

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this "Agreement") is dated January 18, 2006, by and between SPRINGFIELD INDEPENDENT TELEVISION CO., INC., an Illinois corporation ("SITC") and SPRINGFIELD BROADCASTING PARTNERS, an Illinois general partnership ("SBP" and collectively with SITC, "Buyer"), and GE MEDIA, INC., a South Carolina corporation ("Seller"). Buyer and Seller are sometimes referred to herein as the "Parties" and each as a "Party."

RECITALS:

A. Buyer is negotiating with a third party (the "Recipient") to transfer to such party Buyer's assets used in the operation of a television station and its satellite station (the "Relinquished Assets"), with such transaction to be effected through a like-kind exchange (the "Exchange") under Section 1031 of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations promulgated thereunder.

B. Seller owns and operates certain assets used in connection with the business and operations of television station WFXB-TV, Myrtle Beach, SC, and its associated DTV station WFXB-DT, Myrtle Beach, SC (collectively, the "Station"), and holds certain licenses, permits and other authorizations issued by the FCC in connection therewith.

C. Seller desires to sell substantially all of its assets used in the operation of the Station, and Buyer wishes to acquire such assets (the "Exchange Assets") as replacement property for the Relinquished Assets, all on the terms and conditions hereinafter set forth.

D. The Exchange shall be either a simultaneous or delayed exchange using a qualified intermediary (the "Intermediary"), which shall receive from the Recipient the consideration paid for the Relinquished Assets, and use such consideration, in addition to other funds of Buyer (to the extent necessary), to acquire the Exchange Assets and cause their transfer to Buyer in accordance with the requirements of Code Section 1031 and the regulations promulgated with respect thereto.

AGREEMENTS:

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties agree as follows:

SECTION 1: DEFINITIONS

1.1 Terms Defined in this Section. The following terms, as used in this Agreement, have the meanings set forth in this Section:

"Action" means, for any Person, any claim, demand or complaint against such Person, dispute with such Person, any action, counterclaim, suit, litigation, arbitration, or other legal, administrative or Tax proceeding before a Governmental Authority, any investigation with

respect to such Person of which such Person has knowledge, and any Judgment by or against such Person, excluding any litigation or proceeding affecting the television broadcasting industry generally in which such Person is not a named party and any rule-making proceedings.

"Adjustment Time" means 12:01 a.m., Myrtle Beach, South Carolina time on the Effective Date.

"Affiliate" of a Person means any Person, which directly or indirectly controls, is controlled by or is under common control with, such Person. The term "control" (including, with correlative meaning, the terms "controlled by" and "under common control with"), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

"Assets" means all assets, properties and rights, both tangible and intangible, that are owned or leased by Seller and used or held for use in the operation of the Station, including the Real Property, Equipment, Licenses, Contracts, Intellectual Property, and Books and Records; *provided, however*, that the Assets shall not include the Excluded Assets.

"Assignment Application" means the application prepared jointly by Buyer and Seller and filed by Seller with the FCC relating to the assignment of the FCC Licenses by Seller to Buyer in the manner contemplated by this Agreement.

"Books and Records" means all of the books and records of Seller related to the Business (other than any included in the Excluded Assets).

"Business" means the business and operations of Seller relating to the Station.

"Business Day" means any day of the year on which banks are not required or authorized to be closed in the State of South Carolina.

"Capital Expenditures" has the meaning given to such term in the TBA.

"Cash" means all cash, cash equivalents and cash items of any kind whatsoever, money market instruments, marketable securities, other securities, commercial paper, short-term investments or deposits in banks or other financial institution accounts of any kind, and rights in and to all such accounts.

"Closing" means the consummation of the assignment, transfer, conveyance and delivery of the Assets and the Purchase Price as contemplated hereunder, which shall be held on the Closing Date.

"Closing Date" means the date of Closing, which shall occur on a date to be set by Buyer by written notice to Seller (upon at least five (5) Business Days' notice to Seller) which date shall not be earlier than the first Business Day after the FCC Consent shall have been issued, nor later than ten (10) Business Days after the FCC Consent shall have become a Final Order, *provided, that* Buyer may extend the Closing Date (upon at least five (5) Business Days' notice to Seller) to a date not more than ninety (90) days after the end of such ten (10) Business Day

period to permit the Closing to occur concurrently with or immediately subsequent to the transfer of the Relinquished Assets to the Recipient.

"Closing Place" means the offices of Buyer's counsel in Washington, D.C., or such other location agreed upon by the Parties.

"Collection Period" means the one hundred twenty (120) day period starting on the Effective Date.

"Compensation Arrangement" means any plan or compensation arrangement other than an Employee Plan, whether written or unwritten, which provides to employees, former employees, officers, directors and shareholders of Seller or any entity related to Seller (under the terms of Sections 414(b), (c), (m) or (o) of the Code), any compensation or other benefits, whether deferred or not, in excess of base salary or wages and excluding overtime pay, including any bonus or incentive plan, stock rights plan, deferred compensation arrangement, life insurance, stock purchase plan, severance pay plan and any other employee fringe benefit plan.

"Consents" means the consents, permits or approvals of Government Authorities and other third parties required by Seller to transfer the Assets to Buyer or otherwise for Seller to consummate the transactions contemplated hereby.

"Contracts" means the leases, contracts and agreements relating to the Station to which Seller is a party, whether oral or written.

"Disposition Agreement" means the Asset Purchase Agreement anticipated to be executed between Buyer and Recipient, pursuant to which Recipient shall acquire the Relinquished Assets from Buyer and pay all or part of the purchase price thereunder to the Intermediary, for use by the Intermediary in effecting a like-kind exchange under Code Section 1031 through the acquisition, for conveyance to Buyer, of the Assets in accordance with the terms of the Exchange Agreement.

"Effective Date" means January 23, 2006.

"Employees" means the persons employed by Seller on a full or part-time basis with respect to the Business.

"Employee Plan" means any pension, retirement, profit-sharing, deferred compensation, vacation, severance, bonus, incentive, medical, vision, dental, disability, life insurance or other employee benefit plan as defined in Section 3(3) of ERISA to which either of Seller or any entity related to Seller (under the terms of Sections 414 (b), (c), (m) or (o) of the Code) contributes or which either of Seller or any entity related to Seller (under the terms of Sections 414 (b), (c), (m) or (o) of the Code) sponsors or maintains, or by which Seller or any such entity is otherwise bound.

"Enforceability Exceptions" means the exceptions or limitations to the enforceability of contracts under bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally, and by the application of general principles of equity.

"Environmental Laws" means the Legal Requirements relating to health, safety or the environment, including the Handling of Hazardous Substances, the presence of Hazardous Substances on any Real Property, or any antipollution requirements.

"Equipment" means the television studio and transmitter site equipment, furniture, fixtures, furnishings, machinery, computer hardware, antennas, transmitters and other tangible personal property used or held for use by Seller in the operation of the Station.

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

"Escrow Agent" means the Escrow Agent named in the Escrow Agreement, and any successors thereto pursuant to the terms of the Escrow Agreement.

"Escrow Agreement" means the Escrow Agreement being entered into among Buyer, Seller and the Escrow Agent on the date hereof.

"Escrow Amount" means the sum of the Escrow Deposit, plus all interest or earnings accrued thereon.

"Escrow Deposit" means the sum of One Million Dollars (\$1,000,000) which is being deposited on the date hereof by Buyer with the Escrow Agent by delivery thereto of an irrevocable letter of credit in the amount thereof to secure the obligations of Buyer to close under this Agreement, with such letter of credit being held, drawn upon and disbursed by the Escrow Agent in accordance with the Escrow Agreement.

"Exchange Agreement" means the Exchange Agreement anticipated to be executed between Buyer and Intermediary, pursuant to which the Intermediary shall use all or part of the purchase price paid by the Recipient for the Relinquished Assets to effect a like-kind exchange under Code Section 1031 through the acquisition of the Assets for conveyance to Buyer.

"Excluded Assets" means (i) all Cash of Seller; (ii) all Receivables; (iii) any and all contracts or policies of insurance and insurance plans and the assets thereof, amounts due from employees, bonds, letters of credit, surety instruments or other similar items and any cash surrender value with respect thereto, and all rights under any of the foregoing, including any insurance proceeds receivables (subject to Sections 6.9 and 10); (iv) Seller's corporate, partnership and tax records and the account books of original entry, general ledger and financial records used in connection with the Station, and copies of any records as are necessary to enable Seller to prepare and file Tax returns and reports, financial statements and other documents deemed necessary by Seller; (v) all rights of Seller under this Agreement or any other agreement entered into by Seller with Buyer pursuant hereto; (vi) any assets of any compensation or benefit plan or arrangement of Seller, including Employee Plans, (vii) all records and documents in respect of the Excluded Assets; (viii) the Station's studio (and related real property) located on Walker Swinton Road, Florence, South Carolina as more particularly described in Schedule 1.1A hereto, (ix) the Sublease dated April 9, 1997, as amended to date, by and between Myrtle Beach Air Force Base Redevelopment Authority, as sublessor, and GE Media, as sublessee, for approximately seven-tenths (0.7) of an acre, together with the related purchase option and any rights with respect to the underlying real property; (x) any assets disposed of between the date of

this Agreement and the Closing Date in compliance with the terms of this Agreement; and (xi) any such additional assets as are set forth in Schedule 1.1A hereto.

"FCC" means the Federal Communications Commission.

"FCC Consent" means one or more actions by the FCC granting its consent to the assignment of the FCC Licenses by Seller to Buyer as contemplated by this Agreement.

"FCC Licenses" means the licenses, permits or other authorizations issued or granted by the FCC to Seller relating to the operation of the Station, all as set forth on Schedule 3.7.

"FCC Requirements" means the Communications Act of 1934, as amended, and the rules, regulations, written policies and other Legal Requirements promulgated or adopted by the FCC.

"Final Order" means the FCC Consent that has not been reversed, stayed, enjoined, set aside, annulled, or suspended, and with respect to which no requests are pending for administrative or judicial review, reconsideration, appeal, or stay, and the time for filing any such request and the time for the FCC to set aside the action on its own motion have expired.

"GAAP" means generally accepted accounting principles as currently in effect.

"Governmental Authority" means any court or any federal, state, county or local governmental, legislative or regulatory body, agency, department, authority, instrumentality or other subdivision thereof, including the FCC, all of competent jurisdiction.

"Handling" means the production, use, generation, storage, treatment, recycling, disposal, discharge, release or other handling or disposition of any kind of any Hazardous Substances.

"Hazardous Substance" means any pollutant, contaminant, hazardous or toxic substance, material, constituent or waste or any pollutant that is labeled or regulated as such by any Governmental Authority pursuant to an Environmental Law.

"Indemnity Agreement" means the Indemnity Agreement to be executed and delivered at the Closing by Buyer, Seller and the Escrow Agent, substantially in the form of Exhibit A.

"Indemnity Fund" means the sum of One Million Five Hundred Thousand Dollars (\$1,500,000), which sum shall be funded by Seller at Closing by either, at its option, wire transfer of immediately available funds in U.S. dollars or delivery of an irrevocable letter of credit (in form reasonably acceptable to Buyer) to the Escrow Agent, to be held, drawn upon and disbursed thereby after Closing in accordance with the terms of the Indemnity Agreement.

"Intellectual Property" means all trademarks, service marks, trade names, copyrights, licenses and other intellectual property rights issued to, owned by Seller or under which Seller is licensed or franchised and that are used or held for use in connection with the Station other than any intellectual property included in the Excluded Assets and other than the Licenses.

"Intermediary" means a qualified Intermediary complying with the requirements of Code Section 1031, and the regulations promulgated with respect thereto.

"Judgment" means any judgment, writ, order, injunction, determination, award or decree of or by any court, judge, justice or magistrate, including any bankruptcy court or judge, and any order of or by a Governmental Authority.

"knowledge" or "to the knowledge" of a Party (or similar phrases) means actual knowledge of a fact, or constructive knowledge if a reasonably prudent person in a like position would have known the fact after the conduct of appropriate due diligence, with, in the instance of Seller, such knowledge (as defined above) comprising that of solely the following individuals: James McGregor Everett ("Everett"), Richard L. Gorman ("Gorman") or David Carfolite.

"Legal Requirement" means any statute, ordinance, code, law, rule, regulation, policy, permit or permit condition, Judgment, or other requirement, standard or procedure enacted or adopted by any Governmental Authority.

"Liabilities" means claims, obligations, commitments or liabilities of a Person of any nature, absolute, accrued, contingent or otherwise, known or unknown, whether matured or unmatured.

"Licenses" means the licenses, permits, franchises, registrations, authorizations, consents or approvals issued by the FCC or any other Governmental Authority to Seller relating to the operation of the Station.

"Lien" means any lien, pledge, charge, easement, security interest, mortgage, deed of trust, or other encumbrance.

"Material Adverse Effect" means any event, circumstance or condition that, individually or when aggregated with all other similar events, circumstances or conditions, would reasonably be expected to have a material adverse effect on the properties, operations, financial condition or results of operations of the Business or the Station, or the ability of Seller to consummate the transactions contemplated by this Agreement, in each case taken as a whole; *provided, however*, that Material Adverse Effect shall not include any effect, circumstance or condition arising out of or resulting from (u) any adverse change in the properties, operations, financial condition or results of operations of the Business or the Station for which Buyer is responsible under the terms of the TBA, (v) any event, fact or circumstance that occurs on or after the Effective Date as a result of any action by Buyer, or any failure by Buyer to act when under a duty to act, in accordance with the terms of the TBA, (w) the transactions contemplated by this Agreement or the TBA, including the effects of taking any action expressly required, or not taking any action expressly prohibited, by this Agreement or the TBA, (x) general economic, financial, competitive or market conditions, (y) changes affecting the television broadcasting industry generally, or (z) new or changed legislation, rules or regulations.

"Permitted Liens" means the following: (i) carriers', warehousemen's, mechanics', materialmen's, repairmen's or other like Liens arising in the ordinary course of business and securing amounts not yet due and payable or which are being contested in good faith and by appropriate proceedings if adequate reserves with respect thereto are maintained on the books of

Seller in accordance with GAAP; (ii) Liens imposed by any Governmental Authority for Taxes not yet due and payable and arising out of Seller's ownership or use of an asset or which are being contested in good faith and by appropriate proceedings if adequate reserves with respect thereto are maintained on the books of Seller in accordance with GAAP; (iii) Liens in the amount of withheld payroll Taxes pending non-delinquent deposit by Seller with applicable Governmental Authorities; (iv) statutory or contractual landlord liens with respect to non-delinquent amounts due with respect to Seller's leasehold interests; (v) any zoning laws and ordinances and similar Legal Requirements or rights reserved to or vested in any Governmental Authority; (vi) as to interests in Real Property, any easements, rights-of-way, servitudes, permits, restrictions and minor imperfections or irregularities in title that do not individually or in the aggregate materially interfere with the right or ability to own, use, lease or operate the Real Property as presently utilized; and (vii) any Liens set forth in Schedule 1.1B, including those designated thereon to be released prior to or in connection with the Closing, such as with respect to Seller's senior loan.

