

AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER (this “Agreement”) is made as of February 23, 2016 between Jackson TV, LLC, a Tennessee limited liability company (the “Company”) and SagamoreHill of Jackson, LLC, a Delaware limited liability company (“SHJ”).

Recitals

A. The Members own all of the issued and outstanding membership interests of the Company (the “Company Units”).

B. Subject to the terms and conditions of this Agreement, the parties hereto desire to merge the Company with and into SHJ.

Agreement

NOW, THEREFORE, taking the foregoing into account, and in consideration of the mutual covenants and agreements set forth herein, the parties, intending to be legally bound, hereby agree as follows:

ARTICLE 1: THE MERGER

1.1 The Merger. Upon the terms and conditions of this Agreement, at the Effective Time (defined below) the Company shall be merged with and into SHJ (the “Merger”). As a result of the Merger, the separate existence of the Company shall cease and SHJ shall continue as the surviving company of the Merger. Capitalized terms used in this Agreement and not otherwise defined shall have the respective meanings set forth in Exhibit A attached hereto.

1.2 Effective Time. Upon Closing (defined below), the parties hereto shall cause the Merger to be consummated by filing a certificate of merger (the “Certificate of Merger”) with the Delaware Secretary of State and with the Tennessee Secretary of State, in such form as required by applicable law. The Merger shall become effective at such time as the Certificate of Merger is duly filed with the Delaware Secretary of State or at such later time as may be agreed in writing by the parties and specified in the Certificate of Merger (the date and time that the Merger becomes effective being the “Effective Time”).

1.3 Effect of the Merger. As of the Effective Time, the Merger shall have the effects set forth in the Delaware Limited Liability Company Act and the Tennessee Limited Liability Company Act. Without limiting the generality of the foregoing, and subject thereto, as of the Effective Time all the property, rights, privileges, powers and franchises of the Company shall vest in SHJ, and all debts, liabilities and duties of the Company shall become the debts, liabilities and duties of SHJ.

1.4 Certificate of Formation and Company Agreement. The Certificate of Formation of SHJ, as in effect immediately prior to the Effective Time, shall continue to be the Certificate of Formation of SHJ immediately following the Effective Time. The operating agreement of SHJ, as in effect immediately prior to the Effective Time (the “SHJ Operating Agreement”), shall be replaced immediately following the Effective Time with the Amended and Restated

Operating Agreement adopted by the post-merger owners of SHJ at such time (the “SHJ Amended and Restated Operating Agreement”).

1.5 Managers and Officers. The members of the Board of Managers of SHJ immediately prior to the Effective Time shall continue to be members of the Board of Managers of SHJ immediately following the Effective Time, each to hold office in accordance with SHJ Amended and Restated Operating Agreement together with such additional members of the Board of Managers as may be appointed by the members thereafter in accordance with the SHJ Amended and Restated Operating Agreement. The officers of SHJ immediately prior to the Effective Time shall continue to be officers of SHJ immediately following the Effective Time together with such additional officers as may be appointed by the Board of Managers thereafter in accordance with the SHJ Amended and Restated Operating Agreement.

1.6 Membership Interests. The issued and outstanding membership units of SHJ outstanding prior to the Effective Time shall continue to be outstanding subsequent to the Effective Time, having in respect of SHJ the same rights that such membership units had in respect of SHJ immediately prior to the Effective Time. As of the Effective Time, by virtue of the Merger and without need for any action by any party, all Company Units shall be converted as provided by Section 1.7 and shall no longer be outstanding, all such Company Units being automatically cancelled and retired and ceasing to exist, and the Members shall no longer have any rights with respect thereto, except to receive the Merger Consideration as set forth herein.

1.7 Merger Consideration. As of the Effective Time, each Company Unit shall be converted into the right to receive the following consideration (the “Merger Consideration”): (i) 1.5 Class A Voting Units of SHJ; and (ii) 8 Class B Non-Voting Units of SHJ. Subject to the terms and conditions of this Agreement, SHJ shall issue the Merger Consideration on the Closing Date. A chart showing the members of SHJ, the number of units held by each member of SHJ and the respective Class A Interests and Class B Interests of each member of SHJ, which will be effective immediately following the issuance of the Merger Consideration, is set forth on Exhibit B attached hereto. Each Member receiving Merger Consideration shall execute the SHJ Amended and Restated Operating Agreement at the Effective Time.

1.8 Closing. The consummation of the Merger (the “Closing”) shall take place at a date and time designated by SHJ after the date of the FCC Consent pursuant to the FCC’s initial order, but in no event later than the earlier of: (a) nine months after the date the FCC gives public notice of the filing of the FCC Application (the “Final Closing Date”), or (b) ten business days after the date the FCC Consent is granted by initial order, in any case subject to the satisfaction or waiver of the last of the conditions required to be satisfied or waived pursuant to Articles 5 or 6 below (other than those requiring a delivery of a certificate or other document, or the taking of other action, at the Closing). Alternatively, the Closing may take place at such other place, time or date as the parties may mutually agree upon in writing. The date on which the Closing is to occur is referred to herein as the “Closing Date.”

