

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this "Agreement") is dated May 22, 2013, by and among Yellowstone Holdings LLC ("Buyer"), and SagamoreHill Broadcasting of Wyoming/Northern Colorado, LLC ("SagamoreHill Wyoming") and SagamoreHill Broadcasting of Texas, LLC ("SagamoreHill Texas," and together with SagamoreHill Wyoming, "Seller" and each, a "Seller"). Seller and Buyer are sometimes referred to herein as the "Parties" and each as a "Party."

RECITALS:

A. SagamoreHill Wyoming is the licensee of and owns and operates certain assets used in connection with the business and operations of television stations KGWN-TV, licensed to Cheyenne, Wyoming (Facility ID No. 63166), KSTF(DT), licensed to Scottsbluff, Nebraska (Facility ID No. 63182), and K19FX-D, licensed to Laramie, Wyoming (Facility ID No. 63183) pursuant to licenses issued by the Federal Communications Commission ("FCC").

B. SagamoreHill Texas is the licensee of and owns and operates certain assets used in connection with the business and operations of television station KGNS-TV, licensed to Laredo, Texas (Facility ID No. 10061), pursuant to a license issued by the FCC. KGWN-TV, KSTF(DT), K19FX-D and KGNS-TV each are a "Station" and together are the "Stations."

C. Seller desires to sell, and Buyer wishes to buy, substantially all of the assets that are used or useful in the operations of the Stations, for the price and on the terms and conditions set forth herein.

AGREEMENTS:

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

SECTION 1: DEFINITIONS

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

"Action" means, for any Person, any action, counterclaim, suit, litigation, arbitration, governmental investigation or other legal, administrative or Tax proceeding, or Judgment, claim, or complaint by or against such Person, excluding any litigation affecting the television broadcasting industry generally in which such Person is not a named party, and any rule-making proceedings.

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

the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

“Assets” means all assets, properties and rights, both tangible and intangible, real, personal or mixed that are (i) owned, leased or held by Seller or any of its Affiliates and which are used or held for use in the operation of the Stations, and/or (ii) necessary to operate the Business of the Stations in a manner consistent with their present operations and with past practices, including the Real Property, Equipment, Licenses, Assumed Contracts, Intellectual Property, Books and Records, choses in action relating to the Stations, Trade Agreements and goodwill relating to the Stations, plus additions thereto between the date hereof and the Closing Date; *provided, however*, that the Assets shall not include the Excluded Assets.

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

“Assumed Contracts” means (i) all Contracts listed in Schedule 3.8, (ii) Contracts with advertisers for the sale of advertising time on the Stations in the ordinary course of business for cash at prevailing rates and that may be cancelled by Seller without penalty on not more than thirty days’ notice, and (iii) any Contracts entered into by Seller between the date of this Agreement and the Closing Date in compliance with Section 5.1(f) that relate to the business and operations of the Stations and that Buyer agrees in writing to assume.

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

“Business” means the business and operations of the Stations.

“Business Day” means any day of the year on which banks are not required or authorized to be closed in the State of California.

“Closing” means the consummation of the assignment, transfer, conveyance and delivery of the Assets and the Purchase Price as contemplated hereunder.

“Closing Date” means the actual date of Closing, which, subject to the terms and conditions of this Agreement, shall occur on a date to be set by Buyer by written notice to Seller, which date shall not be later than ten (10) Business Days after the FCC Consent shall have become a Final Order; provided, that Buyer, at its sole option, may by written notice to Seller elect to set the date of Closing within five (5) Business Days after receipt of the FCC Consent.

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

“Consents” means the consents, permits or approvals of, notices to, or filings with, any Governmental Authorities and other third parties required to transfer the Assets to Buyer or otherwise to consummate the transactions contemplated hereby.

“Contracts” means the leases, contracts, commitments, understandings and agreements relating to the Stations to which the Seller is a party, whether oral or written.

“Deposit Escrow Agreement” means the Escrow Agreement being entered into among Buyer, Seller and the Escrow Agent on the date that is one Business Day from the date hereof.

“Deposit Escrow Amount” means the sum of the Escrow Deposit, plus all interest or other earnings thereon.

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

“Employee Plan” means (i) any “employee benefit plan” (as defined in Section 3(3) of ERISA), and (ii) any other plan, program, arrangement, agreement or policy, whether written or unwritten, which provides compensation or other benefits, whether deferred or not, in excess of base salary or wages other than overtime pay, including, but not limited to, any bonus or incentive plan, equity-based compensation plan, severance pay plan, paid leave policy, insurance plan, change-in-control or other material fringe benefit plan which, in the case of each of clauses (i) or (ii), is sponsored, maintained, participated in or contributed to by the Seller or an ERISA Affiliate, or under which the Seller or an ERISA Affiliate has, or could have, any liability with respect to any current or former employee, officer, director or independent contractor of Seller or an ERISA Affiliate.

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

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

“Equipment” means the television studio and transmitter site equipment, furniture, fixtures, furnishings, machinery, computer hardware, antennas, transmitters and other personal property used or held for use by Seller in the operation of the Stations, plus additions thereto between the date hereof and the Closing Date.

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

“ERISA Affiliate” means any Person that is or has at any relevant time been treated as a single employer with the Seller under Sections 414(b), (c), (m) or (o) of the Code, or any Person that is or has at any relevant time been “under common control” with the Seller within the meaning of Section 4001(b) of ERISA.

“Escrow Deposit Fund” means the sum of One Million Twenty-Five Thousand Dollars (\$1,025,000) that is being deposited by Buyer with the Escrow Agent in immediately available funds on the date hereof to secure the obligations of Buyer to close under this Agreement, with such deposit being held by the Escrow Agent in accordance with the Escrow Agreement.

“Excluded Assets” means (i) all cash and cash equivalents of Seller, (ii) all Receivables, (iii) all bonds, letters of credit, surety instruments and other similar items, (iv) books and records pertaining to Seller’s corporate organization, (v) all Employee Plans, (vi) all Contracts that are

not Assumed Contracts, and (vii) any such additional assets as are set forth in Schedule 1.1A hereto.

“FCC” means the Federal Communications Commission.

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

“FCC Licenses” means the Licenses issued or granted by the FCC to Seller relating to the operation of the Stations, all as set forth on Schedule 3.7.

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

“GAAP” means United States generally accepted accounting principles as currently in effect.

“Governmental Authority” means any court or any federal, state, county, local or foreign governmental, legislative or regulatory body, agency, department, authority, instrumentality or other subdivision thereof, including the FCC.

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

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

“Indebtedness” means, with respect to any Person, without duplication, (a) all obligations of such Person for borrowed money or with respect to deposits or advances of any kind, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such Person upon which interest charges are customarily paid (other than trade payables incurred in the ordinary course of business consistent with past practices), (d) all obligations of such Person under conditional sale or other title retention agreements relating to any property purchased by such Person, (e) all obligations of such Person issued or assumed as the deferred purchase price of property or services (excluding obligations of such Person to creditors for raw materials, inventory, services and supplies incurred in the ordinary course of business consistent with past practices), (f) all lease obligations of such Person that are (or that should be in accordance with GAAP) capitalized on the books and records of such Person, (g) all obligations of others secured by a Lien on property or assets owned or acquired by such Person, whether or not the obligations secured thereby have been assumed, (h) all obligations of such Person under interest rate, currency or commodity derivatives or hedging transactions, (i) all letters of credit or performance bonds issued for the account of such Person and (j) all guarantees and arrangements having the economic effect of a guarantee of such Person of any Indebtedness of any other Person.

“Intellectual Property” means all trademarks, trademark registrations, service marks, service names, brand names, jingles, slogans, trade names, copyrights, licenses, patents, pending trademark and patent applications, logos, domain names (together with any expiration dates, if applicable) and other intellectual property rights of Seller that are used in connection with the Stations, plus additions thereto between the date hereof and the Closing Date.

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

“knowledge” or “to the knowledge” of a Party (or similar phrases) means actual knowledge of a fact, or constructive knowledge if a reasonably prudent person in a like position would have known, or should have known, the fact, after due inquiry.

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

“Liabilities” means debts, claims, obligations, commitments or liabilities of a Person of any kind or nature whatsoever, absolute, accrued, contingent or otherwise, whether known or unknown, asserted or unasserted, choate or inchoate, matured or unmatured, liquidated or unliquidated, or secured or unsecured.

“Licenses” means the licenses, permits, franchises, registrations, authorizations, consents or approvals issued by the FCC or any other Governmental Authority to Seller relating to the operation of the Stations plus additions thereto between the date hereof and the Closing Date.

“Lien” means any lien, pledge, charge, easement, security interest, mortgage, deed of trust, right-of-way or other encumbrance.

“Material Adverse Effect” means any event, circumstance or condition that, individually or when aggregated with all other similar events, circumstances or conditions (regardless of whether or not any such event, circumstance or condition constitutes a breach of the representations, warranties or covenants made by Seller in this Agreement), would reasonably be expected to have a material adverse effect on: (i) with respect to Seller, the Assets, operations, condition (financial or otherwise) or results of operations of the Business or the Stations, or the ability of Seller to consummate the transactions contemplated by this Agreement, and (ii) with respect to Buyer, the ability of Buyer to own the Assets or consummate the transactions contemplated by this Agreement; provided, however, that Material Adverse Effect shall not include any effect to the extent arising out of or resulting from (x) any effect affecting the economy of the United States generally, including changes in the United States or foreign credit, debt, capital or financial markets (including changes in interest or exchange rates) or the economy of any town, city, region or country in which the Stations conduct business, only to the extent that the effect thereof are not disproportionately adverse to or on the Stations or the Business, (y) general changes or developments in the broadcast television industry to the extent that the effect thereof are not disproportionately adverse to or on the Stations or the Business, or (z) the announcement or consummation of the transaction contemplated by this Agreement.

“Permitted Liens” means the following: (i) liens for current taxes, assessments and governmental charges not yet due and payable (or being contested in good faith); (ii) liens that will be released prior to or at Closing; (iii) “standard” title insurance exceptions and utility easements and right-of-ways or similar items which do not have a material adverse impact on the use of the property (in the manner currently used by Seller) and which may appear on a title commitment ordered by Buyer from a nationally recognized title insurance company; and (iv) statutory landlord liens.

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

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

“Receivables” means all promissory notes or other similar obligations payable to Seller, and all accounts receivable and other receivables of Seller relating to or arising out of the operation of the Stations prior to the Closing Date excluding any balance under the Stations’ Trade Agreements which shall be accounted for as described in Section 2.3.

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

“Trade Agreements” means all trade, barter and similar agreements for the sale of advertising time on the Stations for consideration other than cash.

“Transaction Documents” shall mean this Agreement and the other documents, agreements, certificates and instruments to be executed, delivered and performed in connection with the transactions contemplated by this Agreement.

“Unclaimed Escrow Amount” means, as of any date of determination, an amount equal to (a) the amount then remaining in the Indemnity Escrow, minus (b) the amount of outstanding and unpaid Losses certified in a Claim Notice pursuant to Section 10 (whether disputed or undisputed).

“WARN” means the Worker Adjustment and Retraining Notification Act, 29 U.S.C. § 201 et seq., as amended.

