

EXECUTION COPY

ASSET PURCHASE AGREEMENT

THIS AGREEMENT is made and entered into as of this 13th day of June, 2007, by and among Jerry Hartman and Esther Hartman, Florida residents ("Stockholders"), Siete Grande Television, Inc., a Florida corporation ("Seller"), and Univision Television Group, Inc., a Delaware corporation ("Buyer").

WITNESSETH:

WHEREAS, Seller is the licensee of television broadcast station WSTE(TV); Ponce, Puerto Rico, operating on Channel 7 (said station, together with its authorized digital station WSTE-DT, referred to as the "Station");

WHEREAS, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, on the terms and conditions set forth herein, all of Seller's assets used or usable in connection with the operation of the Station;

WHEREAS, Seller desires to assign to Buyer the licenses, permits, and authorizations issued to Seller that allow it legally to operate the Station;

WHEREAS, Stockholders own and hold the majority of the outstanding capital stock in Seller (said stock referred to, collectively, as the "Stock") and control Seller, and Stockholders will, therefore, benefit from said sale and purchase; and

WHEREAS, in order to consummate said sale and purchase the consent of the Federal Communications Commission ("FCC") must be first obtained;

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants, representations, warranties, and agreements contained herein, the parties hereto hereby agree as follows:

ARTICLE 1. - DEFINITIONS

1.1. **Definitions.** In this Agreement, the following terms shall be defined as follows:

"Accounts Receivable" shall mean Seller's accounts receivable as in existence from time to time.

"Application" shall mean the application seeking FCC consent to the assignment to Buyer of the FCC Authorizations, as defined below.

"Assets" shall mean the assets described in Sections 2.1.1 through 2.1.6 of this Agreement.

"Assumption Agreement" shall mean the assumption agreement, in form and substance attached hereto as Exhibit A.

"Authorizations" shall mean the FCC Authorizations together with all other governmental licenses, permits, or authorizations issued to Seller.

"Claimant" shall mean the party claiming indemnification under this Agreement.

"Claims Amount" shall mean, in the event that Buyer is entitled to indemnification by Seller hereunder and has made a claim against Seller within the Holdback Period, as defined below, for such indemnification, the portion of the Holdback Escrow Deposit, as defined below, necessary to satisfy all such indemnification obligations of Seller.

"Closing" shall mean the closing of the purchase by Buyer from Seller of the Assets and Authorizations, as contemplated under this Agreement.

"Closing Agreement" shall mean the Closing Agreement pursuant to the Puerto Rico Internal Revenue Code of 1994, as Amended, a copy of which is attached hereto as Exhibit B.

"Closing Date" shall mean the date on which the Closing occurs.

"Closing Payment" shall mean FOURTEEN MILLION DOLLARS (\$14,000,000.00).

"Code" shall mean the United States Internal Revenue Code of 1986, as amended.

"Collective Bargaining Agreement" shall mean that certain collective bargaining agreement executed on July 3, 2001, by and between Seller and the Union de Periodistas, Artes Graficas y Ramas Anexas, affiliated with the Newspaper Guild/Communication Workers of America, as amended on April 2, 2007, a true and complete copy of which has been delivered to Buyer.

"Collection Period" shall mean the period beginning on the Closing Date and ending one hundred twenty (120) days thereafter.

"Confidentiality Agreement" shall mean the Confidentiality Agreement, dated as of April 10, 2001, between Seller and Buyer.

"Deposit Escrow Agreement" shall mean the deposit escrow agreement, in form and substance attached hereto as Exhibit C.

"Digital Application" shall mean any application for an FCC construction permit filed on behalf of the Station, in a form reasonably acceptable to Buyer, the grant of which by the FCC shall (i) authorize multiple transmitter digital television operation by the Station on Channel 7, or another channel reasonably acceptable to Buyer, which covers and provides actual service to a geographic area and population greater than or substantially equivalent to that covered by the Station's current multitransmitter analog operation, and (ii) be permanent in nature, subject only to the normal license renewal obligations of broadcast licensees.

"Digital Leases" shall mean the existing or future leases and agreements entered into by Seller and necessary to provide Buyer with all necessary rights to the transmitter and tower sites necessary to operate the digital facilities specified in the Digital Application, which leases and agreements are reasonably acceptable to Buyer.

"DOJ" shall mean the Antitrust Division of the United States Department of Justice.

"Environmental Assets" shall mean the Assets, real property leased by Seller to tenants or leased by Seller from landlords, and underlying groundwater with respect to the Assets or such real property, if any.

"Environmental Laws" shall mean all Laws, as defined below, relating to protection of the environment, public health, or safety.

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

"ERISA Affiliate" shall mean any person or entity that is or was required to be treated as a single employer with Seller under Section 414 of the Code or Section 4081(b)(1) of ERISA.

"Escrow Agent" shall mean Commerce Bank, National Association.

"Escrow Deposit" shall mean ONE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$1,500,000.00).

"Estrella Broadcast Agreement" shall mean that certain Broadcast Agreement, dated as of April 12, 1995, between Seller and Estrella Brillante Limited Co-Partnership, a Puerto Rico limited co-partnership, as same has been amended from time to time.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

"FCC Authorizations" shall mean all licenses, permits, or other authorizations issued by the FCC to Seller, all renewals or extensions thereof and all additions or modifications thereto, and all applications of Seller before the FCC.

"FCC Consent" shall mean written action of the FCC, or any successor federal governmental agency the approval of which is required before a broadcast license can be assigned, consenting to the assignment to Buyer of the FCC Authorizations.

"Final Order" shall mean an FCC consent or grant as to which the time within which any party in interest other than the FCC may seek administrative or judicial reconsideration or review of such consent or grant has expired and no petition for such reconsideration or review has been timely filed with the FCC or with a court of competent jurisdiction, and the normal time within which the FCC may review such consent or grant on its own motion has expired and the FCC has not undertaken such review.

"Financial Statements" shall mean Seller's balance sheet, income statement, and statement of changes in financial position as of or for the period ended December 31, 2006, and as of or for each of the periods ending Seller's last three fiscal years, and Seller's balance sheet and operating income statement before taxes, interest, and depreciation as of or for the period ended December 31, 2006, and as of or for each of the periods ending Seller's last three fiscal years.

"FTC" shall mean the Federal Trade Commission.

"Governmental Body" shall mean any governmental body of competent jurisdiction, including any court, legislative body, taxing authority, or governmental agency of competent jurisdiction, as well as any arbitrators of competent jurisdiction.

"Hazardous Material" shall mean (i) "Hazardous substances," "pollutants," or "contaminants" as those terms are defined by the Comprehensive Environmental Response, Compensation, and Liability Act and the Hazardous Materials Transportation Act, both as amended and hereafter amended; (ii) "solid wastes" as that term is defined by the Resource Conservation and Recovery Act, as amended and hereafter amended; (iii) any pollutant, contaminant, or solid waste or hazardous, dangerous, or toxic chemicals, materials, substances, or wastes within the meaning of any other applicable Laws relating to or imposing liability or standards of conduct with respect to any hazardous, toxic, or dangerous chemical, waste, substance, or material; (iv) crude oil or any fraction thereof that is liquid at standard conditions of temperature and pressure; (v) any radioactive material; (vi) asbestos in any form or condition; (vii) any mold; or (viii) polychlorinated biphenyls and hydrocarbons or substances or compounds containing polychlorinated biphenyls or hydrocarbons.

"Holdback Escrow Deposit" shall mean FIVE HUNDRED THOUSAND DOLLARS (\$500,000.00)

"Holdback Period" shall mean the one (1) year period immediately following the Closing Date.

"HSR Act" shall mean the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

"Indemnification Escrow Agreement" shall mean the indemnification escrow agreement, in form and substance attached hereto as Exhibit D.

"Indemnitor" shall mean the party from whom indemnification is sought under this Agreement.

"Interim Period" shall mean the period beginning on the date hereof and ending on the earlier of the Closing Date or the termination hereof.

"Laws" shall mean all federal, state, commonwealth, local, and other governmental laws, statutes, rules, regulations, ordinances, decrees, orders, and requirements, including the Communications Act of 1934 and the rules, regulations, and policies of the FCC, all of the foregoing as amended and hereafter amended.

"Liens" shall mean all liens, security interests, mortgages, pledges, liabilities, debts, or encumbrances of any kind.

"Limited Guarantee" shall mean the guarantee that is set forth in Section 6.6 of this Agreement.

"Material Adverse Effect" shall mean a material adverse effect on (i) the Assets, Authorizations, or operation or condition of Seller or of the Station, (ii) the ability of Stockholders or Seller to perform their obligations under this Agreement, or (iii) the validity or enforceability of this Agreement.

"MVPD" shall mean any multichannel video programming distributor, including any cable television or satellite system.

"Obligations" shall mean all obligations of Seller arising under Section 6.2 of this Agreement.

"Puerto Rico Code" shall mean the Puerto Rico Internal Revenue Code of 1994, as amended.

"Purchase Price" shall mean the purchase price for the Authorizations and Assets that is set forth in Section 3.1 of this Agreement.

"Renewal Application" shall mean the license renewal application, FCC File No. BRCT-20040927AEG, granted by the FCC on March 23, 2007.

"Securities Act" shall mean the Securities Act of 1933, as amended.

"Taxes" shall mean all federal, state, commonwealth, local, or foreign taxes or other similar government charges of any kind whatsoever, including all gross receipts, income, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental (including taxes under Code Section 59A), customs duties, capital stock, franchise, profits, withholding, social security or similar, unemployment, disability, real property, personal property, unclaimed property, escheat, sales, use, transfer, registration, value added, alternative or add-on minimum, or estimated taxes and including any interest, penalty, or addition thereto, whether disputed or not.

"Tax Return" shall mean any return, declaration, report, claim for refund, or information return or statement relating to Taxes required to be supplied, or actually supplied, to any Governmental Body, including any schedule or attachment thereto, and including any amendment thereof.

"Threshold Amount" shall mean TWENTY FIVE THOUSAND DOLLARS (\$25,000.00).

"Trade Agreements" shall mean those agreements set forth in Schedule 2.1.2, if any, for the sale of advertising time on the Station in exchange for goods or services.

1.2. **Use of Language.** Words of any gender used in this Agreement shall be held and construed to include every other gender, and words used in this Agreement in the singular shall be held and construed to include the plural and vice versa, unless the context otherwise requires. When used in this Agreement, "or" shall mean "and/or" unless the context otherwise requires. When used in this Agreement, the words "hereto," "hereof," "herein," or "hereunder" or words of similar import refer to this Agreement in its entirety. The words "include," "includes," "included," and "including" shall be deemed in this Agreement to be followed by the phrase "without limitation." When used in this Agreement, "business day" shall mean any day other than a Saturday, a Sunday, or an officially recognized United States federal legal holiday; provided, however, that "business day" shall exclude the Inauguration Day holiday. When used in this Agreement, "lease" shall include "sublease" unless the context otherwise requires.

ARTICLE 2. - SALE AND PURCHASE OF ASSETS

2.1. **Seller's Assets.** On the Closing Date, subject to the terms and conditions set forth herein, Seller shall sell, assign, transfer, and deliver to Buyer, and Buyer shall purchase from Seller, the Authorizations and the following Assets:

2.1.1. The furniture, fixtures, machinery, equipment, supplies, spare parts, inventory, and all other tangible personal property owned and used or useful in the operation of the Station or Seller's business, including the tangible property described in

Schedule 2.1.1 attached hereto, together with all replacements thereof or additions thereto, if any, made during the Interim Period.

2.1.2. Those non-real property leases, contracts, and other agreements and commitments of Seller that are set forth in Schedule 2.1.2 attached hereto and that are in effect on the Closing Date.

2.1.3. Seller's goodwill, going-concern value, privileges, licenses, permits, patents, copyrights, trade secrets, trademarks, trade names, Internet Websites and rights related thereto, and other tangible and intangible rights, including any and all rights to the call letters "WSTE(TV)" and "WSTE-DT."

2.1.4. All real property leases specified in Schedule 2.1.4 attached hereto.

2.1.5. All other assets used in the operation of the Station or Seller's business, including logs, reports, the public inspection file, books, records, databases, lists, tapes, recordings, music libraries, and supplies on hand.

2.1.6. Specifically excluded from the Assets are the Accounts Receivable, cash on hand, money on deposit, securities, similar investments, and, except as set forth herein, all other cash equivalents outstanding as of the Closing Date, it being understood that the Accounts Receivable that are outstanding and unpaid as of the Closing Date shall be subject to Section 3.10 hereof.

2.2. Conveyance. On the Closing Date, Seller shall cause to be executed and delivered to Buyer all documents and instruments set forth in Section 7.4 of this Agreement.

2.3. Records. On the Closing Date, Seller shall deliver to Buyer all operating and maintenance logs and FCC records and reports, all accounting and sales information, and all other financial records relating to the operation of the Station or the Assets. After the Closing Date, Buyer shall provide Seller access to such records under Buyer's control as may be reasonably necessary for Seller to complete its financial statements, Tax Returns, and similar documents and records.

2.4. Liabilities. Seller agrees that the Assets and Authorizations at Closing are to be free and clear of all Liens, except, with respect to real property, if any, normal non material easements, liens for Taxes not yet due or payable, and other similar non material encumbrances normally attendant to the operation of real property.

2.5. Buyer's Assumption of Certain Future Obligations. Notwithstanding anything to the contrary contained in this Agreement, in the event of Closing, Buyer on the Closing Date shall assume only those obligations of Seller that are set forth in Schedules 2.1.2 or 2.1.4, it being understood that Seller's assignment to Buyer of such obligations and Buyer's

assumption thereof are subject to Seller obtaining any necessary third party consents to such assignment and assumption; provided that Seller in order to obtain such consents shall not be obligated hereunder to pay additional sums to the third parties from whom such consents are sought and that Buyer will reasonably cooperate in providing financial or other information reasonably requested by such third parties in connection with such consents. With respect to such assumed obligations, (i) Seller shall pay all contract obligations due or accrued prior to the Closing Date (including, without limitation, all obligations for severance or similar payments to Seller's employees under the Collective Bargaining Agreement as a result of the consummation of the transactions contemplated hereby or otherwise) and (ii) Buyer shall assume the obligation for all such contract payments due and accruing on or after the Closing Date and shall otherwise assume such assumed obligations to the extent required under the Assumption Agreement. The parties acknowledge that the Earn Out Agreement, dated as of September 25, 1991, between Seller and Channel 7, Inc., a Michigan corporation, has expired. As of the Closing Date, Schedule 2.1.4 shall be deemed to include all Digital Leases, if any, entered into by Seller during the Interim Period, and, not later than thirty (30) days prior to the Closing Date, Seller shall provide Buyer with an accurate and complete list of all such Digital Leases together with accurate and complete copies of all such Digital Leases, it being understood that Buyer shall not be required to assume any Digital Lease unless Buyer expressly consents to such assumption in writing in its sole discretion.