1.9 FCC Application. As soon as possible (but in no event later than ten business days after the date of this Agreement) the parties shall file an application with the FCC (the “FCC Application”) requesting the FCC’s written consent to the *pro forma* transfer of control of the Company to SHJ pursuant to this Agreement. The parties shall diligently take all steps that

are necessary, proper or desirable to expedite the prosecution of the FCC Application to a favorable conclusion. Each party shall use its reasonable best efforts to not take and cause not to be taken any action that could reasonably be expected to materially delay or impair the grant of the FCC Application or the consummation of the Merger. Each party shall promptly provide the other with a copy of any pleading, order or other document served on it relating to the FCC Application, shall furnish all information required by the FCC, and shall be represented at all meetings or hearings scheduled to consider the FCC Application. The FCC's written consent to the FCC Application is referred to herein as the "FCC Consent."

ARTICLE 2: COMPANY REPRESENTATIONS AND WARRANTIES

To induce SHJ to enter into this Agreement and to consummate the transactions contemplated hereby, the Company represents and warrants to SHJ as follows:

2.1 Organization. The Company is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization (as first set forth above), and is in good standing in each state or other jurisdiction in which its assets are located or in which its business or operations as presently conducted make such qualification necessary. The Company has the requisite power and authority to own and operate the Station, to carry on the Station's business as now conducted by it, and to execute and deliver this Agreement and all of the other agreements and instruments to be executed and delivered by the Company pursuant hereto (collectively, the "Company Ancillary Agreements"), to consummate the transactions contemplated hereby and thereby and to comply with the terms, conditions and provisions hereof and thereof.

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

2.3 No Conflict. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby will not (a) conflict with or violate any of the organizational documents of the Company; (b) conflict with or violate 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 (defined below) to which the Company is a party or by which the Company is bound, or by which the Company or any of the Assets may be affected, or result in the creation of any Lien upon any of the Assets; or (c) violate any judgment, decree, order, statute, law, rule or regulation applicable to the Members, the Company or any of the Assets.

2.4 Capitalization. All authorized membership units and all issued and outstanding membership units of the Company are described on Schedule 2.2. Each Member owns and holds

all legal and beneficial right, title and interest in and to the Company Units set forth opposite such Member's name on Schedule 2.2 (the Company Units set forth on Schedule 2.2 being all of the issued and outstanding units or equity interests of the Company), in each case free and clear of Liens. All Company Units have been duly authorized, are validly issued, fully paid, and nonassessable, and all issued and outstanding Company Units are held of record by the persons set forth on Schedule 2.2 hereto. No Company Units are held in treasury. There are no outstanding subscriptions, options, warrants, rights, calls, commitments, conversion rights, rights of exchange, plans or other agreements of any character providing for the purchase, issuance or sale of any Company Units. There are no outstanding or authorized unit appreciation, phantom unit, profit participation, or similar rights with respect to the Company, other than certain phantom equity rights granted to Mr. William Lane pursuant to that offer letter dated September 3, 2015. There are no member agreements, voting trusts, proxies, or other agreements or understandings with respect to the voting or transfer of any Company Units, other than the Limited Liability Company Agreement of the Company. Schedule 2.2 contains a complete listing of all the officers and managers of the Company.

2.5 Financial Statements. The Company has provided SHJ with copies of its unaudited balance sheet as of December 31, 2015 (the "Balance Sheet Date") and statement of income for the year then ended (collectively, the "Financial Statements"). The Financial Statements are complete and correct, have been prepared in accordance with the books and records regularly maintained by the Company, present fairly the financial position of the Company as of the Balance Sheet Date and the results of their operations for the periods indicated in accordance with generally accepted accounting principles, and properly and fairly disclose and allocate all transactions among the Company and any of its affiliates. The Company has no liabilities or obligations of any kind or nature, whether known or unknown, due or not yet due, liquidated or unliquidated, fixed, contingent or otherwise, except as and to the extent reflected in the Financial Statements.

2.6 FCC Authorizations.

(a) The Company is the holder of the FCC Authorizations listed and described on Schedule 2.6. Such FCC Authorizations constitute all of the licenses and authorizations required under the Communications Act of 1934, as amended and the rules and published policies of the FCC promulgated thereunder (collectively, the "Communications Laws") for, and used in the operation of, the Station. The FCC Authorizations are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired. To the best of the Company's knowledge: (i) there is not pending or threatened any action by or before the FCC to revoke, suspend, cancel, rescind or modify any of the FCC Authorizations (other than proceedings to amend FCC rules of general applicability), and (ii) there is not now issued or outstanding or pending or threatened, by or before the FCC, any order to show cause, notice of violation, notice of apparent liability, or notice of forfeiture or complaint against the Company or the Station. The Station is operating in compliance in all material respects with the FCC Authorizations and the Communications Laws.

(b) All reports and filings required to be filed with, and all regulatory fees required to be paid to, the FCC by the Company with respect to the Station have been timely filed and paid. All such reports and filings are accurate and complete. The Company is aware of

no facts indicating that the Members, the Company or the Station are not in compliance with all Communications Laws or any other applicable federal, state and local statutes, regulations and ordinances.

