

ASSET PURCHASE AGREEMENT

Between

**KSWO Television Co., Inc.
Panhandle Telecasting LP
Midessa Television LP
Centex Television LP
Adelante Television LP
and
Midessa Broadcasting LP**

as the Sellers

and

**KFDA Operating Company, LLC
KFDA License Company, LLC
KSWO Operating Company, LLC
KSWO License Company, LLC
KXXV Operating Company, LLC
KXXV License Company, LLC
KWES Operating Company, LLC
KWES License Company, LLC
KKTM Operating Company, LLC
and
KKTM License Company, LLC,**

as the Buyers

Dated as of June 27, 2008

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EXHIBITS AND SCHEDULES

EXHIBITS

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Exhibit E	<i>[intentionally omitted]</i>
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ASSET PURCHASE AGREEMENT

ASSET PURCHASE AGREEMENT, dated as of June 27, 2008 (this “Agreement”), between KSWO Television Co. Inc., an Oklahoma corporation (“KSWO Inc.”), Panhandle Telecasting LP, a Texas limited partnership (“Panhandle”), Midessa Television LP, a Texas limited partnership (“Midessa Television”), Centex Television LP, a Texas limited partnership (“Centex”), Adelante Television LP, a Texas limited partnership (“Adelante”), Midessa Broadcasting LP, a Texas limited partnership (“Midessa Broadcasting” and, together with KSWO Inc., Panhandle, Midessa Television, Centex and Adelante, the “Sellers”), and KFDA Operating Company, LLC, a Delaware limited liability company (“KFDA Operating”), KFDA License Company, LLC, a Delaware limited liability company (“KFDA License”), KSWO Operating Company, LLC, a Delaware limited liability company (“KSWO Operating”), KSWO License Company, LLC, a Delaware limited liability company (“KSWO License”), KXXV Operating Company, LLC, a Delaware limited liability company (“KXXV Operating”), KXXV License Company, LLC, a Delaware limited liability company (“KXXV License”), KWES Operating Company, LLC, a Delaware limited liability company (“KWES Operating”), KWES License Company, LLC, a Delaware limited liability company (“KWES License”), KKTm Operating Company, LLC, a Delaware limited liability company (“KKTm Operating”) and KKTm License Company, LLC, a Delaware limited liability company (“KKTm License”, and together with KFDA Operating, KFDA License, KSWO Operating, KSWO License, KXXV Operating, KXXV License and KWES Operating, KWES License and KKTm Operating, the “Buyers” and, where such term is used, collectively, the “Buyer”).

RECITALS

A. The Sellers own and operate the TV Stations and the radio broadcast station (the “Radio Station” and, together with the TV Stations, the “Stations”) identified on the attached Exhibit I.

B. The Sellers have agreed to convey to the Buyers the Transferred Assets, as described on the attached Exhibit J, upon the terms and conditions set forth in this Agreement.

C. The Buyers have agreed to assume the Assumed Liabilities upon the terms and conditions set forth in this Agreement.

AGREEMENT

In consideration of the foregoing and the mutual covenants and agreements herein contained, and intending to be legally bound hereby, the parties agree as follows:

ARTICLE I DEFINITIONS

Section 1.1 Certain Defined Terms. For purposes of this Agreement:

“Accounts Receivable” means the rights of the Sellers to payment for goods and services provided by the Stations (including advertising time provided on the Lawton Cable System) and unpaid prior to the Closing Time, including Tradeout Receivables.

“Action” means any claim, action, suit, mediation, audit, hearing, inquiry, investigation, arbitration or proceeding by or before any Governmental Authority, arbitrator or mediator or similar event, occurrence or proceeding.

“Ad Valorem Tax Amount” means the ad valorem Tax liability with respect to the Transferred Assets attributable to the taxable period through the Closing Time.