"Person" means any person or entity, whether an individual, trustee, corporation, general partnership, limited partnership, trust, unincorporated organization, business association, firm, joint venture or Governmental Authority.

"Real Property" means all of the fee estates and buildings and other improvements thereon, leasehold interests, easements, rights to access, rights-of-way, and other real property interests which are used or held for use by Seller in the Business or operations of the Station, plus such additions thereto between the date hereof and the Closing Date, excluding any such estates or interests included in the Excluded Assets.

"Receivables" means all promissory notes or other similar obligations payable to Seller, and all accounts receivable and other receivables of Seller relating to or arising out of the operation of the Station prior to the Effective Date, excluding any receivables under the Station's Trade Agreements (which receivables are included in the Assets).

"Station Affiliation Agreement" means the Station Affiliation Agreement dated March 30, 2005, between Fox Broadcasting Company, Fox News Network, L.L.C., and Seller, together with any amendments and supplemental agreements related thereto.

"Taxes" means any taxes, charges, fees, levies or other assessments, including income, excise, use, transfer, payroll, occupancy, property, sales, franchise, unemployment and withholding taxes, and any penalties and interest thereon, imposed by the United States or any state, county or local government or subdivision or agency thereof.

"Trade Agreements" means all trade, barter and similar agreements for the sale or trade of advertising time on the Station for consideration other than cash; *provided* Trade Agreements shall exclude the Station's programming agreements for barter.

1.2 Terms Defined Elsewhere in this Agreement. In addition to (i) the defined terms in the preamble, recitals and Section 1.1 hereof, or (ii) certain defined terms used solely within a single section hereof, the following is a list of terms used in this Agreement and a reference to the section hereof in which such term is defined:

<u>Term</u>	<u>Section</u>
Adjustments	2.3(b)
Allocation	6.8
Assumed Liabilities	2.4
Auditor	2.3(d)
Broadcast Cash Flow	3.11
Buyer's Auditors	6.13
Buyer's Calculation	2.3(b)
Claimant	10.4
Claim Notice	10.4
Closing Cash Payment	2.2
Discovery Period	2.3(d)
Eligible Employees	6.3
Financial Statements	3.11
Indemnity Period	10.1
Indemnitor	10.4
Intermediary Assignment	2.5
Lien Searches	6.15
Limited Audit	6.13
Limited Audit Procedures	6.13
Losses	10.2
MVPDs	3.7
Non-Assumed Liabilities	2.4
Purchase Price	2.2
Retained Employees	6.3
TBA	6.10
Third-Party Claim	10.4
Title Commitments	6.14
Title Insurer	6.14
Transferred Employees	6.3

1.3 Clarifications. Words used in this Agreement, regardless of the gender and number specifically used, shall be deemed and construed to include any other gender and any other number as the context requires. As used in this Agreement, the word "including" is not limiting, and the word "or" is both conjunctive and disjunctive. Except as specifically otherwise provided in this Agreement in a particular instance, a reference to a section, schedule, or exhibit is a reference to a section of this Agreement or a schedule or exhibit hereto, and the terms "hereof," "herein," and other like terms refer to this Agreement as a whole, including the Schedules to this Agreement, and not solely to any particular part of this Agreement. The descriptive headings in this Agreement are inserted for convenience of reference only and are not intended to be part of or to affect the meaning or interpretation of this Agreement.

SECTION 2: PURCHASE OF ASSETS

2.1 Agreement to Sell and Buy. Subject to the terms and upon satisfaction of the conditions contained in this Agreement, at the Closing, Seller shall sell, convey, transfer, assign and deliver to Buyer all of Seller's right, title and interest in and to the Assets (other than the

Excluded Assets), and Buyer shall purchase, acquire and accept from Seller all of Seller's right, title and interest in and to the Assets, free and clear of all Liens other than Permitted Liens.

2.2 Purchase Price. The purchase price for the Assets shall be Nineteen Million Five Hundred Thousand Dollars (\$19,500,000), as adjusted preliminarily as of Closing and finalized subsequent to Closing pursuant to Section 2.3 (the "Purchase Price"). The preliminary determination of the Purchase Price that shall be payable to Seller on the Closing Date (the "Closing Cash Payment") shall be paid by Buyer and/or the Intermediary at the Closing by wire transfer of immediately available funds in U.S. dollars, to Seller or any designee thereof and to such accounts designated in writing by Seller.

(a) Concurrently with the execution and delivery of this Agreement, Buyer and Seller are executing the Escrow Agreement with the Escrow Agent, and Buyer is delivering the Escrow Deposit to the Escrow Agent, to be held thereby in accordance with the terms of the Escrow Agreement.

(b) At the Closing, Buyer and Seller shall instruct the Escrow Agent to deliver or disburse the Escrow Deposit (and any interest and income earned thereon) to Buyer, and Buyer and Seller shall execute the Indemnity Agreement with the Escrow Agent, and Seller shall deliver the Indemnity Fund to the Escrow Agent, to be held thereby in accordance with the terms of the Indemnity Agreement.

2.3 Adjustments and Prorations.

(a) Subject to the terms of the TBA and the terms of this Agreement, all revenues and all expenses arising from the Business prior to the Adjustment Time, including tower rental, business and license fees, utility charges, real and personal property Taxes and assessments levied against the Assets, property and equipment rentals, applicable copyright or other fees (including program license payments), sales and service charges, Taxes (except for Taxes arising from the transfer of the Assets hereunder), annual regulatory fees, amounts owing in respect of unlicensed software, music license fees and similar prepaid and deferred items, shall be prorated between Seller and Buyer in accordance with GAAP and the general principle that subject to the terms of the TBA, Seller shall receive the benefit of all revenues, and be responsible for all costs and expenses, allocable to the Station for the period prior to the Adjustment Time, and Buyer shall receive the benefit of all revenues, and be responsible for all costs and expenses, allocable to the Station on or after the Adjustment Time; *subject, however*, to the following, in addition to the terms of the TBA:

(1) An adjustment and proration shall be made in favor of Buyer or Seller, as applicable, for the amount, if any, by which the fair market value of the goods or services to be received by the Station under its Trade Agreements as of the Adjustment Time exceeds, or is less than, the value of any advertising time remaining to be run by the Station as of the Adjustment Time.

(2) There shall be no proration for program barter.

(3) Seller shall be entitled to all revenue and bear all expenses and Liabilities related to the Excluded Assets, and no adjustment or proration shall be made for Non-

Assumed Liabilities, including vacation time, sick-leave, other employee fringe benefits of Transferred Employees accrued prior to the Adjustment Time, or for closing bonuses for the Transferred Employees which may be paid by Seller upon the consummation of the Closing.

(4) Account payments due under the programming Contracts (excluding the Station's programming agreements for barter) shall be adjusted and prorated as expressly set forth in this subsection (4). Subject to the TBA, Seller shall be responsible for all film or programming license fees due and payable prior to the Adjustment Time, and Buyer shall be responsible for all such fees after the Adjustment Time. Deposits for programming Contracts, if any, shall be fully credited to Seller, *provided* that such credit will be reduced on a pro-rated basis based on the length of the term that the film or program was available to be aired on the Station prior to the Adjustment Time and the total length of the term that the film or program is available to air on the Station after the Adjustment Time.

(5) Any and all rebates which, under any Contracts are in effect as of the Adjustment Time, may be payable after such date to any advertiser or other user of the Station's facilities, based in part on business, advertising or services prior to the Adjustment Time, shall be borne by Seller and Buyer ratably in proportion to revenues received or volume of business done by each during the applicable period. Any and all agency commissions which are subject to adjustment after the Adjustment Time based on revenue, volume of business done or services rendered in part before the Adjustment Time and in part after the Adjustment Time shall be shared by Seller, on the one hand, and Buyer, on the other hand, ratably in proportion to the revenue, volume of business done or services rendered, as the case may be, by each during the applicable period.

(6) An adjustment shall be made in favor of Seller in the aggregate amount of any Capital Expenditures for which Seller shall not have already been reimbursed in accordance with the terms of the TBA.

(b) Net settlement of the adjustments contemplated under this Section 2.3 shall be made at the Closing by increasing or decreasing the Purchase Price appropriately, if feasible based on Seller's and Buyer's good faith estimates. For items not readily ascertainable at the Closing, the following procedures shall apply. Buyer shall prepare and submit to Seller, not later than thirty (30) days following the Closing its written good faith estimate of any additional adjustments and prorations set forth in subsection (a) above (the "Adjustments") in accordance with this Section 2.3, along with Buyer's estimate of the Purchase Price resulting from the Adjustments ("Buyer's Calculation"), including all supporting documentation and the calculation of any amounts. After delivery of Buyer's Calculation to Seller, Seller may furnish Buyer, within thirty (30) days following delivery of Buyer's Calculation, with written notification of any disputes Seller has with Buyer's determination of the Purchase Price in Buyer's Calculation, and Buyer and Seller shall in good faith attempt to resolve any disputes between them with respect to the determination of the Purchase Price.

(c) Except as provided in Section 2.3(d), a final settlement of all Adjustments made under this Section, with payment being made by the appropriate Party by wire transfer of immediately available funds in U.S. dollars, to an account designated by the Party entitled to receive such payment, shall occur no later than sixty (60) days after the Closing Date. Buyer

shall provide Seller with any documentation reasonably requested by Seller to determine the appropriateness of any Adjustment claimed by either Party.

(d) In the event that the Parties cannot agree on the amount of the final Adjustments, the determination shall be made by a mutually agreed to national or regional accounting firm (the "Auditor"). The Auditor shall make the determination based on GAAP in effect at the Adjustment Time. Either Party may invoke the use of the Auditor by notifying the other Party in writing, *provided* that neither Party may invoke the use of the Auditor to determine the final Adjustments earlier than sixty (60) days after the Closing Date. In the event that either Party invokes the use of the Auditor, there shall be a thirty (30) day period (the "Discovery Period") when the Parties may request of and shall provide to each other in writing or computer format where appropriate any documentation or records in the possession of the other Party that are related to a claim or defense to be made to the Auditor. Fifteen (15) Business Days after the expiration of the Discovery Period, the Parties shall have the opportunity to present their claims and supporting documentation to the Auditor. The Auditor shall be required to render a decision within fifteen (15) Business Days after each Party shall have presented (or have foregone the opportunity to present) its claims and supporting documentation to the Auditor. Absent manifest error, the decision of the Auditor shall be final and binding on the Parties and shall not be subject to any judicial challenge by either Party. Within five (5) Business Days after the Auditor provides the determination to the Parties, payment in accordance with that determination shall be made by the appropriate Party by wire transfer of immediately available funds in U.S. dollars, to an account designated by the Party entitled to receive such payment. The expenses of the Auditor shall be paid by the Party which, based on the Auditor's resolution of the disputed item(s), is not the substantially prevailing Party. If the amount in good faith dispute is equal to or less than Five Thousand Dollars (\$5,000), then the dispute shall not be submitted to the Auditor, and such amount shall be divided equally between Buyer, on one hand, and Seller, on the other hand.

2.4 Assumed Liabilities. At and after the Closing, Buyer shall assume and timely (i) pay, discharge and perform all Liabilities arising out of or relating to Buyer's ownership of the Assets or operation of the Station on or after the Closing Date, including all Liabilities attributable to periods on or after the Closing Date under or with respect to the Licenses and the Contracts, and (ii) pay any and all amounts owed by Seller to suppliers, advertisers and other customers of the Business for any advance payments or deposits for which Buyer received an adjustment to the Purchase Price as part of the Adjustments (collectively, the "Assumed Liabilities"). All Liabilities not expressly assumed by Buyer hereunder are collectively referred to herein as "Non-Assumed Liabilities" and shall remain and be the obligations and Liabilities solely of Seller. The foregoing provisions of this Section 2.4 shall be subject to the terms of the TBA with respect to the payment, discharge and performance of all Liabilities that arise with respect to the operation of the Station during the period between the Adjustment Time and the Closing Date.

2.5 Exchange Agreement. Seller acknowledges that Buyer intends to effect a like-kind exchange under Section 1031 of the Code and the regulations promulgated thereunder with respect to a portion of the Assets to be transferred to Buyer in accordance with the terms of this Agreement. Buyer and the Recipient have executed the Disposition Agreement, and subsequent to the date hereof Buyer and Intermediary shall execute the Exchange Agreement. Subject to the

execution of such Exchange Agreement, prior to Closing Buyer shall assign to Intermediary, and the Intermediary shall assume, certain rights and obligations under this Agreement and under the Disposition Agreement in accordance with the terms of a written assignment and assumption agreement between Buyer and the Intermediary (the "Intermediary Assignment"). Anything in this Agreement to the contrary notwithstanding, no assignment permitted or consented to under this Agreement shall act as a novation and the assigning party shall not be released from, and shall remain fully liable for, all of its obligations and Liabilities under this Agreement.

(a) Intermediary Assignment prior to Closing. The Intermediary Assignment shall (i) provide that, subject to and upon the consummation of the Disposition Agreement, the Intermediary shall have the right to receive all or a part of the purchase price paid by the Recipient, such purchase price to comprise a portion of the Purchase Price, and the obligation to pay such purchase price to Seller upon the consummation of this Agreement, and (ii) include such other terms as shall be necessary to effect a like-kind exchange through use of a "qualified intermediary" under Code Section 1031.

(b) Closing Deliveries. Subject to such assignment, at Closing Seller shall transfer the Assets to Buyer as the designee of the Intermediary and deliver to Buyer the closing deliveries provided for in Section 9.2 hereof, and Buyer shall deliver to Seller the closing deliveries provided for in Sections 9.3 (b) through (f) hereof.

(c) Assignment of Rights following Closing. Subject to such assignment, immediately following Closing, the Intermediary shall assign to Buyer, and Buyer shall assume, any rights or obligations hereunder relating to the post-Closing period, to the extent that such rights or obligations shall have been assigned by Buyer to the Intermediary under the terms of the Intermediary Assignment.