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

<u>Term</u>	<u>Section</u>
Adjustments	2.3(b)
Assumed Liabilities	2.4
Auditor	2.3(d)
Buyer Indemnified Party	10.6
Cap Ex Project	6.18
Claimant	10.4
Claim Notice	10.4
Closing Cash Payment	2.2
Discovery Period	2.3(d)
DMA	3.22
Escrow Agent	2.2
Excess Costs	6.18
Excluded Representations	10.1
Indemnification Escrow	2.5
Agreement	
Indemnity Escrow	2.5
Indemnity Escrow Amount	2.2
Indemnity Period	10.1
Indemnitor	10.4
Joint Instructions	2.2.
Losses	10.2
MVPD	3.22
Non-Assumed Liabilities	2.4
Project Adjustment	6.18
Projects Budget	6.18
Purchase Price	2.2
Replacement Contract	6.17
Seller Indemnified Party	10.3
Trade Adjustment Amount	2.3(a)(1)

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

SECTION 2: PURCHASE OF ASSETS

2.1 Agreement to Sell and Buy. Subject to the terms and upon satisfaction of the conditions contained in this Agreement, at the Closing, Seller shall sell, convey, transfer,

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

2.2 Purchase Price. The purchase price for the Assets (the "Purchase Price") shall be Twenty Million Five Hundred Thousand Dollars (\$20,500,000), as adjusted preliminarily as of Closing and finalized subsequent to Closing pursuant to Section 2.3. The preliminary determination of the Purchase Price that shall be payable on the Closing Date (the "Closing Cash Payment") shall be paid by Buyer by wire transfer of immediately available funds in U.S. dollars, at Closing as follows: (a) \$1,000,000 (the "Indemnity Escrow Amount") shall be delivered by Buyer to Kalil & Co., Inc. (the "Escrow Agent") by wire transfer of immediately available funds in accordance with written instructions delivered by the Escrow Agent at least three (3) days prior to Closing, (b) the Deposit Escrow Amount shall be paid by the Escrow Agent to the Seller by wire transfer of immediately available funds in accordance with written instructions set forth in the Joint Instructions, and (c) the balance of the Closing Cash Payment (i.e., the Closing Cash Payment reduced by (i) the Indemnity Escrow Amount and (ii) the Deposit Escrow Amount) shall be paid by Buyer to Seller, by wire transfer of immediately available funds in accordance with written instructions delivered by Seller at least three (3) days prior to Closing. Concurrently with the execution and delivery of this Agreement, Buyer and Seller are executing and delivering the Deposit Escrow Agreement and Buyer shall deposit the Escrow Deposit Funds with the Escrow Agent to be held pursuant thereto. Upon the Closing, Buyer and Seller shall instruct the Escrow Agent (the "Joint Instructions") to pay the Deposit Escrow Amount to Seller at Closing and credited against the Purchase Price due at Closing to Seller.

2.3 Adjustments and Prorations.

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

(1) An adjustment and proration shall be made in favor of Buyer or Seller, as applicable, for the amount, if any, by which the fair market value of the goods or services to be received by a Station under its Trade Agreements as of the Closing Date is less than the value of any advertising time remaining to be run by a Station as of the Closing Date (the "Trade Adjustment Amount"); provided however that unless the negative Trade Adjustment Amount exceeds \$25,000, then no adjustment shall be made. There shall be no adjustment or proration

under Section 2.3(a)(1) to the extent there is an aggregate positive balance with respect to the Station's Trade Agreements.

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

(3) Buyer shall receive a credit for any prepaid revenues recovered by Seller prior to the Closing Date, and Seller shall receive a credit for all of the Stations' deposits and prepaid expenses outstanding as of the Closing Date. For the avoidance of doubt, Buyer shall not receive a credit for certain payments made to Seller in connection with the signing of affiliation agreements (which, for accounting purposes, have been recorded as prepaid revenue) solely to the extent listed on Schedule 2.3(a)(3).

(4) Buyer shall receive a credit equal to amount of the Project Adjustment (if any) to the extent not otherwise reflected in the Adjustments.

(b) Net settlement of the adjustments contemplated under this Section 2.3 shall be made at the Closing by increasing or decreasing the Purchase Price appropriately, based on Seller's and Buyer's good faith estimates. Seller shall prepare and submit to Buyer, not later than three (3) Business Days prior to the Closing Date, a written good faith estimate of the adjustments and prorations set forth in subsection (a) above (the "Adjustments") in accordance with this Section 2.3, along with Seller's estimate of the Closing Cash Payment. After delivery of such estimates to Buyer, Buyer shall promptly inform Seller of any disputes Buyer has with such amounts, together with any reasonable backup documentation to support Buyer's calculations, and Buyer and Seller shall in good faith attempt to resolve any disputes between them with respect to the determination of the Closing Cash Payment. If as of Closing any items shall be in dispute between the Parties then Buyer's calculation of such disputed items shall be used in the calculation of the Purchase Price and Closing Cash Payment for purposes of Closing and such items shall be resolved in the final settlement of Adjustments as provided in Sections 2.3(c) and (d).

(c) Except as provided in Section 2.3(d), a final settlement of all Adjustments made under this Section and any corresponding modifications to the Closing Cash Payment, with payment being made by the appropriate Party by wire transfer of immediately available funds in U.S. dollars to an account designated by the Party entitled to receive such payment, shall occur no later than ninety (90) days after the Closing Date. Buyer shall provide to Seller, and Seller shall provide to Buyer, any documentation reasonably requested by the other Party to determine the appropriateness of any Adjustment claimed by either Party.

(d) In the event that the Parties cannot agree on the amount of the final Adjustments and the amount in good faith dispute exceeds Twenty Thousand Dollars (\$20,000), the determination shall be made by a mutually agreed national or regional accounting firm (the "Auditor"). The Auditor shall make the determination based on GAAP in effect on the Closing Date. Either Party may invoke the use of the Auditor by notifying the other Party in writing, *provided* that neither Party may invoke the use of the Auditor to determine the final Adjustments earlier than ninety (90) days after the Closing Date. In the event that either Party

invokes the use of the Auditor, there shall be a thirty (30) day period (the “Discovery Period”) when the Parties may request of and shall provide to each other in writing or computer format where appropriate any documentation or records in the possession of the other Party that are related to a claim or defense to be made to the Auditor. Fifteen (15) Business Days after the expiration of the Discovery Period, the Parties shall have the opportunity to present their claims and supporting documentation to the Auditor. The Auditor shall be required to render a decision within fifteen (15) Business Days after each Party shall have presented (or have foregone the opportunity to present) its claims and supporting documentation to the Auditor. The decision of the Auditor shall be final and binding on the Parties and shall not be subject to any judicial challenge by either Party. Within five (5) Business Days after the Auditor provides the determination to the Parties, payment in accordance with that determination shall be made by the appropriate Party by wire transfer of immediately available funds in U.S. dollars, to an account designated by the Party entitled to receive such payment. The expenses of the Auditor shall be paid by the Party which, based on the Auditor’s resolution of the disputed item(s), is not the substantially prevailing Party. If the amount in good faith dispute relating to the Adjustments is equal to or less than Twenty Thousand Dollars (\$20,000), then the dispute shall not be submitted to the Auditor, and such amount shall be divided equally between Buyer, on one hand, and Seller, on the other hand.

2.4 Assumed Liabilities. At and after the Closing, Buyer shall assume and timely pay, discharge and perform all Liabilities arising solely out of or relating solely to Buyer’s ownership of the Assets or operation of the Stations on or after the Closing Date, including all Liabilities attributable solely to periods on or after the Closing Date under or with respect to the Licenses and the Assumed Contracts and are not otherwise attributable to any breach, default or other action of Seller and any liabilities for which Buyer receives a credit in connection with any Adjustments under Section 2.3 (collectively, the “Assumed Liabilities”). All Liabilities that are not Assumed Liabilities are collectively referred to herein as “Non-Assumed Liabilities” and shall remain and be the obligations and liabilities solely of Seller, including (i) any Liabilities under or relating to any Contract not included in the Assumed Contracts, (ii) any Liabilities under the Assumed Contracts relating to the period prior to the Closing Date, (iii) any claims or pending litigation or proceedings relating to the operation by Seller of the Stations prior to Closing, (iv) any Liabilities arising under or relating to capitalized leases or other financing agreements which are not Assumed Contracts, (v) any Liabilities under or relating to any Employee Plan, (vi) any Liability related to any current or former employees, directors, officers and independent contractors of the Stations, including, but not limited to, severance benefits (including any such benefits arising in connection with the consummation of the Closing), wages, vacation time, sick leave, or workers’ compensation claims arising or accrued on or prior to the Closing, (vii) any Liabilities which arise out of, result from or relate to any of the Excluded Assets or (viii) any Liabilities caused by, arising out of, or resulting from any action or omission of Seller prior to the Closing.

2.5 Indemnity Escrow. The Indemnity Escrow Amount shall be deposited in escrow with the Indemnity Escrow Agent pursuant to the terms of an escrow agreement, substantially in the form of Exhibit A attached hereto (the “Indemnity Escrow Agreement”). At Closing, Buyer and Seller shall execute and deliver the Indemnity Escrow Agreement and use commercially reasonable efforts to cause the Indemnity Escrow Agent named therein to execute and deliver the Indemnity Escrow Agreement. The Indemnity Escrow Amount plus

any interest or earnings thereon (the “Indemnity Escrow”) will be available to satisfy any amounts owed by Seller to Buyer or any Buyer Indemnified Party pursuant to Section 10.2 and in accordance with the terms of this Agreement and the Indemnity Escrow Agreement. One-half of the Unclaimed Escrow Amount shall automatically be released in full to Seller on the date which is six months after the Closing Date without the need for any instructions to the Indemnity Escrow Agent, and the remaining Unclaimed Escrow Amount shall automatically be released in full to Seller on the date which is one year after the Closing Date without the need for any instructions to the Indemnity Escrow Agent. Any remaining Indemnity Escrow shall thereafter be released in accordance with the Indemnity Escrow Agreement. The parties agree that all Taxes on the Indemnity Escrow shall be paid by Buyer, and all Taxes on the Escrow Deposit Funds shall be paid by Seller.

SECTION 3: REPRESENTATIONS AND WARRANTIES OF SELLER

Seller hereby represents and warrants to Buyer as follows:

3.1 Organization and Authority. SagamoreHill Wyoming is a limited liability company duly organized, validly existing and in good standing under the laws of Delaware and is in good standing under the laws of the State of Wyoming. SagamoreHill Texas is a limited liability company duly organized, validly existing and in good standing under the laws of Delaware and is in good standing under the laws of the State of Texas. Each Seller has all requisite limited liability company power and authority (i) to execute, deliver and perform this Agreement and the Transaction Documents (to the extent a party thereto) and to consummate the transactions contemplated hereby, and (ii) to own, lease and operate its respective Station and the Assets owned by it and to carry on the Business as now being conducted.

3.2 Authorization and Binding Obligations. The execution, delivery and performance of this Agreement and the Transaction Documents by Seller have been duly and validly authorized by all necessary company action. Each of this Agreement and the Transaction Documents (to the extent a party thereto) has been duly executed and delivered by Seller and constitutes a valid and binding agreement of Seller enforceable against it in accordance with its terms, except as its enforceability may be limited by Enforceability Exceptions.

3.3 No Contravention; Consents. Subject to obtaining the Consents set forth in Schedule 3.8, the execution, delivery and performance of this Agreement and the Transaction Documents (to the extent a party thereto), the consummation of the transactions contemplated hereby and the compliance with the provisions hereof by Seller will not (i) violate any provisions of the organizational documents of Seller, (ii) result in the creation of any Lien upon any of the Assets, (iii) violate any Legal Requirements applicable to Seller, or (iv) conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of, any agreement, instrument, or License to which Seller is a party or by which Seller may be bound, including the Assumed Contracts. Except for the Consents set forth in Schedule 3.3, no Consent of any Governmental Authority or other Person is required by Seller in connection with the execution, delivery and performance of this Agreement by Seller or the consummation by Seller of the transactions contemplated hereby.

3.4 Title to Assets. Each Seller has good and marketable title, or otherwise has the right to use and transfer to Buyer (subject to obtaining any applicable third party consents), all Assets used in its Business, free and clear of all Liens other than Permitted Liens. With the exception of the Excluded Assets, the Assets include all assets, properties and rights of every type and description, real, personal and mixed, tangible and intangible, that are used in operation of the Business and necessary to conduct the Business and operations of each Station as presently conducted and in a manner consistent with past practice. Except for accounting, insurance and certain administrative support provided by the parent company of Seller as set forth on Schedule 3.19, Seller has no Contracts with any of its Affiliates, and has not been involved in any business arrangement or relationship with any Affiliate relating to the Stations or any of the Assets, and no Affiliate of Seller holds any tangible or intangible properties or rights with respect to the Assets or the Business or operation of the Stations. All inventories of supplies, tubes and spare parts necessary or appropriate for the operation of the Stations are at levels at least equal to usual and customary levels.