2.6. **Prepaid and Unpaid Expenses.** On the Closing Date, in conjunction with the pro-rations set forth in Section 3.4 of this Agreement, Buyer shall reimburse Seller for the unexpended portion as of the Closing Date of all Station expenses and obligations, including Puerto Rico municipal license tax, that Seller prepaid prior to such time to the extent that such prepaid items are of benefit to Buyer, and Seller shall reimburse Buyer for all unpaid expenses and obligations, including Puerto Rico municipal license tax, of the Station that have been incurred or accrued as of such time. For purposes of such prepaid Puerto Rico municipal license tax, if any, Buyer shall be considered a successor business, and Buyer and Seller shall cooperate in making appropriate notifications to the Puerto Rico municipalities where Buyer will continue such business. For purposes of allocating Tax expenses pursuant to this Section 2.6, for any Taxes that are imposed on a periodic basis and are payable for a taxable period that includes but does not end on the Closing Date, the portion of such Tax that relates to the portion of such taxable period ending on the Closing Date shall (in the case of any Taxes other than Taxes based upon or related to income or receipts) be deemed to be the amount of such Tax for the entire taxable period multiplied by a fraction the numerator of which is the number of days in the taxable period ending on the Closing Date and the denominator of which is the number of days in the entire taxable period. Income received by Seller for advertising to be broadcast on the Station on or after the Closing Date shall be paid by Seller to Buyer. Seller agrees that, as of the Closing Date, the aggregate value of advertising time owed pursuant to the Trade Agreements shall not exceed by more than TEN THOUSAND DOLLARS (\$10,000.00) the aggregate value of goods and services to be received by Buyer pursuant to the Trade Agreements, as computed in accordance with generally accepted accounting principles. All payments made pursuant to this Section 2.6 shall be treated by the parties for Tax purposes as an adjustment to the Purchase Price.

**ARTICLE 3. - PURCHASE PRICE;
ADJUSTMENTS; CERTAIN COVENANTS**

3.1. **Purchase Price.** The Purchase Price hereunder for the Authorizations and Assets shall be FIFTEEN MILLION FIVE HUNDRED THOUSAND DOLLARS (\$15,500,000.00), payable as set forth in Section 3.2 below and subject to the satisfaction of the conditions set forth herein (including, without limitation, the conditions set forth in Section 7.3).

3.2. **Payment Terms.** Within three (3) business days of the date of this Agreement, Buyer shall deposit the Escrow Deposit in escrow with the Escrow Agent. On or prior to the date of delivery of the Escrow Deposit, Seller, Buyer, and the Escrow Agent shall have entered into the Deposit Escrow Agreement. Seller and Buyer shall give timely signed written instructions to the Escrow Agent as necessary, including following the Closing Date or the termination of this Agreement, to effectuate the provisions and intent of this Agreement. All interest, if any, earned on the Escrow Deposit on or prior to the Closing Date shall be for Buyer's account. In the event of the termination of this Agreement, other than due to a breach by Buyer, such interest shall be disbursed to Buyer promptly. Such interest shall be paid to Buyer on the Closing Date by confirmed wire transfer of federal funds. The Purchase Price shall be paid as follows: On the Closing Date, (i) the Holdback Escrow Deposit shall be held in escrow pursuant to Section 3.8 hereof, (ii) the remainder of the Escrow Deposit (\$1,000,000.00), less all interest earned thereon which shall be returned to Buyer, shall be disbursed to Seller, and (iii) Buyer shall pay to Seller the Closing Payment by confirmed wire transfer of federal funds.

3.3. **Return of Escrow Deposit.** Except as otherwise provided under Section 8.3 hereof, in the event of the termination of this Agreement, the Escrow Deposit (plus all interest earned thereon) shall be returned to Buyer promptly.

3.4. **Expenses.** On the Closing Date, to the extent reasonably feasible, there shall be prorated all payments of rent, utilities, insurance, FCC annual regulatory fees, and all other operating expenses of or for the Station, including salaries, Taxes, vacation and other fringe benefit accruals for employees who accept employment with Buyer as of the Closing Date, and other charges pertaining to the Assets, so that Seller shall be responsible for all such expenses incurred or accrued prior to the Closing Date and Buyer for all such expenses on the Closing Date and thereafter (other than such expenses and Taxes that are incurred in connection with the transactions contemplated under this Agreement), with final accounting and settlement of such prorations to be completed within ninety (90) days after the Closing Date. In this regard, Seller shall pay the costs of all ownership reports, employment reports, or other reports or FCC filings required by virtue of Seller's ownership of the Station prior to the Closing Date. Each party, however, shall be responsible for its own Taxes and expenses incurred in connection with the transactions contemplated under this Agreement, including the negotiation and preparation of this Agreement and the preparation and prosecution of the Application, except that Seller and Buyer shall share equally the cost of all FCC filing fees, if any, pertaining to the Application and Buyer shall be responsible for all filing fees, if any, relating to the filings contemplated under Section 5.6 hereof.

3.5. **Interim Obligations.** Throughout the Interim Period: (i) Seller shall maintain its qualifications under all applicable FCC requirements to be an assignor of the Station, shall operate the Station in the normal course of business, shall not materially increase any compensation or benefits to or affecting any of Seller's employees, except Seller may pay a one-time bonus to such employees so long as such payment imposes no cost or obligation on Buyer, and shall comply in all material respects with all applicable Laws and shall operate the Station in compliance in all material respects with all applicable Laws; (ii) Seller shall manage the Accounts Receivable and the accounts payable of the Station in a manner consistent with past practice, and may continue to make ordinary collection efforts as would be prudent to businesses of the size and scope of the Station; (iii) except as otherwise set forth herein, Seller shall use commercially reasonable efforts to preserve the relationship of the Station with its employees, advertisers, and suppliers; (iv) Stockholders or their heirs at law shall remain the owners of all of the Stock, and, except as set forth in Schedule 3.5 attached hereto, Seller shall remain the authorized holder of each of the FCC Authorizations and shall maintain each of the FCC Authorizations in good standing and in full force and effect, and shall not transfer, convey, or assign to any person or entity any of the Assets, other than Assets transferred, conveyed, or assigned in the ordinary course of business that, during the Interim Period, are replaced with assets of equal or greater value, quality, and usefulness; (v) Seller shall not take any action or fail to take any action that could cause any representation or warranty of Seller contained herein to be untrue or incorrect as of the Closing Date; (vi) during normal business hours, upon advance notice given by Buyer, Buyer and Buyer's agents shall be permitted to inspect all equipment, antenna towers, property, facilities, books, and records pertaining to the Station or Seller; (vii) Seller shall, in connection with Buyer's inspection rights hereunder, extend full cooperation to Buyer and Buyer's agents, including such access to Seller's officers, employees, equipment, and facilities and to logs and records pertaining thereto at such time or times as Buyer or Buyer's agents shall reasonably request; provided, that such inspections shall not materially interfere with Seller's operation of the Station; (viii) neither any Stockholder nor Seller shall solicit offers from, make proposals to, conduct negotiations with, or otherwise deal with any and all third parties with respect to the transfer of control, assignment, purchase, or sale of the Station or any of the Stock, the Authorizations, or the Assets, it being understood that Stockholders and Seller are dealing exclusively with Buyer regarding the purchase and sale of the Stock or the Station; (ix) upon the reasonable request of Buyer, at such time as the FCC shall permit the filing of the Digital Application, Seller shall use its best efforts to file the Digital Application promptly with the FCC and to obtain a prompt grant of the Digital Application by the FCC without conditions adverse to Buyer, provided that Seller shall not file or prosecute the Digital Application or enter into the Digital Leases, without the reasonable prior written approval of Buyer; (x) Seller shall notify Buyer in writing promptly of any material impairment to the broadcast transmissions of the Station or of any actual or threatened change in MVPD carriage of the Station; (xi) as to each agreement set forth in Schedules 2.1.2 or 2.1.4, no earlier than thirty (30) days prior to the deadline stated under such agreement for Seller to take action to extend the term of or renew such agreement, Seller shall take all commercially reasonable action to extend or renew, unless Buyer has requested otherwise in writing; and (xii) Seller shall not settle any dispute or claim relating to Taxes or make any material Tax election without the prior written consent of Buyer, which consent shall not be unreasonably withheld or delayed. After the end of the Interim

Period, Seller and Stockholders shall continue to cooperate with Buyer to obtain the grant of the Digital Application and take all actions reasonably requested by Buyer (at no cost to Seller other than costs reimbursed by Buyer) in connection with the prosecution and grant of the Digital Application.

3.6. **Purchase Price Allocation.** Buyer and Seller agree to allocate the consideration paid hereunder for all Tax purposes among the Authorizations and Assets in a manner consistent with **Schedule 3.6** attached hereto. Buyer and Seller agree to file all Tax Returns, including Internal Revenue Service Form 8594 and all disclosures that are required under Code Section 1060, if any, in a manner consistent with such allocation.

3.7. **Securities Filings.** At Buyer's request, Seller shall promptly, throughout the Interim Period, provide such information and documents to Buyer regarding the business of Seller and the Station as may be necessary or appropriate for inclusion in any filing, notification, or report required to be made by Buyer or any affiliate of Buyer under the Securities Act or the Exchange Act, and shall cause Seller's counsel and independent accountants to cooperate with Buyer, its affiliates, and their investment bankers, counsel, and independent accountants in the preparation of such filings, notifications, and reports. Buyer shall reimburse Seller for all reasonable out-of-pocket expenses incurred by Seller in performing its obligations under the immediately preceding sentence promptly after presentation to Buyer by Seller of evidence reasonably satisfactory to Buyer of such expenses. Seller represents, warrants, and covenants to Buyer that no information or document provided by Seller for inclusion in any filing, notification, or report made by Buyer or any affiliate thereof under the Securities Act or the Exchange Act shall contain any untrue statement of material fact or omit to state any material fact necessary in order to make the statements made therein not misleading.

3.8. **Holdback.** On and subsequent to the Closing Date, subject to this Section 3.8, the Holdback Escrow Deposit shall be held in escrow pursuant to the Indemnification Escrow Agreement to secure performance of Seller's post-Closing indemnification obligations hereunder. In the event that Buyer is entitled to indemnification by Seller hereunder and has made a claim against Seller within the Holdback Period for such indemnification, the Claims Amount shall be promptly paid to Buyer. At the end of the Holdback Period, Seller shall be entitled to prompt payment from the Holdback Escrow Deposit of an amount equal to (i) the Holdback Escrow Deposit minus the Claims Amount plus (ii) all interest, if any, earned on the Holdback Escrow Deposit subsequent to the Closing Date. Seller and Buyer shall give timely written instructions to the Escrow Agent to effectuate the purposes and intent of this Section 3.8.

3.9. **Public Announcements.** No press release or public statement with respect to this Agreement or the transactions contemplated hereunder shall be made by any party without the consent of the other parties; provided, however, that this Section 3.9 shall not prevent any party from complying with the requirements of applicable Laws.

3.10. **Collection of Accounts Receivable.** On the Closing Date, Seller shall assign to Buyer all of the Accounts Receivable that are outstanding and unpaid as of the Closing Date for purposes of collection only. Pursuant to Section 7.4.5 hereof, Seller shall provide to Buyer

an itemized list of all such Accounts Receivable. Buyer shall use such good faith efforts as are reasonable and in the ordinary course of business to collect the Accounts Receivable during the Collection Period. This collection obligation, however, shall not require the institution of litigation, employment of counsel or any collection agent, or any other extraordinary means of collection. So long as the Accounts Receivable are in Buyer's possession, neither Seller nor its agents shall, during the Collection Period, make any solicitation of them for collection purposes or institute litigation for the collection of any amounts due thereunder. Within ten (10) business days following the expiration of each calendar month occurring during the Collection Period, Buyer shall furnish Seller with a list of the Accounts Receivable collected by Buyer during such calendar month accompanied by a payment equal to the amount of such collections. For purposes of this Section 3.10, a calendar month shall be deemed to occur during the Collection Period if any part of such calendar month falls within the Collection Period. All payments received by Buyer during the Collection Period from any person or entity obligated with respect to any of the Accounts Receivable shall be applied first to Seller's account and only after full satisfaction thereof to Buyer's account; provided, however, that, if during the Collection Period any account debtor contests the validity of its obligation with respect to any Account Receivable (which contestation may be manifested by, among other means, such account debtor making any payment on Buyer's account, which payment is specifically identified, whether by accompanying invoice or otherwise, as a payment on Buyer's account, without first paying such Account Receivable in full), then Buyer may reassign that Account Receivable to Seller after which Seller shall be solely responsible for the collection thereof and Buyer shall be entitled to apply to Buyer's own account payments received from such account debtor for Buyer's account. Buyer shall not have the right to compromise, settle, or adjust the amounts of any Accounts Receivable without Seller's prior written consent. All Accounts Receivable that are not collected during the Collection Period, if any, shall be reassigned to Seller within ten (10) business days following the expiration of the last calendar month occurring during the Collection Period, after which Buyer shall have no further obligation to Seller with respect to the Accounts Receivable and Seller may collect them free of any restriction hereunder; provided, however, that all funds subsequently received by Buyer that are specifically identified, whether by accompanying invoice or otherwise, as a payment on any Account Receivable shall be promptly paid over or forwarded to Seller along with any information or correspondence received by Buyer related to such Account Receivable. Seller shall be responsible for paying all salesperson's, agency, and representative commissions due third parties with respect to the Accounts Receivable. Seller hereby authorizes Buyer to endorse on Seller's behalf and to cash or deposit any and all checks received by Buyer in payment of any of the Accounts Receivable. Buyer shall not incur any liability as a result of failure of collection on any checks or other methods of payment, other than cash, received by Buyer in payment of any of the Accounts Receivable. All accounts receivable for broadcasts on the Station on or after the Closing Date shall belong to Buyer.

3.11. Transfer Taxes. Seller shall be liable for and shall pay (and shall indemnify and hold harmless Buyer against) all sales, use, stamp, documentary, filing (except as otherwise provided under Section 3.4 hereof), recording, transfer, or similar fees or Taxes levied in connection with the transactions contemplated under this Agreement. Seller hereby agrees to duly and correctly file all necessary Tax Returns with respect to all such amounts in a timely manner.

3.12. **COBRA Acknowledgement.** Buyer acknowledges that certain of Seller's employees participate in Buyer's group health plan and that such employees may be entitled to continued coverage pursuant to rules set forth under the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA"), ERISA and other applicable laws. Seller shall comply with COBRA and shall assume all miscellaneous costs associated with such compliance exclusive of COBRA premiums to be paid by "covered employees" and/or "qualified beneficiaries."

3.13. **Puerto Rico Act Indemnity.** Seller shall indemnify and hold harmless Buyer from any and all liability with respect to the indemnity provided by Puerto Rico Act Number 80 of May 30, 1976, that may be payable to any employee of Seller not hired by Buyer by the Closing Date. On the Closing Date, Seller shall deliver to Buyer evidence reasonably satisfactory to Buyer of Seller's payment of such indemnity to each such employee. In the event that Buyer does not receive such evidence on or prior to the Closing Date, Buyer shall be entitled to withhold from the Closing Payment the amount of such indemnity and to pay to such employees directly such indemnity.