SECTION 3: REPRESENTATIONS AND WARRANTIES OF SELLER

Seller hereby represents and warrants to Buyer as follows:

3.1 Organization and Authority. Seller is a corporation duly incorporated, validly existing and in good standing under the laws of South Carolina. Seller has all requisite corporate power and authority, (i) to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby, and (ii) to own, lease and operate its assets and to carry on the Business as now being conducted.

3.2 Authorization and Binding Obligations. The execution, delivery and performance of this Agreement by Seller have been duly and validly authorized by all necessary corporate action. This Agreement has been duly executed and delivered by Seller and constitutes a valid and binding agreement of Seller enforceable against it in accordance with its terms, except as its enforceability may be limited by Enforceability Exceptions.

3.3 No Contravention; Consents. Subject to obtaining the FCC Consent and the other Consents set forth in Schedule 3.3, the execution, delivery and performance of this Agreement, the consummation of the transactions contemplated hereby and the compliance with the provisions hereof by Seller will not (i) violate any provisions of the organizational documents of Seller, (ii) result in the breach of, constitute a default under, or result in the creation of any Lien

upon any of the Assets under the provisions of, any Contract to be assumed by Buyer hereunder, or (iii) violate any Legal Requirements applicable to Seller. Except for the Consents set forth in Schedule 3.3, no consent, approval, or authorization of any Governmental Authority or, with respect to any Contract to be assumed by Buyer, other Person is required by Seller in connection with the execution, delivery and performance of this Agreement by Seller or the consummation by Seller of the transactions contemplated hereby.

3.4 Title to Assets. Seller has good and marketable fee simple title to all fee estates included in the Real Property, and good title or a valid leasehold interest in and to all of the other Assets, free and clear in each case of any Liens except for Permitted Liens. With the exception of the Excluded Assets, the Assets include all of the assets, properties and rights of every type and description, real, personal and mixed, tangible and intangible, that are used or held for use in, or useful for, the conduct of the business of owning and operating the Station in the manner in which such Business has been and is now conducted.

3.5 Real Property. Schedule 3.5 contains a complete and accurate description of all Real Property, including with respect to each parcel, the street address (if applicable), the legal description of owned Real Property, the landlord of Real Property leased to Seller and a description of Seller's use thereof, the tenant of Real Property leased by Seller to another Person and a description of such other Person's use thereof, and a description of any deposits, bonds or other security required by or of Seller or other Person. Except as described on Schedule 3.5, Seller has good and marketable fee simple title to all fee estates included in the Real Property and good title to all other Real Property interests, in each case free and clear of all Liens except for Permitted Liens. Each Real Property lease is in full force and effect, and Seller has complied in all material respects with all commitments and obligations on its part to be performed or observed under each Real Property lease. No event or condition has occurred or presently exists which constitutes a material default by Seller under the terms of any of the Real Property leases. Seller has all reasonably necessary legal and practical access to all of the Real Property. All towers, guy anchors, and buildings and other improvements included in the Assets are located entirely on the Real Property listed on Schedule 3.5. All Real Property (including the improvements thereon) (i) is in good condition and repair consistent with its present use (ordinary wear and tear excepted) as of the date hereof and the Effective Date, (ii) is available for immediate use in the conduct of the Business and operations of the Station, and (iii) complies in all material respects with all applicable zoning and land use laws of any Governmental Authority having jurisdiction, except to the extent that the current use by Seller, while permitted, constitutes or would constitute a "nonconforming use" or "nonconforming structure" under current zoning or land use regulations.

3.6 Equipment. Schedule 3.6 contains an accurate and complete list of all material items of Equipment owned or leased by Seller, with any such leased Equipment designated thereon by Equipment Lease. Seller has good title to all of its owned Equipment, free and clear of all Liens except for Permitted Liens. Except as specified on Schedule 3.6, as of the date hereof and the Effective Date, each item of Equipment currently used in the operations of the Station is in good operating condition and repair (normal wear and tear excepted), and is available for use, and adequate for its current use, in the conduct of the Business or the operation of the Station. The list of Equipment on Schedule 3.6 includes Seller's broadcasting equipment supplies and spare parts individually having a book value in excess of \$500, as of the date set

forth on such schedule, which has been prepared from Seller's books and records maintained in the ordinary course of business. Seller's inventories of supplies and spare parts for the Station are at levels at least equal to Seller's usual and customary levels.

3.7 Licenses. Schedule 3.7 contains a list of all FCC Licenses and other material Licenses issued to Seller with respect to the Business or the operations of the Station. All FCC Licenses and other Licenses issued to Seller are validly issued in the name of Seller and are in full force and effect. Except as set forth on Schedule 3.7, (i) Seller's main FCC Licenses for its analog and digital broadcast operations are not subject to any conditions that would require operation of the Station in a manner different than its current operations, (ii) Seller's other Licenses are not subject to any conditions that would require operation of the Station in a manner materially different than its current operations, (iii) Seller has complied in all material respects with all the terms of the Licenses, and (iv) there are no pending applications filed by Seller seeking to modify any License, no pending revocations of any License, and no notices received by Seller, or to Seller's knowledge ongoing or threatened investigations or disputes, with respect to Seller's compliance therewith. Except as set forth on Schedule 3.7, Seller has elected must-carry or retransmission consent for carriage of the analog signal of the Station on all cable and DBS systems for which the analog signal of the Station is eligible for must-carry ("MVPDs") and has either entered into retransmission consent agreements or the status of any related negotiations is described on Schedule 3.7 as of the date hereof. Schedule 3.7 lists any retransmission consent agreements entered into by Seller for cable system carriage of the digital signal of the Station. Except as set forth on Schedule 3.7, no MVPD has (i) advised Seller of any signal quality or copyright indemnity or other obstacle to carriage of the analog signal of the Station, (ii) declined such carriage or sought any form of relief from carriage from the FCC, or (iii) obtained or, to Seller's knowledge, sought a modification to the geographic area in which the Station is eligible for must-carry or retransmission consent rights under FCC Requirements.

3.8 Contracts. Schedule 3.8 contains a list of all Contracts except (i) Contracts with advertisers for the sale of advertising time on the Station in the ordinary course of business for cash at rates consistent with past practices and that may be canceled by Seller without penalty on not more than ninety days' notice, (ii) oral employment agreements terminable at will, (iii) miscellaneous Contracts entered into in the ordinary course of business that may be canceled without breach, fee, payment or penalty on thirty (30) days' or less notice, and (iv) Contracts included in the Excluded Assets. Schedule 3.8 includes a list of any deposits, bonds or other security required by or of Seller or other Person pursuant to the terms of Seller's Contracts. Other than Contracts included in the Excluded Assets, Seller has delivered to Buyer true and complete copies of all written Contracts listed on Schedule 3.8, true and complete descriptions of the material terms of all oral Contracts (including any amendments and other modifications to such Contracts) listed on Schedule 3.8, and a schedule summarizing Seller's financial obligations to provide commercial airtime (as of the date set forth on such schedule) under its Trade Agreements which are in effect on the date of this Agreement. Each Contract set forth on Schedule 3.8 is in full force and effect in all material respects. Except as set forth on Schedule 3.3, no Contract requires the Consent of any other contracting party to the transactions contemplated by this Agreement. Except as set forth on Schedule 3.8, Seller is not (and, to Seller's knowledge, no other party is) in material breach or default under, any material Contract.

3.9 Intellectual Property. Schedule 3.9 contains a description of the material items of Intellectual Property, which are valid and in full force and effect and uncontested except as disclosed on Schedule 3.9. Seller is not aware (i) that it is infringing upon or otherwise acting adversely to any trademarks, trade names, copyrights or similar intellectual property rights owned by any other Person, or (ii) that any other Person is infringing in any material respect upon or otherwise acting adversely to Seller's rights with respect to its Intellectual Property.

3.10 Personnel Matters.

(a) Employees. Schedule 3.10 contains a list of all Employees as of the date set forth therein, together with each such Employee's position as of the date thereof. Seller has delivered to Buyer an accurate schedule showing each such Employee's annual salary or hourly rate, as applicable, as of the date of such schedule. Seller has complied in all material respects with all Legal Requirements relating to the employment of labor.

(b) Employee Plans and Compensation Arrangements. Schedule 3.10 contains a list of all Employee Plans and Compensation Arrangements that cover any Employees. Except as described in Schedule 3.10, Seller has no written or oral contracts of employment with any employee of the Station other than oral employment agreements terminable at will without penalty. Seller is not required to and has not, within the past six years, been required to contribute to any "multiemployer plan," as defined in ERISA Section 3(37), nor has Seller withdrawn from such a "multiemployer plan." Except as required under Code Section 4980B or ERISA Sections 601-609, no Employee Plan provides health or medical coverage to former employees of Seller. Seller has furnished or made available to Buyer true and complete copies of all Employee Plans, all Compensation Arrangements listed in Schedule 3.10 and all employee handbooks and written employee rules and regulations, if any.

(c) Qualified Plans. With respect to each Employee Plan, (i) such Employee Plan that is intended to be tax-qualified, and each amendment thereto, is the subject of a favorable determination letter or it is in a prototype or volume submitter plan document whose language has been pre-approved by the Internal Revenue Service except as described in Schedule 3.10, and no Employee Plan amendment that is not the subject of a favorable determination letter would affect the validity of such Employee Plan's letter or pre-approval of the volume submitter or prototype plan by the Internal Revenue Service; (ii) no material liability to the Pension Benefit Guaranty Corporation has been or is expected by Seller to be incurred with respect to any Employee Plan; (iii) no Employee Plan is or has been, within the past six years, subject to Title IV of ERISA; (iv) no prohibited transaction, within the definition of section 4975 of the Code or Title I, Part 4 of ERISA, has occurred which would subject Seller to any material liability.

(d) Labor Unions. Seller is not a party to any collective bargaining agreement. To Seller's knowledge, (i) none of the Employees is presently a member of any collective bargaining unit related to his or her employment, and (ii) no collective bargaining unit has filed a petition for representation of any of the Employees. Except as described in Schedule 3.10 with respect to the Employees, there are no strikes, pickets, organized slowdowns, work stoppages, grievance proceedings, union organization efforts or other labor controversies pending or, to the knowledge of Seller, threatened between Seller and any Employee.

3.11 Financial Information. Seller has furnished Buyer with true and complete copies of the following financial statements (collectively, the "Financial Statements"): (i) audited financial statements of Seller containing a balance sheet, statement of income, and statement of cash flows as at the end of and for calendar years 2002 - 2004; and (ii) an unaudited balance sheet and income statement as at and for the ten-month period ended October 31, 2005, which are set forth in Schedule 3.11 hereto. The Financial Statements have been prepared in accordance with GAAP applied on a consistent basis throughout the periods covered except as otherwise stated therein, present fairly in all material respects the financial condition of Seller as at their respective dates and the results of operations for the calendar years or interim period then ended (except that the unaudited Financial Statements lack footnotes and other presentation items required under GAAP and are subject to year-end adjustments), and are consistent with the books and records of Seller and the Station, which books and records are correct and complete in all material respects. Set forth in Schedule 3.11 is Seller's good faith determination, as of the date hereof, of "Broadcast Cash Flow," as such term is defined therein, for the Business for the ten-month period ended October 31, 2005.

3.12 Taxes. Seller has filed, or caused to be filed, with the appropriate Governmental Authority, all required Tax returns, and Seller has paid, caused to be paid or accrued all Taxes shown to be due and payable or claimed to be due and payable thereon, except where the failure to file such returns or pay or accrue such Taxes could not reasonably be expected to result in a Lien on the Assets or in the imposition of transferee liability on Buyer for the payment of such Taxes. Seller has no Liability for any Taxes due and owing (other than in connection with applicable Permitted Liens and taken into account in the Adjustments), the liability for which could extend to Buyer as transferee of the Assets or as operator of the Station following the Closing, and there are no proceedings pending pursuant to which Seller is or could reasonably be expected to be made liable for any Taxes, the liability for which could extend to Buyer as transferee of the Assets or as operator of the Station following the Closing.

3.13 Claims and Litigation. Except as set forth on Schedule 3.13, there are no Actions pending or, to Seller's knowledge, threatened by or against Seller relating to the Assets, the Business or the transactions contemplated by this Agreement. Except as set forth on Schedule 3.13, there is (i) to Seller's knowledge, no complaint before the FCC as a result of which an investigation, notice of apparent liability or order of forfeiture may be issued from the FCC relating to the Station, (ii) no FCC notice of apparent liability or order of forfeiture pending or outstanding against Seller or the Station, and (iii) to Seller's knowledge, no investigation by the FCC with respect to any violation or alleged violation of any FCC Requirements by Seller.

3.14 Compliance with Laws. Seller is in compliance in all material respects with all applicable Legal Requirements and terms of all Licenses relating to the Station, the Business and the Assets.

3.15 Environmental Matters. Except as described on Schedule 3.15 hereto, (i) Seller has not handled nor permitted the handling of any Hazardous Substances at, on or from any Real Property that would subject any owner or operator of such Real Property to liability for cleanup, removal or some other remedial action under any Environmental Laws, (ii) Seller has not caused the presence of Hazardous Substances, underground tanks, PCBs or asbestos-containing materials on any Real Property, and (iii) to Seller's knowledge, no Hazardous Substances,

underground tanks, PCBs or asbestos-containing materials are present on any Real Property. Except as described on Schedule 3.15 hereto, neither Seller nor any Person acting on behalf of Seller has released any other Person from any claims Seller might have, or have had, for any matter relating to the presence or Handling of Hazardous Substances on any Real Property. No Liens have been imposed on any of the Assets under any Environmental Laws. Seller has obtained all material permits, licenses, registrations and other approvals and has filed all material reports and notifications required under any Environmental Laws in connection with the Assets, and is in compliance in all material respects with all applicable Environmental Laws. Except as described on Schedule 3.15 hereto, Seller has not received any notice of or, to Seller's knowledge, is not the subject of, any Action by any person alleging liability under or noncompliance with any Environmental Law.

3.16 Conduct of Business in Ordinary Course. Between January 1, 2005, and the date hereof, Seller has conducted the business and operations of the Station in the ordinary and usual course consistent with past practice in all material respects, and has not (i) made any material increase in compensation payable or to become payable to any of the Employees outside of usual and customary pay increases in the ordinary course of business, or made any material change in personnel policies, insurance benefits or other Compensation Arrangements affecting the Employees outside the ordinary course of business, (ii) made any sale, assignment, lease or other transfer of any of Seller's properties other than (A) Excluded Assets, (B) obsolete or worn-out assets no longer necessary, used or held for use in the operation of the Station, (C) other assets sold or disposed of in the normal course of business with suitable replacements being obtained therefor or (D) inventory sold in the ordinary course of business, (iii) suffered any material damage or destruction (whether or not covered by insurance) to any of its material assets, which assets have not been repaired or replaced, or (iv) experienced any Material Adverse Effect.