3.5 Real Property. Schedule 3.5 contains a complete and accurate description of all Real Property, including with respect to each parcel, the street address (if applicable), the legal description of owned Real Property, the landlord of Real Property leased to Seller and a description of Seller's use thereof, the tenant of Real Property leased by Seller to another Person and a description of such other Person's use thereof, and a description of any deposits, bonds or other security required by or of Seller or other Person. Except as described on Schedule 3.5, Seller has good and marketable fee simple title to all fee estates included in the Real Property free and clear of all Liens, except for Permitted Liens. Except for any leasehold mortgages disclosed to Buyer and to be released at or prior to Closing, no third party holds any interest in the leased premises with the right to foreclose upon Seller's leasehold interest. Each Real Property lease is in full force and effect and Seller has complied in all material respects with all commitments and obligations on its part to be performed or observed under each Real Property lease. No event or condition has occurred or presently exists which constitutes a material default by Seller under the terms of any of the Real Property leases. Seller has full legal and practical access to all of the Real Property to the extent set forth in each Real Property lease. Except as set forth on Schedule 3.5, all towers, guy anchors, and buildings and other improvements included in the Assets are located entirely on the Real Property listed on Schedule 3.5. All Real Property (including the improvements thereon) (i) is in good condition and repair consistent with its present use, (ii) is available for immediate use in the conduct of the Business and operations of the Stations, and (iii) complies in all material respects with all applicable building or zoning codes and the regulations of any Governmental Authority having jurisdiction.

3.6 Equipment. Schedule 3.6 contains an accurate and complete list of all items of owned Equipment with an original purchase price in excess of \$2,500 owned by Seller as of the date hereof and included in the Assets. Seller has good and marketable title to all of the owned Equipment, free and clear of all Liens except for Permitted Liens and has a valid leasehold interest in all leased Equipment. None of the Equipment is subject to any capitalized lease or similar conditional sales or title retention agreement. Except as specified on Schedule 3.6, the Equipment is in good operating condition and repair (normal wear and tear excepted), and is available and fit for the purpose for which it is ordinarily used in the conduct of the Business or the operation of the Stations. All items of transmitting and studio

equipment included in Schedule 3.6: (i) have been maintained in the ordinary course of business, consistent with past practices and (ii) will permit the Stations and any auxiliary broadcast facilities related to the Stations to operate in accordance with the terms of the FCC Licenses and any applicable Legal Requirements of the FCC and other Governmental Authorities.

3.7 FCC Licenses. Schedule 3.7 is a list of all FCC Licenses held by Seller with respect to the Business or the operations of the Stations. Except as set forth on Schedule 3.7, there are no other material Licenses necessary to the Business or the operation of the Stations as currently operated. All FCC Licenses are validly issued in the name of Seller and are in full force and effect. Except as set forth on Schedule 3.7, (i) Seller's FCC Licenses are not subject to any conditions that would require operation of a Station in a manner different than the operations as of the date of this Agreement, (ii) to Seller's knowledge, Seller's FCC Licenses are not subject to any conditions outside the ordinary course other than those set forth on the face of such FCC Licenses or on Schedule 3.7, or that generally affect the television broadcast industry or substantial segments thereof, (iii) Seller has complied in all material respects with all the terms of the FCC Licenses and each Station is operated in all material respects in accordance with the terms of its FCC Licenses, and (iv) there are no pending applications filed by Seller seeking to modify any FCC License, and no pending revocations of any such FCC License or notices and no notices received by Seller, or to Seller's knowledge ongoing or threatened investigations or disputes with respect to Seller's compliance therewith. Seller has not received written notice from the FCC stating that the FCC is taking any action to refuse to renew the FCC Licenses for a full term. Except as set forth on Schedule 3.7, there currently exists no interference to any Station's signals from other broadcast stations, or to Seller's knowledge, by any Station's signals to other broadcast stations, in each case beyond that permitted by the FCC's rules and, to Seller's knowledge, there are no applications pending at the FCC the grant of which would cause objectionable interference to any Station. To Seller's knowledge, there are no matters which might reasonably be expected to result in the FCC's denial or delay of approval of the renewal of the FCC Licenses in the ordinary course. Except as set forth on Schedule 3.13, since December 31, 2010, Sellers have not received notice of non-compliance with FCC or FAA regulations as of that date, if any.

3.8 Contracts. Schedule 3.8 is a list of all Contracts except (i) Contracts with advertisers for the sale of advertising time on a Station in the ordinary course of business for cash at prevailing rates consistent with past practices and that may be canceled by Seller without penalty on not more than thirty days' notice, and (ii) Contracts included in the Excluded Assets. Except as set forth Schedule 3.8, Seller has no contracts with advertisers for the sale of advertising time on a Station that extend past December 31, 2013. Other than Contracts included in the Excluded Assets, Seller has delivered to Buyer true and complete copies of all written Contracts, true and complete descriptions of all oral Contracts (including any amendments and other modifications to such Contracts), and a schedule summarizing Seller's obligations (as of the date set forth on such schedule) under its Trade Agreements which are in effect on the date of this Agreement. Each Contract set forth on Schedule 3.8 is in full force and effect and binding upon Seller and, to Seller's knowledge, all other parties thereto. Other than the Contracts listed on Schedule 3.8 and those Contracts described above in this Section 3.8, Seller requires no contract, lease or other agreement to enable it to carry

on its Business as now conducted. Except as set forth on Schedule 3.3, no Contract requires the Consent of any other contracting party to the transactions contemplated by this Agreement, and the assignment thereof will not affect the validity, enforceability or continuation thereof. Seller has performed all obligations under each Contract in all material respects and is not (and, to Seller's knowledge, no other party is) in material breach or default under any of the Contracts.

3.9 Intellectual Property. Schedule 3.9 contains a description of the Intellectual Property (exclusive of those required to be listed in Schedule 3.7), each of which is valid and in full force and effect in all material respects and, to Seller's knowledge, uncontested except as disclosed on Schedule 3.9. To Seller's knowledge, it is not aware (i) that it is infringing upon or otherwise acting adversely to any trademarks, trade names, copyrights or similar intellectual property rights owned by any other Person, or (ii) that any other Person is infringing upon or otherwise acting adversely to Seller's rights with respect to its Intellectual Property.

3.10 Personnel Matters.

(a) Schedule 3.10(a) contains a true, complete and correct list of (i) the name, hire date, job title, current annual salary or hourly rate of pay (whichever is applicable), 2010, 2011 and 2012 bonus and commissions (if applicable), part-time, full-time or temporary status, FLSA status, 2013 accrued but unused vacation benefits, and leave of absence status (including FMLA and disability) of each individual employed by Seller with respect to the Business (the "Employees"); and (ii) the name, service date, compensation rate, and brief description of services of each other individual who performs personal services for the Seller with respect to the Business as an independent contractor. Except as set forth on Schedule 3.10(a), there is not now pending or, to Seller's knowledge, threatened, and there has not been within the preceding two (2) years, any (i) labor dispute affecting the Employees or former employees of Seller, including, without limitation, strikes, pickets, organized slowdowns, work stoppages, or (ii) grievances, proceedings, complaints, claims, disputes, investigations or charges against the Seller that are material or in writing relating to any alleged violation of any Legal Requirement pertaining to labor relations or employment matters. Seller has complied in all material respects with federal or state law or regulation relating to employees or employee practices with regard to the business. Seller has complied in all material respects with all applicable Legal Requirements relating to employment of labor, including, but not limited to, provisions relative to wages, hours, collective bargaining, equal employment opportunity, pension, profit-sharing and savings plans and trusts including, without limitation, 401(k) plans, and other benefits, affirmative action, immigration, layoffs, workplace safety, worker classification, the collection and payment and withholding of Taxes and WARN. Seller is not and has not been a party to, or bound by, any collective bargaining agreement governing the terms or conditions of employment for the Employees, and Seller has not recognized or agreed to recognize any union for the purposes of collective bargaining for any Employees. No union has been certified to represent any of the Employees for purposes of collective bargaining, and, to Seller's knowledge, no union claims to represent or is seeking to represent any such Employees for purposes of collective bargaining and there has not been any union activity with respect to the Employees in the preceding two (2) years.

(b) Schedule 3.10(b) contains a true, complete and correct list of each Employee Plan which currently provides coverage or benefits to any current or former Employee. Each Employee Plan has been administered in material compliance with its own terms and in material compliance with all applicable Legal Requirements. Each Employee Plan has been administered in material compliance with its own terms and in material compliance with all applicable Legal Requirements. Neither the Seller nor any ERISA Affiliate maintains, sponsors, contributes to, or is required to contribute to, and has not, within the preceding six (6) years, maintained, sponsored, contributed to, or has been required to contribute to, any Employee Plan that (i) is subject to Title IV of ERISA; (ii) is subject to the minimum funding requirements of Section 412 of the Code or Section 302 of ERISA; or (iii) is a “multiemployer plan” as defined in Section 3(37) of ERISA or a “multiple employer plan” within the meaning of Section 210(a) of ERISA or Section 413(c) of the Code. With respect to each Employee Plan, no condition or event has occurred, or is reasonably expected to occur, that could subject, directly or indirectly, the Buyer or any of its Affiliates to any liability, including, but not limited to, any Tax, Lien or penalty under ERISA or the Code, or any “withdrawal liability” (as defined under Section 4201 et. seq. of ERISA) under a multiemployer plan (as defined in ERISA Section 3(37)). Each Employee Plan set forth on Schedule 3.10(b) that is intended to be tax-qualified is the subject of a favorable determination letter or opinion letter from the Internal Revenue Service (“IRS”), and to the knowledge of the Seller, nothing has occurred that could reasonably be expected to give the IRS grounds to revoke such determination.

3.11 Financial Information. Seller has furnished Buyer with true and complete copies of the following financial statements (collectively, the “Financial Statements”): (i) unaudited financial statements of Seller containing a balance sheet and statement of income, as at the end of and for calendar years 2010 – 2012; and (ii) an unaudited balance sheet and income statement as at and for the three-month period ended March 31, 2013, which are set forth in Schedule 3.11 hereto. The Financial Statements (a) have been prepared on a consistent basis throughout the periods covered except as otherwise stated therein, (b) have been prepared consistent with the audited statements of Sellers’ parent in all material respects except as otherwise stated therein (except that the Financial Statements lack footnotes and other presentation items required under GAAP and are subject to year-end adjustments), (c) present fairly in all material respects the financial condition of the Stations as at their respective dates and the results of operations for the calendar years or interim period then ended (except that the Financial Statements lack footnotes and other presentation items required under GAAP and are subject to year-end adjustments), and (d) are consistent with the books and records of Seller and the Stations, which books and records are correct and complete in all material respects. Seller has furnished Buyer with Seller’s budget for the Stations for fiscal year 2013.

3.12 Taxes.

(a) Except as set forth in Schedule 3.12, Seller has filed, or caused to be filed, with the appropriate Governmental Authority, all federal and state Tax returns, and Seller has paid, caused to be paid or accrued all Taxes shown to be due and payable or claimed to be due and payable thereon, except where the failure to file such returns or pay or accrue such Taxes could not reasonably be expected to result in a Lien on the Assets or in the imposition of transferee liability on Buyer for the payment of such Taxes. Except as set forth in Schedule 3.12,

Seller has no Liability for any Taxes due and owing, and there are no proceedings pending pursuant to which Seller is or could be made liable for any Taxes, the liability for which could extend to Buyer as transferee of the Assets or as operator of a Station following the Closing. Set forth in Schedule 3.12 is a list of all jurisdictions in which the Seller files tax returns and the type of returned filed in each such jurisdiction.

(b) No issues that have been raised by the relevant taxing authority in connection with the examination of any of the Tax returns referred to in clause (a) are currently pending.

(c) There is no lien for Taxes upon any of the Assets nor, to the knowledge of Seller, is any taxing authority in the process of imposing any lien for Taxes on any such assets, other than liens for Taxes that are not yet due and payable or for Taxes the validity or amount of which is being contested by Seller in good faith by appropriate action.