“Affiliate” means, with respect to any Person, (a) any Person that owns or controls, is owned or controlled by, or under common control with, such Person, (b) for purposes of Sections 3.6, 3.21, 5.1, 5.2 and 5.10 only, any Person that is an officer, director, member, general partner or trustee of, or serves in a similar capacity with the specified Person, or for which the specified Person is an officer, director, member, general partner or trustee, or serves in a similar capacity or (c) for purposes of Sections 3.6, 3.21, 5.2(v) and 5.10 only, any member of the immediate family of the specified Person; provided that, for purposes of Section 5.21, each of William T. Drewry, Robert Drewry and Susan Drewry Battaglia will be deemed to be an Affiliate of the Sellers.

“Affiliation Agreements” means that agreements identified on Schedule 1.1(c) of the Disclosure Schedules.

“Ancillary Agreements” means the Bill of Sale, the Assumption Agreement, general warranty deeds with respect to each parcel of Owned Real Property in the forms reasonably acceptable to the Sellers and the Buyers (each, a “Deed”), the Escrow Agreement, certificates of title, and all other instruments and documents necessary for the Sellers to transfer the Transferred Assets, for the Sellers to retain the Excluded Assets, or for the Buyers to assume the Assumed Liabilities or otherwise executed and delivered pursuant to the terms of this Agreement; provided that, if the Closing Date occurs on or prior to the Cable Sale Date, then the Ancillary Agreements will also include the Cable Ad Sales Agreement, the Headend Lease and the Headend Landlord Consent.

“Assumption Agreement” means an assignment and assumption agreement in the form of that attached hereto as Exhibit B (provided with respect to leases, the relevant assignment and assumption agreement shall be in a form reasonably satisfactory to the Buyers and the Sellers), pursuant to which the Sellers shall assign to the Buyers all of the intangible personal property included in the Transferred Assets and the Buyers shall assume the Assumed Liabilities.

“Bill of Sale” means a bill of sale in the form of that attached hereto as Exhibit C, pursuant to which the Sellers shall transfer to the Buyers all of the Tangible Personal Property.

“Breach” means (a) any breach, inaccuracy, failure to perform, failure to comply, conflict with, failure to notify as required, default, or violation or (b) any other act, omission, event, occurrence or condition the existence of which would violate an existing agreement and (i) permit any Person to accelerate any obligation or terminate, cancel, or modify any right or obligation or (ii) require the payment of money or other consideration.

“Business” means, as to any Seller, the business of the Station(s) (including the sale of advertising time to be provided on the Lawton Cable System, in the case of KSWO, inc.) operated by it, as conducted by such Seller, and as to the Sellers, the Businesses of the Sellers, collectively.

“Business Day” means any day that is not a Saturday, a Sunday or other day on which banks are required or authorized by Law to be closed in The City of New York, New York; or Lawton, Oklahoma.

“Business Employees” means all individuals employed by the Sellers on the Closing Date (including those on approved leaves of absence) and whose duties relate primarily to the operations of the Business.

“Buyer Material Adverse Effect” means any event, change, circumstance, effect or state of facts that is materially adverse to the ability of the Buyers to perform their obligations, or to the Sellers’ rights, under this Agreement or the Ancillary Agreements or the Buyers’ ability to consummate the transactions contemplated hereby or thereby.

“Cable Act” means Title VI of the Communications Act, the Cable Communications Policy Act of 1984, the Cable Television Consumer Protection and Competition Act of 1992 and the provisions of the Telecommunications Act of 1996 amending Title VI of the Communications Act, in each case as amended and in effect from time to time.

“Cable Ad Sales Agreement” means an advertising agreement between KSWO Inc. (if it is entered into prior to the Closing Date) or KSWO Operating (if it is entered into on the Closing Date) and the Lawton Cable Operator, to be dated as of the earlier of the Closing Date and the Cable Sale Date, in the form of the attached Exhibit G.

“Cable Sale Date” means the date of the consummation of the purchase of the business of the Lawton Cable System by the New Cable Operator from the Existing Cable Operator.

“Closing Time” means 12:01 a.m., local time for Lawton, Oklahoma, on the Closing Date.