2.7 Contracts. Schedule 2.7 contains a complete and correct list of all Station Contracts as of the date hereof and identifies Station Contracts that require the consent of a third party in connection with the Merger. Each of the Station Contracts constitutes a valid and binding obligation of Company and, to the best knowledge of Company, the other parties thereto (subject to bankruptcy, insolvency, reorganization or other similar laws relating to or affecting the enforcement of creditors' rights generally) and is in full force and effect and (except for those Station Contracts identified in Schedule 2.7 as requiring the consent of a third party in connection with the Merger) may be transferred to SHJ pursuant to this Agreement and will be in full force and effect at the time of such transfer, in each case without breaching the terms thereof or resulting in the forfeiture or impairment of any rights thereunder and without the consent, approval or act of, or the making of any filing with, any other party. The Company has performed in all material respects its obligations under each of the Station Contracts, and the Company is not in, or to the best knowledge of the Company alleged to be in, breach or default under any of the Station Contracts, and, to the best knowledge of the Company, no other party to any of the Station Contracts has breached or defaulted thereunder, and no event has occurred and no condition or state of facts exists which, with the passage of time or the giving of notice or both, would constitute such a default or breach by the Company or, to the best knowledge of the Company, by any such other party. Complete and correct copies of each of the Station Contracts have been made available to SHJ by the Members and the Company.

2.8 No Finder. No broker, finder or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of SHJ or any party acting on its behalf.

ARTICLE 3: SHJ REPRESENTATIONS AND WARRANTIES

To induce the Company to enter into this Agreement and to consummate the transactions contemplated hereby, SHJ represents and warrants to the Company as follows:

3.1 Organization. SHJ is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization (first set forth above). SHJ has the requisite power and authority to execute and deliver this Agreement and all of the other agreements and instruments to be executed and delivered by them (collectively, the "SHJ Ancillary Agreements"), to consummate the transactions contemplated hereby and thereby and to comply with the terms, conditions and provisions hereof and thereof.

3.2 Authority. The execution, delivery and performance of this Agreement and the SHJ Ancillary Agreements by SHJ has been duly authorized and approved by all necessary action of SHJ and does not require any further authorization or consent of SHJ. This Agreement is, and each SHJ Ancillary Agreement when executed and delivered by SHJ and the other parties thereto will be, a legal, valid and binding agreement of SHJ enforceable in accordance with its respective terms, except in each case as such enforceability may be limited by bankruptcy,

moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

3.3 No Conflicts. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby will not (a) conflict with or violate any of the organizational documents of SHJ; (b) conflict with or violate 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 to which SHJ is a party or by which SHJ is bound, or by which SHJ may be affected; or (c) violate any judgment, decree, order, statute, law, rule or regulation applicable to SHJ.

3.4 No Finder. No broker, finder or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of SHJ or any party acting on its behalf.

3.5 Qualification. To the knowledge of SHJ: (a) SHJ, including all persons or entities holding an attributable interest of SHJ, is legally, financially, and otherwise qualified to be the licensee of, acquire, own and operate the Station under the Communications Laws; (b) there are no facts that would, under the Communications Laws, disqualify SHJ as the transferee of the FCC Authorizations or as the owner and operator of the Station or that that would reasonably be expected to delay the FCC's processing of the FCC Application because of SHJ's qualifications; and (c) no waiver of or exemption from any existing FCC rule or policy on the part of SHJ is necessary for the FCC Consent to be obtained.

ARTICLE 4: COVENANTS OF COMPANY

The Company covenants and agrees that from the date hereof until the completion of the Closing:

4.1 Operation of the Business.

(a) The Company shall: (i) continue to carry on its business and operate the Station in the ordinary course of business and keep its books and accounts, records and files in the ordinary course, preserve the business and goodwill of the Station and the Assets and collect its accounts receivable in the ordinary course of business, consistent with past practice; (ii) operate its business in all material respects in accordance with the terms of the FCC Authorizations and in compliance in all material respects with the Communications Laws and all other applicable laws, rules and regulations, and maintain the FCC Authorizations in full force and effect and timely file and prosecute any necessary applications for renewal of the FCC Authorizations; (iii) keep all Tangible Personal Property and Real Property in good operating condition (ordinary wear and tear excepted); and (iv) maintain in effect its current insurance policies with respect to the Station and the Assets.

(b) The Company shall not: (i) sell, lease, transfer, or agree to sell, lease or transfer, any Assets except for non-material sales or leases, in the ordinary course of business of items which are being replaced by assets of comparable or superior kind, condition and value; (ii) declare or make any dividend or other distribution of any kind or for any purpose to any Member; (iii) redeem, purchase or otherwise acquire any Company Units; (iv) issue or sell any Company Units or any other securities, or issue any securities convertible into, or options, warrants or rights to purchase or subscribe to, or enter into any arrangement or contract with respect to the issue or sale of, any of its Company Units or any other securities, or make any other changes in its capital structure; or (v) amend or modify its governing documents.

(c) The Members covenant and agree not to sell, transfer, assign, encumber or pledge any Company Units owned by them.