(d) Seller has withheld all material Taxes required to be withheld under applicable law, and such withholdings have either been paid to the proper governmental agency or set aside in accounts for such purpose, or accrued, reserved against and entered upon the books of Seller, as the case may be.

3.13 Claims and Litigation. Except as set forth in Schedule 3.13, there are no Actions pending or, to Seller's knowledge, threatened by or against Seller relating to the Assets, the Business or which otherwise would reasonably be expected to affect Seller's ability to perform its obligations under this Agreement or otherwise impede, prevent or materially delay the consummation of the transactions contemplated by this Agreement. Except as set forth in Schedule 3.13, there is (i) no complaint or other proceeding pending, outstanding, or to Seller's knowledge threatened, before the FCC as a result of which an investigation, notice of apparent liability or order of forfeiture may be issued from the FCC relating to a Station, (ii) no FCC notice of apparent liability or order of forfeiture pending, outstanding, or to Seller's knowledge threatened, against Seller or a Station, and (iii) no investigation pending, outstanding, or to Seller's knowledge threatened, with respect to any violation or alleged violation of any FCC rule, regulation or policy by Seller. None of the items listed on Schedule 3.13 have caused or could reasonably be expected to cause a Material Adverse Effect.

3.14 Compliance with Laws. Except as set forth in Schedule 3.14, Seller has complied in all material respects with all applicable Legal Requirements and Licenses applicable to the Stations, the Business and the Assets. No event has occurred and, to Seller's knowledge, no condition or circumstance exists, that might in any material respect (with or without notice or lapse of time) constitute, or result directly or indirectly in, a default under, a breach or violation of, or a failure to comply with any Legal Requirement. The Stations, their physical facilities, electrical and mechanical systems, and transmitting and studio equipment are operated in material compliance with the specifications of the FCC Licenses and the rules, regulations and published policies of the FCC. The antenna structures owned or used by the Stations are in material compliance with the Legal Requirements of the FCC and the Federal Aviation Administration. The location and staffing of the Stations' main studio comply with the Legal Requirements of the FCC. All material reports and other filings required by the FCC with respect to the FCC Licenses or by other Governmental

Authorities with respect to Seller, the Assets, the Business or the operation of the Stations have been timely filed with the appropriate Governmental Authorities, and all such reports and other filings are substantially complete and correct as filed. All FCC regulatory fees assessed with respect to the FCC Licenses have been timely paid.

3.15 Environmental Matters. Except as set forth in Schedule 3.15, to Seller's knowledge, other than in compliance in all material respects with all applicable laws, there is (i) no Handling of any Hazardous Substances at, on or from any Real Property that would subject any owner or operator of such Real Property to liability for cleanup, removal or some other remedial action under any Environmental Laws, (ii) no presence of Hazardous Substances on any Real Property, (iii) no underground tanks, PCBs or asbestos-containing materials located on any Real Property, and (iv) no asbestos, mold, or other indoor air quality issues on or around any Real Property. Neither Seller nor any Person acting on behalf of Seller has released any other Person from any claims Seller might have, or have had, for any matter relating to the presence or Handling of Hazardous Substances on any Real Property. No Liens have been, or are, imposed on any of the Assets under any Environmental Laws. Seller has obtained all material permits, licenses, registrations and other approvals and has filed all material reports and notifications required under any Environmental Laws in connection with the Assets, and is in compliance in all material respects with all applicable Environmental Laws. Seller has not received any notice of or, to Seller's knowledge, is not the subject of, any Action by any Person alleging liability under or noncompliance with any Environmental Law. Seller has delivered to Buyer copies of all reports, notices, or other documentation relating to Hazardous Substances on or around the Real Property in Seller's possession and each such report, notice or other documentation is listed on Schedule 3.15.

3.16 Conduct of Business in Ordinary Course. Since the date of the most recent balance sheet of the Seller included in the Financial Statements, Seller has conducted the Business and operations of the Stations in the ordinary and usual course consistent with past practice in all material respects, and has not (i) made any material increase in compensation payable or to become payable to any of the Employees, or any material change in personnel policies, insurance benefits or other Employee Plans affecting the Employees, (ii) made any sale, assignment, lease or other transfer of any of Seller's properties other than Excluded Assets, obsolete or worn-out assets no longer necessary for the operation of the Stations, or other Assets sold or disposed of in the normal course of business with suitable replacements being obtained therefore, or (iii) suffered any material damage or destruction (whether or not covered by insurance) to any of its material Assets which Assets have not been repaired or replaced. Since the date of the most recent balance sheet of the Seller included in the Financial Statements through the date hereof, there has been no Material Adverse Effect.

3.17 Insurance. Seller's insurance policies on the Assets and Business (i) have the policy limits and deductibles described on Schedule 3.17, (ii) are in full force and effect, and (iii) insure the Assets and the Business against all risks customarily insured against within the broadcasting television industry. Schedule 3.17 contains a true and complete list of all material insurance policies in effect as of the date hereof that insure the Assets and Business, operations or employees of the Stations or affect or relate to the ownership, use or

operation of any of the Assets and/or Stations, in addition to a list of all claims made under the policies in the past 36 months (except for employee health and medical claims).

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

3.19 Transactions with Affiliates. Except for accounting, insurance and certain administrative support provided by the parent company of Seller as set forth on Schedule 3.19, Seller has not been involved in any business arrangement or relationship relating to a Station with any Affiliate of Seller, and no Affiliate of Seller owns any property or right, tangible or intangible, which is used in the Business of a Station.

3.20 MVPD Matters. Each Station's signal is carried on all multi-channel video programming distributors, including cable systems, telephone companies, and DBS systems (together, "MVPDs") serving such Station's Nielsen Designated Market Area ("DMA") with over 500 subscribers. Schedule 3.20 lists (i) all of the MVPDs on which the Stations are carried pursuant to either "must-carry" or retransmission consent, with such carriage rights so noted, (ii) all MVPDs that, to Seller's knowledge, carry any Station outside of such Station's DMA; and (iii) to Seller's knowledge, any material MVPD serving any Station's DMA on which a Station is not carried. All retransmission consent agreements are listed on Schedule 3.8. Since January 1, 2013, there has been no written notification to Seller or the Stations that the Stations may not be entitled to carriage on any MVPD either because the Stations fail to meet the requisite signal strength for such status or the Stations would be considered distant signals under the cable compulsory copyright license, 17 U.S.C. §111.

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

SECTION 4: REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer hereby represents and warrants to Seller as follows:

4.1 Organization and Authority. Buyer is a limited liability company, duly organized, validly existing and in good standing under the laws of Delaware. Buyer has all requisite corporate power and authority to execute, deliver and perform this Agreement and the Transaction Documents and to consummate the transactions contemplated hereby and to acquire, own and operate the Stations.

4.2 Authorization and Binding Obligations. The execution, delivery and performance of this Agreement and the Transaction Documents by Buyer have been duly and validly authorized by all necessary corporate action. Each of this Agreement and the Transaction Documents has been duly executed and delivered by Buyer and constitutes a valid and

binding agreement of Buyer, enforceable against Buyer in accordance with its terms, except as its enforceability may be limited by Enforceability Exceptions.

4.3 No Contravention; Consents. Subject to obtaining the Consents set forth in Schedule 4.3, the execution, delivery and performance of this Agreement and the Transaction Documents, the consummation of the transactions contemplated hereby and the compliance with the provisions hereof by Buyer will not (i) violate any provisions of the organizational documents of Buyer, (ii) violate any Legal Requirements applicable to Buyer, or (iii) conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of, any agreement, instrument, license, or permit to which Buyer is a party or by which Buyer may be bound, such that Buyer cannot perform its obligations hereunder. Except for the Consents set forth in Schedule 4.3, no Consent of any Governmental Authority or other Person is required by Buyer in connection with the execution, delivery and performance of this Agreement by Buyer or the consummation by Buyer of the transactions contemplated hereby.

4.4 Brokers. Buyer has not engaged any agent, broker or other Person acting pursuant to the express or implied authority of Buyer that is or may be entitled to a commission or broker or finder's fee in connection with the transactions contemplated by this Agreement or otherwise with respect to the acquisition of the Assets or the Business. Buyer is solely responsible for any fees charged by any agent or broker engaged by it.

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

4.6 Qualification. Buyer is legally, financially and otherwise qualified to be the licensee of, acquire, own and operate the Stations under applicable Legal Requirements. There are no facts that would, under existing law and the existing rules, regulations, policies and procedures of the FCC, disqualify Buyer as an assignee of the FCC Licenses or as the owner and operator of the Stations. No waiver of or exemption from any FCC rule or policy is necessary for the FCC Consent to be obtained. To Buyer's knowledge, there are no matters which might reasonably be expected to result in the FCC's denial or delay of approval of the Assignment Application.

SECTION 5: PRE-CLOSING COVENANTS OF THE PARTIES

5.1 Covenants of Seller. Seller covenants and agrees that from and after the execution and delivery of this Agreement to and including the earlier of (1) the termination of this Agreement in accordance with its terms, or (2) the Closing Date as follows:

(a) Commercially Reasonable Efforts. Seller shall use its commercially reasonable efforts to cause the transactions contemplated by this Agreement to be consummated in accordance with the terms hereof, and, without limiting the generality of the foregoing, use its commercially reasonable efforts (including entering into tolling agreement, assignment agreement or other arrangement with the FCC) to make and obtain all estoppel certificates of

lessors of all material leasehold and subleasehold interests and all Consents required in connection with this Agreement and the transactions contemplated hereby, including the FCC Consent, and any required Consents of any other Governmental Authorities with lawful jurisdiction over Seller. Seller shall make all filings with and give all notices to third parties that may be reasonably necessary of Seller in order to consummate the transactions contemplated hereby. Except as expressly provided by this Agreement, neither Seller nor Buyer shall be required to make any payments to Persons or parties to the Assumed Contracts in order to obtain their Consents, except that Seller shall pay any nominal administrative or application fees customarily payable to such Persons or parties in connection with requests for their Consent, or costs or fees (including reimbursement of legal fees) expressly required by the terms of any such Assumed Contract, and Seller shall be responsible for curing any of its breaches or defaults under any such Assumed Contract. If in connection with the process of obtaining any Consent, a Governmental Authority or other Person imposes any condition or any change to a License or Assumed Contract to which such Consent relates that would be applicable to Buyer or any of its Affiliates as a requirement for granting its Consent, Buyer may negotiate jointly with Seller with such Governmental Authority or other Person with respect to such condition or change, but Buyer shall not be required to agree to any such condition or change, and Seller shall not agree to any such condition or change that is not approved in writing by Buyer in its sole discretion; *provided* that if any such condition or change only involves monetary payments to such Governmental Authority or other Person, either Buyer or Seller may elect, in its sole discretion, to satisfy the full amount of such monetary payments, in which case, the other Party shall be deemed to accept such condition or change to the extent so satisfied. To the extent that any Assumed Contract may not be assigned without the consent of any third party, and such consent is not obtained prior to Closing, this Agreement and any assignment executed pursuant to this Agreement shall not constitute an assignment of such Assumed Contract; provided, however, with respect to each such Assumed Contract, Seller and Buyer shall cooperate to the extent feasible in effecting a lawful and commercially reasonable arrangement under which Buyer shall receive the benefits under the Assumed Contract from and after Closing, and to the extent of the benefits received, Buyer shall pay and perform Seller's obligations arising under the Assumed Contract from and after Closing in accordance with its terms.

(b) No Control. Notwithstanding any provision of this Agreement to the contrary, pending the Closing, Seller shall maintain actual (*de facto*) and legal (*de jure*) control over the FCC Licenses and the Stations. The responsibility for the operation of the Business and each Station shall, until the Closing, reside with the applicable Seller, including responsibility for the following matters: access to and use of the facilities of and Equipment owned or leased by Seller; control of the daily operation of the Stations; creation and implementation of policy decisions; employment and supervision of Employees; payment of financing obligations and expenses incurred in the operation of the Stations prior to the Closing; receipt and distribution of moneys and profits derived from the operation of the Stations; and execution and approval of all contracts and applications prepared and filed before the FCC or any other Governmental Authority.