3.17 Insurance. Seller's insurance policies on the Assets (i) provide replacement cost coverage of the tangible Assets, subject to a deductible, (ii) are in full force and effect, and (iii) insure the Assets and the Business against all risks customarily insured against within the broadcasting industry.

3.18 Brokers. Except for Patrick Communications, for whose fees or commission it shall be responsible, Seller has not engaged any agent, broker or other Person acting pursuant to the express or implied authority of Seller which is or may be entitled to a commission or broker or finder's fee in connection with the transactions contemplated by this Agreement or otherwise with respect to the sale of the Assets or the Business.

3.19 Disclosure. No representation or warranty made by Seller in this Agreement contains any untrue statement of a material fact or knowingly omits or fails to state any material fact or information necessary to make such representation or warranty not materially misleading.

SECTION 4: REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer hereby represents and warrants to Seller as follows:

4.1 Organization and Authority. SITC is a corporation, duly organized, validly existing and in good standing under the laws of Illinois and as of Closing shall be qualified to do

business in South Carolina; SBP is a general partnership duly organized and validly existing under the laws of Illinois and as of Closing shall, if required by applicable Legal Requirements, be qualified to do business in South Carolina. SITC has all requisite corporate power and authority, and SBP has all requisite partnership power and authority to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby.

4.2 Authorization and Binding Obligations. The execution, delivery and performance of this Agreement by Buyer have been duly and validly authorized by all necessary corporate or partnership action, as the case may be. This Agreement has been duly executed and delivered by Buyer and constitutes a valid and binding agreement of Buyer, enforceable against Buyer in accordance with its terms, except as its enforceability may be limited by Enforceability Exceptions.

4.3 No Contravention; Consents. Buyer's execution, delivery and performance of this Agreement, consummation of the transactions contemplated hereby and compliance with the provisions hereof will not (i) violate any provisions of the organizational documents of Buyer, (ii) subject to obtaining the FCC Consent and any other Consents of Government Authorities, violate any Legal Requirements applicable to Buyer, or (iii) require the consent of any Person under, or violate, or be in conflict with, or constitute a default under, any contract or agreement to which Buyer is a party, such that Buyer cannot perform its obligations hereunder. Except for the Consents set forth in Schedule 3.3, no consent, approval, license or authorization of any Governmental Authority or other Person is required by Buyer in connection with the execution, delivery and performance of this Agreement by Buyer or the consummation by Buyer of the transactions contemplated hereby.

4.4 Compliance with Law. There are no violations by Buyer of any applicable Legal Requirements relating to any business of Buyer that would reasonably be expected to interfere in any material respect with Buyer's ability to consummate the transactions contemplated by this Agreement.

4.5 Qualifications. To Buyer's knowledge, Buyer is legally, technically, financially and otherwise qualified to be, and is not taking and has not taken any action that would reasonably be expected to disqualify it from being, the holder of the FCC Licenses and the owner or operator of the Station under applicable FCC Requirements and other applicable Legal Requirements.

4.6 Claims and Litigation. There are no Actions pending, or to Buyer's knowledge, threatened by or against Buyer that, individually or in the aggregate, could reasonably be expected to interfere in any material respect with Buyer's ability to consummate the transactions contemplated by this Agreement.

4.7 Availability of Funds. Buyer shall have available at Closing the necessary funds to enable it to pay the Purchase Price and to consummate the transactions contemplated hereby.

4.8 Brokers. Buyer has not engaged any agent, broker or other Person acting pursuant to the express or implied authority of Buyer which is or may be entitled to a

commission or broker or finder's fee in connection with the transactions contemplated by this Agreement or otherwise with respect to the sale of the Assets or the Business.

4.9 Disclosure. No representation or warranty made by Buyer in this Agreement contains any untrue statement of a material fact or knowingly omits or fails to state, any material fact or information necessary to make such representation or warranty not materially misleading.

SECTION 5: PRE-CLOSING COVENANTS OF THE PARTIES

5.1 Covenants of Seller. Seller covenants and agrees from and after the execution and delivery of this Agreement to and including the Closing Date as follows; *provided, however*, that each of such covenants or agreements are subject to (i) the terms of any prior written consents that may be given by Buyer with respect thereto, and (ii) the terms of the TBA, including any modifications or exceptions set forth therein:

(a) Commercially Reasonable Efforts. Seller shall use its commercially reasonable efforts to cause the transactions contemplated by this Agreement to be consummated in accordance with the terms hereof, and, without limiting the generality of the foregoing, use its commercially reasonable efforts to obtain all necessary Consents required in connection with this Agreement and the transactions contemplated hereby, including the FCC Consent, and any required Consents of any other Governmental Authorities with lawful jurisdiction over Seller. Seller shall make all filings with and give all notices to third parties that may be reasonably necessary of Seller in order to consummate the transactions contemplated hereby. Except as expressly provided by this Agreement, Seller shall not be required to make any payments to Persons or parties to the Contracts in order to obtain their Consents, except that Seller shall pay any administrative or application fees customarily payable to such Persons or parties in connection with requests for their Consent, any costs or fees (including reimbursement of legal fees) expressly required by the terms of any such Contract for the assignment thereof as contemplated herein, and any amounts necessary to cure any breaches or defaults by Seller that must be cured as a condition to obtaining such Consent. Seller will reasonably cooperate with Buyer in its efforts to obtain title insurance commitments and surveys relating to the Real Property. Seller shall not be required to make any expenditures or incur any costs in connection with the like-kind exchange described in Section 2.5.

(b) No Control. Notwithstanding any provision of this Agreement to the contrary, pending the Closing, Seller shall maintain actual (*de facto*) and legal (*de jure*) control over the FCC Licenses and the Station; *provided, however*, that Buyer and Seller acknowledge that Buyer will be performing certain duties and obligations with respect to the Station pursuant to the terms of the TBA. Subject to the terms of the TBA, the responsibility for the operation of the Business and the Station shall, pending the Closing, reside with Seller, including responsibility for the following matters: access to and use of the facilities of and equipment owned by Seller; selection of programming for broadcast by the Station; control of the daily operation of the Station; creation and implementation of policy decisions; employment and supervision of Employees; payment of financing obligations and expenses incurred in the operation of the Station prior to the Closing; receipt and distribution of moneys and profits derived from the operation of the Station; and execution and approval of all contracts and applications prepared and filed before the FCC or any other Governmental Authority.

(c) Access. Subject to Section 6.14, Seller shall give Buyer and its agents reasonable access upon reasonable advance notice, during normal business hours to all of Seller's personnel, premises, properties, assets, financial statements and records, books, contracts, documents and commitments of or relating to the Station that are in Seller's possession or control, and shall furnish Buyer with all such information concerning the affairs of the Station as Buyer reasonably may request. This shall specifically include access to billing, customer service and maintenance personnel and records. Notwithstanding the foregoing, except to the extent available to Buyer after the Effective Date pursuant to the TBA, all of Buyer's inquiries and/or requests for any such information shall be made directly to Everett or Gorman, who shall obtain the information and transmit the same to Buyer. Prior to the Effective Date, any conversations between Buyer and any representative or employee of the Station other than Everett or Gorman shall be arranged by either Everett or Gorman, and Everett, Gorman or another representative of Seller designated by either Everett or Gorman shall participate in all conversations or meetings between Buyer and any representative or employee of the Station unless Everett or Gorman shall otherwise consent. Buyer's access under this Section 5.1(c) shall be exercised in a manner as to not unreasonably interfere with the Business, and Seller shall cause Everett and Gorman to make themselves reasonably available during normal business hours to facilitate such access by Buyer.

(d) Ordinary Course. Seller shall maintain its financial Books and Records in accordance with sound financial accounting practices in the usual manner on a basis consistent with prior years. During the period prior to the Effective Date, Seller shall use its commercially reasonable efforts to operate the Station and preserve and maintain the Assets in the ordinary course of business consistent with past practice, to keep its organization intact, to preserve the Business, and to preserve the goodwill of suppliers, customers, Governmental Authorities and others dealing with Seller.

(e) Insurance. Seller maintain insurance on the Assets of the type described in Section 3.17.

(f) Compliance with Laws. Seller shall use its commercially reasonable efforts to comply in all material respects with all Legal Requirements and the FCC Licenses.

(g) Contracts and Liens. Seller shall use its commercially reasonable efforts (i) not to default or breach in any material respect any term or provision of, or suffer or permit to exist any condition or event that, after notice or lapse of time, or both, would constitute a material default under, any material Contract of Seller, (ii) not to cause or to intentionally permit the termination (except upon the expiration thereof in accordance with its terms), modification or amendment of any material Contract of Seller, and (iii) not to create, assume, consent to or suffer to exist any Lien on any of its Assets (other than Permitted Liens). Unless Buyer shall have given its prior written consent, which consent shall not be unreasonably withheld or delayed, Seller shall not enter into any new Contract or incur any obligation (including obligations arising from the amendment of any existing Contract) that will be binding on Buyer after the Closing, except for (x) film and programming agreements made in the ordinary course of business consistent with Seller's past practice, or (y) other Contracts (excluding film and programming Contracts) entered into in the ordinary course of business consistent with Seller's past practices that do not involve consideration under any one Contract in excess of Twenty-Five Thousand

Dollars (\$25,000), and in the aggregate under all such Contracts, in excess of One Hundred Thousand Dollars (\$100,000), in each case measured as of Closing (with in determining such consideration, Seller's termination rights under each such Contracts being taken into consideration, together with any penalties or fees payable upon exercise of such termination rights).

(h) Disposition of Assets. Except pursuant to this Agreement or in the ordinary course of business consistent with past practice, Seller shall not sell, transfer, assign, convey or otherwise dispose of or distribute, or lease to other Persons, any material Assets other than (i) Excluded Assets, (ii) obsolete or worn-out assets no longer used or held for use in the operation of the Station, (iii) other assets sold or disposed of in the normal course of business with suitable replacements being obtained therefor or (iv) inventory sold in the ordinary course of business.

(i) FCC Licenses and Digital Authorizations. Seller shall make all filings and take all actions reasonably necessary or appropriate to maintain the FCC Licenses, including the Station's digital authorizations, in full force and effect, including filing and taking all actions reasonably necessary or appropriate to prosecute timely requests for extensions of such digital authorizations. Seller shall cooperate with Buyer in taking all steps reasonably necessary, including the preparation and filing of FCC applications, to meet FCC deadlines and requirements regarding the build-out of DTV facilities for the Station.

5.2 Covenants of Buyer. Buyer covenants and agrees that from and after the execution and delivery of this Agreement to and including the Closing Date as follows:

(a) Commercially Reasonable Efforts. Buyer shall use its commercially reasonable efforts to cause the transactions contemplated by this Agreement to be consummated in accordance with the terms hereof, and, without limiting the generality of the foregoing, use its commercially reasonable efforts to obtain all necessary Consents and other authorizations required in connection with this Agreement and the transactions contemplated hereby, including the FCC Consent, and any required consent of any other Governmental Authorities. Buyer shall make all filings with and give all notices to third parties that may be necessary or reasonably required by Buyer in order to consummate the transactions contemplated hereby. Buyer shall cooperate with Seller and use all commercially reasonable efforts to assist Seller in obtaining all necessary Consents, including the execution by Buyer of such assumption instruments and other documents as may be reasonably required in connection with obtaining the Consents and that are reasonably acceptable to Buyer, *provided* Buyer shall not be required to make any payments to Persons or parties to the Contracts in order to obtain their Consents except as expressly provided herein.

(b) No Control. Notwithstanding any provision of this Agreement to the contrary, pending the Closing, Buyer shall do nothing to interfere with Seller's actual (*de facto*) and legal (*de jure*) control over the Station. Specifically, Buyer acknowledges and agrees that the responsibility for the operation of Seller and the Station shall, pending the Closing, reside with Seller, including responsibility for the following matters: access to and use of the facilities of and equipment owned by Seller; selection of programming for broadcast by the Station; control of the daily operation of the Station; creation and implementation of policy decisions;

employment and supervision of Employees; payment of financing obligations and expenses incurred in the operation of the Station prior to the Closing; receipt and distribution of moneys and profits derived from the operation of the Station; and execution and approval of all contracts and applications prepared and filed before the FCC or any other Governmental Authority.

(c) No Inconsistent Agreements. Buyer shall not purchase or agree to purchase any television station or licenses or enter into any other agreement or transaction that would prohibit or materially interfere with or materially delay the transactions contemplated hereby.

SECTION 6: JOINT COVENANTS

6.1 Consultations regarding Consents of Governmental Authorities. The Parties shall consult with one another as to the approach to be taken with any Governmental Authority with respect to obtaining any necessary Consent of such Governmental Authority to the transactions contemplated hereby, and each Party shall keep the other Party reasonably informed as to the status of any communications by it with any Governmental Authority. No Party hereto shall make any material commitments relating to any Consent of any Governmental Authority that would alter in any material way any application or request filed jointly by the Parties with respect to the transactions contemplated hereby without the other Party's prior written consent.

6.2 Joint Filings. Seller and Buyer shall cooperate in the preparation of the Assignment Application to be filed by Seller with the FCC no later than ten (10) Business Days following the date hereof, and with any other applicable Governmental Authority as soon as practicable following the date hereof, requesting the approval of the assignment and transfer of the Licenses (as appropriate) and the other Assets and the Business to Buyer. Each of the Parties hereto shall diligently take or cooperate in the taking of all steps that are reasonably necessary or appropriate to expedite the prosecution and favorable consideration of such applications, including the filing of all appropriate or necessary supplemental filings and amendments and vigorously contesting and opposing any petitions, objections, challenges or requests for reconsideration thereof. Each Party will promptly provide the other Party with true and complete copies of all pleadings, orders, filings or other documents served on them related to the Assignment Application or the FCC Consent. The Parties shall undertake all actions and file such materials as shall be reasonably necessary or required to obtain any necessary waivers or other authority in connection with the foregoing applications. If the Closing shall not have occurred for any reason within the original effective period of the FCC Consent and this Agreement shall not have been terminated by Buyer or Seller pursuant to Section 11, then the Parties hereto shall jointly request an extension (or extensions, as necessary) of the effective period of the FCC Consent.