4.2 Reports. The Company shall furnish to SHJ such financial and other reports as SHJ may reasonably request relating Company within a reasonable amount of time following any request from SHJ.

4.3 Access. Between the date hereof and the Closing Date, SHJ and the officers, employees, accountants, counsel, agents, consultants and representatives of SHJ shall be given reasonable access to the Assets, accounts, statements, books and records of the Company upon reasonable advance notice.

4.4 Consents. The Company shall use its reasonable best efforts to obtain all of the consents noted on Schedule 2.7 hereto and, if SHJ requests with respect to any Real Property Lease, a customary estoppel certificate from the landlord of such Real Property Lease. Marked with an asterisk on Schedule 2.7 are those consents the receipt of which is a condition precedent to SHJ's obligation to close under this Agreement (the "Required Consents").

4.5 Exclusive Dealing. Other than as may be required by law or a court of competent jurisdiction, neither the Company, nor any of its respective affiliates or representatives or any owners, officers or directors shall take any action directly or indirectly, to encourage, initiate, solicit or engage in discussions or negotiations with, or provide any information to any person other than SHJ and its affiliates and representatives concerning any purchase of any Company Units or any merger, asset sale or similar transaction involving the Company or any of the Assets.

4.6 Representations and Warranties. The Company shall give SHJ detailed written notice promptly upon learning of the occurrence of any event that would cause or constitute a breach (or would have caused a breach had such event occurred or been known to it prior to the date hereof) of any of its representations and warranties contained in this Agreement.

4.7 Notice of Proceedings. The Company shall promptly notify SHJ in writing upon: (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.

ARTICLE 5: COMPANY CONDITIONS

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

5.1 Representations, Warranties and Covenants. Each of the representations and warranties of SHJ contained in this Agreement shall have been true and correct as of the date when made and shall be true and correct in all material respects on the Closing Date as if made on the Closing Date, except to the extent changes are permitted pursuant to this Agreement. SHJ shall have performed and complied with each and every covenant and agreement required by this Agreement to be performed or complied with by them prior to or on the Closing Date. SHJ shall have furnished the Company with a certificate, dated the Closing Date and duly executed by an officer of SHJ authorized on behalf of SHJ to give such a certificate, to the effect that the conditions set forth in this Section have been satisfied.

5.2 Proceedings. None of the parties shall be subject to any restraining order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby. In the event such a restraining order or injunction is in effect, this Agreement may not be terminated by the Company pursuant to this Section prior to the Final Closing Date, but the Closing shall be delayed during such period. This Agreement may be terminated after the Final Closing Date if such restraining order or injunction remains in effect.

5.3 FCC Consent. The FCC Consent shall have been granted by the FCC by initial order.

5.4 Deliveries. SHJ shall have complied with their obligations set forth in Section 7.2.

5.5 Material Adverse Change. None of the Company, the Company Units, the Station, nor any of the Assets shall have suffered a material adverse change since the date hereof, in the business, operations, condition (financial or otherwise), properties, assets, liabilities, capitalization or ownership of the Company, the Station or any of the Assets, except changes permitted by this Agreement and changes which are not (either individually or in the aggregate) materially adverse to the Station.

ARTICLE 6: SHJ CONDITIONS

The obligations of SHJ under this Agreement is, at its option, subject to the fulfillment of the following conditions prior to or on the Closing Date:

6.1 Representations, Warranties and Covenants. Each of the representations and warranties of the Company contained in this Agreement shall have been true and correct as of the date when made and shall be true and correct in all material respect on the Closing Date as if made on the Closing Date, except to the extent changes are permitted pursuant to this

Agreement. The Company and the Members shall have performed and complied with each and every covenant and agreement required by this Agreement to be performed or complied with by them prior to or on the Closing Date. The Company shall have furnished SHJ with a certificate, dated the Closing Date and duly executed by the Company to the effect that the conditions set forth in this Section have been satisfied.

6.2 Proceedings. None of the parties shall be subject to any restraining order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby. In the event such a restraining order or injunction is in effect, this Agreement may not be terminated by SHJ pursuant to this Section prior to 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.

6.3 FCC Consent. The FCC Consent shall have been granted by the FCC by initial order, without any conditions materially adverse to SHJ.

6.4 Deliveries. The Company shall have complied with its obligations set forth in Section 7.1.

6.5 Required Consents. The Company shall have obtained and delivered to SHJ all of the Required Consents.

6.6 Material Adverse Change. None of the Company, the Company Units, the Station, nor any of the Assets shall have suffered a material adverse change since the date hereof, in the business, operations, condition (financial or otherwise), properties, assets, liabilities, capitalization or ownership of the Company, the Station or any of the Assets, except changes permitted by this Agreement and changes which are not (either individually or in the aggregate) materially adverse to the Station.