“Code” means the Internal Revenue Code of 1986, as amended, and the regulations thereunder, as in effect from time to time.

“Communications Act” means the Communications Act of 1934, as amended, 47 U.S.C. Sections 151 et seq., as in effect from time to time.

“Communications Laws” means the Communications Act and the rules and regulations and published decisions of the FCC thereunder, as in effect from time to time.

“Contracts” means personal property leases, real property leases, maintenance agreements, retransmission consent agreements, advertising sales contracts and other agreements, contracts, arrangements, obligations, indentures and understandings, whether written or oral (including any amendments and other modifications thereto) to which a Seller is a party or by which a Seller is bound and that are held for use in or used in connection with the

Transferred Assets, the Business or the operations of the Stations. For the avoidance of doubt, if the Cable Sale Date occurs prior to the Closing Date, then the Cable Ad Sales Agreement, the Headend Lease and the Headend Landlord Consent will constitute Contracts.

“control”, including the terms “controlled by” and “under common control with”, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, as trustee or executor, as general partner or managing member, by contract or otherwise.

“CPA Firm” means KPMG International, or such other firm of independent certified public accountants as to which the Sellers and the Buyers shall mutually agree.

“Current Assets” means the following, without duplication, all as determined in accordance with GAAP (and, where GAAP permits more than one practice or policy to be used, the practice or policy in question used in the preparation of the Financial Statements, to the extent consistent with GAAP):

- (i) all prepaid expenses and credits (including prepaid real and personal property Taxes to the extent attributable to any periods or portions thereof beginning on or after the Closing Date, copyright fees, FCC regulatory fees, and FCC License or License fees or charges) of the Business;

- (ii) all Accounts Receivable related to the Business, net of any reserve for the collectibility thereof as may be required in accordance with GAAP, as applied on a basis consistent with the preparation of the Financial Statements;

- (iii) all deposits relating to the Business and operations of the Stations that are held by third parties as of the Closing Time for the account of the Sellers and that relate to the Stations or as security for the Sellers’ performance of their obligations, including deposits on leases and deposits for utilities; and

- (iv) all other current assets that are included in the Transferred Assets.

“Current Liabilities” means, subject to Section 5.24, the following liabilities of the Seller arising out the Business (other than any liability described in any of clauses (a) through (e), or (g) through (j), of Section 2.4), without duplication, as determined in accordance with GAAP (and, where GAAP permits more than one practice or policy to be used, the practice or policy in question used in the preparation of the Financial Statements, to the extent consistent with GAAP):

- (i) all current liabilities of the Sellers arising out of the operation of the Business and not paid prior to the Closing Date, including the Tradeout Payables and the Ad Valorem Tax Amount;

- (ii) all advance payments to, or funds of third parties on deposit with, the Sellers as of the Closing Time and relating to the Business; and

(iii) the economic value of all accrued and unused vacation and sick leave that the Buyers credit to the Transferred Employees in accordance with Section 5.9(f), where economic value is the amount equal to the cash compensation that would be payable to each such employee at his or her level of compensation on the Closing Date for a period equal to such accrued and unused vacation leave;

provided that, for purposes of determining the Pre-Closing Net Asset Value and the Final Net Asset Value only, to the extent Current Liabilities include Programming Liabilities, only the following Programming Liabilities shall be included as Current Liabilities:

(a) 100% of the amount of all Programming Liabilities that first become due and payable under the terms of the Programming Contract in question prior to the first day of the calendar month that includes the Closing Date, and

(b) a portion of Programming Liabilities that first become due and payable under the terms of the Programming Contract in question during the calendar month that includes the Closing Date that is equal to a fraction, the numerator of which is the number of days in such calendar month that are prior to the Closing Date and the denominator of which is the total number of days in such calendar month.