6.3 Employee Matters.

(a) Buyer may, but shall have no obligation to, offer employment to and hire (to the extent employees accept employment) all Employees as of the Adjustment Time, other than the individuals listed on Schedule 6.3 to be retained by Seller (the "Retained Employees"), at the same salary or applicable hourly rate in effect as of the Adjustment Time and upon such other terms and conditions of employment as are applicable to similarly situated employees of

the Buyer. No later than 3:00 p.m. of the day after Buyer's meetings with Employees during its visit to the Station prior to the Effective Date, Buyer shall provide Seller with written notice of any Employees to whom Buyer does not intend to offer employment. The Employees who work in the operation of the Station as of the Adjustment Time other than the Retained Employees shall be referred to as "Eligible Employees", and all such Eligible Employees who accept employment with Buyer, shall be collectively referred to as "Transferred Employees".

(b) Seller shall retain full responsibility and liability for offering and providing "continuation coverage" to any "qualified beneficiary" who is covered by a "group health plan" sponsored or contributed to by Seller for the benefit of its Employees and who has experienced a "qualifying event" or is receiving "continuation coverage" on or prior to the Adjustment Time, except that Buyer shall have such responsibility and liability for any such "qualified beneficiary" who is a Transferred Employee (or is the spouse or a dependent of such Transferred Employee) and who has a "qualifying event" on or after the date of execution of this Agreement. "Continuation coverage," "qualified beneficiary," "qualifying event" and "group health plan" shall each have the meaning given such term under Section 4980B of the Code and Section 601 et seq. of ERISA.

(c) Buyer and Seller agree to cooperate in good faith to determine whether any notification may be required under any Legal Requirements (including the Worker Adjustment and Retraining Notification Act, 29 U.S.C. § 2101, *et seq.*) regarding "plant closings," "mass layoffs," or similar triggering events as they relate to the transactions contemplated by this Agreement, and if such notices are required, Seller shall provide all such notices. Seller shall be responsible for satisfying in full all amounts owed to its Employees, including wages, salaries, severance pay, sick pay, accrued vacation, any employment, incentive, compensation or bonus agreements or other benefits or payments relating to the period of employment by Seller, and Buyer shall be responsible for satisfying in full all amounts owed to Transferred Employees, including wages, salaries, severance pay, sick pay, accrued vacation, any employment, incentive, compensation or bonus agreements or other benefits or payments relating to any period after the Adjustment Time. Seller may, at its option, provide stay bonuses to its Retained Employees, *provided* Buyer shall have no liability therefor under the TBA or otherwise.

(d) Buyer shall offer group health plan coverage to all Transferred Employees (and to their spouses and other dependents) on terms and conditions generally applicable to Buyer's similarly situated employees. For purposes of providing such coverage, Buyer shall (i) waive all preexisting condition limitations for all of the Transferred Employees (and their dependents) who were covered by Seller's health care plan as of the Adjustment Time; (ii) offer such health care coverage effective as of the Adjustment Time without the application of any eligibility period for coverage; and (iii) credit all employee payments toward deductible, out-of-pocket and co-payment obligations under Seller's health care plans for the plan year which includes the Adjustment Time as if such payments had been made for similar purposes under Buyer's health care plans during the plan year in which the Adjustment Time occurs.

6.4 Notice of Breach: Updated Schedules.

(a) Buyer and Seller shall give prompt notice to one another of (i) the occurrence or nonoccurrence of any event the occurrence or nonoccurrence of which has caused or would be likely to cause any representation or warranty contained in this Agreement to be untrue or inaccurate in any material respect at or prior to the Closing Date, and (ii) any material failure of Buyer or Seller, as the case may be, to comply with or satisfy in any material respect any covenant, condition or agreement to be complied with or satisfied by it hereunder; *provided, however,* that the delivery of any notice pursuant to this Section 6.4 shall not cure such breach or non-compliance or limit or otherwise affect the remedies available hereunder to the Party receiving such notice.

(b) Except with respect to updates to any Schedules that become necessary as a result of any action or event permitted under this Agreement (which updated Schedules will be provided prior to the Closing), Seller shall promptly disclose in writing to Buyer any information contained in Seller's representations and warranties or any of the Schedules hereto that, because of an event occurring after the date of this Agreement, is no longer correct in all material respects as of all times after the date of this Agreement and until the Closing Date. Any such disclosure shall be in the form of an updated Schedule, marked to reflect the new or amended information. In the event that Seller makes any such disclosure prior to the Closing, such disclosure shall modify the representations and warranties and any applicable Schedule hereto only if and to the extent that Buyer shall give its written consent to such modification at or prior to Closing. Nothing contained in this Section 6.4(b) shall be construed as changing any Party's right to terminate this Agreement as provided in Section 11, or Seller's right to take certain actions permitted under Section 5.

6.5 Confidentiality. Except as necessary for the consummation of the transactions contemplated by this Agreement, or as is necessary to be disclosed to the Intermediary or to the Recipient, and except as and to the extent required by applicable Legal Requirements, each Party will keep confidential all information obtained from the other Party in connection with the transactions contemplated by this Agreement (unless such information thereafter becomes generally available to the public other than as a result of a disclosure by such Party or such Party's officers, directors, stockholders, managers, members, employees, lenders, advisors, attorneys or accountants, is otherwise available to it on a non-confidential basis from another source other than as a result of a disclosure by such Party or such Party's officers, directors, stockholders, managers, members, employees, lenders, advisors, attorneys or accountants, or has been developed independently by it without resort to the confidential information of the other Party). If this Agreement is terminated, each Party will, upon request, return to the other Party all information obtained by the first Party from the other Party in connection with the transactions contemplated by this Agreement.

6.6 Press Releases. No Party hereto will issue any press release or make any other public announcements concerning this Agreement or the transactions contemplated hereby except with the prior approval (not to be unreasonably withheld) of the other Party hereto regarding the timing and content of such announcement; *provided* that any Party hereto may make any disclosure that it in good faith determined to be necessary to comply with applicable Legal Requirements so long as such Party shall give reasonable prior written notice to the other Party of such disclosure. Buyer and Seller shall confer regarding, and use reasonable efforts to agree to, the content of the public notices to be published and broadcast concerning the filing of

the Assignment Application in accordance with the requirements of Section 73.3580 of the FCC's Rules.

6.7 Receivables.

(a) During the Collection Period, Buyer, as agent for Seller, shall collect on behalf of Seller all Receivables with the same care and diligence as Buyer uses with respect to its own accounts receivable, except that Buyer shall not refer any of the Receivables to a collection agency or to an attorney for collection, or compromise, settle or adjust the amount of any Receivable except with the prior written approval of Seller.

(b) During the Collection Period all payments received from account debtors shall first be applied in reduction of the oldest outstanding balance due from such account debtor, except to the extent that any account debtor in good faith disputes in a written notice to Buyer whether an account is properly due, in which case, all payments received shall be applied as directed by such account debtor. Buyer will promptly provide Seller a copy of any written notice of any dispute received from any account debtor.

(c) Buyer shall remit to Seller all payments received in respect of the Receivables, without setoff or reduction, on the fifteenth day and the last day of each month, together with a list of the accounts and amounts collected during the relevant period to which such payments pertain.

(d) So long as Buyer is in compliance with subsections (a) – (c) above, during the Collection Period neither Seller nor any of its representatives or agents, shall make any direct solicitation of the account debtors for collection purposes with respect to the Receivables or other direct attempts to collect such Receivables from account debtors during such Collection Period except (i) as may be agreed to by Buyer, (ii) with respect to those Receivables that shall have become more than ninety (90) days past due, and (iii) those Receivables from which Buyer has received written notice of a dispute from the account debtor.

(e) Upon the conclusion of the Collection Period, Buyer shall remit to Seller all amounts collected by Buyer from account debtors not previously remitted to Seller, shall assign to Seller all uncollected Receivables and shall furnish Seller with a compilation of the accounts and amounts collected during such period and all files concerning any uncollected Receivables, and Buyer shall have no further responsibilities hereunder except to remit promptly to Seller any amounts subsequently received by it on account of the Receivables.

6.8 Allocation of Purchase Price. Following closing, Buyer shall (i) promptly retain Bond and Pecaro, Inc. or another appraisal firm with a national reputation, to determine, in its opinion, the fair market value of the Assets and allocate the Purchase Price among the Assets consistent therewith for purposes of and in accordance with Section 1060 of the Code and Treasury Regulation Section 1.1060-1 (collectively with the appraisal, the "Allocation"), (ii) provide Seller with a draft of the Allocation and arrange for the appraisal firm preparing the Allocation to respond to any questions and consider any comments Seller or its agents or representatives may have with respect to the Allocation, and (iii) pay the fees for the Allocation. The Parties shall cooperate with such appraisal firm, promptly provide it with any information

reasonably required to complete the Allocation, and use their good faith efforts to reach agreement within ninety (90) days following the Closing Date with such appraisal firm with respect to the Allocation.

(a) If the Allocation is mutually agreeable between the Parties as an appropriate allocation of the Purchase Price among the Assets, then (i) each Party shall use the Allocation for Tax purposes; (ii) each Party shall ensure that any Tax returns or other Tax information it may file or cause to be filed with any Governmental Authority shall be prepared and filed consistent with the Allocation, and (iii) in any legal proceeding related to the determination of any Tax payable by either Party, neither Party nor any agent, broker or other representative of such Party shall contend or represent that the Allocation is not correct.

(b) If the Allocation is not mutually agreeable between the Parties as an appropriate allocation of the Purchase Price among the Assets, then Buyer and Seller shall file any Tax returns or other Tax information reflecting an allocation of the Purchase Price among the Assets in the manner each believes is appropriate, *provided* that subject to Legal Requirements, (i) each Party shall use the methodology recommended by such appraisal firm for the allocation of the Purchase Price among the intangible assets, and (ii) in any legal proceeding related to the determination of any Tax payable by either Party, neither Party nor any agent, broker or other representative of such Party shall contend or represent that such methodology is not correct.

6.9 Risk of Loss. The risk of any loss, damage, impairment, confiscation or condemnation of any of the tangible Assets shall be borne by (i) Seller at all times prior to the Adjustment Time, and (ii) Buyer at all times from and after the Adjustment Time subject to the terms of the TBA and except for any loss or damage of any of the tangible Assets as a result of acts or omissions of Seller. Seller shall use any insurance proceeds received prior to the Closing for repair or replacement of lost or damaged tangible Assets, but shall in no event have any obligation or liability in excess of such insurance proceeds. To the extent that such tangible Assets are not replaced or fully repaired prior to the Closing, then Seller shall assign any remaining insurance proceeds covering the loss or destruction to Buyer to effect such repairs and restoration.

6.10 TBA. Buyer and Seller are entering into a Time Brokerage Agreement on the date hereof (the "TBA"), subject to receipt of the Consents required under the Station Affiliation Agreement and Seller's senior credit agreement, and effective upon the Effective Date. Following execution, Buyer and Seller shall comply with the terms of the TBA. Notwithstanding anything to the contrary contained in this Agreement or otherwise, no fact or circumstance that occurs after the Adjustment Time as a result of any action by Buyer, or failure by Buyer to act when under a duty to act, in accordance with the terms of the TBA or as a result of Buyer's activities or operations with respect to the Station, shall by itself be deemed to give rise to (i) a breach or default of Seller's representations, warranties, agreements or covenants under this Agreement or the TBA or any other agreement entered into between Buyer and Seller in connection herewith, or (ii) a failure of any of the conditions to Closing set forth in Section 8 hereof.

6.11 Indemnity Agreement. At Closing, Buyer and Seller shall enter into the Indemnity Agreement with the Escrow Agent.

6.12 Noncompetition and Nonsolicitation Covenants. Seller covenants and agrees, for itself and its Affiliates, for a two (2) year period following the Closing Date, subject to the consummation of the Closing, as follows:

(a) Noncompetition. Neither Seller nor any Affiliate of Seller will, without prior written consent of Buyer, directly or indirectly, own, manage, operate, join, control, or engage or participate in the ownership, management, operation, or control of, or be connected as a shareholder, agent, partner, joint venturer, or otherwise with, any television broadcast station located within the Grade B contour of the Station. Notwithstanding the foregoing, the ownership of a company's securities listed on a national securities exchange or the National Association of Securities Dealers Automated Quotation System, which constitute less than five percent (5%) of the outstanding voting stock of such company and does not otherwise constitute control over such company shall not be prohibited. The Parties agree that Fifteen Thousand Dollars (\$15,000) of the Purchase Price shall be allocated to this covenant not to compete.

(b) Nonsolicitation. Neither Seller nor any Affiliate of Seller will, without prior written consent of Buyer, directly or indirectly, for itself or on behalf of any other Person, hire or solicit any of the Transferred Employees who at the time of solicitation is known by Seller or such Affiliate to be an employee of Buyer at the Station, or induce or attempt to induce through any form of direct communication any such employee to leave his or her employment with Buyer; *provided, however*, that this provision shall not prohibit Seller or any Affiliate from making a general public solicitation or a general industry-wide solicitation for employment, or from hiring any of the Transferred Employees who respond to such a solicitation.

(c) Specific Performance. In the event that Seller or any Affiliate commits a breach of any of the provisions of Section 6.12(a) or (b), Buyer shall have the right and remedy to have the provisions of such Section specifically enforced, without posting bond or other security to the extent permitted by law, by any court having jurisdiction, it being acknowledged and agreed that any such breach or threatened breach may cause immediate irreparable injury to Buyer and that money damages may not provide an adequate remedy at law for any such breach or threatened breach. Such right and remedy shall be in addition to, and not in lieu of, any other rights and remedies available to Buyer at law or in equity.

(d) Reformation. In the event that despite the express agreement of Seller, on behalf of itself and its Affiliates, any provision of this Section 6.12 shall be determined by any court or other tribunal of competent jurisdiction to be unenforceable for any reason whatsoever, the Parties agree that this Section 6.12 shall be interpreted to extend only during the maximum period of time for which it may be enforceable and/or to the maximum extent in any and all other respects as to which it may be enforceable, all as determined by such court or tribunal.

6.13 Limited Audit. Seller shall cooperate with Buyer and Buyer's Auditors (as defined below) in connection with the preparation, at Buyer's election and expense, of financial statements of Seller (the "Limited Audit"), to be prepared in accordance with such limited audit procedures as Buyer may reasonably require (the "Limited Audit Procedures"), for the ten-month

period ended October 31, 2005, together with the report thereon consistent with such Limited Audit Procedures, of certified public accountants selected by Buyer (the "Buyer's Auditors"), which report shall be addressed directly to Buyer. Buyer shall promptly provide Seller with a true and complete copy of the Limited Audit. If Buyer shall elect to commission the preparation of the Limited Audit, it shall include a determination of Broadcast Cash Flow of the Station for the period indicated above.