ARTICLE 7: ITEMS TO BE DELIVERED AT THE CLOSING

7.1 Deliveries by the Company. At Closing, the Company shall deliver to SHJ:

- (a) the Certificate of Merger, signed by the Company;
- (b) the certificates representing the Company Units (if any) accompanied by “stock powers” duly endorsed in blank, sufficient to cancel all right, title and interest in and to the Company Units;
- (c) certified copies of resolutions duly adopted by the Members, 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;
- (d) the certificate referred to in Section 6.1;
- (e) the Company minute book, Company Unit ledger and all other original and duplicate records of the Company;

(f) copies of the certificate of formation of the Company, including all amendments thereto, certified by the Secretary of State or other appropriate official of the jurisdiction of formation dated within 10 business days of the Closing Date;

(g) copies of the operating agreement of the Company, certified by an officer of the Company as being true and correct and in effect on the Closing Date;

(h) certificates from the Secretaries of State or other appropriate officials of the jurisdiction of formation of the Company and any jurisdiction in which the Company has qualified to do business, dated within 10 business days of the Closing Date and showing that the Company is duly formed and in good standing in its jurisdiction of formation and that it is in good standing in each jurisdiction in which it has qualified to do business;

(i) resignations and releases of all officers and directors of the Company and releases of the Company from each of the Members;

(j) the SHJ Amended and Restated Operating Agreement signed by each Member; and

(k) the Required Consents and any other consents obtained by the Company under Section 4.4.

7.2 Deliveries by SHJ. At the Closing, SHJ shall deliver to the Members:

(a) the Certificate of Merger, signed by SHJ;

(b) certified copies of resolutions authorizing the execution, delivery and performance by SHJ of this Agreement, which shall be in full force and effect at the time of the Closing;

(c) the certificate referred to in Section 5.1

(d) that certain Indemnification Agreement between SHJ and Mr. Louis Wall dated as of the Closing Date, signed by SHJ; and

(e) at the Effective Time, the Merger Consideration.

ARTICLE 8: SURVIVAL; RELEASE; INDEMNIFICATION

8.1 Survival. All representations, warranties, covenants and agreements contained in this Agreement, or in any certificate, agreement, or other document or instrument, delivered pursuant hereto, shall survive (and not be affected in any respect by) the Closing, any investigation conducted by any party hereto and any information which any party may receive, for a period of eighteen (18) months after the Closing Date.

8.2 Indemnification.

(a) From and after Closing, the Members (an “Indemnifying Party”) hereby agree to indemnify and hold harmless SHJ, and SHJ’s pre-Closing owners, managers, officers and all persons which directly or indirectly, through one or more intermediaries, control, are controlled by, or are under common control with SHJ and its pre-Closing owners, and their respective successors and assigns (collectively, the “SHJ Indemnitees”) from, against and in respect of, and to reimburse the SHJ Indemnitees for, the amount of any and all Company Deficiencies (as defined in Section 8.3(a)). Effective upon Closing, the Members hereby assume and agree to pay and perform when due any and all such Company Deficiencies.

(b) From and after Closing, the members of SHJ in existence as of the date of this Agreement (an “Indemnifying Party”) hereby agree to indemnify and hold harmless the Members and their respective successors and assigns (collectively, the “Company Indemnitees”) from, against and in respect of, and to reimburse the Company Indemnitees for, the amount of any and all SHJ Deficiencies (as defined in Section 8.3(b)).

8.3 Deficiencies.

(a) As used in this Article 8, the term “Company Deficiencies” when asserted by SHJ Indemnitees or arising out of a third party claim against SHJ Indemnitees shall mean any and all losses, damages, liabilities and claims (collectively, “Losses”) sustained by the SHJ Indemnitees and arising out of, based upon or resulting from: (i) any misrepresentation, breach of warranty, or any failure to comply with any covenant, obligation or agreement on the part of the Members or the Company contained in or made pursuant to this Agreement; (ii) any obligation or liability arising from the business or operations of the Company or the Members prior to Closing; or (iii) without limiting the foregoing, any litigation, proceeding or claim by any third party relating to the business or operation of the Company or the Members prior to Closing. Such Company Deficiencies include without limitation 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 (as defined in Section 8.6 below)).

(b) As used in this Article 8, the term “SHJ Deficiencies” when asserted by the Company Indemnitees or arising out of a third party claim against the Company Indemnitees shall mean any and all Losses sustained by the Company Indemnitees and arising out of, based upon or resulting from: (i) any misrepresentation, breach of warranty, or any failure to comply with any covenant, obligation or agreement on the part of SHJ contained in or made pursuant to this Agreement; (ii) any obligation or liability arising from the business or operations of SHJ or any of its members prior to Closing; or (iii) without limiting the foregoing, any litigation, proceeding or claim by any third party relating to the business or operation of SHJ or any of its members prior to Closing. Such SHJ Deficiencies include without limitation 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 (as defined in Section 8.6 below)).

8.4 Procedures.

(a) Third Party Claims. In the event that any claim shall be asserted by any third party against the SHJ Indemnitees or the Company Indemnitees (SHJ Indemnitees or the Company Indemnitees, as the case may be, hereinafter, the “Indemnitees”), which, if sustained, would result in a Company Deficiency or SHJ Deficiency, as appropriate (hereinafter, any “Deficiency” or “Deficiencies”), then the Indemnitees, as promptly as practicable but in no event later than 10 business days, after learning of such claim, shall notify the Indemnifying Party of such claim, and shall extend to the Indemnifying Party a reasonable opportunity 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. 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.