(c) Access. Upon reasonable advance notice, Seller shall give to Buyer and its agents reasonable access during normal business hours to the operation of the Stations to all of each Station's personnel, premises, properties, assets, financial statements and records, books, contracts, documents and commitments of or relating to the Stations that are in Seller's

possession or control, and shall furnish Buyer with all such information concerning the affairs of the Stations as Buyer reasonably may request. This shall specifically include access to each Station's billing, customer service and maintenance personnel and records and the right of Seller and Buyer's agents to conduct a financial review of Seller's books, records and financial information. Within 45 days after the end of each month ending after the date hereof, Seller will furnish Buyer with a copy of monthly financial reports for the Business (including balance sheet and unaudited results of operations) for each such month and the fiscal year to the end of such month, and as and when ordinarily prepared for Station management, Seller shall furnish Buyer with a copy of weekly pacing, projections, forecasts and other operational reports related to the Stations.

(d) Operation in the Ordinary Course and Maintenance of Assets. Seller shall maintain its financial Books and Records in the usual manner on a basis consistent with prior years. From the date hereof until the sooner of the Closing or the termination of this Agreement pursuant to Section 11 hereof, Seller shall (i) conduct the Business and operations of the Stations in the ordinary course of business consistent with past practice, keep its organization intact, and use commercially reasonable efforts to preserve the Business and preserve the goodwill of suppliers, customers, Governmental Authorities and others dealing with Seller, (ii) maintain the Assets in their current operating condition (ordinary wear and tear excepted), (iii) not sell, transfer, convey or otherwise dispose of, with or without consideration, any assets used or held for use in or relating to the Stations other than in the ordinary course of business consistent with past practices, (iv) maintain in full force and effect policies of insurance of the same type, character and coverage as the policies set forth on Schedule 3.18, (v) not materially adversely modify any of the FCC Licenses and shall maintain all of the FCC Licenses in full force and effect, (vi) not change any Station's call letters, and (vii) not materially change the broadcast hours, types of programming or programming policies of the Stations.

(e) Compliance with Laws. Seller shall comply in all material respects with all Legal Requirements and Licenses applicable to Seller with respect to the Stations, the Assets or the conduct of the Business.

(f) Contracts and Liens. Seller shall (i) not default under, or breach any term or provision of, or suffer or permit to exist any condition or event that, after notice or lapse of time, or both, would constitute a default under, any material Assumed Contract of Seller, (ii) not cause or permit the termination (except upon the expiration thereof in accordance with its terms), modification or amendment of any material Assumed Contract of Seller, and (iii) not create, assume, consent to or suffer to exist any Lien on any of its Assets (other than Permitted Liens). Unless Buyer shall have given its prior written consent, Seller shall not enter into, amend, modify or renew any Assumed Contract (except for renewals in the ordinary course of business and consistent with past practices) or incur any obligation (including obligations arising from the amendment of any existing Assumed Contract) that will be binding on Buyer after the Closing other than Contracts with advertisers for the sale of advertising time on the Stations in the ordinary course of business for cash at prevailing rates and that may be cancelled by Seller without penalty on not more than thirty days' notice.

(g) Disposition of Assets. Except pursuant to this Agreement or in the ordinary course of business consistent with past practice, Seller shall not sell, transfer, assign, convey or

otherwise dispose of or distribute, or lease to other Persons, any material Assets other than (i) Excluded Assets, (ii) obsolete or worn-out assets no longer used or held for use in the operation of a Station, (iii) other assets sold or disposed of in the normal course of business with suitable replacements being obtained therefor or (iv) inventory sold in the ordinary course of business.

(h) FCC Licenses. Seller shall not cause or permit, by any act or failure to act, any of the Licenses to expire or to be revoked, suspended, or modified, or take any action that could reasonably be expected to cause the FCC or any other governmental authority to institute proceedings for the suspension, revocation, or adverse modification of any of the Licenses. Seller shall make all filings and take all actions reasonably necessary or appropriate to maintain the FCC Licenses, including the Stations' digital authorizations, in full force and effect, including filing and prosecuting timely requests for extensions of such digital authorizations.

(i) Exclusivity. From the date of this Agreement until the earlier of the Closing or the termination of this Agreement in accordance with its terms, Seller shall not offer, seek to offer, or entertain or discuss any offer, to sell or transfer a Station or the Assets (other than to Buyer), nor shall its stockholders or its officers, directors, employees, agents, representatives, or Affiliates offer, seek to offer, or entertain or discuss any offer, to sell or transfer, directly or indirectly, a Station or the Assets or any interest in Seller (other than to Buyer). In the event that Seller receives any offer to sell or transfer a Station or Assets, it will immediately notify the Buyer of such offer and the terms thereof.

(j) Indebtedness. Seller will satisfy at or prior to Closing all outstanding Indebtedness, if any, with respect to any of the Assets and obtain good title to all Assets and a release and discharge of all Liens on all Assets (other than Permitted Liens), so that all applicable agreements and instruments related to the Indebtedness are terminated and the Assets may be transferred to Buyer at Closing free and clear of all Liens (other than Permitted Liens) in accordance with this Agreement; provided, however, that if a customary payoff letter in form and substance reasonably satisfactory to Buyer and Seller signed by any applicable lien holder is delivered to Buyer prior to Closing, and the amounts set forth therein are paid to such lien holder at Closing out of the Closing Cash Payment, then such actions shall be sufficient for Seller's compliance with this covenant with respect to such Indebtedness.

(k) Employment and Benefits. Seller shall not (i) increase or otherwise change the rate or nature of the compensation which is paid or payable to any Employee except for performance and stay bonuses and other compensation payable by Seller in connection with the consummation of the transactions contemplated by this Agreement set forth on Schedule 5.1(k), pursuant to applicable Legal Requirements or both in the ordinary course of business consistent with past practices and, except as set forth in Schedule 5.1(k), not in excess of 3%, (ii) adopt, or commit to adopt, any Employee Plan except to the extent that it applies to a broad group of employees of the Seller and its Affiliates and is not targeted at the Employees, (iii) make any amendments to any Employee Plan except to the extent required by any applicable Legal Requirement, or necessary to preserve the nature of the benefits provided under such plan, or to the extent that it applies to a broad group of employees of the Seller and its Affiliates and is not targeted at the Employees, (iv) enter into, renew or allow the renewal of any employment agreement or other contract or arrangement, in each case, with respect to the performance of

personal services for a Station, except for renewals in the ordinary course of business and consistent with past practices, agreements for annual compensation of less than \$75,000 or an agreement terminable at will without penalty, (v) hire, terminate or transfer any Station general manager or other Employee whose aggregate non-equity compensation, including target bonuses is in excess of \$75,000, excluding terminations for “cause” as reasonably determined by Seller, or (vi) voluntarily agree to enter into any collective bargaining agreement applicable to any Employees or otherwise recognize any union as the bargaining representative of any Employees.

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

(a) Commercially Reasonable Efforts. Buyer shall use its commercially reasonable efforts to cause the transactions contemplated by this Agreement to be consummated in accordance with the terms hereof, and, without limiting the generality of the foregoing, use its commercially reasonable efforts to make and obtain all necessary Consents and other authorizations required of Buyer in connection with this Agreement and the transactions contemplated hereby, including the FCC Consent, and any required Consent of any other Governmental Authorities with lawful jurisdiction over Buyer. Buyer shall make all filings with and give all notices to third parties that may be necessary or reasonably required of Buyer in order to consummate the transactions contemplated hereby. Buyer shall not be required to make any payments to any Persons or parties in order to obtain their Consents.

(b) No Control. Notwithstanding any provision of this Agreement to the contrary, until Closing, Buyer shall do nothing to interfere with Seller’s actual (*de facto*) and legal (*de jure*) control over the Stations. Buyer acknowledges and agrees that the responsibility for the operation of the Business and the Stations shall, until Closing, reside with Seller, including responsibility for the following matters: access to and use of the facilities of and equipment owned by Seller; control of the daily operation of the Stations; creation and implementation of policy decisions; employment and supervision of Employees; payment of financing obligations and expenses incurred in the operation of the Stations prior to the Closing; receipt and distribution of moneys and profits derived from the operation of the Stations; and execution and approval of all contracts and applications prepared and filed before the FCC or any other Governmental Authority.

SECTION 6: JOINT COVENANTS

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

6.2 Joint Filings. Seller and Buyer shall cooperate in the preparation of the Assignment Applications to be filed by Seller and Buyer with the FCC no later than five (5) Business Days following the date hereof, and with any other applicable Governmental Authority as soon as practicable following the date hereof, requesting the approval of the assignment and transfer of the Licenses (as appropriate).

(a) Each of the Parties hereto shall diligently take or cooperate in the taking of all steps that are reasonably necessary or appropriate (including entering into a tolling agreement, assignment agreement or other similar agreement with the FCC) to expedite the prosecution and favorable consideration of such applications. The Parties shall undertake all actions and file such materials as shall be reasonably necessary to obtain any necessary waivers or other authority in connection with the foregoing applications.

(b) Buyer and Seller shall diligently prosecute the Assignment Application and otherwise use their commercially reasonable efforts to obtain the FCC Consent as soon as possible; *provided, however*, that except for customary filing fees, neither Buyer nor Seller shall be required to pay consideration to any third party to obtain the FCC Consent. Buyer and Seller each shall oppose any petitions to deny or other objections filed with respect to the Assignment Application to the extent such petition or objection relates to such Party.

(c) Each Party agrees to comply with any condition imposed on it by the FCC Consent, except that no Party shall be required to comply with a condition if compliance with the condition would have a Material Adverse Effect upon it. Buyer and Seller shall oppose any requests for reconsideration or judicial review of the FCC Consent. If the Closing shall not have occurred for any reason within the original effective period of the FCC Consent, and neither Party shall have terminated this Agreement under Section 11, the Parties shall jointly request an extension of the effective period of the FCC Consent. No extension of the FCC Consent shall limit the exercise by either Party of its rights under Section 11.

(d) If the Stations include any stations for which a license renewal application has been filed and remains pending at the FCC, Seller shall continue to prosecute diligently such renewal application. If the Assignment Application is granted subject to a renewal condition, then the term “FCC Consent” shall mean the FCC consent to the Assignment Application and satisfaction of such renewal condition. If reasonably necessary or appropriate to expedite a grant of any pending license renewal applications, Seller will explore the possibility of entering into tolling agreements, assignment agreements or other similar agreements with the FCC with the FCC to extend the statute of limitations for the FCC to determine or impose a forfeiture penalty against a Station in connection with any pending complaints that such Station aired programming that contained obscene, indecent or profane material or in connection with the FCC’s inquiry regarding a Station’s airing of certain video news release or satellite media tour material or in connection with any other enforcement matters against a Station with respect to which the FCC may permit Seller to enter into a tolling agreement.

6.3 Employee Matters.

(a) No provision of this Agreement shall create any third party beneficiary rights of any employee or former employee (including any beneficiary or dependent thereof) of Seller

with respect to continued employment (or resumed employment) with Buyer or Seller or in respect of any other matter.

(b) Seller shall retain full responsibility and Liability for offering and providing “continuation coverage” to any “qualified beneficiary” who is covered by a “group health plan” sponsored or contributed to by Seller or an ERISA Affiliate and who has experienced a “qualifying event” or is receiving “continuation coverage” on or prior to the Closing. “Continuation coverage,” “qualified beneficiary,” “qualifying event” and “group health plan” shall each have the meaning given such term under Section 4980B of the Code and Section 601 et seq. of ERISA.

(c) Seller shall be solely responsible for compliance in all material respects with applicable federal, state or local laws regarding “plant closings” or “mass layoffs” (as such terms are defined in WARN) or similar triggering events as they relate to the transactions contemplated by this Agreement, including, without limitation, the requirements of WARN. Seller shall be responsible for satisfying in full all amounts owed to the Employees through the Closing Date, including, without limitation, wages, salaries, severance pay, sick pay, accrued vacation, any employment, incentive, compensation or bonus agreements or other benefits or payments relating to the period of employment by Seller.