“Employee Plans” means all “employee benefit plans” within the meaning of Section 3(3) of ERISA, all formal written plans and all other compensation and benefit plans, contracts, policies, programs and arrangements of the Sellers or any of their ERISA Affiliates (other than routine administrative procedures) in connection with the Business, including all pension, profit sharing, savings and thrift, bonus, stock bonus, stock option or other cash incentive or deferred compensation, severance pay and medical and life insurance plans in which any of the Business Employees or their dependents participate; provided that no Employment Agreement shall be deemed to be an Employee Plan.

“Encumbrance” means any charge, claim, mortgage, lien, option, pledge, security interest, right of first refusal, deed of trust, easement, right of way, community property interest or other restriction of any kind.

“Environmental Laws” means any and all federal, state or local Laws (including common Law), rules, orders, regulations, statutes, ordinances, codes, guidelines properly enforced by governmental authorities, administrative orders, or requirements of any governmental authority regulating or imposing standards of liability, standards of conduct or standards of remediation with respect to protection of health, safety or environmental media (including soil, surface water, ground water, stream sediments or air), including the Resource Conservation and Recovery Act, the Toxic Substances Control Act, the Occupational Safety and Health Act of 1970, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Hazardous Materials Transportation Act, the Federal Insecticide, Fungicide, and Rodenticide Act, the Clean Water Act, the Safe Drinking Water Act, the Solid Waste Disposal Act, the Clean Air Act, the Emergency Planning and Community Right-to-Know Act and applicable state analogues, all as in effect on the date hereof and as amended.

“Equipment” means electronic devices, hardware, test equipment, transmitters, transponders, towers, tower equipment, microwave equipment, antennae, antenna transmission lines, cables, distribution systems, amplifiers and other equipment of the Sellers owned, leased, held, used or useful in the operation of the Stations.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations thereunder, as in effect from time to time.

“ERISA Affiliates” means, with respect to a Seller, (i) any corporation which at any time on or before the Closing Date is or was a member of the same controlled group of corporations (within the meaning of Section 414(b) of the Code) as such Seller; (ii) any partnership, trade or business (whether or not incorporated) which at any time on or before the Closing Date is or was under common control (within the meaning of Section 414(c) of the Code) with such Seller; (iii) any entity which at any time on or before the Closing Date is or was a member of the same affiliated service group (within the meaning or Section 414(m) of the Code) as such Seller, any corporation described in clause (i) above or any partnership, trade or business described in clause (ii) above; and (iv) any entity which at any time on or before the Closing Date is or was required to be aggregated with such Seller under Section 414(o) of the Code.

“Escrow Agreement” means an escrow agreement in the form of that attached hereto as Exhibit D, pursuant to which KSWO Inc., KFDA Operating and the Escrow Agent shall provide for the management of the Escrow Fund.

“Existing Cable Operator” means Lawton Cablevision, Inc, an Oklahoma corporation and an Affiliate of the Sellers.

“FAA” means the Federal Aviation Administration or any successor thereto.

“FCC” means the Federal Communications Commission or any successor thereto.

“FCC Consent” means action or actions by the FCC (including any action duly taken by the FCC’s staff pursuant to delegated authority) granting its consent to the assignment of the FCC Licenses from the Sellers to the Buyers who will acquire FCC Licenses, as set forth on the attached Exhibit J.

“FCC Licenses” means all licenses, permits and authorizations issued by the FCC to the Sellers for the operation of the Stations, including TV translator station licenses and microwave licenses and television receive only earth station registrations (together with any renewals, extensions, additions, deletions, or modifications thereto obtained, approved or applied for in the ordinary course of business between the date of this Agreement and the Closing Date).

“Final Adjustment Amount” equals (i) the Final Net Asset Value minus (ii) the Pre-Closing Net Asset Value.

“Final Net Asset Statement” means the statement that sets forth the Current Assets and Current Liabilities as of the Closing Time prepared or caused to be prepared by the Buyers in accordance with Section 2.8(b) and, in the event of a Seller Objection, as adjusted by agreement of the Buyers and KSWO Inc., or by the CPA Firm, acting pursuant to Section 2.8(c).