3.14 **Additional Filings.** Seller shall, upon Buyer's request, duly execute and authorize the filing with the FCC of such reasonable applications, pleadings, or other papers as Buyer may from time to time prepare in connection with plans, if any, that Buyer may reasonably develop with Seller's prior written approval, which shall not be unreasonably withheld, to modify the facilities (including, without limitation, channel, class, equipment, antenna location and/or community of license) of the Station (the "Additional Filings"); provided that such Additional Filings do not unduly delay the FCC Consent. Seller shall cooperate with Buyer on such Additional Filings and shall interpose no objections to any such Additional Filings, including any amendments thereto required by the FCC and appeals thereof. Buyer shall bear all costs and expenses of preparation, filing and prosecution of any Additional Filings. Seller shall not make any filings with the FCC without the prior written approval of Buyer, other than filings to renew existing licenses and FCC regulatory fee filings. Seller will deliver to Buyer, promptly after filing, copies of any reports, applications or responses to the FCC or any communications from the FCC or any other party directed to the FCC related to the Station which are filed or received between the date of this Agreement and the Closing Date.

ARTICLE 4. - REPRESENTATIONS AND WARRANTIES

4.1. **Buyer.** Buyer agrees and represents and warrants to Seller as follows:

4.1.1. **Binding Obligation.** This Agreement constitutes the legal, valid, and binding obligation of Buyer enforceable in accordance with this Agreement's terms, subject to applicable bankruptcy, reorganization, insolvency, or similar laws affecting creditors' rights generally, and subject to the application of equitable principles in any proceeding involving the enforcement of any of the provisions of this Agreement and the discretion of the court before which any such proceedings may be brought.

4.1.2. **Authority.** Buyer is a corporation duly organized, validly existing, and in good standing under the laws of the State of Delaware, and has full power and authority to own its assets and to carry on its business as it has been and is conducting. Buyer has full corporate power and authority to make and perform this Agreement. Except as set forth in **Schedule 4.1.2** attached hereto, as of the date of this Agreement, neither the making of this Agreement by Buyer nor the consummation of the transactions contemplated hereunder conflicts with or is prohibited by Buyer's Articles of Incorporation or Bylaws, or has constituted or shall constitute a default under any contract or commitment to which Buyer is a party or by which Buyer is bound.

4.1.3. **No Conflict.** Except as set forth in **Schedule 4.1.2**, the execution, delivery, and performance of this Agreement by Buyer shall not cause any breach of any of the terms, conditions, or provisions of, or constitute a default under, any indenture, mortgage, agreement, or other instrument to which Buyer is a party or by which Buyer is bound.

4.1.4. **Absence of Litigation.** Buyer is aware of no proceeding pending or threatened against Buyer or any of its affiliates before any Governmental Body that would prevent Buyer from performing this Agreement in accordance with its terms.

4.1.5. **Qualifications.** Except as set forth in **Schedule 4.1.2**, Buyer, as of the date of this Agreement, is aware of no facts relating to Buyer's qualifications under the Communications Act of 1934, as amended, that could reasonably be expected to result in the FCC's refusal to grant approval of the Application.

4.1.6. **Disclosures.** No Buyer statement, representation, or warranty contained herein, and no Buyer statement, representation, or warranty made in any document, notice, certificate, or schedule furnished in connection with or attached to this Agreement, contains or shall contain an untrue statement of a material fact or omits or shall omit to state any material fact necessary to make such statement, representation, or warranty not misleading as to the ability of Buyer to perform its obligations under this Agreement.

4.1.7. **Seller's Default.** To the knowledge of Buyer, as of the date hereof, Seller is not in material default under (i) the Equipment Lease Agreement between Channel 7, Inc. and Seller dated as of September 25, 1991, (ii) the Lease Agreement between Channel 7, Inc. and Seller dated as of September 25, 1991, or (iii) the Broadcast Agreement, dated as of April 12, 1995, between Seller and Estrella Brillante Limited Co-Partnership, as amended from time to time.

4.2. **Seller.** Seller agrees and represents and warrants to Buyer as follows:

4.2.1. **Authority.** Each Stockholder is a natural person. Seller is a corporation duly organized, validly existing, and in good standing under the laws of the State of Florida, is authorized to transact business in the Commonwealth of Puerto Rico and all other jurisdictions, if any, in which Seller does business, and has full power and authority to own its assets and to carry on its business as it has been and is conducting. Each Stockholder has full

power and authority to make and perform its obligations under this Agreement. Seller has full corporate power and authority to make and perform this Agreement. This Agreement is a valid, legally binding, and enforceable obligation of Stockholders (with respect to Section 6.6 only) and Seller enforceable in accordance with this Agreement's terms, subject to applicable bankruptcy, reorganization, insolvency, or similar laws affecting creditors' rights generally, and subject to the application of equitable principles in any proceeding involving the enforcement of any of the provisions of this Agreement and the discretion of the court before which any such proceedings may be brought. Neither the making nor performance of this Agreement by Stockholders and Seller nor the consummation of the transactions contemplated hereunder conflicts with or is prohibited by Seller's Articles of Incorporation or Bylaws, or, subject to the obtaining of certain third party consents disclosed in Section 4.2.2 hereof, has constituted or shall constitute a default under any contract or commitment to which any Stockholder or Seller is a party or by which any Stockholder or Seller is bound, or has resulted or shall result in the creation or imposition of any Liens in favor of any third party with respect to any of the Assets or Authorizations.

4.2.2. **Restrictions and Consents.** The execution and delivery of this Agreement and the performance of the transactions provided for herein by Stockholders and Seller have been duly authorized by all necessary action and do not require the consent, approval, or authorization of or filing with any person, entity, or Governmental Body, other than the FCC Consent and filings or approvals contemplated under Section 5.6 hereof and other than the third party consents set forth in **Schedule 4.2.2** attached hereto, and shall not violate any Laws or any injunction, order, or decree of any Governmental Body or conflict with or result in a breach of or constitute a default under any of the terms of any mortgage, lease, note, indenture, commitment, contract, agreement, license, or other instrument or obligation to which any Stockholder or Seller is a party or by which any Stockholder or Seller or any of its properties is or may be bound. The execution and delivery of this Agreement and the consummation of the transactions provided for herein by Stockholders and Seller shall not give to others any interests or rights, including rights of termination or cancellation, in or with respect to any property, asset, mortgage, lease, note, bond, indenture, commitment, contract, agreement, license, or other instrument or right of any Stockholder or Seller. Seller shall use its best efforts to obtain, on or prior to the Closing Date, any required consents as set forth in **Schedule 4.2.2**.

4.2.3. **Title to Assets.** Seller on the Closing Date shall convey to Buyer good and marketable title to all of the Assets and Authorizations, free and clear of all Liens, except as expressly set forth in Section 2.4 hereof and except that the assignment of the FCC Authorizations requires the prior consent of the FCC, it being understood that the tangible property described in **Schedule 4.2.5** is not owned by Seller, but rather, is leased to Seller under the leases set forth in **Schedule 2.1.2**.

4.2.4. **Authorizations and FCC Matters.** **Schedule 4.2.4** attached hereto is a true, complete, and correct description of all FCC licenses, permits, or authorizations currently held by Seller, including all digital television authorizations held by Seller, if any, all other governmental authorizations held by Seller, and all applications of Seller before the FCC. The Renewal Application was granted by the FCC and such grant is in full force and effect and is

a Final Order, and does not contain any conditions that are materially adverse to Buyer, other than conditions imposed by the FCC in the ordinary course on grants of television broadcast station renewal applications generally. Throughout the Interim Period, except as otherwise expressly contemplated under the FCC applications described in Schedule 4.2.4, none of the FCC licenses, permits, or authorizations described in Schedule 4.2.4 shall be modified nor shall Seller seek modification of any such FCC licenses, permits, or authorizations if such modification could result in a Material Adverse Effect or material reduction in the Station's signal coverage area, either with respect to net geographical coverage or net population reached. Throughout the Interim Period, Seller shall diligently prosecute the FCC applications described in Schedule 4.2.4. Except as set forth in Schedule 4.2.4, the Authorizations are, and throughout the Interim Period shall be, (i) in good standing and in full force and effect and (ii) validly held by Seller. There are no restrictions or conditions of a nature that would limit the operation of the Station as presently conducted. Except as set forth in Schedule 4.2.4, there is no petition to deny, complaint, or proceeding pertaining to Seller or the Station pending before or by the FCC. The Authorizations include all licenses, permits, or authorizations necessary to operate the Station as it is presently being operated in accordance with all applicable Laws except as set forth in Schedule 4.2.4. The Station is not short-spaced, on a grandfathered basis or otherwise, to any existing station, outstanding construction permit, or pending application therefor, domestic or international, or to any existing or proposed broadcast channel allotment, domestic or international. Except as set forth in Schedule 4.2.4, the Station is not causing interference in violation of FCC rules to the transmissions of any other broadcast station or communications facility and Seller has not received any complaints with respect thereto from any person or entity, and, to the best of Seller's knowledge, no broadcast station or communications facility is causing interference in violation of FCC rules to the Station's transmissions or the public's reception of such transmissions. Seller has no reason to believe that the Station is receiving or in the future may receive any objectionable interference. All FCC annual regulatory fees for each of the FCC Authorizations have been, and throughout the Interim Period shall be, timely paid to the FCC. All antenna towers used in connection with the Station, whether or not owned by Seller, have been registered with the FCC in accordance with the FCC's rules, regulations, and policies. The FCC registration numbers for the Station antenna towers are set forth in Schedule 4.2.4 hereto. Except as set forth in Schedule 4.2.4 hereto, Seller is aware of no facts relating to Seller's qualifications under the Communications Act of 1934, as amended, that could reasonably be expected to result in the FCC's refusal to grant approval of the Application.

4.2.5. **Tangible Assets.** Schedule 2.1.1 is a true, complete, and correct description of all tangible and physical assets owned by Seller. Schedule 4.2.5 attached hereto is a true, complete, and correct description of all tangible and physical assets leased to Seller. Except as set forth in Schedules 2.1.1 or 4.2.5, the Assets, as well as all tangible assets leased to Seller, are in reasonable operating condition and shall on the Closing Date be in at least as good condition as at present, reasonable wear and tear excepted, and are and shall on the Closing Date be as required for the Station to be operated in accordance with its FCC Authorizations and all applicable Laws.

4.2.6. **Condition of Assets.** The Assets include all the equipment and other property necessary to operate the Station as it is presently being operated in accordance

with all applicable Laws, including all applicable standards pertaining to radiofrequency radiation. The Assets also include all equipment and other property owned by Seller, if any, that is useful for digital television operations. Except as set forth on Schedules 2.1.1, 4.2.4 or 4.2.5, all Station antenna towers and equipment, including studio equipment, can and, as of the Closing Date, shall (i) meet the technical and operational requirements prescribed by the FCC for the Station, (ii) be operated in accordance with good engineering practices, and (iii) be in reasonably good operating condition and repair. Throughout the Interim Period, the Station and its equipment shall be operated and maintained in accordance with good engineering practices and in compliance with all FCC rules, regulations, and policies, including all applicable standards pertaining to radiofrequency radiation. To the knowledge of Seller, all buildings, structures, and improvements, if any, owned or leased in connection with the operations of the Station comply with all zoning ordinances, noncompliance with which could have a Material Adverse Effect, and shall be in such compliance as of the Closing Date. Except as set forth on Schedules 2.1.1, 4.2.4 or 4.2.5, to the knowledge of Seller, there are no material defects in any of the structures, improvements, electronic equipment, or other tangible personal assets of the Station or Seller.

4.2.7. Contracts. Except as set forth in Schedules 2.1.2, 2.1.4 or 4.2.7A attached hereto, Seller is not a party to any written or oral agreement of any kind, including any:

- i. Contract for the employment of any officer or employee that is not terminable on thirty (30) days or less notice without liability on the part of Seller;
- ii. Contract with any labor union;
- iii. Continuing contract for the purchase of materials, supplies, services, machinery, or equipment;
- iv. Contract continuing for a period of more than (1) one year from the date hereof;
- v. Contract not terminable on sixty (60) days notice or less without liability on the part of Seller;
- vi. Distributor, sales agency, or advertising contract, any Internet Domain lease, or any contract for the sale of products of a third party or Seller;
- vii. Lease or any contract for the purchase or sale of real property;
- viii. Contract with any subcontractor;
- ix. Bonus, pension, profit-sharing, retirement, stock purchase, stock option, hospitalization, insurance, severance, golden parachute, change in control, or similar plan or practice, formal or informal, in effect with respect to Seller's employees or others;

x. Network contract, time brokerage agreement, local marketing agreement, joint sales agreement, retransmission consent agreement, wire service agreement, trade agreement, normal operating contract, program supply contract, syndicated programming arrangement, or similar arrangement;

xi. Contract not made in the ordinary course of business of the Station; or

xii. Material contract or contract the consideration for which exceeds Ten Thousand Dollars (\$10,000.00).

True, complete, and correct copies of all of the agreements set forth in Schedules 2.1.2 or 2.1.4, including all amendments, if any, to such agreements, have been delivered to Buyer and each of such agreements is in full force and effect, and all such amendments, if any, are also accurately set forth in Schedules 2.1.2 or 2.1.4. All such agreements were entered into in the normal course of business on commercially reasonable terms. On the Closing Date, Seller shall assign such agreements to Buyer, except for those agreements that have expired pursuant to their terms. As of the date hereof, each of Schedules 2.1.2 and 2.1.4 accurately lists the expiration date of each agreement set forth in such Schedule. Throughout the Interim Period, Seller shall neither amend nor seek amendment of any agreement set forth in Schedule 2.1.2 or 2.1.4, except as is otherwise permitted under this Agreement or will not adversely affect Buyer. The following information is accurately set forth in Schedule 4.2.7B attached hereto with regard to each contract pursuant to which Seller has been granted the right to broadcast programming: (a) the term of such contract, including the start date thereof, (b) the total original cost payable under such contract, (c) the amount already paid under such contract, (d) the amount remaining to be paid under such contract, (e) the number of times the programming covered by such contract has been aired, (f) the number of additional times the programming covered by such contract may be aired, and (g) the method of amortization being applied to such contract; provided, however, that the following programming contracts, so long as they were entered into in the normal course of business, are excluded from Schedule 4.2.7B: (x) any contract the consideration for which is less than Ten Thousand Dollars (\$10,000.00); (y) any contract the term of which expires in less than one (1) year from the date hereof; or (z) any contract that is terminable on less than sixty (60) days notice without liability on the part of Seller. Seller is a party to the Estrella Broadcast Agreement.

4.2.8. No Default. No person or entity with whom Seller has an agreement that is of material importance to the businesses, properties, or operations of Seller is in default thereunder or has given Seller notice of termination thereof, and no condition exists or event has occurred that, with notice or lapse of time, or both, would constitute such default and Seller shall not willingly accept such notice of termination. Seller is not in default or material breach under any of the agreements set forth in Schedules 2.1.2 or 2.1.4.

4.2.9. Intellectual Property. Neither Seller nor any of the Assets infringes upon or misappropriates any copyrights, trademarks, patent rights, or other rights of

any person or entity. Seller has no knowledge of any infringement or unlawful or unauthorized use of any of Seller's copyrights, trademarks, patent rights, or other rights, including the use of any call sign, slogan, or logo by any broadcast station or MVPD in the Commonwealth of Puerto Rico that may be confusingly similar to the call sign, slogans, and logos currently used by the Station.