(d) Within 5 Business Days after the date of the initial grant of the FCC Consent, Buyer shall deliver to Seller a list of those Employees to whom Buyer shall make an offer employment immediately prior to Closing, upon substantially the same terms and conditions and with substantially the same duties and compensation as in effect immediately preceding the Closing, including but not limited to wages, salaries, commission rate (if applicable) and target bonuses. With respect to Employees who accept Buyer’s offer of employment, Seller shall be responsible for all compensation and benefits arising prior to Closing, and Buyer shall be responsible for all compensation and benefits arising after Closing.

6.4 Notice of Breach.

(a) Buyer and Seller shall give prompt notice to one another of (i) the occurrence or nonoccurrence of any event the occurrence or nonoccurrence of which has caused or would be likely to cause any representation or warranty made by such Party in this Agreement to be untrue or inaccurate at or prior to the Closing Date, and (ii) any material failure of Buyer or Seller, as the case may be, to comply with or satisfy in any material respect any covenant, condition or agreement to be complied with or satisfied by it hereunder; *provided, however*, that the delivery of any notice pursuant to this Section 6.4 shall not cure such breach or non-compliance or limit or otherwise affect the remedies available hereunder to the Party receiving such notice. The term “Cure Period” as used herein means a period commencing on the date Buyer or Seller receives from the other written notice of breach or default hereunder and continuing until twenty (20) calendar days thereafter. Notwithstanding the forgoing there shall be no Cure Period for any failure by Buyer to pay the Escrow Deposit Fund, the Purchase Price or make other payments to Seller as called for in this Agreement on the dates when due.

(b) Except with respect to updates to any Schedules that become necessary as a result of any action or event permitted under this Agreement (which updated Schedules will be

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

6.5 Confidentiality. Except for disclosure to Affiliates, officers, directors, employees, attorneys, bankers, investors, or other representatives in furtherance of the transactions contemplated by this Agreement, or disclosure to Governmental Authorities or other Persons in accordance with applicable Legal Requirements, each Party shall maintain the confidentiality of all information obtained by it from the other Party in connection with the transactions contemplated by this Agreement, unless such information (i) thereafter becomes generally available to the public, (ii) is otherwise available to the Party desiring to disclose the information on a non-confidential basis from another source, or (iii) has been developed independently by the Party seeking to disclose the information. If this Agreement is terminated pursuant to Section 11 hereof, each Party shall return to the other Party all documents (written and electronic) and other materials obtained by the first Party from the other Party in connection with the negotiation of this Agreement and/or relating to the transactions contemplated hereby. The parties acknowledge that this Agreement must be filed with the FCC.

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

6.7 Receivables.

(a) During the period starting on the Closing Date and continuing for a period of ninety (90) days from such date (the "Collection Period"), Buyer, as agent for Seller, shall collect on behalf of Seller all Receivables with the same care and diligence as Buyer uses with respect to its own accounts receivable, except that Buyer shall not refer any of the Receivables to a collection agency or to an attorney for collection, or compromise, settle or adjust the amount of any Receivable except with the prior written approval of Seller.

(b) During the Collection Period, all Receivables payments received from account debtors shall be applied to the oldest receivable first; provided, however, to the extent that any account debtor disputes in a written notice to Buyer whether an account is properly due or

otherwise directs any payment in connection with a payment plan or otherwise, all payments received from such account debtor shall be applied as directed by such account debtor. Buyer will promptly provide Seller a copy of any written notice of any dispute received from any account debtor with respect to a Receivable.

(c) Buyer shall remit all payments owed to Seller (as set forth in this Section 6.7) on the last day of each month, together with a list of the accounts and amounts collected during the relevant period to which such payments pertain.

(d) So long as Buyer is in compliance with this Section 6.7, during the Collection Period neither Seller nor any of its representatives or agents, shall make any direct solicitation of the account debtors for collection purposes with respect to the Receivables or other direct attempts to collect such Receivables from account debtors during such Collection Period except (i) as may be agreed to by Buyer, (ii) with respect to those Receivables that shall have become more than ninety (90) days past due, (iii) those Receivables as to which Buyer has received written notice of a dispute from the account debtor, and (iv) any account debtors on payments plans and set forth on Schedule 6.7(d).

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

6.8 Allocation of Purchase Price. Buyer and Seller shall use commercially reasonable good faith efforts to agree on the allocation of the Purchase Price in accordance with the rules under Section 1060 of the Code; *provided, however*, that if the Parties are unable to agree to such allocation, each Party may make such allocation as it may determine in its sole discretion. If the Parties are able to reach agreement on the allocation of the Purchase Price, no filings made by either Party with any taxing or other authority shall reflect an allocation other than in the manner agreed upon and each Party shall timely make all filings required by any taxing authority, including the filing of Internal Revenue Service Form 8594.

6.9 Bulk Sales. Seller and Buyer hereby waive compliance by the other with bulk sales Legal Requirements applicable to the transactions contemplated hereby.

6.10 Risk of Loss. The risk of any loss, damage, impairment, confiscation or condemnation of any of the tangible Assets shall be borne by Seller at all times prior to Closing and shall be borne by Buyer at and after Closing.

(a) In the event that any such loss or damage occurring prior to Closing shall be sufficiently substantial so that any representation or warranty of Seller shall not to be true and correct in all material respects at Closing (after giving consideration to any repairs, restoration or replacement to occur prior to Closing), Seller shall promptly notify Buyer in writing of the circumstances. Following such notice: (i) Seller shall use commercially reasonable efforts to repair or replace such item in all material respects in the ordinary course of business prior to the

Closing; (ii) Seller's representations and warranties and Buyer's pre-Closing termination rights and post-Closing indemnification rights are hereby modified to take into account such condition to the extent remedied (if any) in all material respects in accordance with this provision; and (iii) if such repair or replacement cannot be completed or is not completed prior to Closing then, as Buyer's sole remedy, at Buyer's election, (A) the parties shall proceed to Closing and Buyer may elect (1) to be paid all insurance proceeds payable in respect to the loss or damage, or (2) to require Seller to repair or replace such item in all material respects after Closing (and Buyer shall provide Seller access and other reasonable assistance requested by Seller with respect to such obligation); or (B) if the cost to repair such loss or damage exceeds \$500,000, Buyer may terminate this Agreement. If Buyer elects to so terminate this Agreement, Buyer and Seller shall promptly instruct the Escrow Agent to return the Deposit Escrow Amount to Buyer, and Buyer and Seller shall stand fully released and discharged of any and all other obligations hereunder.

(b) If prior to Closing, a Station is off the air or operating at a power level that results in a material reduction in coverage (a "Broadcast Interruption"), then Seller shall use commercially reasonable efforts to return such Station to the air and restore prior coverage as promptly as possible in the ordinary course of business. Notwithstanding anything herein to the contrary, if prior to Closing there is a Broadcast Interruption in excess of 24 hours, then Buyer may, if applicable, postpone Closing until the date five (5) business days after such Station returns to the air and prior coverage is restored in all material respects; provided, however, that if such Broadcast Interruption is in excess of 120 hours, Buyer may elect to terminate this Agreement. If Buyer elects to so terminate this Agreement, Buyer and Seller shall promptly instruct the Escrow Agent to return the Deposit Escrow Amount to Buyer, and Buyer and Seller shall stand fully released and discharged of any and all other obligations hereunder.

6.11 Real Property Leases. Seller shall use commercially reasonable efforts prior to Closing to obtain executed versions of estoppel certificates from the landlords under the Real Property leases and in a form reasonably acceptable to Buyer. Seller shall use commercially reasonable efforts to assist Buyer in obtaining from the landlords under the Real Property leases prior to Closing any landlord waivers and consents to any leasehold mortgages reasonably required by Buyer.

6.12 Title Insurance; Survey. Within forty-five (45) days after the date hereof, Buyer may obtain, at its sole option and expense, and Seller shall grant Buyer access to obtain (a) commitments for owner's and lender's title insurance policies on the owned Real Property and commitments for lessee's and lender's title insurance policies for all leased Real Property (collectively the "Title Commitments"), and (b) an ALTA survey on each parcel of Real Property (the "Surveys"); provided, however, that Seller shall provide Buyer with any existing Title Commitments and Surveys in its possession. The Title Commitments will evidence a commitment to issue an ALTA title insurance policy insuring good, marketable and indefeasible fee simple title to each parcel of the owned Real Property contemplated above for such amount as Buyer directs and will contain no exceptions except for Assumed Liabilities or Permitted Liens. Seller shall reasonably cooperate with Buyer in obtaining such Title Commitments and Surveys (including by providing customary representations and affidavits to Buyer's title company). If the Title Commitments or Surveys for owned Real Property reveal any Lien on the title, other than Assumed Liabilities or Permitted Liens, Buyer shall notify Seller in writing of such objectionable matter within

forty-five (45) days after the date hereof, and if timely notice is provided, Seller shall remove such objectionable matter; provided however, that if the cost to Seller to remove such objectionable matter exceeds \$500,000, Seller or Buyer may elect to terminate this Agreement. If either Party elects to so terminate this Agreement, Buyer and Seller shall promptly instruct the Escrow Agent to return the Deposit Escrow Amount to Buyer, and Buyer and Seller shall stand fully released and discharged of any and all other obligations hereunder.

6.13 Environmental Audit. Within forty-five (45) days after the date hereof, Buyer may, at its option and expense, retain an environmental consultant to be selected by Buyer to perform a Phase I environmental survey (which may include an asbestos survey) of the properties of the Stations. If the results of any of those Phase I environmental surveys would cause a reasonable party to perform further investigation or testing, Buyer may elect to be performed Phase II environmental site assessments by the same firm, the cost of which Phase II environmental site assessments will be paid by Buyer (the "Environmental Investigations"). Such firm will complete the Phase II assessments, and Buyer will deliver the Environmental Investigations to Seller, within one hundred twenty (120) days of the date of this Agreement. Seller will comply with any reasonable request for information made by Buyer or its agents in connection with any such investigation and shall afford Buyer and its agents access to all operations of the Stations, including without limitation all areas of the Real Property, at reasonable times and in a reasonable manner in connection with any such investigation. In the event that as a result of any of the Environmental Investigations, Buyer's environmental expert determines that remedial action is required by law, Buyer shall promptly notify Seller and Seller shall have the right to engage a nationally known environmental auditing company reasonably acceptable to Buyer to provide a second opinion. Each of Buyer's and Seller's environmental expert shall provide an estimate of the costs of any remedial action required by law and, assuming the higher of the two estimates does not exceed the lower by more than 10% of the lower, the parties agree to use an average of the two estimates for purposes of clauses (a) and (b) below. If Seller elects not to engage such auditing company to provide a second opinion, then the estimate provided by Buyer's environmental expert shall be used for purposes of clauses (a) and (b) below. If the higher estimate exceeds the lower by more than 10% of the lower estimate, then the parties will engage a third environmental auditing company to provide a third opinion, in which case the parties agree for purposes of clauses (a) and (b) below, to use the average of the two estimates that are closest to one another. The remediation estimate determined in accordance with this Section 6.13 is herein referred to as the "Remediation Estimate". Subsequent to the determination of the Remediation Estimate, the parties shall proceed as follows:

(a) In the event that the Remediation Estimate is less than \$500,000, Buyer may elect:

(1) for Seller to perform such remedial action to the reasonable satisfaction of Buyer's environmental expert and in accordance with Environmental Laws prior to Closing, or as promptly as reasonably practicable after Closing if such remedial actions cannot reasonably be completed prior to Closing (and Buyer will provide Seller access and any

other reasonable assistance requested by Seller with respect to such obligation); or

(2) accept a transfer of the Assets without such remedial action having been taken, subject to an adjustment to the Purchase Price paid at the Closing in favor of Buyer in an amount equal to the Remediation Estimate as provided above.