“Final Net Asset Value” means (x) the total Current Assets shown on the Final Net Asset Statement, minus (y) the total Current Liabilities shown on the Final Net Asset Statement.

“Final Order” means an action of the FCC (including any action taken by the FCC’s staff pursuant to delegated authority): (a) that has not been vacated, reversed, enjoined, stayed, set aside, annulled or suspended; (b) with respect to which no timely appeal, request for stay, petition for rehearing or reconsideration or review by any party or by the FCC on its own motion is pending; and (c) as to which the time for filing or initiation of any such request, petition, appeal or review by any third party or by the FCC on its own motion has expired or otherwise terminated.

“Full-Power Stations” means, as modified by Section 3.14(b), broadcast television stations KFDD-TV, licensed to Amarillo, Texas; KSWO-TV, licensed to Lawton, Oklahoma; KWES-TV, licensed to Odessa, Texas; and KXXV(TV), licensed to Waco, Texas.

“Funded Indebtedness” means, with respect to a Seller, (i) all indebtedness for money borrowed (whether in the form of direct loans or capital leases) and purchase money indebtedness, (ii) indebtedness of the type described in clause (i) above secured by any Encumbrance upon property owned or leased by such Seller, even though such Seller has not in any manner become liable for the payment of such indebtedness, (iii) interest expense accrued but unpaid, and all prepayment premiums or penalties, on or relating to any of such indebtedness and (iv) indebtedness of the type described in clause (i) above guaranteed, directly or indirectly, by such Seller.

“GAAP” means United States generally accepted accounting principles, as in effect on the date of this Agreement.

“Governmental Authority” means any United States federal, state or local (including county or municipal) governmental, regulatory or administrative authority, agency, magistrate, division, instrumentality or commission or any judicial or arbitral body.

“Hazardous Substances” means any substance, pollutant, contaminant, material, or waste, or combination thereof, whether solid, liquid, or gaseous in nature, subject to regulation, investigation, control, remediation or liability under any Environmental Law, including the Comprehensive Environmental Response, Compensation and Liability Act, the Solid Waste Disposal Act, and the Resource Conservation and Recovery Act. “Hazardous Substances” also means any environmental media, including soil, sediment and water, containing any of the materials described or set forth in the preceding sentence.

“Headend Landlord Consent” means a Landlord’s Consent and Waiver to be executed by KSWO Inc. for the benefit of CoBank, as the Administrative Agent, and the other Lenders referred to therein, in the form of the attached Exhibit K.

“Headend Lease” means a lease agreement between KSWO Inc. (if it is entered into prior to the Closing Date) or KSWO Operating (if it is entered into on the Closing Date) and the Lawton Cable Operator, to be dated as of the earlier of the Closing Date and the Cable Sale Date, in the form of the attached Exhibit H.

“HSR Act” means the Hart-Scott-Rodino Antitrust Improvements Act of 1976.

“Intellectual Property” means all (i) trade names, trademarks and service marks (registered and unregistered), domain names, Internet protocol addresses, trade dress and similar rights and applications to register any of the foregoing; (ii) patents and patent applications and rights in respect of utility models or industrial designs; (iii) copyrights and registrations and applications therefor; (iv) know-how, inventions, discoveries, methods, and processes (whether or not patentable) and (v) trade secrets, confidential information and other proprietary rights.

“Knowledge” means: (a) with respect to one or more of the Sellers, the actual (but not constructive or imputed) knowledge of William T. Drewry, Robert Drewry, Larry Patton and Laura Byrd, or (b) with respect to the Buyers, the actual (but not constructive or imputed) knowledge of Terry London, Carl Kornmeyer and Phil Hurley, in each case as of the date the relevant representation or warranty is made or deemed made or the relevant certificate is delivered pursuant to this Agreement.

“Law” means any statute, law (statutory, common or otherwise), ordinance, equitable principle, regulation, rule, code, constitution, treaty, executive order, injunction, judgment, decree or order of any Governmental Authority, including the Code and principles of common law.