4.2.10. **Real Property.** Attached hereto as Schedule 2.1.4 are true, complete, and correct copies of all leases, including all amendments thereto, if any, to which Seller is a party, for real property, buildings and improvements thereon, and space on antenna towers. Such leases are valid and in full force and effect and there does not exist (i) any default or event that with notice or lapse of time, or both, would constitute a default under any of such leases or (ii) any circumstance that permits any of such leases to be terminated. Subject to Seller's obtaining the consents set forth in Schedule 4.2.2, such leases are assignable to Buyer. No real property is owned by Seller. All of the tangible property owned by or leased to Seller is located on real property leased or subleased to Seller from Buyer or its affiliates, which real property is identified in Schedule 2.1.4, and, to the best of Seller's knowledge, none of such tangible property, including antenna tower guy wires, if any, extend or project over real property not encompassed within the real property identified in Schedule 2.1.4 as leased to Seller, and Seller has received no claims from any third party related to encroachment by any such tangible property. No Digital Lease entered into by Seller during the Interim Period shall be amended, terminated, renewed, extended, or otherwise modified in any material respect by Seller.

4.2.11. **Public File and Records.** The material required by FCC rules, regulations, or policies to be kept in the Station public inspection file is in such file in compliance in all material respects with FCC rules, regulations, and policies. Such file shall be maintained in proper order in all material respects and shall be complete throughout the Interim Period. All files and records required by applicable Laws to be kept by Seller have been kept in proper order in all material respects and shall be complete in all material respects throughout the Interim Period. All operating and maintenance logs and FCC records and reports, all accounting and sales information, and all other financial records relating to the operation of the Station or the Assets are in proper order, are complete in all material respects, and cover at least the period beginning one (1) year prior to the date hereof and ending on the Closing Date.

4.2.12. **Litigation.** Except as set forth in Schedule 4.2.12 attached hereto, there is no litigation, proceeding, complaint, or investigation pending, or to the best of Seller's knowledge threatened, before or by any Governmental Body, against or relating to any Stockholder or Seller that could result in a Material Adverse Effect, nor does Seller know of, or have any reasonable grounds to know of, in view of any Stockholder's or Seller's present situation or the action any Stockholder or Seller now contemplates taking, any basis for such litigation, proceeding, complaint, or investigation, and the execution, delivery, and performance of this Agreement by Stockholders and Seller shall not result in the violation or default by any Stockholder or Seller with respect to any Laws or judgment, order, writ, injunction, ruling, or decree of any Governmental Body that could have a Material Adverse Effect. Except as set forth in Schedule 4.2.12, Seller is not the subject of any FCC or other governmental investigation or any order, decree, or ruling or any complaint, objection, petition to deny, or opposition issued by

or filed with the FCC or any other Governmental Body in connection with any of the Authorizations or the Station and there are no proceedings before the FCC or any other Governmental Body that could adversely affect any governmental license, permit, authorization, franchise, certificate, or consent of Seller or the Station. Throughout the Interim Period, Seller shall advise Buyer in writing immediately, and in no event more than ten (10) days after any Stockholder or Seller has knowledge, of the filing of, or threat of a person or entity to file, any action of the type referred to in this Section 4.2.12.

4.2.13. **Insurance.** Schedule 4.2.13 attached hereto is a true, correct, and complete schedule of all insurance policies, including all amendments thereto, if any, issued to Seller as of the date of this Agreement. True, correct, and complete copies of all such policies, including all such amendments, have been delivered to Buyer. Such insurance is consistent with industry norms for the protection of the Assets and the operation of the Station. With respect to such insurance, Seller shall maintain at least equivalent coverage in force throughout the Interim Period. Such insurance is at least in such amounts and covers at least such risks as is customary within the broadcast industry for broadcast stations similarly situated to the Station.

4.2.14. **Financial Reports.** True, complete, and correct copies of the Financial Statements have been delivered to Buyer as referenced in Schedule 4.2.14 attached hereto. Except as expressly disclosed in the Financial Statements, the Financial Statements are true, complete, correct, prepared under generally accepted accounting principles applied on a consistent basis, and present fairly the financial condition of Seller as of the respective dates or for the respective periods of such Financial Statements; provided, however, that the Financial Statements are subject to non-material year-end adjustments. Throughout the Interim Period, Seller shall (i) within thirty (30) days following the end of each month provide to Buyer true, complete, and correct monthly profit and loss statements for the Station and (ii) within thirty (30) days following the end of each 3-month period provided to Buyer true, complete and correct updated Financial Statements.

4.2.15. **Compliance with Laws.** Seller, Seller's operations, the Assets, and the Authorizations have been and are in compliance with all applicable Laws, noncompliance with which could have a Material Adverse Effect, and there are no existing material violations of any such Laws. Except as set forth in Schedule 4.2.4, Seller has not received any notice of violation of any applicable zoning or other Laws relating to the operation of the Station or to Seller or any of its properties. All governmental licenses, permits, authorizations, franchises, certificates of compliance, and consents held by Seller or relating to the Station, including the FCC Authorizations, are detailed in Schedule 4.2.4 and, except as set forth in Schedule 4.2.4, are in good standing and in full force and effect. Except as set forth in Schedule 4.2.4, no condition exists or event has occurred that permits, or after notice or lapse of time, or both, would permit, the revocation, termination, suspension, or adverse modification of any such license, permit, authorization, franchise, certificate, or consent, other than expiration pursuant to the express expiration date thereof, or the imposition of any restriction or limitation upon the operation of the Station as now conducted. Seller has filed with the FCC and every other Governmental Body having jurisdiction over Seller or the Station all reports, applications, documents, instruments, and other information required to be filed, and shall continue to make

such filings when due, throughout the Interim Period, which Seller shall diligently prosecute. Throughout the Interim Period, neither Seller nor its directors or officers shall, directly or indirectly, engage in or consent to any activity that could materially adversely affect the Station's service area (either with respect to net geographic coverage or net population reached) or MVPD carriage or any of the Authorizations, or that could result in a Material Adverse Effect. Seller shall use its best efforts to cure promptly all operating problems, if any, that may permit, after notice from the FCC or any other Governmental Body, the revocation, termination, suspension, or adverse modification of any of the Authorizations or the imposition of any restriction or limitation upon the operation of the Station. Throughout the Interim Period, except for rulemaking proceedings that affect the broadcast industry generally, Seller shall vigorously oppose all applications, proposals, or proceedings, if any, that could materially adversely affect the service area (either with respect to net geographic coverage or net population reached) or MVPD carriage of the Station. Except as may be limited in Schedule 4.2.4, throughout the period prior to the Closing, Seller has taken, and during the Interim Period shall take, all steps necessary to preserve Seller's and the Station's analog and digital television allotments, authorizations, and operations, including compliance with all FCC deadlines pertaining to such allotments, authorizations, or operations. In the event that Seller files the Digital Application prior to Closing, the Digital Application will propose digital television operation by the Station covering and servicing a net geographic area and net population greater than or substantially equivalent to that covered by the Station's current multitransmitter analog operation.

4.2.16. **Personnel Information.** Schedule 4.2.16 attached hereto is a true, complete, and correct list of all persons employed by Seller, including a true, complete, and correct description of all compensation arrangements, including commission arrangements, affecting such persons. Seller shall be responsible for, and shall promptly pay, all amounts owed to such employees, including, without limitation, wages, salaries, commissions, retirement, pension, bonus, termination, severance, vacation, sick or other pay (including all amounts owed pursuant to the Collective Bargaining Agreement), and other employee benefits or liabilities, arising out of the termination of the employment of any employee of the Seller (whether or not such employee is subsequently hired by Buyer), and Seller shall indemnify Buyer against all costs, expenses and damages relating thereto as set forth in Section 6.2 hereof. Buyer shall have no obligation to employ employees of Seller after the Closing Date, but shall not be precluded from seeking to employ after the Closing Date such employees; provided, that Buyer shall not solicit such employees to leave during the Interim Period Seller's employ. Schedule 2.1.2 sets forth all employment agreements covering employees of Seller.

4.2.17. **Employee Benefit Plans.** All employee benefit plans or arrangements applicable to the employees of Seller or any ERISA Affiliate, including pension, profit-sharing, or thrift plans, employee stock ownership plans, cash or deferred compensation plans, Section 401(k) plans, qualified or non-qualified stock option arrangements, individual or supplemental pension or accrued compensation arrangements, contributions to hospitalization or other health or life insurance programs, incentive plans for salesmen, bonus arrangements, and vacation, sick leave, termination, and disability arrangements or policies, other than benefit plans, programs or arrangements that are managed or administered by Buyer (the "Group Plans"), have been and are established, managed, and administered in accordance with all

applicable Laws, including the Code, the Puerto Rico Code and ERISA. Seller makes no representation with respect to any benefit plan, program or arrangement which is managed or administered by Buyer. Buyer shall not assume, whether as a transferee, as a successor, or otherwise, by contract or otherwise, and Seller and its ERISA Affiliate shall remain fully liable for any liability arising under any such Group Plans. The above notwithstanding, to the extent that any Group Plan is assumed or otherwise continued by Buyer, Buyer shall also assume full liability for any benefits solely relating to services rendered by employees to Buyer following the Closing Date. Neither Seller nor any other "party in interest" (within the meaning of Section 3(14) of ERISA) has taken any action with respect to the Group Plans which alters or otherwise modifies the terms of such Group Plans. Except as set forth in Schedule 4.2.17, neither the Seller nor any ERISA Affiliate has ever (a) sponsored, maintained, contributed to, had any obligation to contribute to or had any other liability under or with respect to any arrangement caused by Title IV of ERISA, Section 302 of ERISA or Section 412 of the Code, and (b) had any liability under or with respect to any "multiemployer plan" as defined in ERISA Section 3(37) or any "multiple employer welfare arrangement" as defined in Section 3(40)(A) of ERISA. Each ERISA Affiliate is listed in Schedule 4.2.17 hereto. The Seller warrants and guarantees that it has not made any misrepresentations to its employees nor will it make any representation regarding welfare benefits to be provided to employees.

4.2.18. Labor Relations. Seller has been and is in compliance with all applicable Laws relating to the employment of labor, noncompliance with which could have a Material Adverse Effect, including those Laws relating to wages, hours, collective bargaining, occupational safety, discrimination, and the payment and withholding of social security and other Taxes, and Seller has not received any notice alleging that Seller has failed to comply with any of the foregoing. The employees noted as such in Schedule 4.2.16 are union employees who are covered by the Collective Bargaining Agreement. The Collective Bargaining Agreement has an expiration date of March 31, 2008, and Seller is not in material breach thereunder. Except as set forth on Schedule 4.2.12, there are no controversies or proceedings pending or, to the best of Seller's knowledge, threatened between Seller and the employees of Seller or any labor union or other collective bargaining unit representing or claiming to represent any of the employees of Seller. To the best of Seller's knowledge, except for the current union representation at the Station, there is no union campaign being conducted to solicit cards from employees to authorize a union to request a National Labor Relations Board certification election with respect to any of the employees of Seller.

4.2.19. Taxes. (i) Seller has duly filed on a timely basis all Tax Returns that Seller is required to have filed. All such Tax Returns are correct and complete in all respects. All Taxes required to have been paid by Seller, whether or not shown on any Tax Return, have been duly paid on a timely basis. No claim has ever been made by any Governmental Body in a jurisdiction where Seller does not file Tax Returns that it is or may be subject to taxation by that jurisdiction. No assessments for additional Taxes have been made or threatened against Seller for any year that have not been satisfied. There are no existing circumstances that reasonably could be expected to result in the assertion of any claim for Taxes against Seller by any Governmental Body with respect to any period for which Tax Returns have been filed or have been required to be filed, or Tax is required to have been paid by Seller.

There is no audit or other proceeding presently pending or threatened with regard to any Tax or Tax Return of Seller or any Stockholder relating to Seller. Seller has not waived any statute of limitations with respect to any Tax or Tax Return or agreed to any extension of time with respect to a Tax assessment or deficiency, which has continuing effect. Seller is not and has not been a party to any Tax allocation, Tax sharing, or similar agreement or arrangement. Seller has neither requested nor obtained any extension of time within which to file any Tax Return, which Tax Return has not since been or will not be duly and timely filed. Seller (x) has not been a member of any Affiliated Group, as defined in Code Section 1504(a), filing a consolidated federal income Tax Return, and (y) has no liability for Taxes owing by any other person or entity, including (A) under Treasury Regulation Section 1.1502-6 or any similar provision of state, local, or foreign law, (B) as a transferee or successor, or (C) by contract. The representations and warranties set forth in this subsection 4.2.19(i) are not applicable to the extent the Assets and Authorizations cannot be made subject to Tax Liens and Buyer cannot be made liable for Taxes relating to the matters constituting breaches of such representations and warranties. Seller has entered into the Closing Agreement, which agreement is in full force and effect. Seller shall have the right to amend the Closing Agreement, upon the prior written approval of Buyer, which approval shall not be unreasonably withheld, provided that such amendment would not adversely effect Buyer or its affiliates and would not delay the Closing. The parties agree that the amendment of the Closing Agreement shall not be a condition to Closing.

(ii) There are no Liens on any of the Assets or Authorizations that exist in connection with any failure, or alleged failure, to pay any Tax. None of the Assets or Authorizations are "tax exempt use property" within the meaning of Section 168 of the Code. Buyer shall not be subject to any transferee or successor liability for any Taxes or governmental charges imposed or to be imposed on but unpaid by Seller. Neither the sale and transfer of the Assets or Authorizations pursuant to this Agreement, nor Buyer's ownership, possession, or use thereof from and after the Closing Date as a result of such sale and transfer, shall result in or be subject to any federal, state, commonwealth, local, foreign, or other sales, use, transfer, excise, or license Tax, fee, or charge applicable to any of the Assets or Authorizations, other than fees and Taxes to be paid by Seller pursuant to Section 3.11 hereof and FCC filing fees pertaining to the Application and filing fees, if any, relating to the filings contemplated under Section 5.6 hereof. As to periods ending after January 1, 1998, except as set forth in Schedule 4.2.19 attached hereto and as contemplated under the Closing Agreement, there are no (A) written rulings Seller has received from any Governmental Body relating to any Tax or (B) written agreements Seller has entered into with any Governmental Body relating to any Tax. Schedule 4.2.19 identifies all Tax Returns that Seller has filed and the taxable period covered by each such Tax Return, and identifies those Tax Returns or periods that have been audited or are currently the subject of an audit by any Governmental Body.

(iii) Seller is or will be engaged in a trade or business in the Commonwealth of Puerto Rico for purposes of the Puerto Rico Code in the taxable year of Seller within which the Closing Date occurs and Seller has complied with all material terms of the Puerto Rico Code.