(b) In the event that the Remediation Estimate exceeds \$500,000, Seller may elect to terminate this Agreement, exercisable by delivery of written notice thereof to Buyer within fifteen (15) days of receipt of the Remediation Estimate. In the event that Seller fails to timely deliver such notice of termination to Buyer, then Buyer may elect:

(1) to terminate this Agreement; or

(2) to pursue either of the options set forth in Section 6.13(a) above.

(c) If either party shall terminate this Agreement pursuant to this Sections 6.13(a) or (b) above, Buyer and Seller shall promptly instruct the Escrow Agent to return the Deposit Escrow Amount to Buyer, and Buyer and Seller shall stand fully released and discharged of any and all other obligations hereunder, other than claims for fraud.

6.14 Intentional Omitted.

6.15 Noncompetition and Nonsolicitation. Seller covenants and agrees, for itself and its Affiliates, for a period set forth below following the Closing Date, subject to the consummation of the Closing, as follows:

(a) Noncompetition. For a period of one (1) year, neither Seller nor any Affiliate of Seller will, without prior written consent of Buyer, directly or indirectly, own, manage, operate, join, control, or engage or participate in the ownership, management, operation, or control of, or be connected as a shareholder, agent, partner, joint venturer, or otherwise with, any television broadcast station located within the DMA of any Station, except for ownership of not more than five percent (5%) of the outstanding stock of a publicly traded company.

(b) Nonsolicitation. For a period of 2 years, neither Seller nor any Affiliate of Seller will, without prior written consent of Buyer, directly or indirectly, for itself or on behalf of any other Person, hire or solicit any Employees who at the time of solicitation is known by Seller or such Affiliate to be an employee of Buyer at a Station, or induce or attempt to induce through any form of direct communication any such employee to leave his or her employment with Buyer; provided, however, that this provision shall not prohibit Seller or any Affiliate from making a general public solicitation or a general industry-wide solicitation for employment, or from hiring any of the Employees who respond to such a solicitation.

6.16 Further Assurances. On and after the Closing Date, the Parties will take all appropriate and commercially reasonable actions and execute all documents, instruments or conveyances of any kind that may be reasonably necessary or advisable to consummate the transactions contemplated hereby.

6.17 Replacement Contracts. After the execution of this Agreement, the parties shall make appropriate requests and shall use commercially reasonable efforts to obtain reasonably comparable replacement or separated contracts that provide similar rights and obligations as currently available under the contracts listed on Schedule 6.17 for the benefit of Buyer and the Stations (each, a “Replacement Contract”). Buyer, on the one hand, and Seller, on the other hand, shall each be responsible for and pay one-half (½) of all ordinary course administrative or processing fees imposed by any Person as a condition to processing any Replacement Contract requests (it being agreed and understood, however, that neither Buyer nor Seller shall be required to pay any consent or other fees in connection therewith, other than their respective shares of any such administrative or processing fees).

6.18 Capital Expenditures. Schedule 6.18 sets forth a list of capital expenditures related to the Stations, identifying each project (a “Cap Ex Project”) and the estimated expense to complete all Cap Ex Projects in the aggregate (“Projects Budget”). Seller will obtain quotes for the completion of each Cap Ex Project and confirm with Buyer, and then Seller will use commercially reasonable efforts to complete all Cap Ex Projects prior to Closing. If any Cap Ex Project is not completed to Buyer’s reasonable satisfaction by Closing, the amount of the unpaid outstanding quote (the “Project Adjustment”) shall reduce the Purchase Price. In the event that the final cost to complete such uncompleted Cap Ex Project to Buyer’s reasonable satisfaction after the Closing exceeds such Project Adjustment, then Seller shall indemnify Buyer for such excess (such excess, the “Excess Cost”). The representations and warranties of Seller regarding the condition of the Assets are modified by the items disclosed on Schedule 6.18.

SECTION 7: CONDITIONS PRECEDENT TO OBLIGATION OF SELLER TO CLOSE

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

7.1 Representations, Warranties and Covenants. All representations and warranties of Buyer contained in this Agreement shall be true, correct and complete at and as of the date hereof and the Closing Date as if such representations and warranties were made at and as of the date hereof and the Closing Date except for (i) any inaccuracy in any such representation and warranties of Buyer that could not reasonably be expected to have a Material Adverse Effect on Buyer’s ability to consummate the transactions contemplated by this Agreement, (ii) any such representation or warranty of Buyer that is expressly stated only as of a specified earlier date, in which case such representation or warranty shall be true as of such earlier date, or (iii) changes in any representation or warranty as a result of any act or omission of Seller. Buyer shall have performed all agreements and covenants required hereby to be performed by Buyer prior to or on the Closing Date in all material respects,

except to the extent such noncompliance results from any act or omission of Seller or its agents.

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

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

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

SECTION 8: CONDITIONS PRECEDENT TO OBLIGATION OF BUYER TO CLOSE

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

8.1 Representations, Warranties and Covenants. All representations and warranties of Seller contained in this Agreement shall be true, correct and complete in all material respects at and as of the date hereof and the Closing Date as if such representations and warranties were made at and as of the date hereof and the Closing Date except for (i) any representation or warranty that is expressly stated only as of a specified earlier date, in which case such representation or warranty shall be true as of such earlier date, or (ii) changes in any representation or warranty as a result of any act or omission of Buyer. Seller shall have performed all agreements and covenants required hereby to be performed by Seller prior to or on the Closing Date in all material respects, except to the extent such noncompliance results from any act or omission of Buyer or its agents.

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

8.3 FCC Consent. The FCC Consent shall have been granted without the imposition on Buyer of any conditions that need not be accepted or complied with by Buyer under this Agreement and shall have become a Final Order, and no action shall have been taken by the FCC or other Governmental Authority that is pending as of the Closing Date with respect to the FCC Consent or Final Order that makes illegal, restrains or prohibits the consummation of the transactions contemplated hereby

8.4 Required Consents. Each Consent that is designated by Buyer and Seller on Schedule 3.3 as being a “Required Consent” shall have been obtained without any adverse change in the terms or conditions of each Contract to which such Consent relates from those in effect on the date hereof. Each Replacement Contract that is designated by Buyer and Seller on Schedule 6.17 as being required for Closing shall have been obtained.

8.5 Material Adverse Effect. Since the date of the most recent balance sheet included in the Financial Statements, no Material Adverse Effect has occurred.

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

SECTION 9: THE CLOSING

9.1 The Closing. On the Closing Date and by electronic exchange of the materials to be delivered at the Closing or at such place as the Parties may mutually agree upon, Seller shall make such deliveries as are set forth in Section 9.2, and Buyer shall make such deliveries as are set forth in Section 9.3. All transactions at the Closing are deemed to have taken place simultaneously and no transaction shall be deemed to have been completed, nor shall any document be deemed to have been delivered, until all transactions shall have been completed and all documents delivered.

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

(a) One or more deeds, bills of sale, assignments and other appropriate instruments of conveyance transferring to Buyer all of the Assets free and clear of all Liens, other than Permitted Liens, which instruments shall be in form and substance reasonably satisfactory to Buyer and Seller, along with evidence reasonably satisfactory to Buyer of the payment and satisfaction of all Liens, other than Permitted Liens, including a payoff letter reasonably satisfactory to Buyer, executed by any holder of Liens to be released, and duly executed UCC-3 termination statements, mortgage releases and such other release and termination instruments as Buyer shall reasonably request, in each case, duly executed by Seller or the applicable signatory;

(b) affidavits of non-foreign status of each Seller that comply with Section 1445 of the Code, duly executed by each Seller;

(c) A copy of each instrument evidencing the Required Consents and any other Consent that shall have been obtained prior to Closing;

(d) A copy of the resolutions of the governing body of Seller approving the transactions contemplated by this Agreement;

(e) A certificate signed by an officer of Seller attesting to Seller's fulfillment of the conditions set forth in Section 8.1 and Section 8.5;

(f) The Indemnity Escrow Agreement, duly executed by Seller;

(g) good standing certificates issued by the Secretary of State of each Seller's jurisdiction of formation and each of the jurisdictions in which any Seller is required by applicable Legal Requirement to be qualified as a result of its operation of the Stations;

(h) a non-competition agreement, duly executed by Louis Wall, pursuant to which Mr. Wall agrees to be to the provisions of Section 6.15, *mutatis mutandis*;

(i) the Joint Instructions, duly executed by Buyer; and

(j) Such other documents reasonably requested by Buyer to give effect to the transactions contemplated by this Agreement.

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

(a) The Closing Cash Payment;

(b) One or more appropriate assumption agreements whereby Buyer assumes and agrees to perform the Assumed Liabilities in form and substance reasonably satisfactory to Seller;

(c) A copy of the resolutions of Buyer approving the transactions contemplated by this Agreement;

(d) A certificate signed by an officer of Buyer attesting to Buyer's fulfillment of the conditions set forth in Section 7.1;

(e) The Indemnity Escrow Agreement, duly executed by Buyer;

(f) good standing certificates issued by the Secretary of State of the jurisdiction of Buyer's formation and each of the jurisdictions in which Buyer is required by applicable Legal Requirement to be qualified as a result of its acquisition of the Stations

(g) The Joint Instructions, duly executed by Seller; and

(h) Such other documents reasonably requested by Seller to give effect to the transactions contemplated by this Agreement.

SECTION 10: INDEMNIFICATION

10.1 Survival. All representations and warranties of the Parties contained in this Agreement (or in any document delivered in connection herewith) shall be deemed to have been made on the date of this Agreement and on the Closing Date and shall survive the Closing and shall remain operative and in full force and effect for a period of 12 months after the Closing, *provided, however*, that the representations and warranties set forth in Sections 3.2 and 4.2 shall survive indefinitely and the representations and warranties set forth in Sections 3.4, 3.10(b), 3.12, 3.16, 3.19 and 3.20 shall survive until the expiration of the applicable statute of limitations (such Sections, collectively, the "Excluded Representations"). All covenants and agreements of the Parties contained in this Agreement, to the extent to be performed in whole prior to the Closing, shall survive the Closing for a period of 12 months. (The applicable period of such survival of each Party's representations or warranties and covenants or agreements subsequent to Closing is referred to as the "Indemnity Period.") All covenants and agreements of the Parties contained in this

Agreement to be performed in whole or in part after the Closing shall survive until such covenants and agreements are performed and discharged in full.

10.2 Seller's Indemnity. Following Closing, Seller shall indemnify and hold harmless Buyer and its Affiliates and each of their respective stockholders, partners, members, officers, directors, employees, agents, other representatives and successors and assigns (each a "Buyer Indemnified Party" and collectively the "Buyer Indemnified Parties") from and against any and all demands, losses, Liabilities, Actions, assessments, damages, fines, Taxes, penalties, reasonable costs and expenses (including reasonable expenses of investigation, and reasonable fees and disbursements of counsel, accountants and other experts incident to the foregoing or incurred in investigating or attempting to avoid the same or to oppose the imposition thereof or in enforcing this indemnity) (collectively, "Losses") incurred or suffered by a Buyer Indemnified Party, arising out of, resulting from or relating to:

- (a) Any breach of any of the representations or warranties made by Seller in this Agreement or in any certificate, document or instrument delivered by Seller under this Agreement;
- (b) Any failure by Seller to perform any of its covenants or agreements contained in this Agreement;
- (c) The Non-Assumed Liabilities;
- (d) The business or operation of the Stations prior to the Closing Date; or
- (e) The Excess Costs.

10.3 Buyer's Indemnity. Following Closing, Buyer shall indemnify and hold harmless Seller and its Affiliates and each of their respective stockholders, partners, members, officers, directors, employees, agents, other representatives and successors and assigns (each a "Seller Indemnified Party" and collectively the "Seller Indemnified Parties") from and against any and all Losses incurred or suffered by a Seller Indemnified Party, arising out of, resulting from or relating to:

- (a) Any breach of any of the representations or warranties made by Buyer in this Agreement or in any certificate, document or instrument delivered by Buyer under this Agreement;
- (b) Any failure by Buyer to perform any of its covenants or agreements contained in this Agreement;
- (c) The Assumed Liabilities; or
- (d) The business or operation of the Stations on or after the Closing Date.

