

Dear \_\_\_\_\_:

This is to advise you that [KULR CORPORATION, L.L.C. or KFBB CORPORATION, L.L.C.], a Delaware limited liability company (the "Company"), has entered into an Asset Purchase Agreement, dated as of August \_\_, 2003 (the "Agreement"), among the Company, [KULR CORPORATION, L.L.C. or KFBB CORPORATION, L.L.C.], a Delaware limited liability company, MMM License LLC, a Virginia limited liability company, and Max Media of Montana LLC, a Virginia limited liability company (the "Buyer"). The Agreement provides for the sale of substantially all of the assets of the Company used in the operation of its television station to the Buyer. The completion of this transaction (the "Closing") is subject to the satisfaction of various conditions but is expected to occur on or about \_\_\_\_\_, \_\_\_\_\_.

Under the Agreement, Buyer has agreed to assume responsibility for the performance of all of the obligations and liabilities of the Company which arise subsequent to the Closing under that certain Lease Agreement between \_\_\_\_\_ (the "Landlord") and the Company, dated \_\_\_\_\_ (the "Lease") and the Company has agreed to assign all of its right, title and interest under the Lease to Buyer. Under the Lease, the Landlord leased to the Company, and the Company leased from the Landlord, approximately \_\_\_\_\_ square feet of space located at \_\_\_\_\_ (the "Premises"). The Lease provides that assignment of the Lease requires the Landlord's consent.

The purpose of this letter is to request your consent to this assignment and the substitution of the Buyer for the Company under the Lease effective upon the Closing. If the Closing does not occur for any reason, this letter will be null and void and without any force or effect whatsoever. Facsimile signatures of this Landlord Consent shall be deemed to be original signatures and of the same force and effect.

Please evidence your consent to the foregoing by signing and dating both copies of this letter in the space provided and return one copy via facsimile and the original in the enclosed prepaid envelope on or before \_\_\_\_\_, 200\_\_. If you have any questions regarding the foregoing, please contact \_\_\_\_\_ at \_\_\_\_\_.

Very truly yours,

[KULR CORPORATION, L.L.C. OR KFBB CORPORATION, L.L.C.]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

ACKNOWLEDGED AND AGREED

this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_:

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**EXHIBIT F**

**LANDLORD ESTOPPEL CERTIFICATE  
([City], [State])**

**THIS LANDLORD ESTOPPEL CERTIFICATE** (this "Certificate") is given as of \_\_\_\_\_, \_\_\_\_\_ by \_\_\_\_\_, a(n) \_\_\_\_\_ ("Landlord"), to [KULR CORPORATION, L.L.C. or KFBB CORPORATION, L.L.C.], a Delaware limited liability company ("Tenant"), and MAX MEDIA OF MONTANA LLC, a Virginia limited liability company ("Max Media").

**A.** By that certain Lease Agreement between Landlord and Tenant, dated \_\_\_\_\_ (the "Lease"), Landlord leased to Tenant, and Tenant leased from Landlord, approximately \_\_\_\_\_ square feet of space located at \_\_\_\_\_ (the "Premises");

**B.** Tenant and Max Media are parties to an Asset Purchase Agreement, dated as of August \_\_\_\_, 2003 (the "Purchase Agreement"), by and among Tenant, Max Media, [KULR CORPORATION, L.L.C. or KFBB CORPORATION, L.L.C.], a Delaware limited liability company, and MMM License LLC, a Virginia limited liability company, providing, among other things, for Max Media to purchase the Assets (as defined in the Purchase Agreement) of Tenant; and

**C.** Max Media and Tenant have requests that Landlord confirm certain facts regarding the Lease and Landlord.

**NOW, THEREFORE**, Landlord hereby certifies and agrees as follows:

1. A true, correct and complete copy of the Lease is attached as Exhibit A hereto. Landlord is the Landlord under the Lease, and the Lease has not been modified, changed, altered or amended other than as set forth in Exhibit A. The Lease sets forth the entire agreement between Landlord and Tenant relating to the Premises, and there are no other agreements, written or oral, between Landlord and Tenant relating to the lease of the Premises.

2. No voluntary or involuntary actions are pending by or against Landlord under the bankruptcy laws of the United States or under the insolvency laws of any state thereof. Landlord has not assigned, transferred, mortgaged or hypothecated the Lease or any interest therein or Landlord's fee simple title to the Premises, except as follows:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3. Landlord is the owner of the property on which the Premises are located.

4. The Lease is in full force and effect and Landlord is not in default under the Lease; no event has occurred and no condition exists which, with the giving of notice or the lapse of time or both, would constitute a default under the Lease by Landlord; and there exists no outstanding obligation on the part of Landlord under the Lease regarding construction or other work or installation to be performed.