6.14 Real Property Title Matters. Buyer shall have the right, at Buyer's sole discretion, to obtain the following, and shall notify Seller upon receipt of such items and of any issues, problems or delays that arise in respect thereof, and Seller shall reasonably cooperate with Buyer so that Buyer may obtain such items, for the benefit of Buyer.

(a) All documents reasonably required (including estoppel certificates, owner's affidavits, indemnities and gap undertakings in reasonable and customary form) for final commitments ("Title Commitments") for an ALTA Owners Policy of Title Insurance, at the cost of Buyer, for each parcel of owned or material leased Real Property (determined by Buyer in the exercise of its reasonable discretion), issued by a title insurer designated by Buyer (the "Title Insurer"), in such amounts as Buyer reasonably determines to be the fair market value thereof, insuring Buyer's (or its designee's) interest in such parcel, subject only to the Permitted Liens, and with such other endorsements and other terms and conditions as Buyer may reasonably request, including the removal of any survey exceptions therefrom. Without limiting Seller's duty and obligation to cooperate with Buyer under this Section 6.14, Seller shall execute and deliver any reasonable and customary title affidavit and lien waiver that shall be required by the Title Company. Buyer shall have a period of thirty (30) days after the last to be received of the surveys described in Section 6.14(b) and the Title Commitments, for examination of such title and the making of objections thereto (other than with respect to Permitted Liens). Any and all such objections must be given to Seller in writing and must be accompanied with copies of the Title Commitment(s) and survey(s). If any objections to title are made (other than in respect of Permitted Liens), Seller shall be allowed up to thirty (30) additional days to cure any such objections, and, if necessary, the Closing Date shall be extended by such cure period (up to 30 days). In the event that within such additional thirty (30) day period, Seller shall notify Buyer in writing that Seller has elected not to cure any material defect matter of title to which Buyer has objected, Buyer shall have the option of (i) terminating this Agreement pursuant to Section 11.2(d), or (ii) Closing as provided hereunder. Notwithstanding any provision hereof to the contrary, Buyer shall have the right to rely upon Seller's representations and warranties set forth herein with respect to the Real Property, subject to the terms of Section 10 hereof, and Seller shall have the obligation to cure any mortgages, deeds of trust, security interests or other recorded Liens granted by Seller or permitted by Seller to arise with respect to the owned or leased Real Property (other than such Liens as are described in clauses (vi) and (vii) of the definition of Permitted Liens (*provided* any Liens securing Seller's senior loan shall be released at Closing or soon thereafter as set forth in the applicable payoff letter), regardless of any failure by Buyer to object; and

(b) Current surveys at the cost of Buyer of each parcel of owned Real Property and, at Buyer's option, material leased Real Property, disclosing no survey defects or encroachments that materially interfere (determined by Buyer in the exercise of its reasonable discretion) with the current business and operation of the Station, prepared by a licensed

surveyor and conforming such standards as the Title Insurer or Buyer may require as a condition to the removal of any survey exceptions from the Title Commitments, and certified to Buyer, Buyer's senior lender and the Title Insurer, in a form sufficient to permit the issuance of the title policies described in subsection (a) above.

(c) With respect to each parcel of Real Property for which Buyer shall elect to obtain a Title Commitment pursuant to subsection (a) above, and subject to the requirements and input of its senior lender, Buyer shall retain, as soon as practicable following the date hereof, the Title Insurer to prepare a title report, and if Buyer shall elect to obtain a survey (or its senior lender shall so require) in connection therewith, a licensed surveyor to prepare such survey pursuant to subsection (b) above. Subject to the foregoing provisions of this Section 6.14, so as not to give rise to any delay in the occurrence of Closing, Buyer and Seller shall cooperate and use their commercially reasonable efforts to obtain such title reports and surveys as soon as practicable and to resolve on a timely basis any issues or problems with respect thereto that may reasonably be expected to result in a failure to obtain the Title Commitments.

6.15 Lien Searches. Buyer and Seller shall coordinate and use their commercially reasonable efforts to obtain, at Buyer's expense, appropriate searches for UCC, tax, lien and judgment filings in the Secretary of State's records of the State of South Carolina, in the records of Horry County, South Carolina and in the applicable records of any other jurisdictions that Buyer or its lenders may reasonably determine to be appropriate (the "Lien Searches").

6.16 Further Assurances. On and after the Closing Date, upon the reasonable request of any Party hereto, the Parties will take, or will cause to be taken, all appropriate and commercially reasonable actions and execute all instruments of conveyance, assignment, transfer, acceptance and assumption, as the requesting Party may reasonably request in order to fully effectuate the purposes, terms and conditions of this Agreement and the other agreements specified in this Agreement.

SECTION 7: CONDITIONS PRECEDENT TO OBLIGATION OF SELLER TO CLOSE

The obligations of Seller to sell the Assets and to otherwise consummate the transactions contemplated by this Agreement are subject to the satisfaction or waiver, on or prior to the Closing Date, of each of the following conditions:

7.1 Representations, Warranties and Covenants. All representations and warranties of Buyer contained in this Agreement shall be true and complete at and as of the Closing Date as if such representations and warranties were made at and as of the Closing Date except for (i) any inaccuracy in any such representations and warranties of Buyer that could not reasonably be expected to have a material adverse effect on Buyer's ability to consummate the transactions contemplated by this Agreement, (ii) any such representation or warranty of Buyer that is expressly stated only as of a specified earlier date, in which case such representation or warranty shall be true as of such earlier date, (iii) changes in any such representation or warranty of Buyer that are contemplated by this Agreement, or (iv) changes in any such representation or warranty of Buyer as a result of any act or omission of Seller, including under the TBA; and Buyer shall have performed all agreements and covenants required hereby to be performed by Buyer prior to or on the Closing Date, except to the extent such noncompliance results from any act or omission

of Seller or its agents, including under the TBA, or has not had a material adverse effect on Buyer's ability to consummate the transactions contemplated by this Agreement.

7.2 Closing Deliveries. Seller shall have received from Buyer, or Buyer shall stand ready to deliver to Seller, the documents and other items required to be delivered to Seller by Buyer pursuant to Section 9.3 of this Agreement.

7.3 FCC Consent. The FCC Consent shall have been issued, and no action shall have been taken by the FCC or other Governmental Authority that is pending as of the Closing Date with respect to the FCC Consent that makes illegal, restrains or prohibits the consummation of the transactions contemplated hereby.

7.4 Required Consents of Governmental Authorities. Each Consent of a Governmental Authority that is designated by Buyer and Seller on Schedule 3.3 as being a "Required Consent" shall have been obtained.

7.5 Opinion of Buyer's Counsel. Seller shall have received from Buyer an opinion of Buyer's transaction counsel, dated the Closing Date, substantially in the form of Exhibit B.

7.6 No Injunction. No material Legal Requirement shall have been promulgated, enacted, entered or enforced, and no other action in any court proceeding shall have been taken, by any Governmental Authority that has the effect of making illegal or of restraining or prohibiting the consummation of the transactions contemplated hereby.

SECTION 8: CONDITIONS PRECEDENT TO OBLIGATION OF BUYER TO CLOSE

The obligations of Buyer to purchase the Assets and to otherwise consummate the transactions contemplated by this Agreement to be performed by Buyer at the Closing are subject to the satisfaction or waiver, on or prior to the Closing Date, of each of the following conditions:

8.1 Representations, Warranties and Covenants. All representations and warranties of Seller contained in this Agreement shall be true and complete at and as of the Closing Date as if such representations and warranties were made at and as of the Closing Date except for (i) any inaccuracies in such representations and warranties of Seller that have not had a Material Adverse Effect, (ii) any such representation or warranty of Seller that is expressly stated only as of a specified earlier date, in which case such representation or warranty shall be true as of such earlier date, (iii) changes in any such representation or warranty of Seller that are contemplated by this Agreement or (iv) changes in any such representation or warranty of Seller as a result of any act or omission of Buyer, including under the TBA; and Seller shall have performed all agreements and covenants required hereby to be performed by Seller prior to or on the Closing Date, except to the extent such noncompliance has not had a Material Adverse Effect or results from any act or omission of Buyer or its agents, including under the TBA.

8.2 Closing Deliveries. Buyer shall have received from Seller, or Seller shall stand ready to deliver to Buyer, the documents and other items required to be delivered by Seller pursuant to Section 9.2 of this Agreement.

8.3 FCC Consent. The FCC Consent shall have been issued, and no action shall have been taken by the FCC or other Governmental Authority that is pending as of the Closing Date with respect to the FCC Consent that makes illegal, restrains or prohibits the consummation of the transactions contemplated hereby.

8.4 Required Consents. Each Consent that is designated by Buyer and Seller on Schedule 3.3 as being a "Required Consent" shall have been obtained without any adverse change in the terms or conditions of each License or Contract to which such Consent relates from those in effect on the date hereof.

8.5 Opinions of Seller's Counsels. Buyer shall have received from Seller opinions of Seller's transaction and FCC counsels, dated the Closing Date, substantially in the form of Exhibit C.

8.6 Broadcast Cash Flow. If the Limited Audit shall have been completed in accordance with the provisions of Section 6.13, the Broadcast Cash Flow of the Station set forth in the Limited Audit shall be at least \$1,257,000 for the ten-month period ended October 31, 2005.

8.7 Title Commitments. Buyer shall have received the Title Commitments that it shall have, at its option, elected to obtain pursuant to Section 6.14.

8.8 Tax, Lien and Judgment Searches. Buyer shall have received reasonably satisfactory results (in accordance with the applicable terms of this Agreement) in the Lien Searches, such searches having been made no earlier than ten (10) Business Days prior to the Closing Date; *provided, however*, that if the results of the Lien Searches do not satisfy this condition to Closing but Seller (or its Affiliates) agrees to fully and completely indemnify Buyer in respect thereof in a manner and form acceptable to Buyer's lenders and reasonably acceptable to Buyer, then this condition to Closing shall be deemed satisfied.

8.9 No Injunction. No material Legal Requirement shall have been promulgated, enacted, entered or enforced, and no other action in any court proceeding shall have been taken, by any Governmental Authority that has the effect of making illegal or of restraining or prohibiting the consummation of the transactions contemplated hereby.

SECTION 9: THE CLOSING

9.1 The Closing. On the Closing Date and at the Closing Place, Seller shall make such deliveries as are set forth in Section 9.2, and Buyer shall make such deliveries as are set forth in Section 9.3. All transactions at the Closing are deemed to have taken place simultaneously and no transaction shall be deemed to have been completed, nor shall any document be deemed to have been delivered, until all transactions shall have been completed and all documents, delivered.

9.2 Deliveries by Seller to Buyer. Seller shall deliver to Buyer:

(a) One or more deeds, bills of sale, assignments and other appropriate instruments of conveyance transferring to Buyer all of the Assets in form and substance

reasonably satisfactory to Buyer but in all events consistent with the terms and conditions of this Agreement.

- (b) The Indemnity Agreement duly executed by Seller;
- (c) A copy of each instrument evidencing any Consent that shall have been obtained prior to Closing;
- (d) A copy of the resolutions of Seller approving the transactions contemplated by this Agreement;
- (e) A certificate signed by an officer of Seller attesting to Seller's fulfillment of the conditions set forth in Section 8.1;
- (f) The opinions of Seller's counsels referenced in Section 8.5 hereof; and
- (g) Such other documents reasonably requested by Buyer to give effect to the transactions contemplated by this Agreement.

9.3 Deliveries by Buyer to Seller. Buyer shall deliver to Seller:

- (a) The Closing Cash Payment;
- (b) One or more appropriate assumption agreements whereby Buyer assumes and agrees to perform the Assumed Liabilities in form and substance reasonably satisfactory to Seller but in all events consistent with the terms and conditions of this Agreement;
- (c) The Indemnity Agreement duly executed by Buyer;
- (d) A copy of the resolutions of Buyer approving the transactions contemplated by this Agreement;
- (e) A certificate signed by an officer of Buyer attesting to Buyer's fulfillment of the conditions set forth in Section 7.1;
- (f) The opinion of Buyer's counsel referenced in Section 7.5 hereof; and
- (g) Such other documents reasonably requested by Seller to give effect to the transactions contemplated by this Agreement.

SECTION 10: INDEMNIFICATION

10.1 Survival. The representations and warranties of the Parties contained in this Agreement (or in any document executed by Buyer or Seller and delivered in connection herewith) and any liability for a breach of the pre-closing covenants and agreements contained in this Agreement shall survive the Closing and continue in full force and effect for a period of eighteen (18) months thereafter; *provided, however*, that the representations and warranties set forth in Sections 3.2, 3.4 (first sentence only), 3.12, 3.15 and 4.2 shall survive until the expiration of the applicable statute of limitations. (The applicable period of such post-Closing survival of

each Party's representations, warranties and pre-closing covenants is referred to as the "Indemnity Period"). Any claims as to a breach or default of a representation, warranty, covenant or agreement under Section 10.2 or Section 10.3 must be asserted in writing with reasonable particularity by the Party making such claim within the applicable Indemnity Period.

10.2 Seller's Indemnity. Following Closing and subject to the survival provisions set forth in Section 10.1 and the other limitations set forth in this Section 10, Seller shall indemnify and hold harmless Buyer, its Affiliates and its representatives from and against any and all demands, losses, Liabilities, Actions, assessments, actual damages, fines, Taxes, penalties, reasonable costs and expenses (including reasonable expenses of investigation, and reasonable fees and disbursements of counsel, accountants and other experts) (collectively, "Losses") incurred or suffered by Buyer, its Affiliates or its representatives, arising out of, resulting from or relating to:

- (a) Any breach of any of the representations or warranties made by Seller in this Agreement or the TBA;
- (b) Any failure by Seller to perform any of its covenants or agreements contained in this Agreement or the TBA; or
- (c) The Non-Assumed Liabilities.

10.3 Buyer's Indemnity. Following Closing and subject to the survival provisions set forth in Section 10.1 and the other limitations set forth in this Section 10, Buyer shall indemnify and hold harmless Seller, its Affiliates and its representatives from and against any and all Losses incurred or suffered by Seller, its Affiliates or its representatives, arising out of, resulting from or relating to:

- (a) Any breach of any of the representations or warranties made by Buyer in this Agreement or the TBA;
- (b) Any failure by Buyer to perform any of its covenants or agreements contained in this Agreement or the TBA; or
- (c) The Assumed Liabilities and any Liabilities arising from Buyer's ownership and control of the Assets, the Business and the Station on or after the Closing Date.