10.4 Procedures. In the event that any Party hereto shall sustain or incur any Losses in respect of which indemnification may be sought by such Party pursuant to this

Section 10, the Party seeking such indemnification (the “Claimant”) shall promptly deliver to the other Party a certificate signed by an officer, without personal liability, of such Party’s good faith claim for indemnification and the amount of Losses it has incurred (a “Claim Notice”) which shall describe in reasonable detail the facts and circumstances upon which the asserted claim for indemnification is based, along with a copy of any claim or complaint, if applicable, to the Party providing indemnification (the “Indemnitor”). For purposes of this paragraph, any Claim Notice that is sent within fifteen (15) days of the date upon which the Claimant actually learned of such Loss shall be deemed to have been “prompt notice”; *provided* that failure of the Claimant to give the Indemnitor prompt notice as provided herein shall not relieve the Indemnitor of any of its obligations hereunder except to the extent that the Indemnitor is materially prejudiced by such failure.

(a) Upon the receipt of such Claim Notice, the Indemnitor shall have the right to undertake (at its own expense), by counsel or representatives of its own choosing, the good faith defense, compromise or settlement to be undertaken on behalf of the Claimant and shall keep the Claimant reasonably informed with respect thereto. Indemnity for such Losses shall not be deemed an admission of liability on the part of the Indemnitor as against any such Person. If the Indemnitor elects to undertake such defense by its own counsel or representatives, the Indemnitor shall give notice to the Claimant within thirty (30) days of its receipt of the Claim Notice. Notwithstanding the foregoing, the Indemnitor may not assume or control the defense if the named parties to the action giving rise to the Claim Notice (including any impleaded parties) include both the Indemnitor and the Claimant and representation of both Parties by the same counsel would be inappropriate (based on a written opinion of outside counsel) due to actual or potential differing interests between them, in which case the Claimant shall have the right to defend the action and to employ counsel reasonably approved by the Indemnitor, and, to the extent the matter is determined to be subject to indemnification hereunder, the Indemnitor shall reimburse the Claimant for all reasonable costs associated with such defense.

(b) The Claimant shall cooperate with the Indemnitor in such defense, at its own expense, and provide the Indemnitor with all information and assistance reasonably necessary to permit the Indemnitor to settle and/or defend any such claim. Except as otherwise provided in the last sentence of Section 10.4(a) or in Section 10.4(c), the Claimant may retain counsel (at the Claimant’s expense) to monitor or participate in the defense of such claim. The Indemnitor shall not have the right to settle or compromise any such claim without the prior written consent of Claimant unless such settlement (i) includes as an unconditional term thereof the delivery by the claimant or plaintiff to the Claimant of a release from all liability in respect of such claim or litigation, and (ii) does not attribute by its terms any non-indemnified liability to the Claimant.

(c) If an Indemnitor fails, within thirty (30) days after the date of the Claim Notice to give notice to the Claimant of such Indemnitor’s election to assume the defense thereof, the Indemnitor shall be bound by any determination made in such action or any compromise or settlement thereof effected by the Claimant and shall reimburse the Claimant for all Losses (including reasonable attorney’s fees) incurred by the Claimant; *provided, however*, that the Claimant shall keep the Indemnitor advised on a timely basis of significant developments with respect to such defense and permit the Indemnitor to participate, at its own election and expense, at any time, in the defense thereof.

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

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

(b) For the purpose of determining Losses and for determining whether a breach has occurred with respect to any representation or warranty contained in Section 3 or Section 4 of this Agreement any exception for "Material Adverse Effect" and any qualification by "in all material respects," "knowledge," or "to the knowledge" in any representation or warranty shall be disregarded as if such representation or warranty did not contain such exception or qualification, and the phrase "material breach" or "material default" in any representation or warranty shall be read as if the word "material" were not present therein.

(c) Neither Party shall be entitled to assert a claim for indemnification from the other Party under the provisions of Section 10.2(a) or Section 10.3(a) until such time as the damages subject to indemnification exceed, in the aggregate, \$75,000 (the "Basket"), after which point the Party claiming indemnification will be entitled to payment for all damages subject to indemnification, including the amounts comprising the Basket; provided that such limitation shall not apply to any Losses arising from the breach of any Excluded Representation, fraud, or Buyer's failure to deposit the Escrow Deposit Funds on the date hereof. Further, any and all indemnification obligations of either Party under the provisions of Section 10.2(a) or Section 10.3(a) (other than the Excluded Representations) shall not exceed the sum of Seven Million Five Hundred Thousand Dollars (\$7,500,000), and the indemnification obligations of either Party with respect to the Excluded Representations shall not exceed the Cash Closing Payment; provided, that such limitation shall not apply to any Losses arising from fraud.

SECTION 11: TERMINATION

11.1 Termination by Seller. This Agreement may be terminated by Seller and the purchase and sale of the Stations abandoned, upon written notice to Buyer, upon the occurrence of any of the following:

(a) Breach. If Buyer breaches its representations or warranties or defaults in the performance of its covenants and agreements contained in this Agreement and such breach or default is not cured within the applicable Cure Period.

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

(c) Failure to Close. If the Closing shall not have occurred within twelve (12) months of the execution of this Agreement.

(d) Certain Provisions. As provided in Sections 6.12, 6.13 and 6.14.

11.2 Termination by Buyer. This Agreement may be terminated by Buyer and the purchase and sale of the Stations abandoned, upon written notice to Seller, upon the occurrence of any of the following:

(a) Breach. If Seller breaches its representations or warranties or defaults in the performance of its covenants and agreements contained in this Agreement and such breach or default is not cured within the applicable Cure Period.

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

(c) Failure to Close. If the Closing shall not have occurred within twelve (12) months of the execution of this Agreement.

(d) Certain Provisions. As provided in Section 6.10.

11.3 Effect of Termination. Upon termination: (i) if neither Party hereto is in material breach of any provision of this Agreement, the Parties hereto shall not have any further liability to each other; (ii) if Seller shall be in material breach of any provision of this Agreement, Buyer shall have the rights and remedies provided in Section 11.4 and Section 11.5 only; or (iii) if Buyer shall be in material breach of any provision of this Agreement, to the extent applicable, Seller shall have all rights and remedies provided Section 11.5 and Section 11.7 only.

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

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

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

11.7 Liquidated Damages. If Seller terminates this Agreement pursuant to Section 11.1(a), then the Deposit Escrow Amount shall be paid to Seller (or Seller's designee) pursuant to the terms of this Agreement and the Deposit Escrow Agreement, and such payment shall constitute liquidated damages. Buyer acknowledges and agrees that the recovery of the Deposit Escrow Amount as set forth herein shall constitute payment of liquidated damages and not a penalty and that such liquidated damages amount is reasonable

in light of the substantial but indeterminate harm anticipated to be caused by Buyer's material breach or default under this Agreement, the difficulty of proof of loss and damages, the inconvenience and non-feasibility of otherwise obtaining an adequate remedy, and the value of the transactions to be consummated hereunder. Seller acknowledges and agrees that, notwithstanding anything to the contrary herein, if it terminates this Agreement pursuant to Section 11.1(a), or in any other event prior to the occurrence of the Closing, Seller's sole and exclusive remedy hereunder shall be the right (if any) to seek payment from the Deposit Escrow Amount pursuant to this Section. Except in the case of fraud with scienter, in no event shall any party be liable for punitive damages.

11.8 Return of Escrow Deposit. In all cases other than a termination of this Agreement by Seller as described in Section 11.7, which shall result in the payment of the Deposit Escrow Amount to Seller (or Seller's designee) in accordance with Section 11.7 hereof, the Deposit Escrow Amount shall be released to Buyer upon a termination of this Agreement without a Closing in accordance with its terms.

SECTION 12: MISCELLANEOUS

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

If to Buyer:

Yellowstone Holdings LLC
4311 Wilshire Boulevard, Suite 408
Los Angeles, California 90010
Attn: Jason R. Wolff

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

Dow Lohnes PLLC
1200 New Hampshire Avenue, NW
Suite 800
Washington, DC 20036-6802
Attn: John R. Feore

If to Seller:

SagamoreHill Broadcasting of Texas, LLC
SagamoreHill Broadcasting of Wyoming and Northern
Colorado, LLC
525 Blackburn Dr.
Augusta, GA 30907
Attn: Louis Wall

and

Duff Ackerman & Goodrich
235 Pine Street
Suite 1675
San Francisco, CA 94104
Attn: John M. Duff

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

Edinger Associates PLLC
1875 I St. NW, Suite 500
Washington, DC 20006
Attn: Brook A. Edinger

12.2 Expenses. Buyer and Seller shall be equally responsible for any sales and transfer Taxes, recording and transfer fees arising from the purchase and sale of the Assets pursuant to this Agreement. Buyer and Seller shall also share equally and be responsible for (i) any fees associated with filing the Assignment Application for the FCC Consent and (ii) any other filing or similar fees relating to applications for Consent required from any Governmental Authority. Except as otherwise provided in this Agreement, Seller and Buyer shall each be liable for its own fees and expenses incurred in connection with the negotiation, preparation, execution or performance of this Agreement and the consummation of the transactions contemplated herein.

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

12.4 Assignment. Neither this Agreement nor any of the rights or obligations hereunder may be assigned by Seller or Buyer without the prior written consent of the other Party hereto, except that Buyer may assign its rights and obligations under this Agreement to any of its Affiliates provided that no such assignment shall relieve Buyer of any of its obligations under this Agreement. Additionally, Buyer may collaterally assign all or any of its rights under this Agreement to its senior secured lenders or an agent on their behalf from time to time. Upon written notice by such lenders or agent to the other Party hereto, such lenders or agent shall be entitled to exercise any and all rights of Buyer hereunder. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns, and no other person shall have any right, benefit or obligation hereunder.

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

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

12.7 Severability. In the event that any one or more of the provisions contained in this Agreement or the Transaction Documents or in any other instrument referred to herein, shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement or any other such instrument and this Agreement and the Transaction Documents shall be construed in a manner that, as nearly as possible, reflects the original intent of the Parties, except that if such invalidity or unenforceability should change the basic economic positions of the Parties, they shall negotiate in good faith such changes in other terms as shall be practicable in order to restore them as nearly as possible to their prior positions. In the event that the FCC alters or modifies its rules or policies in a fashion which would raise substantial and material questions as to the validity of any provision of this Agreement or the Transaction Documents, the Parties shall negotiate in good faith to revise any such provision of this Agreement and the Transaction Documents in an effort to comply with all applicable FCC Legal Requirements, while attempting to preserve the intent of the Parties as embodied in the provisions of this Agreement and the Transaction Documents.

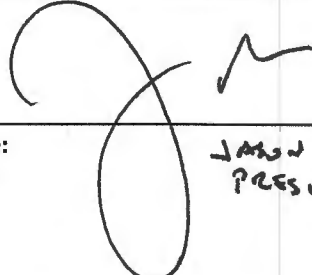
12.8 Construction. The Parties acknowledge and agree that this Agreement is the result of extensive negotiations between the Parties and their respective counsel, and that this Agreement shall not be construed against any Party by virtue of its role or its counsel's role in the drafting hereof.

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

[END OF PAGE. SIGNATURES FOLLOW.]

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

YELLOWSTONE HOLDINGS LLC

By: 
Name: JAMES R. WOLFF
Title: PRESIDENT

**SAGAMOREHILL BROADCASTING OF
WYOMING/NORTHERN COLORADO, LLC**

By: _____
Name: _____
Title: _____

**SAGAMOREHILL BROADCASTING OF TEXAS,
LLC**

By: _____
Name: _____
Title: _____

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

YELLOWSTONE HOLDINGS LLC

By: _____

Name:

Title:

SAGAMOREHILL BROADCASTING OF
WYOMING/NORTHERN COLORADO, LLC

By: 

Name: Louis S. Wall

Title: President

SAGAMOREHILL BROADCASTING OF TEXAS,
LLC

By: 

Name: Louis S. Wall

Title: President