4.2.20. Environmental Matters. To the best of Seller's knowledge, the Environmental Assets, and the use and operation thereof, currently are in compliance and shall remain in compliance throughout the Interim Period with all Environmental Laws. To the best of Seller's knowledge, except as referenced in Schedule 4.2.4, all governmental permits relating to the use or operation of the Environmental Assets required by applicable Environmental Laws are and shall remain in effect throughout the Interim Period, and Seller shall comply therewith. Except as may be caused by Buyer, no release, threatened release, generation, discharge, manufacture, storage, treatment, transportation, or disposal of Hazardous Material shall occur during the Interim Period or, to the best of Seller's knowledge, has occurred on, in, under, or from the Environmental Assets or any parcels of real estate adjacent thereto. To the best of Seller's knowledge, there are and during the Interim Period there shall be, except as may be caused by Buyer, (i) no environmental, health, or safety hazards that pertain to any of the Environmental Assets or the business or operations conducted thereon; (ii) no Hazardous Material stored or otherwise located on, in, or under the Environmental Assets or any parcels of real estate adjacent thereto; and (iii) no storage tanks present on or under the Environmental Assets. Without limiting the foregoing obligations, if, during the Interim Period, any Hazardous Material is found on, in, or under the Environmental Assets, to the extent caused or introduced by Seller, its employees or agents, Seller, at its own cost and expense, shall immediately take such action as is necessary to prevent the spread of and remove or clean up, or otherwise remedy the existence or spread of, such Hazardous Material to the extent required by applicable Laws. No Hazardous Material shall be introduced to or handled on the Environmental Assets by Seller, its employees or agents, during the Interim Period. Except as set forth in Schedule 4.2.4, to the best of Seller's knowledge, there are no pending or threatened (i) requests for information, actions, or proceedings from or by any Governmental Body or any other person or entity against Seller or the Environmental Assets regarding any Environmental Law, or (ii) Liens or governmental actions, notices of violation, notices of noncompliance, or other proceedings against Seller or the Environmental Assets regarding any Environmental Law. Throughout the Interim Period, Buyer, at its own expense, shall have the right at all reasonable times and from time to time to conduct environmental audits of the Environmental Assets by a consultant of Buyer's choice, including Phase I, Phase II, or other environmental audits. A copy of any written report provided to Buyer resulting from such audits, if any, shall be furnished to Seller. Seller shall cooperate in the conduct of each audit and review performed pursuant to this Section 4.2.20.

4.2.21. Absence of Certain Changes. Except as shown on Schedule 4.2.21 attached hereto, since December 31, 2006, there has not been:

4.2.21.1. Any event that has had or could reasonably be expected to result in a Material Adverse Effect;

4.2.21.2. Any pending or, to the best of Seller's knowledge, threatened union organization activity, labor dispute, strike, or work stoppage affecting the business or operations of Seller, the Station, or the Assets, or any charge or complaint against Seller filed with the National Labor Relations Board or any administrator of any applicable state or federal equal employment opportunity laws;

4.2.21.3. Any damage, destruction, or loss, whether or not covered by insurance, materially and adversely affecting any of the Assets;

4.2.21.4. Except for the one-time bonus permitted under Section 3.5 (i) hereof, any material increase in compensation payable or to be payable to any of the employees of Seller, or any bonus payment made or promised to any employee of Seller, or any material change in personnel policies, insurance benefits, or other compensation arrangements affecting the employees of Seller;

4.2.21.5. Any sale, agreement to sell, lease, or other assignment or transfer of any properties used or useful in the conduct of the business and operations of the Station, except in the ordinary course of business of the Station or in connection with the acquisition by Seller of equivalent property or assets;

4.2.21.6. Any creation or assumption of any Liens upon any of the Assets or Authorizations, except as otherwise specifically set forth in Section 2.4 hereof;

4.2.21.7. Any litigation, action, or proceeding or any settlement or agreement to settle any litigation, action, or proceeding by or before any Governmental Body relating to the Station, Seller, or the Assets or Authorizations;

4.2.21.8. Any failure to replenish the inventories and supplies of the Station in a normal and prudent manner;

4.2.21.9. Any material interruption in the normal and usual operations of the Station, other than as a result of natural disasters or other causes not under the control of Seller, or any actual or threatened material reduction or other change in MVPD carriage of the Station, other than by reason of changes that affect the broadcast industry generally; or

4.2.21.10. Any entry into any contract or commitment relating to the Station other than in the ordinary course of business.

4.2.22. **Bulk Sales and Other Liabilities.** Neither the sale and transfer of the Assets or Authorizations pursuant to this Agreement, nor Buyer's ownership, possession, or use thereof from and after the Closing Date as a result of such sale and transfer, shall result in or be subject to: (i) any law pertaining to bulk sales or transfers or fraudulent conveyances that might make such sale or transfer or any part thereof ineffective as to creditors of or claimants against Seller; or (ii) the imposition upon Buyer, or any of the Assets or Authorizations, of any liability of any nature whatsoever that has not been expressly assumed by Buyer under this Agreement.

4.2.23. **MVPD Carriage.** Schedule 4.2.23 attached hereto is a true, complete, and correct list of all MVPD systems that carry or retransmit the Station's signal. Schedule 4.2.23 accurately identifies which MVPD systems listed therein carry the Station

pursuant to the FCC's must carry rules and which MVPD systems listed therein carry the Station pursuant to retransmission consent agreements. True, complete, and correct copies of each of the Station's must carry election letters and retransmission consent agreements, as currently in effect, have been delivered to Buyer.

4.2.24. **Disclosures.** No Seller statement, representation, or warranty contained herein, and no Seller statement, representation, or warranty made in any document, notice, certificate, or schedule furnished in connection with or attached to this Agreement, contains or shall contain an untrue statement of a material fact or omits or shall omit to state any material fact necessary to make such statement, representation, or warranty not misleading to a prospective purchaser. Throughout the Interim Period, Seller shall advise Buyer in writing promptly, and in no event more than ten (10) days after Seller has knowledge, of all changes, if any, in circumstances that would cause any of such statements, representations, or warranties to be inaccurate. Buyer shall be entitled to rely on Seller's representations and warranties given in connection with this Agreement regardless of any investigation or inquiry conducted by or on behalf of Buyer and regardless of Buyer's knowledge of any inaccuracy in such representations or warranties. Throughout the Interim Period, Seller shall not take any action or fail to take any action that could cause any of Seller's representations or warranties herein not to be true.

ARTICLE 5. - REGULATORY MATTERS

5.1. **FCC Consent to Assignment.** Notwithstanding anything herein to the contrary, the consummation of the purchase and sale of the Assets and Authorizations contemplated under this Agreement is subject to and conditioned upon the prior consent of the FCC.

5.2. **Application for Consent.** Within fifteen (15) days after the date hereof, Buyer and Seller shall file with the FCC the Application seeking FCC consent to assignment of the FCC Authorizations to Buyer without conditions adverse to Buyer or Seller, which Application shall include all necessary waiver requests, if any, to enable the Application to be granted. The parties shall promptly and diligently file and expeditiously prosecute all necessary amendments, briefs, pleadings, documents, and supporting data to the Application, and take such actions and give such notices as may be required or requested by the FCC or as may be appropriate, all in an effort to expedite the approval by the FCC of the Application with no conditions adverse to Buyer or Seller, and shall promptly supply to each other such information in their respective possession as may be reasonably requested by either party to expedite such approval. In the event of the filing of any protest, petition to deny, petition for reconsideration, or appeal of the FCC's consent and approval with respect to the Application, or other action seeking review, reconsideration, or appeal of such consent and approval, the parties mutually agree that each such filing or action, if any, shall be opposed by each of them vigorously. Promptly after grant of the Application by the FCC, Seller shall notify Buyer in writing of such grant. Notwithstanding anything in this paragraph to the contrary, no party shall be required to take any action or make any filing to expedite the approval by the FCC of the Application that would likely have a materially adverse effect on such party.

5.3. **Operation of the Station Before Closing.** Throughout the Interim Period, Seller shall continue to operate the Station in the public interest, convenience, and necessity, and shall file with the FCC all documents required to be filed in connection with the operation of the Station.

5.4. **Control.** Throughout the Interim Period, Buyer shall not directly or indirectly control, supervise, or direct, or attempt to control, supervise, or direct, the operations of the Station. Such operations shall be the sole responsibility of Seller throughout the Interim Period.

5.5. **Hearing Designation.** If the Application is designated for hearing by the FCC, then this Agreement may be terminated by either Buyer or Seller on ten (10) days prior written notice to the other party so long as the terminating party is not then in material breach hereunder.

5.6. **Hart-Scott-Rodino.** If the transactions contemplated under this Agreement are subject to the filing requirements of the HSR Act or the approval of the FTC or the DOJ, the parties shall (i) each make such filings as are required under the HSR Act as soon as practicable, but in no event later than fifteen (15) days following the date hereof; (ii) otherwise promptly comply with the applicable requirements under the HSR Act, including furnishing all information and filing all documents required thereunder, (iii) furnish to each other copies of those portions of the documents so filed with the FTC or the DOJ that are not confidential, and (iv) cooperate fully with each other and use their best efforts to expedite compliance with the HSR Act.

ARTICLE 6. - RISK OF LOSS AND INDEMNIFICATION

6.1. **Risk of Loss.** With regard to the transactions contemplated by this Agreement, the risk of loss or damage to the Assets and Authorizations shall be on Seller at all times prior to the Closing, and thereafter said risk shall be Buyer's. This provision is not intended to alter or otherwise amend any of the rights or responsibilities with respect to any current leases between Seller and Buyer (or its affiliates).

6.2. **Indemnification by Seller.** Throughout the period following the Closing, Seller shall indemnify and hold harmless Buyer and its stockholders, directors, officers, employees, agents, and consultants, and the successors and assigns of each of the foregoing, against:

6.2.1. Any and all claims, liabilities, Taxes, and obligations of any kind or nature, contingent or otherwise, including any transferee or successor liability, arising out of or relating to the operation or use of the Station, Authorizations, or Assets prior to the Closing (including, without limitation, any liability relating to the tolling agreement entered into by Seller with the FCC, or any of the subject matter thereof) or arising or required to be performed prior to the Closing under any lease, contract, or agreement assumed by Buyer hereunder or arising out of or relating to any Group Plan or any liability of any of Seller's ERISA Affiliates (excluding, however, such claims, liabilities, Taxes, and obligations which arise out of any

benefit plan, program or arrangement which is managed or administered by Buyer) which may be asserted against Buyer or any other owner of the Assets acquired pursuant to this Agreement;

6.2.2. Any and all damage or deficiency resulting from any Seller or Stockholder misrepresentation, breach of warranty, or nonfulfillment of any agreement, covenant, or obligation assumed or required to be performed by Seller or any Stockholder under this Agreement, or from any misrepresentation in or omission from any certificate or other instrument furnished to Buyer pursuant to this Agreement or furnished to Buyer by Seller, Seller's agents, any Stockholder, or such Stockholder's agents in connection with any of the transactions contemplated hereunder; and

6.2.3. Any and all actions, suits, proceedings, damages, assessments, judgments, costs, and expenses, including reasonable attorneys' fees, incurred by Buyer as a result of Seller's failure or refusal to defend, to compromise, or to pay any claim incident to the foregoing provisions of this Section 6.2.

6.2.4. If any claim or liability shall be asserted against Buyer that would give rise to a claim by Buyer against Seller for indemnification under the provisions of this Section 6.2 and Buyer seeks to be indemnified under such provisions, Buyer shall promptly notify Seller in writing of the same and Seller shall be entitled at its own expense to compromise or to defend such claim asserted against Buyer subject to Section 6.4 hereof; provided, however, that Buyer's failure so to notify Seller shall not relieve Seller of any indemnity obligation hereunder, except to the extent that Seller is materially prejudiced by such failure.

6.3. **Indemnification by Buyer.** Throughout the period following the Closing, Buyer shall indemnify and hold harmless Stockholders and Seller and its directors, officers, employees, agents, and consultants, and the successors and assigns of each of the foregoing, against:

6.3.1. Any and all claims, liabilities, Taxes, and obligations of any kind or nature, contingent or otherwise, arising out of or relating to the operation or use of the Station, Authorizations, or Assets subsequent to the Closing or arising or required to be performed subsequent to the Closing under any lease, contract, or agreement assumed by Buyer hereunder;

6.3.2. Any and all damage or deficiency resulting from any Buyer misrepresentation, breach of warranty, or nonfulfillment of any agreement, covenant, or obligation assumed or required to be performed by Buyer under this Agreement, or from any misrepresentation in or omission from any certificate or other instrument furnished to Seller or any Stockholder pursuant to this Agreement or furnished to Seller or any Stockholder by Buyer or Buyer's agents in connection with any of the transactions contemplated hereunder; and

6.3.3. Any and all actions, suits, proceedings, damages, assessments, judgments, costs, and expenses, including reasonable attorneys' fees, incurred by Seller as the result of Buyer's failure or refusal to defend, to compromise, or to pay any claim incident to any of the foregoing provisions of this Section 6.3.

6.3.4. If any claim or liability shall be asserted against Seller that would give rise to a claim by Seller against Buyer for indemnification under the provisions of this Section 6.3 and Seller seeks to be indemnified under such provisions, Seller shall promptly notify Buyer in writing of the same and Buyer shall be entitled at its own expense to compromise or to defend such claim asserted against Seller subject to Section 6.4 hereof; provided, however, that Seller's failure so to notify Buyer shall not relieve Buyer of any indemnity obligation hereunder, except to the extent that Buyer is materially prejudiced by such failure.

6.4. **Procedure for Indemnification.** With respect to any third-party claims or proceedings as to which the Claimant is entitled to and seeks indemnification hereunder, the Indemnitor shall have the right, subject to the provisions of this Section 6.4, to employ counsel reasonably acceptable to the Claimant to defend against each such claim or proceeding, if any, or to compromise, settle, or otherwise dispose of the same if the Indemnitor deems it advisable to do so, all at the expense of the Indemnitor. The parties shall fully cooperate in each such action, and shall make available to each other all of their books or records, if any, useful for the defense of such claim or proceeding. As a condition of tendering defense of such claim or proceeding to the Indemnitor, the Claimant shall have the right to require the Indemnitor to provide reasonable assurance to the Claimant that the Indemnitor can and shall pay all liabilities arising from such claim or proceeding in the event of an unsuccessful defense or any settlement, it being understood that, in the event Buyer is the Claimant, the Indemnitor shall be required to provide such assurance only to the extent all such liabilities are not for any reason, including expiration of the Holdback Period, fully covered by the Holdback Escrow Deposit. If the Indemnitor fails to acknowledge in writing to the Claimant the Indemnitor's obligation to defend against or settle such claim or proceeding, within twenty (20) days after receiving notice thereof from the Claimant, or such shorter time specified in such notice as the circumstances of the matter dictate, the Claimant shall be free to engage counsel of the Claimant's choice and defend against or settle the matter, all at the expense of the Indemnitor, (x) it being understood that, in the event the Indemnitor does so acknowledge such obligation, but fails to provide such assurance within such period, the Claimant shall still be free to engage counsel of the Claimant's choice and defend against the matter, all at the expense of the Indemnitor, but the Claimant shall conduct such defense diligently and fully and shall use its best efforts to minimize any verdict against the Claimant arising from the matter, and shall not compromise or settle the matter without the prior written consent of the Indemnitor, (y) it being further understood that, in the event the Indemnitor does so acknowledge such obligation, but fails to provide such assurance within such period, and such claim or proceeding is frivolous, the Claimant shall still be free to engage counsel of the Claimant's choice and defend against the matter, all at the expense of the Indemnitor, but the Claimant shall conduct such defense efficiently and in accordance with its obligations under the foregoing clause (x). Notwithstanding anything herein to the contrary, (i) the Claimant shall always be free to engage its own counsel and participate in the defense of any claim or proceeding being defended by the Indemnitor under the indemnification provisions hereof and (ii) the Indemnitor shall not effect any settlement relating to any claim or proceeding under the indemnification provisions hereof that seeks in whole or in part any nonmonetary relief or that could adversely affect the Claimant without the prior written consent of the Claimant.