5. To the best knowledge of Landlord, Tenant is not in default under the Lease; no event has occurred and no condition exists which, with the giving of notice or the lapse of time or both, would constitute a default under the Lease by Tenant; and there exists no outstanding obligation on the part of Tenant under the Lease regarding construction or other work or installation to be performed.

6. To the best knowledge of Landlord, all consents for any action for which Landlord's consent is required under the Lease to the date hereof have been obtained.

7. All payments due Landlord under the Lease through and including the date hereof, including the monthly rent payable for the period through \_\_\_\_\_, \_\_\_\_\_, have been made. The monthly rent payable to Landlord under the Lease is \$\_\_\_\_\_.

8. Landlord acknowledges that Tenant and Max Media are relying on the foregoing certifications in connection with Max Media's acquisition of the Assets of Tenant.

9. The person signing on behalf of Landlord warrants and represents that he or she has full power and authority to bind Landlord.

10. Facsimile signatures of this Certificate shall be deemed to be original signatures and of the same force and effect.

[signature page follows]

**IN WITNESS WHEREOF**, Landlord has caused this Certificate to be duly executed as of the date first above written.

**LANDLORD:**

\_\_\_\_\_  
a(n) \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**EXHIBIT F**

**AFFILIATION CONSENT AND ESTOPPEL**

**[SELLER LETTERHEAD]**

\_\_\_\_\_, 2003

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Re: \_\_\_\_\_ (the "Station[s]")

Dear \_\_\_\_\_:

\_\_\_\_\_ ("Seller") and American Broadcasting Companies, Inc. ("ABC") are parties to that certain affiliation Letter Agreement dated \_\_\_\_\_ (such letter agreement or any definitive agreement executed by ABC and Seller in replacement thereof, the "Affiliation Agreement").

Please be advised that, pursuant to an Asset Purchase Agreement, dated as of \_\_\_\_\_, 2003, by and between Seller, \_\_\_\_\_ and Max Media of \_\_\_\_\_ LLC ("Max Media") (the "Purchase Agreement"), the Seller intends to sell, and Max Media intends to purchase, substantially all of the assets of the Seller relating to the Station[s], including the Affiliation Agreement. An application for the transfer of the \_\_\_\_\_ FCC license, from Seller to \_\_\_\_\_ License LLC, an affiliate of Max Media ("\_\_\_\_\_"), was filed with the FCC on \_\_\_\_\_, 2003. Provided that all closing conditions have been met, Max Media, \_\_\_\_\_ and the Seller intend to close the transaction on \_\_\_\_\_, 200\_\_ but no later than \_\_\_\_\_, 200\_\_.

Seller hereby requests that ABC consent to the assignment of the Affiliation Agreement from Seller to Max Media. Please sign below to acknowledge (i) ABC's consent to the assignment of the Affiliation Agreement to Max Media, (ii) ABC's agreement that, upon the effectiveness of the assignment of the Affiliation Agreement, Max Media shall have all of the rights under the Affiliation Agreement formerly held by Seller, as well as the obligations of Seller under the Affiliation Agreement that arise after the assignment, and (iii) ABC's agreement that the Affiliation Agreement shall continue to be the valid and binding obligation of ABC following such assignment.

Please acknowledge the foregoing by signing below and returning a copy of this letter via facsimile to our counsel, \_\_\_\_\_ (Attention: \_\_\_\_\_) at (\_\_\_\_) \_\_\_\_\_. I would also appreciate it if you would forward the original to \_\_\_\_\_ at \_\_\_\_\_.

Seller further requests that ABC execute the attached Estoppel Certificate and return it with this letter as requested above.

Sincerely,

ACKNOWLEDGED and AGREED:

AMERICAN BROADCASTING COMPANIES, INC.

By: \_\_\_\_\_

Its: \_\_\_\_\_

**ESTOPPEL CERTIFICATE**

\_\_\_\_\_, 2003

The undersigned, \_\_\_\_\_, \_\_\_\_\_ of American Broadcasting Companies, Inc. ("ABC"), on behalf and in the name of ABC, does hereby certify to Max Media of \_\_\_\_\_ LLC ("Max Media") and \_\_\_\_\_ ("Seller"), as of the date hereof, that:

1. the affiliation Letter Agreement, dated \_\_\_\_\_, by and between ABC and Seller (such letter agreement or any definitive agreement executed by ABC and Seller in replacement thereof, the "Affiliation Agreement") is in full force and effect and is a valid and binding obligation of ABC; and
2. to the best of ABC's knowledge, Seller is not in breach of the Affiliation Agreement and ABC currently knows of no reason why the Affiliation Agreement will not be extended beyond its current term.