“Lawton Cable Operator” means the Existing Cable Operator, prior to the Cable Sale Date, and the New Cable Operator, from and after the Cable Sale Date.

“Lawton Cable System” means the cable television system being operated as of the date of this Agreement in Lawton, Oklahoma by the Existing Cable Operator.

“License” means any license, permit or other authorization issued to the Sellers by any Governmental Authority, other than the FCC, used in the operation of the Stations, including all amendments thereto and renewals or modifications thereof.

“Material Adverse Effect” means any event, change, circumstance, effect or state of facts that is materially adverse to (i) the business, financial condition, results of operations, assets, prospects, liabilities or results of operations of the Business, or a material adverse change in the value of the Business or the Transferred Assets, provided, however, that for purposes of determining whether such a “Material Adverse Effect” has occurred, there shall be disregarded the effect of any circumstance, change, development, event or state of facts primarily arising out of or primarily attributable to any of the following, either alone or in combination, (1) the markets in which the Business operates generally, including the television broadcasting industry generally, or competition in or with industry, (2) general national, regional or international economic, financial or political conditions or markets, (3) changes in technology, (4) the public announcement of this Agreement or of the consummation of the transactions contemplated hereby, (5) acts of war (whether or not declared), sabotage or terrorism, military actions or the escalation thereof or other force majeure events occurring after the date of this Agreement, (6) any changes in applicable Laws, regulations or accounting rules, or (7) any Excluded Liability (provided that, in the case of any occurrence described in clause (1), (2), (3), (5) or (6) above, the effect thereof on the Business is not materially adverse as compared with television broadcasters (or, insofar as the matter in question relates to the Radio Station, similarly-situated radio broadcasters) operating in small markets in Texas and Oklahoma similar to those in which

the Sellers operate; or (ii) the ability of the Sellers to perform their obligations, or the Buyers' rights, under this Agreement or the Ancillary Agreements or the Sellers' ability to consummate the transactions contemplated hereby or thereby.

"MVPD" means a multichannel video programming distributor as such term is defined in Section 602(13) of the Communications Act, 47 U.S.C. 522(13).

"Network" means the operator of the television network with which a Station is affiliated pursuant to an Affiliation Agreement.

"New Cable Operator" means Fidelity Cablevision, Inc., a Missouri corporation, or any successor thereto as the operator of the Lawton Cable System.

"Permitted Encumbrances" means (a) zoning, entitlement, conservation restrictions and other land use and environmental regulations by any Governmental Authority applicable to the Real Property, (b) in the case of any Leased Real Property, (i) landlords' liens for sums not yet due and (ii) the rights of any lessor under a lease, (c) any severed mineral or oil and gas estates, or mineral or oil and gas leasehold estates, or rights of a proprietor of a vein or lode to extract or remove his ore, in each instance which do not materially impair the use of the Real Property or building or structure thereon as currently being used, (d) any Encumbrance described as "Permitted Encumbrances" on Schedule 1.1(b) of the Disclosure Schedules that does not materially interfere with the present use of the subject property or operation of the Business taken as a whole, (e) the rights of lessees and licenses (other than the Sellers) under the lease and license agreements that are either described on Schedule 3.18(a) of the Disclosure Schedules, in effect on the date of this Agreement and not required to be described on Schedule 3.18 of the Disclosure Schedules, or entered into after the date of this Agreement not in breach of this Agreement, or (f) with respect to any transfer or assignment of any Transferred Asset other than in connection with the transactions contemplated by this Agreement and the Ancillary Agreements, anything that would constitute a Required Consent with respect to such transfer or assignment if the definition of the term "Required Consent" referred to such future transfer or assignment rather than the transactions among the Buyers and the Sellers contemplated by this Agreement and the Ancillary Agreement.

"Person" means an individual, corporation, partnership, limited liability company, limited liability partnership, syndicate, person, trust, association, organization or other entity, including any Governmental Authority, and including any successor, by merger or otherwise, of any of the foregoing.