(b) Direct Claims. In the event that the Indemnitees assert the existence of any Deficiency (after than a Deficiency arising out of any litigation proceeding claim by any third party) against the Indemnifying Party, they shall give written notice to the Indemnifying Party of the nature and amount of the Deficiency asserted. If the Indemnifying Party, within a period of thirty (30) days after the giving of notice by the Indemnitees, 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 shall be deemed established. In the event, however, that a Contest Notice is given to the Indemnitees within said 30-day period, the parties agree to endeavor first to settle the dispute by mediation through a mutually agreeable mediator. Any unresolved dispute following such mediation shall then be litigated exclusively in the federal and state courts located within the State of Tennessee.

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

8.5 Payment. The Indemnifying Party hereby agrees to pay the amount of established Deficiencies within 15 days after the establishment thereof. The amount of established Deficiencies shall be paid in cash. 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 of them, may have to the Indemnifying Party.

8.6 Legal Expenses. As used in this Article 8, the term “Legal Expenses” shall mean any and all reasonable fees (whether of attorneys, accountants or other professionals), costs and expenses of any kind 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.

ARTICLE 9: MISCELLANEOUS

9.1 Termination. This Agreement may be terminated at any time prior to Closing: (a) by the mutual consent of the Company and SHJ; (b) by the Company or SHJ if the FCC has denied the approvals contemplated by this Agreement in an order which has become Final; (c) by SHJ or the Company if the Closing has not taken place by the Final Closing Date; (d) by SHJ if the Company has failed to cure a material breach of any of their representations, warranties, covenants or agreements under this Agreement within fifteen (15) calendar days after they receive notice from SHJ of such breach (or by the Closing Date, if sooner); or (e) by the Company if SHJ has failed to cure a material breach of any of its representations, warranties or covenants under this Agreement within fifteen (15) calendar days after they receive notice from the Company of such breach (or by the Closing Date, if sooner). A termination pursuant to this Section 9.1 shall not relieve any party of any liability it would otherwise have for a breach of this Agreement. Notwithstanding the foregoing, the right to terminate this Agreement set forth in this Section 9.1 shall not be available to a party whose action or inaction materially contributed to the failure of the Merger to have been consummated on or before the Final Closing Date.

9.2 Expenses. The Company shall pay (i) the FCC filing fees required to be paid in connection with the FCC Application; (ii) any and all sales or transfer taxes (including without limitation any real estate transfer taxes), arising from the consummation of the Merger; (iii) the Legal Expenses incurred by SHJ in connection with the preparation, negotiation, execution and performance of this Agreement and any documents and agreements ancillary hereto, including preparation of the SHJ Operating Agreement, SHJ Amended and Restated Operating Agreement and other SHJ governing documents.

9.3 Further Assurances. From time to time prior to and after Closing, each party hereto will execute all such instruments and take all such actions as any other party shall reasonably request, without payment of further consideration, in connection with carrying out and effectuating the intent and purpose hereof and all transactions 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 at Closing, and any and all actions which may reasonably be necessary to complete the transactions contemplated hereby.

9.4 Broadcast Transmission Interruption and Risk of Loss. If, prior to Closing, the regular broadcast transmission of the Station in the normal and usual manner is interrupted or if there is any damage or destruction to any of the Assets, the Company shall restore the broadcast transmission of the Station and repair any damaged Assets prior to the Closing Date. If the Station cannot be restored to at least ninety percent (90%) of its authorized effective radiated power as by a date that is sixty (60) days after the date the FCC Consent is granted by initial order, SHJ shall have the right to terminate this Agreement by providing written notice thereof to the Company.

9.5 Tax Matters. All tax returns of the Company and the Members relating to periods prior to Closing (including any short-year tax returns to be filed on account of the Merger) and all payments or refunds due or payable on account thereof shall accrue solely to the Members. All tax returns of SHJ relating to periods after Closing and all payments or refunds due or payable on account thereof shall accrue to SHJ.

ARTICLE 10: GENERAL PROVISIONS

10.1 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective representatives, successors and assigns. Neither party may assign any rights or delegate any duties hereunder without the prior written consent of the other party, and any such attempted assignment or delegation without such consent shall be void.

10.2 Confidentiality. Any and all information, disclosures, knowledge or facts regarding any party or its business or properties to which the other parties are exposed as a result of the negotiation, preparation or performance of this Agreement shall be confidential and, except as required by law or a court of competent jurisdiction, shall not be divulged, disclosed or communicated to any other person, firm, company or entity, except for such party's employees, attorneys, accountants, investment bankers, investors and lenders, and their respective attorneys, on a need-to-know basis for the purpose of consummating the transactions contemplated by this Agreement.

10.3 Amendments; Waivers. This Agreement may be amended or terminated, or any provision waived, only by a written instrument signed by all parties hereto.