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



**EXHIBIT G**

**CONTRACT CONSENT**

[Letterhead of Company]

\_\_\_\_\_, 2003

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_

Re: Assignment

Dear \_\_\_\_\_:

This is to advise you that [KULR CORPORATION, L.L.C. or KFBB CORPORATION, L.L.C.], a Delaware limited liability company (the "Company"), has entered into an Asset Purchase Agreement, dated as of August \_\_, 2003 (the "Agreement"), among the Company, [KULR CORPORATION, L.L.C. or KFBB CORPORATION, L.L.C.], a Delaware limited liability company, MMM License LLC, a Virginia limited liability company, and Max Media of Montana LLC, a Virginia limited liability company (the "Buyer"). The Agreement provides for the sale of substantially all of the assets of the Company used in the operation of its television station to the Buyer, including the Contract described below and attached as Exhibit A. The completion of this transaction (the "Closing") is subject to the satisfaction of various conditions but is expected to occur on or about \_\_\_\_\_, \_\_\_\_ (the "Closing Date").

The Company and \_\_\_\_\_ are parties to the \_\_\_\_\_ dated \_\_\_\_\_ (the "Contract"). The purpose of this letter is to request your (i) acknowledgement and consent to the assignment of the Contract to Buyer as of the Closing Date, and (ii) agreement that as of the Closing Date, Buyer shall have all the rights under the Contract formerly held by the Company, as well as the obligations of the Company under the Contract arising or to be performed after the Closing Date. If the Closing does not occur for any reason, this letter will be null and void and without any force or effect whatsoever.

**Please evidence your consent to the foregoing by signing and dating both copies of this letter in the space provided, returning one executed copy to my attention by facsimile at \_\_\_\_\_ and by mail in the enclosed prepaid envelope on or before \_\_\_\_\_, 200\_\_.** If you have any questions regarding the foregoing, please contact \_\_\_\_\_ at \_\_\_\_\_.

Very truly yours,

[KULR CORPORATION, L.L.C. OR KFBB CORPORATION, L.L.C.]

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

**ACKNOWLEDGED AND AGREED**  
this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_:

\_\_\_\_\_

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

## EXHIBIT H

### ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Agreement") is made and entered into this \_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and among KULR CORPORATION, L.L.C., a Delaware limited liability company, KFBB CORPORATION, L.L.C., a Delaware limited liability company (together, "Assignor"), and MAX MEDIA OF MONTANA LLC, a Virginia limited liability company ("Assignee").

#### WITNESSETH:

WHEREAS, Assignor and Assignee are parties to an Asset Purchase Agreement, dated as of August \_\_, 2003 (the "Purchase Agreement"), providing, among other things, for the assignment by Assignor to Assignee of all of Assignor's right, title and interest in and to the Assumed Liabilities and the assumption by Assignee of certain obligations under the Assumed Liabilities; and

WHEREAS, the parties hereto desire to provide for the assignment and assumption of the Assumed Liabilities in accordance with the terms of the Purchase Agreement.

NOW, THEREFORE, in consideration of the foregoing promises and satisfaction of their respective obligations under the Purchase Agreement, and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Assignment. Assignor hereby transfers, conveys and assigns unto Assignee, its successors and assigns from and after the date hereof, all of its right, title and interest in and to the Contracts as well as the other Assumed Liabilities, other than the Excluded Assets.
2. Assumption. Assignee hereby assumes and agrees to pay, satisfy, discharge, perform and fulfill when due the liabilities and obligations of Assignor arising or to be performed after the Closing Date under the Assumed Liabilities.
3. Further Assurances. Each party hereto shall from and after the date hereof, upon the reasonable request of any other party hereto, execute and deliver such other documents as such other party may reasonably request to obtain the full benefit of this Agreement.
4. Governing Law. This Agreement shall be subject to, and construed and enforced in accordance with, the laws of the State of Delaware.
5. Governing Documents; Capitalized Terms. The rights and obligations of the parties are set forth in the representations, warranties, covenants, agreements and other terms

and provisions of the Purchase Agreement which are incorporated herein by this reference and made a part of this Agreement. Such rights and obligations shall be neither limited, altered or impaired nor enhanced or enlarged hereby or by performance hereunder.

Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Purchase Agreement.

6. Modification. No modification, waiver or termination of this Agreement will be valid unless the same is in writing and signed by the party against which the enforcement of the modification, waiver or termination is or may be sought.

7. Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed an original and all of which constitute one and the same Agreement.

IN WITNESS WHEREOF, Assignor and Assignee have executed this Agreement as of the date first written above.

**ASSIGNEE:**

MAX MEDIA OF MONTANA LLC, a  
Virginia limited liability company

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

**ASSIGNOR:**

KULR CORPORATION, L.L.C., a Delaware  
limited liability company

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

KFBB CORPORATION, L.L.C., a Delaware  
limited liability company

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