10.4 Procedures.

- (a) In the event that any Party hereto shall sustain or incur any Losses in respect of which indemnification may be sought by such Party pursuant to this Section 10, the Party seeking such indemnification (the "Claimant") shall assert a claim for indemnification by giving prompt written notice thereof (a "Claim Notice") to the Party for which indemnification is claimed (the "Indemnitor"), which Claim Notice shall describe in reasonable detail the facts and circumstances upon which the asserted claim for indemnification is based, and the amount thereof, estimated in good faith, and refer in good faith (and without any binding effect) to the provisions of this Agreement that Claimant thinks are relevant to such claim. If the claim relates to an action, suit or proceeding filed by another Person against Claimant, then the Claim Notice

shall be given by Claimant within ten (10) Business Days after written notice of such action, suit or proceeding was given to Claimant and shall include true and complete copies of all suit, service and filed claim documents. For purposes of this subsection, any Claim Notice that is sent within ten (10) Business Days of the date upon which the Claimant actually learns of such Loss shall be deemed to have been "prompt notice"; *provided* that failure of the Claimant to give the Indemnitor prompt notice as provided herein shall not relieve the Indemnitor of any of its obligations hereunder except to the extent that the Indemnitor is materially prejudiced by such failure.

(b) With respect to claims solely between the Parties, following receipt of notice from the Claimant of a claim, the Indemnitor shall have forty-five (45) days to make such investigation of the claim as the Indemnitor deems necessary or desirable, and the Claimant agrees to make available to the Indemnitor and its authorized representatives the information relied upon by the Claimant to substantiate the claim. If the Claimant and the Indemnitor agree at or prior to the expiration of such forty-five (45)-day period to the validity and amount of such claim, then the Indemnitor shall promptly pay to the Claimant the full amount of the claim, subject to the terms and limitations hereof. If the Claimant and the Indemnitor do not agree within such forty-five (45)-day period, then the Claimant may seek appropriate remedy at law or equity, as applicable, subject to the terms and limitations hereof.

(c) With respect to any claim by any other Person against the Claimant (a "Third-Party Claim"), the Claimant and the Indemnitor shall each make available to the other Party or its representatives all records and other materials in the first Party's possession reasonably required by the other Party for use in contesting or defending any Third-Party Claim. Upon the receipt of a Claim Notice with respect to a Third-Party Claim, the Indemnitor shall have the right to participate in or undertake (at its own expense) and assume control of, by counsel or representatives of its own choosing, the defense of such claim, and the Claimant agrees to cooperate fully with the Indemnitor; *provided, however*, that the Indemnitor may not assume control of the defense of such claim unless it shall unconditionally agree in writing to indemnify the Claimant for all Losses relating to such claim disclosed in the Claim Notice regarding which the Indemnitor confirms in writing its obligation to indemnify the Claimant under Section 10.2 or 10.3 hereof, as the case may be (and such agreement and confirmation shall only be between Buyer and Seller and shall not be deemed an admission of liability on the part of the Indemnitor as against such third party). If the Indemnitor elects to assume control of the defense of any Third-Party Claim, then (i) the Indemnitor shall conduct the defense of the Third-Party Claim diligently and in good faith, (ii) the Claimant shall have the right to participate in the defense of such claim at its own expense and shall not settle or compromise the Third-Party Claim, and (iii) the Indemnitor shall have the power and authority to settle or consent to the entry of judgment in respect of the Third-Party Claim without the consent of the Claimant if the judgment or settlement results only in the payment by the Indemnitor of the full amount of money damages and includes a release of the Claimant from any and all liability thereunder, and, in all other events, the Indemnitor shall not consent to the entry of judgment or enter into any settlement in respect of a Third-Party Claim without the prior written consent of the Claimant, which consent shall not be unreasonably withheld or delayed. If the Indemnitor does not elect to assume control of the defense of any Third-Party Claim, or the Indemnitor shall elect to assume control of such defense but not conduct the defense of the Third-Party Claim diligently and in good faith, then the Claimant may defend through counsel of its own choosing and in such

manner as it reasonably deems appropriate with such defense being at Indemnitor's expense (to the extent Indemnitor is liable therefore under Section 10.2 or 10.3, or under any written agreement between Indemnitor and Claimant with respect to such claim), and the Indemnitor shall be bound by any judicial determination made in such action or any commercially reasonable compromise or settlement thereof effected by the Claimant and shall reimburse the Claimant for all Losses (including reasonable attorney's fees) incurred by the Claimant (to the extent Indemnitor is liable therefore under Section 10.2 or 10.3, or under any written agreement between Indemnitor and Claimant with respect to such claim); *provided, however*, that the Claimant shall keep the Indemnitor advised on a timely basis of significant developments with respect to such defense (and any settlement discussions) and permit the Indemnitor to participate, at its own election and expense, at any time, in the defense, compromise or settlement thereof.

(d) If a Third-Party Claim requires immediate action, the Parties will use commercially reasonable effort to reach a decision with respect thereto as expeditiously as possible.

(e) The indemnification rights provided herein shall extend to the shareholders, directors, officers, employees, representatives, and successors and permitted assigns of any Claimant although for the purpose of the procedures set forth in this Section 10.4, any indemnification claims by such parties shall be made by and through the Claimant.

10.5 Adjustment to Indemnification Payments. Any payment made by an Indemnitor to Claimant pursuant to Section 10.2 or Section 10.3 shall be reduced by an amount equal to any insurance payments with respect to such claim actually received by the Claimant. The Parties shall be obligated to prosecute, or to cause their appropriate Affiliate to prosecute, diligently and in good faith any claim for losses or damages with any applicable insurer. In any case where a Claimant or any of its Affiliates actually recovers from insurers or other third parties any payments in respect of a matter with respect to which an Indemnitor has indemnified and paid to it pursuant to Section 10.2 or Section 10.3, such Claimant shall promptly pay over to the Indemnitor the amount so recovered (after deducting therefrom the full amount of the expenses reasonably incurred by it in procuring such recovery), but not in excess of the sum of (i) any amount previously so paid by the Indemnitor to or on behalf of the Claimant in respect of such matter and (ii) any reasonable amount expended by the Indemnitor and its Affiliates in pursuing or defending any claim by or against third parties arising out of such matter.

10.6 Qualifications and Limitations. Notwithstanding any provision contained in this Agreement to the contrary, the Indemnitor's obligations to indemnify the Claimant pursuant to Section 10.2 or 10.3 shall be subject to the following qualifications and limitations:

(a) The indemnity rights of Buyer under Section 10.2(a) or (b) or of Seller under Section 10.3(a) or (b), as Claimant, with respect to any breach of a representation, warranty or pre-closing covenant by the other Party as Indemnitor expire upon the expiration of the Indemnity Period except with respect to any claim for indemnification for which a Claim Notice shall have been given prior to the expiration of the Indemnity Period.

(b) In the determination of whether a breach has occurred with respect to any representation or warranty contained in Section 3 or 4 of this Agreement for purposes of the

exercise by Buyer or Seller, as the case may be, of its indemnity rights under Section 10.2(a) or 10.3(a) hereof, any exception for "Material Adverse Effect" and any qualification by "in all material respects," in any representation or warranty shall be disregarded as if such representation or warranty did not contain such exception or qualification, and the phrase "material breach" or "material default" in any representation or warranty shall be read as if the word "material" were not present therein.

(c) No indemnification shall be required to be made by Seller or Buyer, as Indemnitor, as the case may be, under Section 10.2(a) or (b) or 10.3(a) or (b), until the aggregate amount of Losses of Buyer or Seller as Claimant, as applicable, exceeds Fifty Thousand Dollars (\$50,000) and then, only with respect to the amount of such Losses in excess of Fifty Thousand Dollars (\$50,000).

(d) In no event shall either Buyer or Seller, as Claimant, as the case may be, under Section 10.2(a) or (b) or 10.3(a) or (b) have any right to indemnity exceeding, in the aggregate, the amount of Five Million Dollars (\$5,000,000).

(e) No Claimant shall be entitled to recover from an Indemnitor for any Losses to which indemnification is provided under this Agreement any amount in excess of the actual compensatory damages, court costs and reasonable attorney fees suffered by such party; and Buyer and Seller waive any right to recover punitive, special, indirect, exemplary and consequential damages arising in connection with or with respect to Losses under the indemnification provisions of this Agreement.

10.7 Indemnity Agreement. At the Closing, Buyer, Seller and the Escrow Agent shall execute the Indemnity Agreement, in accordance with which the Escrow Deposit shall thereafter comprise the Indemnity Fund and continue to be held by the Escrow Agent pursuant to the Indemnity Agreement to provide a fund for the payment of any indemnity claims to which Buyer is entitled under this Section 10. The Indemnity Fund will be administered in accordance with the provisions of the Indemnity Agreement.

10.8 Exclusive Remedy. Anything to the contrary in this Agreement notwithstanding, after the Closing, except for the enforcement of the covenants set forth in Section 6.12, the sole and exclusive remedy for Buyer or Seller for any claim (whether such claim is framed in tort, contract or otherwise) arising out of a breach or default of any representation, warranty, covenant or other agreement under or pursuant to this Agreement or otherwise arising out of or in connection with the transactions contemplated by this Agreement shall be a claim for indemnification pursuant to this Section 10.

SECTION 11: TERMINATION

11.1 Termination by Seller. This Agreement may be terminated by Seller and the purchase and sale of the Station abandoned, if Seller is not then in material default, upon written notice to Buyer, upon the occurrence of any of the following:

(a) Conditions. Subject to Section 11.3, if on the date that would otherwise be the Closing Date, any of the conditions precedent to the obligations of Seller set forth in Section 7 has not been satisfied, or waived in writing by Seller.

(b) Judgments. If there shall be in effect on the date that would otherwise be the Closing Date any Judgment that would prevent or make unlawful the Closing.

(c) Failure to Obtain FCC Consent. If the FCC Consent shall not have been received from the FCC prior to August 31, 2006.

11.2 Termination by Buyer. This Agreement may be terminated by Buyer and the purchase and sale of the Station abandoned, if Buyer is not then in material default, upon written notice to Seller, upon the occurrence of any of the following:

(a) Conditions. Subject to Section 11.3, if on the date that would otherwise be the Closing Date, any of the conditions precedent to the obligations of Buyer set forth in Section 8 has not been satisfied, or waived in writing by Buyer.

(b) Judgments. If there shall be in effect on the date that would otherwise be the Closing Date any Judgment that would prevent or make unlawful the Closing.

(c) Failure to Obtain FCC Consent. If the FCC Consent shall not have been received from the FCC prior to August 31, 2006.

(d) Real Estate Title Matters. If Buyer shall elect to exercise its termination right pursuant to Section 6.14.

11.3 Unsatisfied Conditions; Opportunity to Satisfy. If upon the initially scheduled Closing Date any of the conditions precedent to the obligations of either Party set forth in Section 7 or 8 of this Agreement shall not have been materially satisfied, and the Party entitled to the benefit of such condition is unwilling to waive the satisfaction of such unsatisfied condition, then such Party shall provide the other Party with written notice specifying in reasonable detail the nature of such unsatisfied condition, whereupon the other Party shall have sixty (60) calendar days from the date of receipt of such notice to effect the satisfaction of such unsatisfied condition (but only if such condition is capable of being satisfied within such time period), and Closing shall be postponed until a business day specified by such other Party with five day's written notice to the Party requiring the satisfaction of such condition, with such postponed Closing to occur within five (5) Business Days of the satisfaction of such condition and no later than five (5) Business Days after the sixtieth calendar day following the initially scheduled Closing Date. Notwithstanding the foregoing, no opportunity to cure shall be available to Buyer with respect to its obligation or ability to pay the Purchase Price at Closing, and the Closing Date shall only be subject to one postponement. If the unsatisfied condition is not satisfied in all material respects (or is not subject to such satisfaction) within such time period, then each Party shall be entitled to exercise its rights under Section 11 with this Section 11.3 having no further effect.

11.4 Effect of Termination.

(a) Upon termination, if Buyer shall be in material breach of any term hereof and if all conditions to Buyer's obligation to close set forth in Section 8 hereof shall have been satisfied, then Seller shall be entitled to receive, and shall be promptly paid, the Escrow Deposit as liquidated damages as provided in Section 11.6(a).

(b) If (i) this Agreement shall be terminated by Seller pursuant to Section 11.1(c) or by Buyer pursuant to Section 11.2(c), (ii) the failure to obtain the FCC Consent shall have been caused by FCC qualification issues relating to Buyer, and (iii) Seller shall not be entitled to liquidated damages pursuant to subsection (a) above, then Seller shall be entitled to receive, and shall be promptly paid, the termination amount as provided in Section 11.6(b) as liquidated damages.

(c) Upon termination under all other circumstances, the Escrow Amount, less any compensation due the Escrow Agent, shall be promptly paid to Buyer, with the Parties taking such actions as are necessary to effectuate such payment of the Escrow Amount to Buyer as set forth in this Section 11.4(c), including promptly providing to the Escrow Agent written instructions related to the payment thereof in the manner set forth in the Escrow Agreement. If upon termination (i) Seller shall be in material breach of any provision of this Agreement, Buyer shall have the rights and remedies provided in Section 11.5 or otherwise available at law or equity, and (ii) neither Party hereto is in material breach of any provision of this Agreement, the Parties hereto shall not have any further liability to each other. All filings, applications and other submissions relating to the transactions contemplated hereby as to which termination has occurred shall, to the extent practicable, be withdrawn from the Governmental Authority or other Person to which made.

11.5 Specific Performance. The Parties recognize that if wrongfully Seller refuses to perform under the provisions of this Agreement or otherwise breaches its obligation to consummate the Closing, monetary damages alone would not be adequate to compensate Buyer for its injury. Buyer shall therefore, at its option, be entitled, in lieu of terminating this Agreement and in addition to any other remedies that may be available, to obtain specific performance of the terms of this Agreement. If any action is brought by Buyer to enforce this Agreement, Seller shall waive the defense that there is an adequate remedy at law.

11.6 Payment of Liquidated Damages to Seller.

(a) If this Agreement is terminated as a result of the occurrence of the circumstances described in Section 11.4(a), then and in that event Seller shall have the right to receive and retain the Escrow Deposit. The Parties agree to take such actions as are necessary to effectuate the payment of the Escrow Deposit to Seller, including promptly providing to the Escrow Agent written instructions related to the payment thereof in the manner set forth in the Escrow Agreement, with all interest or earnings accrued thereon, less any compensation due the Escrow Agent, being paid to Buyer. The Parties agree that the amount of the actual damages suffered by Seller as a result of a breach by Buyer are likely to be difficult or impractical to ascertain and, therefore, the payment of the Escrow Deposit to Seller is fair and reasonable and does not constitute a penalty.