6.5. **Limitations.** The aggregate liability of Seller under Sections 6.2 and 6.4 hereof shall not exceed fifty percent (50%) of the amount of the Purchase Price, and the aggregate liability of Buyer under Sections 6.3 and 6.4 hereof shall not exceed fifty percent (50%) of the amount of the Purchase Price. No party shall have any obligation to indemnify another party under Sections 6.2 through 6.4 hereof except to the extent that the aggregate liability to the Claimant for such indemnification exceeds the Threshold Amount, in which event the Indemnitor shall be liable for the total amount of such indemnification, including the sums constituting the Threshold Amount, subject to the limits on aggregate liability of the preceding sentence.

6.6. **Limited Guarantee.** Subject to the limitations set forth in Section 6.5 above, Stockholders hereby personally, jointly and severally, irrevocably, and unconditionally guarantee the full and punctual performance of the Obligations. This Limited Guarantee is an absolute, unconditional, present, and continuing guarantee of payment and not of collectability, and, in the event that Seller shall fail or be unable punctually to make any payment required to be made by Seller under Section 6.2 of this Agreement, Stockholders shall make such payment to the order of Buyer immediately without demand, presentment, protest, or notice of any kind, all of which are unconditionally waived by Stockholders. The obligations of Stockholders under this Section 6.6 are joint and several, and independent of the obligations of Seller, and a separate action or separate actions may be brought and prosecuted against Stockholders whether or not action is brought against Seller or whether or not Seller is joined in any such action or actions; and Stockholders, to the extent permitted by law, waive the benefit of any statute of limitations affecting Stockholders' liability under this Section 6.6 or the enforcement of this Section 6.6; provided, that, such waiver shall not apply to any claim not brought against Seller within the time periods permitted under this Agreement. Stockholders waive any right to require Buyer to proceed against Seller, or any Stockholder, or pursue any other remedy in Buyer's power whatsoever, it being understood, however, that, as to the Obligations, Buyer shall proceed against the Holdback Escrow Deposit pursuant to Section 3.8 hereof before enforcing this Limited Guarantee, except to the extent the Obligations are not for any reason, including expiration of the Holdback Period, fully covered by the Holdback Escrow Deposit. Stockholders waive any defense arising by reason of any disability or other defense of Seller or by reason of the cessation from any cause whatsoever of the liability of Seller. Until the Obligations shall have been performed in full, Stockholders shall have no right of subrogation. In addition, Stockholders waive any right to enforce any remedy that Buyer now has or may hereafter have against Seller. Stockholders waive all presentments, demands for performance, notices of non-performance, protests, notices of protest or dishonor, and notices of acceptance of this Limited Guarantee and of the existence, creation, or incurring of new or additional obligations. Furthermore, Stockholders hereby expressly waive all antideficiency protections to the extent permitted by applicable law, and acknowledge that if a deficiency to Buyer on the Obligations (as limited under Section 6.5 hereof) exists after Buyer completes a nonjudicial foreclosure of any security, Buyer shall be permitted, because of this waiver, to bring a legal action against Stockholders and obtain a judgment in favor of Buyer and against Stockholders to recover such deficiency. No lien or setoff right shall be deemed to have been waived by any act or conduct on the part of Buyer, or by any neglect to exercise such right of setoff or to enforce such lien, or by any delay in so doing; and every right or setoff and lien shall continue in full force and effect

until such right of setoff or lien is specifically waived or released by an instrument in writing executed by Buyer. All indebtedness of Seller on the Closing Date or thereafter held by Stockholders is hereby subordinated to the Obligations; and such indebtedness of Seller to Stockholders, if Buyer so requests, shall be collected, enforced, and received by Stockholders as trustees for Buyer and be paid over to Buyer on account of the Obligations in the event that any payment thereunder is then due, but without reducing or affecting, in any manner, the liability of Stockholders under the provisions of this Limited Guarantee, except that such payment to Buyer by Stockholders shall reduce Stockholders' maximum obligation under this Limited Guarantee to the extent and only to the extent of such payment. Notwithstanding anything to the contrary contained in this Agreement, Stockholders shall pay reasonable attorneys' fees and all reasonable costs and expenses that are incurred by Buyer in the enforcement of this Limited Guarantee. The death of any of Stockholders shall not terminate the liability of any of Stockholders under this Limited Guarantee.

6.7. **Mitigation.** Each party agrees to use commercially reasonable efforts to mitigate its losses relating to any claim, liability, or obligation that forms the basis of any claim by such party for indemnification hereunder.

**ARTICLE 7. - CLOSING DATE;
CONDITIONS TO CLOSING; CLOSING DOCUMENTS;**

7.1. **Closing Date.** The Closing shall be held at Pillsbury Winthrop Shaw Pittman LLP, 2300 N Street, N.W., Washington, D.C. 20037, or at such other location as the parties may mutually specify, and shall be held on a mutually agreeable date within the fifteen (15) days immediately following the date on which the FCC Consent has become a Final Order, unless an earlier Closing (i) is necessary to comply with FCC regulations, (ii) is mutually agreeable to the parties and is consistent with FCC regulations, or (iii) is specified by Buyer by the giving of ten (10) days prior written notice to Seller and is consistent with FCC regulations. The Closing shall commence at 10:00 a.m. local time on the Closing Date at the Closing location.

7.2. **Conditions to Obligations of Seller.** The following are conditions precedent to Seller's obligation to close hereunder, any or all of which may be waived in whole or in part in writing by Seller to the extent permitted by applicable Laws:

7.2.1. **Representations and Warranties to be True and Obligations Performed.** The representations and warranties of Buyer contained herein shall be true in all material respects as of and on the Closing Date as though made on such date. Buyer shall have performed and complied with all obligations and covenants required under this Agreement to be performed or complied with by Buyer on or prior to the Closing Date.

7.2.2. **Closing Documents.** Buyer shall have delivered to Seller or caused the delivery to Seller of the Closing documents and items described in Section 7.5 of this Agreement.

7.2.3. **FCC Consent.** The FCC Consent shall have been issued and such consent shall be in full force and effect and shall contain no conditions that are materially adverse to Seller.

7.2.4. **Litigation.** None of Stockholders, Seller, or Buyer shall be subject to any order or injunction of any Governmental Body restraining or prohibiting the consummation of the transactions contemplated hereunder, and no action or proceeding shall have been instituted by any third party and remain pending before a Governmental Body to prohibit such transactions, nor shall any Governmental Body have notified any party to this Agreement that the consummation of the transactions contemplated hereunder may constitute a violation of applicable Laws, which notification remains outstanding.

7.2.5. **Certificate.** Buyer shall have delivered to Seller a certificate, dated as of the Closing Date, signed by Buyer stating that the representations and warranties of Buyer set forth in this Agreement and in the instruments delivered by Buyer to Seller in connection with this Agreement are true and correct as of the Closing Date in all material respects as though made on such date.

7.2.6. **HSR Act.** If legally required, all filings with the FTC and the DOJ pursuant to the HSR Act relating to the transactions contemplated hereunder shall have been made and all applicable waiting periods with respect to such filings, including all extensions thereof, if any, shall have expired or been terminated and no actions shall have been instituted that are pending on the Closing Date by the FTC or the DOJ challenging or seeking to enjoin the consummation of such transactions.

7.3. **Conditions to Obligations of Buyer.** The following are conditions precedent to Buyer's obligation to close hereunder, any or all of which may be waived in whole or in part in writing by Buyer to the extent permitted by applicable Laws:

7.3.1. **Representations and Warranties to be True and Obligations Performed.** The representations and warranties of Seller contained herein shall be true in all material respects as of and on the Closing Date as though made on such date. Seller shall have performed and complied with all obligations and covenants required under this Agreement to be performed or complied with by Seller on or prior to the Closing Date.

7.3.2. **Closing Documents.** Seller shall have delivered to Buyer or caused the delivery to Buyer of the Closing documents and items described in Section 7.4 of this Agreement.

7.3.3. **FCC Consent; Renewal Application.** The FCC Consent shall have been issued, shall be in full force and effect, shall be a Final Order, and shall contain no conditions that are materially adverse to Buyer.

7.3.4. **Litigation.** None of Stockholders, Seller, or Buyer shall be subject to any order or injunction of any Governmental Body restraining or prohibiting the

consummation of the transactions contemplated hereunder, and no action or proceeding shall have been instituted by any third party and remain pending before a Governmental Body to prohibit such transactions, nor shall any Governmental Body have notified any party to this Agreement that the consummation of the transactions contemplated hereunder may constitute a violation of applicable Laws, which notification remains outstanding.

7.3.5. **Certificate.** Seller shall have delivered to Buyer a certificate, dated as of the Closing Date, signed by Seller stating that the representations and warranties of Seller set forth in this Agreement and in the instruments delivered by Seller to Buyer in connection with this Agreement are true and correct as of the Closing Date in all material respects as though made on such date.

7.3.6. **HSR Act.** If legally required, all filings with the FTC and the DOJ pursuant to the HSR Act relating to the transactions contemplated hereunder shall have been made and all applicable waiting periods with respect to such filings, including all extensions thereof, if any, shall have expired or been terminated and no actions shall have been instituted that are pending on the Closing Date by the FTC or the DOJ challenging or seeking to enjoin the consummation of such transactions.

7.3.7. **Consents Obtained.** Seller shall have obtained all authorizations, consents, approvals, permits, and clearances that are necessary to consummate the purchase and sale of the Assets and Authorizations contemplated under this Agreement, including all consents set forth in **Schedule 4.2.2.**

7.3.8. **No Material Adverse Changes.** No event shall have occurred since the date of this Agreement that has had or could reasonably be expected to result in a Material Adverse Effect; provided, that, the absence of a change in the FCC's DTV Table of Allotments or the denial by the FCC of the Digital Application, despite the compliance by Buyer and Seller with their obligations hereunder, shall not be considered a Material Adverse Effect.

7.3.9. **Broadcast Transmissions and MVPD Carriage.** The broadcast transmissions of the Station shall not have been materially impaired for more than two hundred (200) hours in the aggregate since the date hereof, and, except for reductions in MVPD carriage within the broadcast industry generally, no actual or threatened material reduction in MVPD carriage of the Station shall have occurred since the date hereof.

7.3.10. **Digital Leases.** Seller shall have obtained and duly assigned to Buyer, and Buyer shall have assumed, the Digital Leases, if any, as provided herein.

7.4. **Closing Documents Delivered by Seller.** On the Closing Date, Seller shall deliver or cause the delivery of the following instruments or items to Buyer:

7.4.1. Bills of sale and assignments in form reasonably satisfactory to Buyer, dated the Closing Date, executed by Seller, conveying to Buyer all of Seller's right, title,

and interest in and to all the Assets and all the Authorizations, pursuant to the terms of this Agreement.

7.4.2. Assignments to Buyer of all leases described in Schedule 2.1.4, pursuant to the terms of this Agreement, which assignments Seller agrees shall be dated the Closing Date, executed by Seller, and in form reasonably satisfactory to Buyer.

7.4.3. All necessary consents to assignment to Buyer of the Assets under this Agreement.

7.4.4. The logs and records referred to in Section 2.3 of this Agreement.

7.4.5. An itemized list of all of the Accounts Receivable outstanding as of five (5) business days immediately preceding the Closing Date; provided, however, that Seller shall also deliver to Buyer within ten (10) days immediately following the Closing Date such a list of the Accounts Receivable updated as of the Closing Date.

7.4.6. Duly authenticated copies of Seller's corporate resolutions adopted by Stockholders and Seller's directors authorizing the execution, delivery, and performance of this Agreement.

7.4.7. Written instructions executed by Seller, to cause the Escrow Agent to deliver to Buyer all interest, if any, earned on the Escrow Deposit on or prior to the Closing Date.

7.4.8. Counterparts of each of (i) the Assumption Agreement, and (ii) the Indemnification Escrow Agreement, dated the Closing Date, executed by Seller.

7.4.9. All keys, passcards, and other items, as well as a list of all passcodes, combinations, account numbers, and other information, necessary to access or operate any of the Assets, access any property leased to Seller under leases set forth in Schedules 2.1.2 or 2.1.4, or access any FCC database to which Seller has or should have access.

7.4.10. Such other instruments or documents, including estoppel certificates, Tax clearance certificates, and opinions of Seller's attorneys, as Buyer may reasonably request to provide to Buyer the full rights and benefits intended to be granted to Buyer hereunder, as are customary for transactions of the type contemplated hereunder, or as Buyer's lenders may reasonably require in connection with such transactions.

7.4.11. For purposes of the Puerto Rico Code, a letter to Buyer, dated the Closing Date, executed by Seller, and containing the information required by Article 1150-2(a) of the regulations issued under the Puerto Rico Code.

7.4.12. A certificate, dated as of the Closing Date, executed by Seller, certifying, as to each employee, if any, of Seller not hired by Buyer by the Closing Date, the amount required to be paid to such employee of the indemnity provided by Puerto Rico Act

Number 80 of May 30, 1976, and, in addition to such certificate, the evidence of Seller's payment of such indemnity as contemplated under Section 3.13 hereof.

7.5. **Closing Documents Delivered by Buyer.** On the Closing Date, Buyer shall deliver or cause the delivery of the following instruments or items to Seller:

7.5.1. The Purchase Price in accordance with Sections 3.1 and 3.2 of this Agreement.

7.5.2. Duly authenticated copies of Buyer's corporate resolutions adopted by Buyer's directors authorizing the execution, delivery, and performance of this Agreement.

7.5.3. Written instructions executed by Buyer, to cause the Escrow Agent to deliver to Buyer all interest, if any, earned on the Escrow Deposit on or prior to the Closing Date.

7.5.4. Counterparts of each of (i) the Assumption Agreement, and (ii) the Indemnification Escrow Agreement, dated the Closing Date, executed by Buyer.

ARTICLE 8. - MISCELLANEOUS

8.1. **Finders' Fees.** Seller represents and warrants to Buyer that no broker, finder, or similar consultant has been involved with Seller in any manner in the negotiations leading up to the execution and delivery of this Agreement. Buyer represents and warrants to Seller that no broker, finder, or similar consultant has been involved with Buyer in any manner in the negotiations leading up to the execution and delivery of this Agreement. In no event shall any Stockholder, Seller, or Buyer be liable to any broker, finder, or similar consultant for any fees or similar obligations in connection with the transactions contemplated hereunder.

8.2. **Final Deadline for Closing.** If the Closing Date has not occurred on or before the date that is twelve (12) months after the date of this Agreement, then this Agreement may be terminated by either Buyer or Seller by the giving of written notice to the other party so long as the terminating party is not then in material breach hereunder. Except as otherwise expressly permitted under this Agreement, this Agreement shall not be terminated.