10.4 Notices. All notices, requests, demands and other communications required or permitted under this Agreement shall be in writing 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 facsimile, when delivered, addressed as follows:

if to the Company or the Members: c/o Jackson TV, LLC
1151 Crestview Circle
Meridian, MS 39301
Attn: Michael Reed
Facsimile No.: (601) 485-7001

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

Smithwick & Belendiuk, P.C.
5028 Wisconsin Avenue, N.W., Suite 301
Washington, DC 20016
Attn: Mark B. Denbo
Facsimile No.: (202) 363-4266

if to SHJ: SagamoreHill of Jackson, LLC
525 Blackburn Drive
Augusta, GA 30907
Attention: Louis Wall
Facsimile: (706) 534-5810

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

Edinger Associates PLLC
1875 I Street, NW, Suite 500
Washington, D.C. 20006
Attn: Brook Edinger
Facsimile No.: (202) 747-1691

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.

10.6 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.

10.7 Entire Agreement. This Agreement constitutes the full and entire understanding and agreement between the parties with regard to the subject matter hereof, and supersedes all prior agreements, understandings, inducements or conditions, express or implied, oral or written, relating to the subject matter hereof.

10.8 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument.

10.9 No Control. Nothing contained in this Agreement is intended to give SHJ directly or indirectly, the right to control or direct the Company's or the Station's operations prior to the Closing. Prior to the Closing, the Company shall exercise complete control over the programming, personnel and finances of the Station's operations.

10.10 Specific Performance. In the event of failure or threatened failure by either party to comply with the terms of this Agreement, the other party shall be entitled to an injunction restraining such failure or threatened failure without being required to provide actual damages, post bond or furnish other security and, subject to obtaining any necessary FCC consent, to enforcement of this Agreement by a decree of specific performance requiring compliance with this Agreement. If a party brings an action to enforce specific performance under this Agreement, the other party shall waive the defense that there is an adequate remedy at law and waive any requirement to post a bond or other security.

[SIGNATURE PAGE FOLLOWS]

SIGNATURE PAGE TO MERGER AGREEMENT

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

SHJ:

SAGAMOREHILL OF JACKSON, LLC

By: _____

Name: _____

Title: _____

Louis Swan
President/CEO

COMPANY:

JACKSON TV, LLC

By: _____

Name: Michael Reed

Title: President

(and solely for purposes of Sections 4.1(c), 7.1(i) and (j), and Article 8):

MEMBERS:

MAI 2, LLC

By: _____

Name: Brian Finn

Title: Administrator

HEART FELT PRODUCTIONS, LLC

By: _____

Name: Wade Threadgill

Title: President

Michael Reed

William Christian

SIGNATURE PAGE TO MERGER AGREEMENT

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

SHJ:

SAGAMOREHILL OF JACKSON, LLC

By: _____
Name:
Title:

COMPANY:

JACKSON TV, LLC

By:  _____
Name: Michael Reed
Title: President

(and solely for purposes of Sections 4.1(c), 7.1(i) and (j), and Article 8):

MEMBERS:

MAI 2, LLC

By: _____
Name: Brian Finn
Title: Administrator

HEART FELT PRODUCTIONS, LLC

By:  _____
Name: Wade Threadgill
Title: President

 _____
Michael Reed

William Christian

SIGNATURE PAGE TO MERGER AGREEMENT

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

SHJ:**SAGAMOREHILL OF JACKSON, LLC**

By: _____

Name: _____

Title: _____

COMPANY:**JACKSON TV, LLC**

By: _____

Name: Michael Reed

Title: President

(and solely for purposes of Sections 4.1(c), 7.1(i) and (j), and Article 8):

MEMBERS:**MAI 2, LLC**By:  _____

Name: Brian Finn

Title: Administrator

HEART FELT PRODUCTIONS, LLC

By: _____

Name: Wade Threadgill

Title: President

Michael Reed_____
William Christian

SIGNATURE PAGE TO MERGER AGREEMENT

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

SHJ:

SAGAMOREHILL OF JACKSON, LLC

By: _____
Name:
Title:

COMPANY:

JACKSON TV, LLC

By: _____
Name: Michael Reed
Title: President

(and solely for purposes of Sections 4.1(c), 7.1(i) and (j), and Article 8):

MEMBERS:

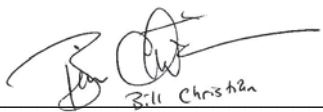
MAI 2, LLC

By: _____
Name: Brian Finn
Title: Administrator

HEART FELT PRODUCTIONS, LLC

By: _____
Name: Wade Threadgill
Title: President

Michael Reed



William Christian

EXHIBIT A

Certain Defined Terms

For the purposes of this Agreement, the following terms have the meanings set forth below.

“Assets” means all right, title and interest of the Company in all properties, assets, privileges, rights, interests and claims, real and personal, tangible and intangible, of every type and description, wherever located, including its business and goodwill, including, without limitation, the FCC Authorizations, Tangible Personal Property, Real Property, Station Contracts, Intangible Property, Programming and Copyrights, Files and Records and Websites.

“FCC” means the Federal Communications Commission or any of its Bureaus or Offices.