(b) If this Agreement is terminated as a result of the occurrence of the circumstances described in Section 11.4(b), then and in that event Seller shall have the right to receive and retain a termination amount equaling the aggregate Broadcast Cash Flow of the Station (prorated on a daily basis for any partial months) for the period during 2005 corresponding to the period during 2006 during which the TBA shall have been in effect, *reduced by \$70,000 for each month (prorated on a daily basis for partial months) during the*

period in 2006 during which the TBA shall have been in effect. The Parties agree to exchange such information as shall be reasonably necessary to determine such termination amount and to cooperate in good faith in the prompt determination of such amount. Upon the mutual determination of such amount by Buyer and Seller, at Buyer's option, either (i) Buyer and Seller shall promptly provide the Escrow Agent joint written instructions instructing the Escrow Agent to pay such amount to Seller, with the balance of the Escrow Amount, less any compensation due the Escrow Agent, being paid to Buyer, or (ii) Buyer shall promptly pay such amount to Seller by wire transfer of immediately available funds to such account designated in writing by Seller, with the Escrow Amount, less any compensation due the Escrow Agent, being paid to Buyer. The Parties agree that the amount of the actual damages suffered by Seller as a result of the occurrence of the circumstances described in Section 11.4(b) are likely to be difficult or impractical to ascertain and, therefore, the payment of the foregoing termination amount to Seller is fair and reasonable and does not constitute a penalty.

11.7 Attorneys' Fees. In the event of a breach or default by either Party that results in a lawsuit or other proceeding for any remedy available under this Agreement, the prevailing Party shall be entitled to reimbursement from the other Party of its reasonable legal fees and expenses (whether incurred in arbitration, at trial, or on appeal).

11.8 Surviving Obligations. The rights and obligations of the Parties described in Sections 6.5, 6.6 and 12, and this Section 11 shall survive any termination.

SECTION 12: MISCELLANEOUS

12.1 Notices. All notices, demands, and requests required or permitted to be given under the provisions of this Agreement shall be (i) in writing, may be sent by facsimile (with automatic machine confirmation), delivered by personal delivery, or sent by commercial delivery service or certified mail, return receipt requested, (ii) deemed to have been given on the date of actual receipt, which may be conclusively evidenced by the date set forth in the records of any commercial delivery service or on the return receipt, and (iii) addressed to the recipient at the address specified below, or with respect to any party, to any other address that such party may from time to time designate in a writing delivered in accordance with this Section 12.1:

If to Buyer:

Springfield Independent Television Co., Inc.
Attn: Russell J. Schwartz, V.P. Bus. Affairs/Gen. Counsel
c/o Bahakel Communications, Ltd.
1 Television Place
Charlotte, NC 28205
Telephone: 704-632-7244
Telecopy: 704-358-3581

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

John H. Pomeroy, Esq.
Dow, Lohnes & Albertson, PLLC
1200 New Hampshire Avenue, NW
Washington, D.C. 20036
Telephone: 202-776-2539
Telecopy: 202-776-2222

If to Seller:

GE Media, Inc.
Attn: Greg Everett, President
3364 Huger St.
Myrtle Beach, SC 29577
Telephone: 843-839-4300
Telecopy: 843-839-9392

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

Stephen C. Brissette, Esq.
Wyrick Robbins Yates & Ponton LLP
4101 Lake Boone Trail, Suite 300
Raleigh, NC 27607
Telephone: 919-781-4000
Telecopy: 919-781-4856

12.2 Expenses. Seller shall be solely responsible for any sales and transfer Taxes and recording, stamp and transfer fees arising from the purchase and sale of the Assets pursuant to this Agreement. Buyer agrees to cooperate with Seller in the timely completion, execution and filing of any documentation required by any local or state Governmental Authority in connection with such sales and transfer Taxes. Buyer and Seller shall share equally and be responsible for any fees associated with filing (i) the Assignment Application for the FCC Consent, and (ii) any other filing or similar fees relating to applications for Consent required from any Governmental Authority. Except as otherwise provided in this Agreement, Seller and Buyer shall each be liable for its own fees and expenses incurred in connection with the negotiation, preparation, execution or performance of this Agreement and the consummation of the transactions contemplated herein; *provided, however*, that at Closing Buyer shall reimburse Seller for \$10,000 of its legal fees. Buyer shall be liable for any fees or expenses that are payable to any Intermediary for its services in connection with the Exchange.

12.3 Choice of Law. This Agreement shall be construed, interpreted and the rights of the Parties determined in accordance with the laws of the State of North Carolina, without giving effect to the principles of conflicts of law of such state.

12.4 Assignment. Neither this Agreement nor any of the rights or obligations hereunder may be assigned by Seller or Buyer without the prior written consent of the other Party hereto, except that (i) Buyer may assign to the Intermediary certain of Buyer's rights and obligations under this Agreement, including the obligation to pay to Seller all or a portion of the Closing Cash Payment payable by Buyer at Closing, and (ii) Buyer and/or Intermediary may assign to Star City Development Company, Inc., Buyer's rights and obligations hereunder with respect to the fee estates in Real Property included in the Assets being conveyed by Seller hereunder. No assignment permitted or consented to under this Agreement shall act as a

novation and the assigning Party shall not be released from, and shall remain fully liable for, all of its obligations and Liabilities under this Agreement. Any assignment in violation of this Agreement shall be null and void *ab initio*. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns, and no other person shall have any right, benefit or obligation hereunder.

12.5 Entire Agreement. This Agreement, all schedules hereto, and all documents and certificates to be delivered by the Parties pursuant hereto, collectively represent the entire understanding and agreement between the Parties hereto with respect to the subject matter of this Agreement. All schedules attached to this Agreement shall be deemed part of this Agreement and are incorporated herein, where applicable, as if fully set forth herein. This Agreement supersedes all prior negotiations, letters of intent or other writings between the Parties and their respective representatives with respect to the subject matter hereof and cannot be amended, supplemented, or modified except by an agreement in writing that makes specific reference to this Agreement or an agreement delivered pursuant hereto, as the case may be, and which is signed by the Party against which enforcement of any such amendment, supplement, or modification is sought.

12.6 Waivers of Compliance; Consents. Except as otherwise provided in this Agreement, any failure of any of the Parties to comply with any obligation, representation, warranty, covenant, agreement, or condition herein may be waived by the Party entitled to the benefits thereof only by a written instrument signed by the Party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, representation, warranty, covenant, agreement, or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure. Whenever this Agreement requires or permits consent by or on behalf of any Party hereto, such consent shall be given in writing in a manner consistent with the requirements for a waiver of compliance as set forth in this Section.

12.7 Severability. In the event that any one or more of the provisions contained in this Agreement or in any other instrument referred to herein, shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement or any other such instrument and this Agreement shall be construed in a manner that, as nearly as possible, reflects the original intent of the Parties.

12.8 Counterparts. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, and all of which counterparts together shall constitute one and the same fully executed instrument.

[END OF PAGE. SIGNATURES FOLLOW.]

IN WITNESS WHEREOF, this Agreement has been executed by the Parties hereto as of the date first above written.

BUYER:

SPRINGFIELD INDEPENDENT
TELEVISION CO., INC.

By: 
Beverly Poston, Executive Vice President

SPRINGFIELD BROADCASTING PARTNERS

By: 
Beverly Poston, Executive Vice President

SELLER:

GE MEDIA, INC.

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, this Agreement has been executed by the Parties hereto as of the date first above written.

BUYER:

SPRINGFIELD INDEPENDENT
TELEVISION CO., INC.

By: _____
Beverly Poston, Executive Vice President

SPRINGFIELD BROADCASTING PARTNERS

By: _____
Beverly Poston, Executive Vice President

SELLER:

GE MEDIA, INC.

By: James McLaughlin Everett
Name: James McLaughlin Everett
Title: President

TABLE OF CONTENTS

	Page
SECTION 1: DEFINITIONS.....	1
1.1 Terms Defined in this Section.....	1
1.2 Terms Defined Elsewhere in this Agreement.....	7
1.3 Clarifications.....	8
SECTION 2: PURCHASE OF ASSETS.....	8
2.1 Agreement to Sell and Buy.....	8
2.2 Purchase Price.....	9
2.3 Adjustments and Prorations.....	9
2.4 Assumed Liabilities.....	11
2.5 Exchange Agreement.....	11
(a) Intermediary Assignment prior to Closing.....	12
(b) Closing Deliveries.....	12
(c) Assignment of Rights following Closing.....	12
SECTION 3: REPRESENTATIONS AND WARRANTIES OF SELLER.....	12
3.1 Organization and Authority.....	12
3.2 Authorization and Binding Obligations.....	12
3.3 No Contravention; Consents.....	12
3.4 Title to Assets.....	13
3.5 Real Property.....	13
3.6 Equipment.....	13
3.7 Licenses.....	14
3.8 Contracts.....	14
3.9 Intellectual Property.....	15
3.10 Personnel Matters.....	15
(a) Employees.....	15
(b) Employee Plans and Compensation Arrangements.....	15
(c) Qualified Plans.....	15
(d) Labor Unions.....	15
3.11 Financial Information.....	16
3.12 Taxes.....	16

TABLE OF CONTENTS (continued)

	Page
3.13 Claims and Litigation.....	16
3.14 Compliance with Laws	16
3.15 Environmental Matters.....	16
3.16 Conduct of Business in Ordinary Course.....	17
3.17 Insurance	17
3.18 Brokers	17
3.19 Disclosure	17
SECTION 4: REPRESENTATIONS AND WARRANTIES OF BUYER	17
4.1 Organization and Authority	17
4.2 Authorization and Binding Obligations	18
4.3 No Contravention; Consents	18
4.4 Compliance with Law	18
4.5 Qualifications	18
4.6 Claims and Litigation.....	18
4.7 Availability of Funds	18
4.8 Brokers	18
4.9 Disclosure	19
SECTION 5: PRE-CLOSING COVENANTS OF THE PARTIES	19
5.1 Covenants of Seller	19
(a) Commercially Reasonable Efforts	19
(b) No Control	19
(c) Access	20
(d) Ordinary Course.....	20
(e) Insurance	20
(f) Compliance with Laws	20
(g) Contracts and Liens.....	20
(h) Disposition of Assets	21
(i) FCC Licenses and Digital Authorizations	21
5.2 Covenants of Buyer.....	21
(a) Commercially Reasonable Efforts	21

TABLE OF CONTENTS
(continued)

	Page
(b) No Control	21
(c) No Inconsistent Agreements	22
SECTION 6: JOINT COVENANTS	22
6.1 Consultations regarding Consents of Governmental Authorities	22
6.2 Joint Filings.....	22
6.3 Employee Matters	22
6.4 Notice of Breach; Updated Schedules	23
6.5 Confidentiality	24
6.6 Press Releases	24
6.7 Receivables	25
6.8 Allocation of Purchase Price.....	25
6.9 Risk of Loss	26
6.10 TBA.....	26
6.11 Indemnity Agreement	27
6.12 Noncompetition and Nonsolicitation Covenants	27
6.13 Limited Audit.....	27
6.14 Real Property Title Matters.....	28
6.15 Lien Searches.....	29
6.16 Further Assurances.....	29
SECTION 7: CONDITIONS PRECEDENT TO OBLIGATION OF SELLER TO CLOSE	29
7.1 Representations, Warranties and Covenants.....	29
7.2 Closing Deliveries.....	30
7.3 FCC Consent.....	30
7.4 Required Consents of Governmental Authorities	30
7.5 Opinion of Buyer's Counsel	30
7.6 No Injunction	30
SECTION 8: CONDITIONS PRECEDENT TO OBLIGATION OF BUYER TO CLOSE.....	30
8.1 Representations, Warranties and Covenants.....	30
8.2 Closing Deliveries.....	30

TABLE OF CONTENTS
(continued)

	Page
8.3 FCC Consent	31
8.4 Required Consents	31
8.5 Opinions of Seller's Counsels	31
8.6 Broadcast Cash Flow	31
8.7 Title Commitments	31
8.8 Tax, Lien and Judgment Searches	31
8.9 No Injunction	31
SECTION 9: THE CLOSING	31
9.1 The Closing	31
9.2 Deliveries by Seller to Buyer	31
9.3 Deliveries by Buyer to Seller	32
SECTION 10: INDEMNIFICATION	32
10.1 Survival	32
10.2 Seller's Indemnity	33
10.3 Buyer's Indemnity	33
10.4 Procedures	33
10.5 Adjustment to Indemnification Payments	35
10.6 Qualifications and Limitations	35
10.7 Indemnity Agreement	36
10.8 Exclusive Remedy	36
SECTION 11: TERMINATION	36
11.1 Termination by Seller	36
(a) Conditions	36
(b) Judgments	37
(c) Failure to Obtain FCC Consent	37
11.2 Termination by Buyer	37
(a) Conditions	37
(b) Judgments	37
(c) Failure to Obtain FCC Consent	37
(d) Real Estate Title Matters	37

TABLE OF CONTENTS
(continued)

	Page
11.3 Unsatisfied Conditions; Opportunity to Satisfy	37
11.4 Effect of Termination.....	37
11.5 Specific Performance	38
11.6 Payment of Liquidated Damages to Seller.....	38
11.7 Attorneys' Fees	39
11.8 Surviving Obligations	39
SECTION 12: MISCELLANEOUS	39
12.1 Notices	39
12.2 Expenses	40
12.3 Choice of Law.....	40
12.4 Assignment	40
12.5 Entire Agreement.....	41
12.6 Waivers of Compliance; Consents.....	41
12.7 Severability	41
12.8 Counterparts.....	41

LIST OF EXHIBITS

Exhibit A	—	Indemnity Agreement
Exhibit B	—	Opinion of Buyer's Counsel
Exhibit C	—	Opinions of Seller's Counsels

LIST OF SCHEDULES

Schedule 1.1A	—	Excluded Assets
Schedule 1.1B	—	Permitted Liens
Schedule 3.3	—	Consents
Schedule 3.5	—	Real Property
Schedule 3.6	—	Equipment
Schedule 3.7	—	Licenses
Schedule 3.8	—	Contracts
Schedule 3.9	—	Intellectual Property
Schedule 3.10	—	Personnel Matters
Schedule 3.11	—	Financial Information
Schedule 3.13	—	Claims and Litigation
Schedule 3.15	—	Environmental Matters
Schedule 6.3	—	Retained Employees