8.3. **Seller's Right to Terminate.** In the event of a material breach hereunder by Buyer prior to the Closing Date of any Buyer agreement, covenant, representation, or warranty hereunder, and the continuation of such breach without cure for a period of fifteen (15) consecutive days following the date on which Seller shall have given to Buyer written notice of such breach, then Seller may in its discretion, without releasing Buyer from any liability for such breach, terminate this Agreement by giving written notice of termination to Buyer so long as neither any Stockholder nor Seller is then in material breach hereunder. The rights conferred by the foregoing sentence shall not be exercised unless Seller has given Buyer fifteen (15) days written notice of the specific nature of such breach and Buyer has failed to correct such breach within that period. In the event of Seller's termination of this Agreement pursuant to this Section

benefit of such Stockholder's or Seller's creditors or fail generally to pay such Stockholder's or Seller's debts as they mature, (iii) consent to the appointment of a custodian, receiver, trustee, or other officer with similar powers with respect to such Stockholder or Seller or any substantial part of such Stockholder's or Seller's property, (iv) be dissolved or be adjudicated bankrupt or insolvent, or (v) take corporate action for the purpose of any of the foregoing or if a Governmental Body shall enter an order appointing, without consent by such Stockholder or Seller, a custodian, receiver, trustee, or other officer with similar powers with respect to such Stockholder or Seller or any substantial part of such Stockholder's or Seller's property, or if an order for relief shall be entered in any case or proceeding for liquidation or reorganization or otherwise to take advantage of any bankruptcy or insolvency law of any jurisdiction with respect to such Stockholder or Seller or any substantial part of such Stockholder's or Seller's property, or ordering the dissolution, winding up, or liquidation of Seller, or if any petition for any such relief shall be filed against such Stockholder or Seller, and such petition shall not be dismissed within sixty (60) days thereafter, then, upon or after the occurrence of any event described in this sentence, Buyer may, in its sole discretion, by giving written notice of termination to Seller, terminate this Agreement without cost, penalty, or liability on Buyer's part of any kind so long as Buyer is not then in material breach hereunder and the Closing Date has not occurred.

8.5. **Notices.** All notices and communications hereunder or with respect hereto shall be deemed to have been duly given to a party when in writing and (i) actually delivered to such party as follows, or, (ii) if duly tendered to Federal Express, or another overnight courier service generally operating and recognized within the United States, for next business day delivery to such party, upon the first (1st) business day following such tender to Federal Express or such other overnight courier service, delivery fee prepaid or charged to sender, addressed as follows:

If to any Stockholder or Seller, to:

Jerry Hartman
120 Olympus Way
Jupiter, FL 33477

With a copy, which shall not constitute notice, to:

Stuart A. Shorenstein, Esq.
Wolf, Block, Schorr and Solis-Cohen LLP
250 Park Avenue
New York, NY 10177

If to Buyer, to:

C. Douglas Kranwinkle, Esq.
Executive Vice President & General Counsel
Univision Communications Inc.
5999 Center Drive

Los Angeles, CA 90045

With a copy, which shall not constitute notice, to:

Scott R. Flick, Esq.
Pillsbury Winthrop Shaw Pittman LLP
2300 N Street, N.W.
Washington, DC 20037

Provided, however, that if any party has designated a different address for itself by ten (10) days prior written notice to the other parties pursuant to this Section 8.5, then, for purposes of notices and communications hereunder to the designating party, to the last address so designated. It is a condition precedent to the effectiveness hereunder of any notice or communication from Stockholders that such notice or communication be in a single written instrument signed by each of Jerry Hartman and Esther Hartman, Florida residents.

8.6. **Assignment.** This Agreement and Stockholders', Seller's, or Buyer's rights and obligations hereunder shall not be assigned without the prior written consent of the non-assigning parties; provided, however, that Buyer shall be permitted to assign its rights and obligations hereunder without the consent of any Stockholder or Seller, on ten (10) days prior written notice to Seller, to (i) an entity directly or indirectly controlled by Univision Communications Inc., a Delaware corporation ("Univision Communications"), (ii) an entity acquiring all or substantially all of the assets of Buyer or Univision Communications, or (iii) an entity acquiring control of Buyer or Univision Communications, it being understood that such assignment shall not relieve Buyer of responsibility for such assignee's performance of Buyer's obligations hereunder. Each attempted assignment hereof, if any, not in compliance with this Section 8.6 shall be null and void. This Agreement shall be binding upon and inure only to the benefit of the parties hereto and their respective successors and assigns.

8.7. **Entire Agreement.** Except for the Confidentiality Agreement, this Agreement, which includes the exhibits and schedules hereto, sets forth the entire understanding of the parties at the time of execution and delivery hereof regarding the subject matter hereof, and all prior agreements among them with respect to the subject matter hereof, except for the Confidentiality Agreement, shall be of no further force or effect. This Agreement may be amended only by an instrument in writing executed by all parties.

8.8. **Headings and Table of Contents.** The headings and the table of contents, if any, of this Agreement are inserted for convenience only and shall not be deemed to constitute a part of this Agreement.

8.9. **Survival.** The representations and warranties set forth in this Agreement and in the other instruments delivered hereunder shall survive the Closing Date for a period of twelve (12) months, except that all such representations and warranties regarding matters arising under Sections 4.1.2 or 4.2.1 hereof, title to the Assets or Authorizations, or Taxes shall survive for the longer of (i) the applicable statute of limitations period plus sixty (60) days or (ii) the twelve (12)

month period specified in this Section 8.9, it being understood, however, that (x) those specific matters as to which claims for indemnification have been duly made hereunder before the expiration of the applicable periods mentioned in this sentence shall survive with respect to such claims until the final resolution thereof, and, (y) notwithstanding the foregoing, all representations and warranties hereunder regarding the physical condition of the equipment contained in the Assets shall not survive the Closing Date.

8.10. **Waiver.** The waiver by any party of any matter provided for herein shall be in writing in order to be effective and shall not be deemed to be a waiver of (i) any such matter on any other occasion or (ii) any other matter.

8.11. **No Strict Construction.** The language used in this Agreement shall be deemed to be the language chosen by the parties to express their mutual intent. In the event that an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties, and no presumption or burden of proof shall arise favoring or disfavoring any person or entity by virtue of the authorship of any of the provisions of this Agreement.

8.12. **Governing Law and Venue.** This Agreement shall be construed in accordance with and governed by the laws of the State of New York, without regard to its choice of law rules. Exclusive venue and jurisdiction with respect to each lawsuit or court action, if any, arising under this Agreement shall be in the state or federal courts of the State of New York, it being understood, however, that judgments, orders, or decrees resulting from such lawsuits or court actions may be appealed to or enforced in any competent court. Each party submits to the exclusive jurisdiction of the state and federal courts of the State of New York for purposes of all such lawsuits and court actions, and waives, to the fullest extent permitted by applicable Laws, (i) any objection that such party may now or later have to the laying of venue of any such lawsuit or court action brought in any such state or federal court and (ii) any claim that any such lawsuit or court action brought in any such state or federal court has been brought in an inconvenient forum.

8.13. **Best Efforts.** Without in any way limiting their other obligations hereunder, Stockholders, Seller, and Buyer shall each act in good faith hereunder and use their best efforts consistent with commercial reasonableness in the timely performance and prompt fulfillment of all terms and conditions of this Agreement necessary for Closing, in filing the Application and seeking the FCC Consent, and in bringing about a prompt Closing, and shall provide such information and execute and deliver such other and further documents, whether before, at, or after the Closing Date, as may be reasonably required to carry out their intent as expressed hereunder related to the Closing. As used in this Agreement, neither the term "best efforts" nor the term "commercially reasonable efforts" shall mean efforts that require the performing party to do any act that is not commercially reasonable under the circumstances.

8.14. **Severability.** In the event that any term or provision of this Agreement is determined to be void, unenforceable, or contrary to law, the remainder of this Agreement shall

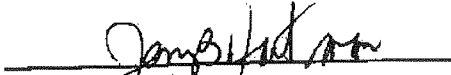
continue in full force and effect provided that such continuation would not materially diminish the benefits of this Agreement for any party.

8.15. **Counterparts.** More than one counterpart of this Agreement may be executed by the parties and each fully executed counterpart of this Agreement shall be deemed an original of this Agreement.

8.16. **Authority of Signatory.** Each individual signing this Agreement below in a signature block for Seller or Buyer personally represents and warrants that such individual has full power and authority to execute and to deliver this Agreement on behalf of the party whose name appears directly above the signature of such individual in such signature block.

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


With respect to Section 6.6 only:
STOCKHOLDERS:


Jerry Hartman


Esther Hartman

SELLER:

SIETE GRANDE TELEVISION, INC.

By: 
Name: Jerry Hartman
Title: President

BUYER:

UNIVISION TELEVISION GROUP, INC.

By: _____
Name: _____
Title: _____

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

With respect to Section 6.6 only:

STOCKHOLDERS:

Jerry Hartman

Esther Hartman


SELLER:

SIETE GRANDE TELEVISION, INC.

By: _____
Name: _____
Title: _____

BUYER:

UNIVISION TELEVISION GROUP, INC.

By: 
Name: C. DOUGLAS KRANWINKLES
Title: VICE PRESIDENT

Asset Purchase Agreement

Exhibit A

Assumption Agreement

ASSUMPTION AGREEMENT

FOR VALUE RECEIVED, this _____ day of _____, 200_, receipt of which is hereby acknowledged, and pursuant and subject to the Asset Purchase Agreement ("Purchase Agreement"), dated as of June ___, 2007, by and among Jerry Hartman and Esther Hartman, Florida residents, Siete Grande Television, Inc., a Florida corporation ("Seller"), and Univision Television Group, Inc., a Delaware corporation ("Buyer"), (i) Seller does hereby grant, bargain, sell, and assign to Buyer all of Seller's right, title, and interest in and to each of the contracts or leases (such contracts and leases, collectively, "Assigned Contracts") set forth on Attachment A hereto, and (ii) Buyer does hereby accept such assignment and sale and does hereby agree to assume and to perform from the date hereof forward all of the obligations that Seller was required to perform under the Assigned Contracts from the date hereof forward to the extent that such obligations are required to be performed.

Nothing in this Agreement limits or expands the separate representations, warranties and obligations of Seller or Buyer under the Purchase Agreement.

More than one counterpart hereof may be executed by the parties and each fully executed counterpart hereof shall be deemed an original hereof.

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

SELLER:

SIETE GRANDE TELEVISION, INC.

By: _____
Name: _____
Title: _____

BUYER:

UNIVISION TELEVISION GROUP, INC.

By: _____
Name: _____
Title: _____

Attachment A

[to be completed prior to Closing]

Asset Purchase Agreement

Exhibit B

Closing Agreement

(Omitted)

Asset Purchase Agreement

Exhibit C

Deposit Escrow Agreement

Commerce Bank, National Association

Depository Agreement-Escrow

THIS DEPOSIT ESCROW AGREEMENT (this "Agreement") is made and entered into as of this 13th day of June, 2007, by and among Univision Television Group, Inc., a Delaware corporation ("Buyer"), Siete Grande Television, Inc., a Florida corporation ("Seller"), and Commerce Bank, National Association, as escrow agent (the "Depository"). Buyer and Seller are sometimes referred to herein collectively as the "Parties."

WHEREAS, Buyer and Seller have entered into the Asset Purchase Agreement, dated as of June __, 2007, between Buyer and Seller, a copy of which is attached hereto as Exhibit "A", (the "Asset Purchase Agreement"), pursuant to which the Buyer is acquiring substantially all of the assets and rights relating to television station WSTE(TV) (the "Station"). Capitalized terms used but not defined in this Agreement shall have the meanings ascribed thereto in the Asset Purchase Agreement.

WHEREAS, Section 3.2 of the Asset Purchase Agreement contemplates that the sum of One Million Five Hundred Thousand Dollars (\$1,500,000.00) (the "Deposit") be deposited in escrow with the Depository, to be held and distributed on the terms and conditions set forth herein. As used herein, the term "Deposit" shall include (a) the sum of One Million Five Hundred Thousand Dollars (\$1,500,000.00) plus (b) any interest or other earnings accruing thereon or with respect thereto.

NOW, THEREFORE, the Parties, in order to designate Commerce Bank, National Association, as the Depository for the Parties for the purposes and upon the terms and conditions herein set forth, do hereby represent and warrant to, and agree with each other and the Depository, as follows:

1. **Appointment of the Depository.** The Depository is hereby appointed Depository for the Parties with respect to the Deposit.

2. **The Deposit.** Concurrently with the execution and delivery hereof, the Buyer has deposited with the Depository in immediately available funds, as custodian and depository, and the Depository hereby acknowledges receipt from the Buyer of, cash in the amount of One Million Five Hundred Thousand Dollars (\$1,500,000.00) and the Buyer and Seller direct that the same be held and disposed of by the Depository as herein provided.

3. **The Depository's Duties and Authority To Act.**

(a) The Depository shall hold the Deposit in safekeeping and deliver the same or any part or parcel thereof, including the interest earned from investments made pursuant to paragraph 19 hereof, only in accordance with the procedures set forth in subsection (b) below. The Buyer shall be treated as the owner of the Deposit and any income earned thereon for all

federal and state income tax purposes and shall have full responsibility for the payment of all taxes assessed on or with respect thereto.

(b) The Depository shall disburse the Deposit only (i) as Buyer and Seller from time to time jointly direct in a writing executed by Buyer and Seller (a "Joint Written Direction"); or (ii) in accordance with a certified copy of a final non-appealable order of a court of competent jurisdiction (a "Final Ruling"). The Depository shall be entitled to assume conclusively and without inquiry that any document purporting to be a Final Ruling conforms to the requirements of this Agreement and the Asset Purchase Agreement.

(c) Either the Buyer or Seller may hereafter act through an agent or attorney-in-fact only if written evidence of authority in form and substance satisfactory to the Depository is furnished to the Depository and agreed to by the Depository.

(d) The Depository may act upon any written notice, request, waiver, consent, certificate, receipt, authorization, power of attorney or other document which it in good faith believes to be genuine.

(e) The Depository shall be deemed to have properly delivered the Deposit if delivered as follows: (i) if to Seller, by wire transfer to Seller; (ii) if to Buyer, by wire transfer to Buyer; or (iii) delivery in any other manner pursuant to written instructions of the Parties. Under no circumstances shall the Buyer or the Depository be or become liable to any Seller or other person for any action, omission or delay of Seller in dealing with any payment made by the Depository in accordance herewith.

(f) In performing its duties under this Agreement, or upon the claimed failure to perform any of its duties hereunder, the Depository shall not be liable to anyone for damages, losses or expenses which may be incurred as a result of the Depository so acting or failing to so act; provided, however, the Depository shall not be relieved from liability for damages arising out of its proven gross negligence or willful misconduct under this Agreement. The Depository shall in no event incur any liability with respect to (i) any action taken or omitted to be taken in good faith upon advice of legal counsel given with respect to any questions relating to the duties and responsibilities of the Depository hereunder or (ii) any action taken or omitted to be taken in reliance upon any document delivered to the Depository and believed by it to be genuine and to have been signed or presented by the proper party or parties.

(g) Any person who may be or become entitled to the Deposit shall provide its wire instructions by written notice to the Depository.