“FCC Authorizations” means all of the FCC authorizations issued with respect to the Station, including without limitation all rights in and to the Station’s call letters and any variations thereof, and all of those FCC authorizations listed and described on Schedule 2.6 attached hereto, and all applications therefor, together with any renewals or extensions thereof and additions thereto.

“Files and Records” means all FCC logs and all files and other records of the Company, including without limitation all schematics, blueprints, engineering data, customer lists, reports, specifications, projections, statistics, promotional graphics, original art work, mats, plates, negatives and other advertising, marketing or related materials, and all other technical and financial information.

“Final” means that action shall have been taken by the FCC (including action duly taken by the FCC’s staff, pursuant to delegated authority) which shall not have been reversed, stayed, enjoined, set aside, annulled or suspended; with respect to which no timely request for stay, petition for rehearing, appeal or certiorari or sua sponte action of the FCC with comparable effect shall be pending; and as to which the time for filing any such request, petition, appeal, certiorari or for the taking of any such sua sponte action by the FCC shall have expired or otherwise terminated.

“Intangible Property” means all interests of the Company as of the date of this Agreement in all trademarks, trade names, service marks, franchises, patents, jingles, slogans, logotypes and other intangible rights, including without limitation all right, title and interest in and to the marks consisting of the Station’s call letters and any variations thereof, and those acquired by the Company between the date hereof and the Closing Date.

“Liens” means any mortgages, liens, deeds of trust, security interests, pledges, restrictions, prior assignments, charges, claims, defects in title and encumbrances of any kind or type whatsoever.

“Members” means Michael Reed, William Christian, MAI 2, LLC, a Delaware limited liability company and Heart Felt Productions, LLC, a Texas limited liability company.

“Programming and Copyrights” means all interests of the Company as of the date of this Agreement in all programs and programming materials and elements of whatever form or nature, 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, together with all such programs, materials, elements and copyrights acquired by the Company between the date hereof and the Closing Date.

“Real Property” means all interests of the Company as of the date of this Agreement in all land, leaseholds, licenses, rights-of-way and other interests of every kind and description in and to all of the real property and buildings and other improvements thereon and any additions and improvements thereto between the date of this Agreement and the Closing Date.

“Station” means the television broadcast station WNBJ-LD, Jackson, Tennessee (Facility ID # 185218).

“Station Contracts” means those material contracts and agreements used in connection with the business or operation of the Station that are used or held for use in the operation of the Station, including any Real Property leases, and which are listed and described on Schedule 2.7 attached hereto. For the avoidance of doubt, Station Contracts shall not include non-material contracts associated with syndicated programming, but shall include any affiliation contracts with any nationally-recognized television network.

“Tangible Personal Property” means all interests of the Company as of the date of this Agreement in all equipment, electrical devices, antennas, cables, vehicles, furniture, fixtures, towers, office materials and supplies, hardware, tools, spare parts, and other tangible personal property of every kind and description, and any additions and improvements thereto between the date of this Agreement and the Closing Date.

“Websites” means all interests of the Company in any internet domain leases and domain names relating to the Station, the unrestricted right to the use of HTML content located and publicly accessible from those domain names, and the “visitor” email database for those sites.

EXHIBIT B

Post-Merger Ownership of SHJ

	Class A	Class B	Total	Class A	Class B
Member	Voting Units	Non-Voting Units	Units	Interest	Interest
SagamoreHill Broadcasting, LLC	5,000	0	5,000	25.00%	0.00%
Michael Reed	3,750	20,000	23,750	18.75%	25.00%
William Christian	3,750	20,000	23,750	18.75%	25.00%
Heart Felt Productions, LLC	3,750	20,000	23,750	18.75%	25.00%
MAI 2, LLC	3,750	20,000	23,750	18.75%	25.00%
Totals	20,000	80,000	100,000	100.00%	100.00%

SCHEDULE 2.2

Pre-Merger Capitalization of the Company

<u>Name</u>	<u>Units Held</u>	<u>Equity Share</u>	<u>Voting Share</u>
Michael Reed	2500	25 percent	25 percent
William Christian	2500	25 percent	25 percent
Heart Felt Productions, LLC	2500	25 percent	25 percent
MAI 2, LLC	2500	25 percent	25 percent

Managers of the Company

Michael Reed
William Christian

Officers of the Company

Michael Reed – President and Secretary
William Christian – Chief Executive Officer

SCHEDULE 2.6

FCC Authorizations

1. FCC License File Number: BLDTL-20141216ABU
Call Sign: WNBj-LD
Facility Id: 185218

There are no FCC auxiliary licenses associated with WNBj-LD.

SCHEDULE 2.7

Station Contracts – Third Party Consents

- a. Tower Lease – SBA Towers, Executed August 2014 *
- b. Studio Lease (Sublease and Required Consent), by and between Gilbert Russell McWherter Scott & Bobbitt, PLC (Sublessor), Jackson TV, LLC (Sublessee) and John H. Allen and David W. Horton d/b/a Madison Central Partners (Landlord), dated August 26, 2014 *
- c. Network Affiliation Agreement, by and between NBCUniversal Media, LLC and Jackson TV, LLC, dated as of January 1, 2014 *

* - Required Consent