4. **Other Agreements.** The Depository is not a party to, nor is it bound by, nor need it give consideration to the terms or provisions of, any other agreement or undertaking among the Parties or any of them, or between the Parties or any of them and other persons, or any agreement or undertaking which may be evidenced by or disclosed by the Deposit, it being the intention of the parties hereto that the Depository assent to and be obligated to give consideration only to the terms and provisions hereof. The Depository shall have no duty to

determine or inquire into the happening or occurrence of any event or contingency or the performance or failure of performance of any of the Parties with respect to arrangements or contracts with each other or with others, the Depository's sole duty hereunder being to hold the Deposit and to dispose of and deliver the same in accordance with instructions given to it as provided in paragraph 3.

5. Standard of Care.

(a) The Depository undertakes to perform such duties and only such duties as are specifically set forth in this Agreement and no implied covenants or obligations shall be read into this Agreement against the Depository.

(b) If the Depository is required by the terms hereof to determine the occurrence of any event or contingency, the Depository shall, in making such determination, be liable only for its proven willful misconduct or gross negligence, as determined in light of all the circumstances, including the time and facilities available to it in the ordinary conduct of its business. In determining the occurrence of any such event or contingency the Depository may request from any of the Parties or any other person such reasonable additional evidence as the Depository in its sole discretion may deem necessary to determine any fact relating to the occurrence of such event or contingency, and may at any time inquire of and consult with others, including without limitation, any of the Parties, and the Depository shall not be liable for any damages resulting from its delay in acting hereunder pending its receipt and examination of additional evidence requested by it.

(c) Whenever the Depository is required by the terms hereof to take action upon the occurrence of any event of contingency, the time prescribed for such action shall in all cases be a reasonable time after written notice received by the Depository for the happening of such event or contingency, provided however, that this provision shall not be deemed to limit or reduce the time allowed the Depository for action as provided in paragraph 5(b).

6. Limitation on Liability. The Depository shall not be responsible or liable to the Parties or to any other person in any manner whatsoever for the sufficiency, correctness, genuineness, effectiveness or validity of any of the Deposit, or for the form or execution thereof, or for the identity or authority of any person executing or depositing the same. If any of the Parties are acting as agent for others, all of the Parties represent and warrant that each such agent is authorized to make and enter into this Agreement. This Agreement is a personal one between the Parties and the Depository. The Depository is authorized by each of the Parties to rely upon all representations, both actual and implied, of each of the Parties and all other persons relating to this Agreement and/or the Deposit, including without limitation representations as to authority to execute and deliver this Agreement, notifications, receipts or instructions hereunder, and relationships among persons, firms, corporations or other entities, including those authorized to receive delivery hereunder, and the Depository shall not be liable to any person in any manner by reason of such reliance. The duties of the Depository hereunder shall be only to the Parties, their respective successors, heirs, assigns, executors and administrators and to no other person, firm, corporation or other entity whatsoever.

7. **Time of Performance.** Whenever under the terms hereof the time for performance of any provision shall fall on a date which is not a regular business day of the Depository, the performance thereof on the next succeeding regular business day of the Depository shall be deemed to be in full compliance. Whenever time is referred to in this Agreement, it shall be the time recognized by the Depository in the ordinary conduct of its normal business transactions.

8. **Death, Disability, etc. of the Parties.** The death, disability, bankruptcy, insolvency, reorganization or absence of any of the Parties shall not affect or prevent performance by the Depository of its obligations or its right to rely upon instructions received hereunder. However, in the event of the death, disability, bankruptcy, insolvency, reorganization or absence of any of the Parties, the Depository (without liability to any of the Parties) may refrain from taking any action required or requested hereunder.

9. **Remedies of the Depository.**

(a) As additional consideration for and as an inducement for the Depository to act hereunder, it is understood and agreed that in the event of any disagreement between the parties to this Agreement or in the event any other person or entity claims an interest in the Deposit or any part thereof, and such disagreement or claim results in adverse claims and demands being made by them or any of them in connection with or for any part of the Deposit, the Depository shall be entitled, at the option of the Depository, to refuse to comply with the instructions or demands of the parties to this Agreement, or any of such parties, so long as such disagreement or adverse claim shall continue. In such event, the Depository shall not be required to make delivery or other disposition of the Deposit. Anything herein to the contrary notwithstanding, the Depository shall not be or become liable to the Parties or any of them for the failure of the Depository to comply with the conflicting or adverse demands of the Parties or any of such parties or of any other persons or entities claiming an interest in the Deposit or any part thereof. The Depository shall be entitled to refrain and refuse to deliver or otherwise dispose of the Deposit or any part thereof or to otherwise act hereunder, as stated above, unless and until (i) the rights of the parties and all other persons and entities claiming an interest in the Deposit have been duly adjudicated in a court having jurisdiction of the parties and the Deposit or (ii) the parties to this Agreement and such other persons and entities have reached an agreement resolving their differences and have notified the Depository in writing of such agreement and have provided the Depository with indemnity satisfactory to it against any liability, claims or damages resulting from compliance by the Depository with such agreement. In addition to the foregoing, the Depository shall have the right to tender into the registry or custody of any court having jurisdiction, any part of or all of the Deposit. Upon such tender, the parties hereto agree that the Depository shall be discharged from all further duties under this Agreement; provided, however, that the filing of any such legal proceedings shall not deprive the Depository of its compensation hereunder earned prior to such filing and discharge of the Depository of its duties hereunder.

(b) While any suit or legal proceeding arising out of or relating to this Agreement or the Deposit or the Parties is pending, whether the same be initiated by the Depository or by

others, the Depository shall have the right at its option to stop all further performance of this Agreement and instructions received hereunder until all differences shall have been resolved by agreement or until the rights of all parties shall have been fully and finally adjudicated by the court. For purposes of any suit or legal proceeding arising out of relating to this Agreement to which the Depository may be a party, the Parties hereby consent and submit to the jurisdiction of the appropriate court, whether Federal or state, sitting in Delaware. The rights of the Depository under this paragraph are in addition to all other rights which it may have by law or otherwise.

10. **Reliance on Counsel.** The Depository may from time to time consult with legal counsel of its own choosing in the event of any disagreement, or controversy, or question or doubt as to the construction of any of the provisions hereof or its duties hereunder, and it shall incur no liability and shall be fully protected in acting in good faith in accordance with the opinion or instructions of such counsel. Any such fees and expenses of such legal counsel shall be considered part of the fees and expenses of the Depository described below.

11. **Fees and Expenses.**

(a) The Parties hereby jointly and severally agree to pay the Depository for its ordinary services hereunder the fees determined in accordance with, and payable as specified in, the Schedule of Fees set forth in Exhibit "B", attached hereto. In addition, the Parties hereby jointly and severally agree to pay to the Depository its expenses incurred in connection with this Agreement, including, but not limited to, legal fees and expenses, in the event the Depository deems it necessary to retain counsel. Such expenses shall be paid to the Depository within 10 days following receipt by any of the Parties of a written statement setting forth such expenses. All of the fees and expenses described herein shall be payable one-half by the Buyer, on the one hand, and one-half by the Seller, on the other hand.

(b) The Parties jointly and severally agree that in the event any controversy arises under or in connection with this Agreement or the Deposit, or the Depository is made a party to or intervenes in any litigation pertaining to this Agreement or the Deposit, to pay to the Depository reasonable compensation for its extraordinary services and to reimburse the Depository for all cost and expenses associated with such controversy or litigation, including, but not limited to, legal fees and expenses.

(c) In the event fees and expenses of the Depository are to be paid pursuant to paragraph 20 hereof, it is understood and agreed by the Parties that such fees and expenses are in addition to those described above and that such fees and expenses shall be subject to periodic review and modification by the Depository as determined by the Depository in its sole discretion.

12. **Effective Date.** The effective date of this Agreement shall be the date on which it is accepted by the Depository.

13. **Termination and Resignation.** Unless sooner terminated as hereinafter provided, this Agreement shall terminate without action of any party when all of the terms hereof shall have been fully performed. Either the Depository or the Parties may terminate this Agreement upon thirty (30) days written notice (i) signed by the Depository and delivered to each of the Parties or (ii) signed by each of the Parties and delivered to the Depository. Upon termination of this Agreement, the Depository shall deliver the Deposit in accordance with the written instructions delivered by the Parties pursuant to paragraph 3(a) hereof. All fees and expenses owed to the Depository hereunder shall be paid in full prior to such delivery of the Deposit, and the Depository is hereby authorized and directed by the Parties to withhold release or distribution of the Deposit until such time as the Depository has received payment in full of such fees and expenses. The Depository is authorized and directed to deduct such fees and expenses from the Deposit prior to release or distribution thereof.

14. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, and such counterparts shall constitute and be one and the same instrument.

15. **Assignment of Interests.** None of the Parties shall assign or attempt to assign or transfer its interest hereunder or any part thereof. Any such assignment or attempted assignment by any one or more of the Parties shall be in direct conflict with this Agreement and the Depository shall not be bound thereby.

16. **Amendments.** This Agreement cannot be amended or modified except by another agreement in writing signed by all the parties hereto or by their respective successors in interest.

17. **Headings.** The paragraph headings contained herein are for convenience of reference only and are not intended to define, limit or describe the scope or intent of any provision of this agreement.

18. **Governing Law.** This Agreement shall be deemed to have been made and shall be construed and interpreted in accordance with the laws of the State of New York.

19. **Investment of Deposit; Withholding**

(a) The Depository shall invest cash balances in such money market or other short-term investments as shall be specified from time to time in a joint writing executed by Buyer and Seller. Such money market or short-term investment fund shall be the Goldman Sachs Prime Obligations Service Share Class Fund,¹ which is an open-end investment company registered under the Investment Company Act of 1940, as amended, for which the Depository or one of its affiliates acts as investment advisor, custodian, transfer agent, registrar, sponsor, distributor, manager or otherwise, and any fees paid to the Depository or its affiliate by such

¹ AAA rated by S&P.

fund shall be in addition to the fees and expenses owed to the Depository under this Agreement.

(b) The Depository shall not be responsible or liable for determination or payment of any taxes assessed against the Deposit or the income therefrom nor for the preparation or filing of any tax returns other than withholding required by statute or treaty. Each of the Parties agree to provide the Depository any information necessary to perform any such required withholding and the Depository shall be entitled to rely on such information. The Depository will establish the account holding the Deposit under the TIN of the Buyer; if Depository is responsible for tax reporting, it will be rendered under the aforementioned TIN. A W-9 certifying to the party's withholding status in the form set forth on Exhibit "C" attached hereto will be completed at closing.

(c) The Depository may make any and all investments through its own bond or investment department. The Depository shall not be held liable or responsible for the quality or diversity of the assets constituting the Deposit or for any loss or depreciation in the value of such assets or any loss resulting from any investment made by the Depository in accordance with the terms of this Agreement. If the Depository is required to sell or otherwise redeem or liquidate any Deposit prior to its maturity, the Parties agree that the Depository shall not be personally liable for any loss to the Deposit, (including either principal or income) or other costs incurred as a result of any such early redemption or liquidation.


20. Indemnification and Hold Harmless. The Parties hereby jointly and severally agree to indemnify and hold the Depository and its directors, employees, officers, agents, successors and assigns harmless from and against any and all losses, claims, damages, liabilities and expenses, including without limitation, reasonable costs of investigation and counsel fees and expenses which may be imposed on the Depository or incurred by it in connection with its acceptance of this appointment as the Depository hereunder or the performance of its duties hereunder. Such indemnity includes, without limitation, all losses, damages, liabilities and expenses (including counsel fees and expenses) incurred in connection with any litigation (whether at the trial or appellate levels) arising from this Agreement or involving the subject matter hereof. The indemnification provisions contained in this paragraph 20 are in addition to any other rights any of the indemnified parties may have by law or otherwise and shall survive the termination of this Agreement or the resignation or removal of the Depository.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Deposit Escrow Agreement to be executed this 5th day of June, 2007.

BUYER

UNIVISION TELEVISION GROUP, INC.

By: 
Name: C. DOUGLAS KRANWINKLE
Title: VICE PRESIDENT

SELLER

SIETE GRANDE TELEVISION, INC.

By: _____
Name: _____
Title: _____

The Depository hereby acknowledges receipt of the Deposit and hereby accepts the same as Depository hereunder, subject to the terms and conditions set forth above, this ____ day of June, 2007.

COMMERCE BANK, NATIONAL ASSOCIATION

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the parties hereto have caused this Deposit Escrow Agreement to be executed this 13 day of June, 2007.

BUYER

UNIVISION TELEVISION GROUP, INC.

By: _____
Name: _____
Title: _____

SELLER

SIETE GRANDE TELEVISION, INC.

By: Jerry Hartman
Name: Jerry Hartman
Title: President

The Depository hereby acknowledges receipt of the Deposit and hereby accepts the same as Depository hereunder, subject to the terms and conditions set forth above, this ____ day of June, 2007.

COMMERCE BANK, NATIONAL ASSOCIATION

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the parties hereto have caused this Deposit Escrow Agreement to be executed this ____ day of June, 2007.

BUYER

UNIVISION TELEVISION GROUP, INC.

By: _____
Name: _____
Title: _____

SELLER

SIETE GRANDE TELEVISION, INC.

By: _____
[], President

The Depository hereby acknowledges receipt of the Deposit and hereby accepts the same as Depository hereunder, subject to the terms and conditions set forth above, this ____ day of June, 2007.

COMMERCE BANK, NATIONAL ASSOCIATION

By: Arkene M. Murphy
Name: Arkene M. Murphy
Title: Assistant Vice President

Deposit Escrow Agreement

Notice Information

If to the Seller:

Jerry Hartman
120 Olympus Way
Jupiter, FL 33477

With a copy, which shall not constitute notice, to:

Stuart A. Shorenstein, Esq.
Wolf, Block, Schorr and Solis-Cohen LLP
250 Park Avenue
New York, NY 10177

If to Buyer:

C. Douglas Kranwinkle, Esq.
Executive Vice President & General Counsel
Univision Communications Inc.
5999 Center Drive
Los Angeles, CA 90045

With a copy, which shall not constitute notice, to:

Scott R. Flick, Esq.
Pillsbury Winthrop Shaw Pittman LLP
2300 N Street, N.W.
Washington, DC 20037

If to the Depository:

Arlene M. Murphy, Assistant Vice President
Commerce Bank
Corporate Trust Services
101 Haddonfield Road, 2nd Floor
Cherry Hill, New Jersey 08002-4401
Phone #- 856/532-4393
Fax # - 856/482-5706

ATTACHMENTS:

Schedule A - Authorized Representatives

Exhibit A - Asset Purchase Agreement

Exhibit B - Fee Schedule

Exhibit C - Withholding Form

Schedule A

Authorized Representatives

The following person is designated as an Authorized Representative for the Seller and his specimen signature is shown:

Typed Name

Signature

The following persons are designated as Authorized Representatives for the Buyer and specimen signatures are shown:

C. Douglas Kranwinkle

Typed Name



Signature

Typed Name

Signature

Typed Name

Signature

Schedule A

Authorized Representatives

The following person is designated as an Authorized Representative for the Seller and his specimen signature is shown:

Jerry Hartman
Typed Name

Jerry B. Hartman
Signature

The following persons are designated as Authorized Representatives for the Buyer and specimen signatures are shown:

Typed Name

Signature

Typed Name

Signature

Typed Name

Signature