"Pre-Closing Net Asset Value" means (x) the total Current Assets shown on the Pre-Closing Net Asset Statement, minus (y) the total Current Liabilities shown on the Pre-Closing Net Asset Statement.

"Pre-Closing Net Asset Statement" means the statement that sets forth the estimated Current Assets and Current Liabilities as of the Closing Time, prepared or caused to be prepared by the Sellers in accordance with Section 2.8(a).

"Programming Contract" means any Contract of a Seller existing as of the date of this Agreement, or entered into prior to the Closing in accordance with this Agreement, to broadcast

television programs or shows as part of a Station's programming and for which a Seller is or will be obligated to compensate the vendor thereof, including all film and program barter agreements.

"Programming Liability" means any liability of a Seller to make a cash payment of license or usage fees pursuant to any Programming Contract, to the extent not paid prior to the Closing Date.

"Real Property" means real property, leaseholds and other interests in real property of the Sellers that are owned, leased, used or held for use in the operation of the Stations, including the Owned Real Property and the Leased Real Property, together with the Sellers' right, title and interest in, to and under all structures, facilities or improvements located thereon, all fixtures, systems, equipment and other items of personal property attached or appurtenant thereto and all easements, licenses, rights and appurtenances relating to the foregoing to the extent used or held for use in connection with the Stations.

"Representatives" means a party's officers, directors, managers, employees, agents, controlling Persons, members, accountants, consultants, attorneys and Affiliates.

"Required Consents" means the FCC Consent and any other authorization, approval or consent of any Governmental Authority or other Person under any License, Contract or other instrument that by Law or by its terms requires a third party's consent as a condition for a Seller to transfer or assign such License, Contract or other instrument to the Buyers or otherwise consummate the transactions contemplated by this Agreement and the Ancillary Agreements or to avoid a Breach of a Contract as a result of such transfer or assignment or the consummation of such transactions.

"Retransmission Consent Agreement" means an agreement pursuant to which Sellers have granted an MVPD consent pursuant to Section 325(b) of the Communications Act and the rules, regulations and published policies of the FCC to the non-exclusive retransmission of the analog and/or digital signal of any Full-Power Station by such MVPD.

"Return" means any return, declaration, report, statement, information statement, claim for refund or other document relating to Taxes, including all attachments thereto and amendments or supplements thereof.

"Tangible Personal Property" means machinery, Equipment, furniture, fixtures, computers and computer equipment, software, furnishings, inventory, parts, spare parts, tools, vehicles and other tangible personal property, including all office equipment or supplies owned or leased by the Sellers on the date hereof that are owned, leased, used, or held for use, in the operation of the Business, in each case together with any additions thereto prior to the Closing Date, and in each case except for any of the same that is consumed or otherwise disposed of prior to the Closing Date in the ordinary course of business and in compliance with Article V of this Agreement.

"Taxes" means any and all taxes of any kind, charges, fees, duties, licenses, required deposits, levies and assessments of any kind imposed by any Governmental Authority having taxing authority, including all income, sales, use, ad valorem, value added, net or gross proceeds, gains, profits, net worth, capital, inventory, withholding, payroll, employment, unemployment,

social security, workers' compensation, excise or real or personal property taxes, together with any and all interest, penalties, additions to tax and additional amounts imposed with respect thereto and any liability as a successor or transferee in respect of Taxes.

“Tradeout Agreement” means any Contract pursuant to which a Seller has sold or traded commercial air time on a Station in consideration for any property or services other than cash, excluding film and program barter agreements.

“Tradeout Payables” means all obligations of a Seller to provide commercial air time on a Station after the Closing Time, in respect of goods or services received by a Seller prior to the Closing Time, pursuant to any Tradeout Agreement.

“Tradeout Receivables” means all rights of a Seller to receive goods or services after the Closing Time, in respect of commercial air time provided on the Stations prior to the Closing Time, pursuant to any Tradeout Agreement.

“TV Stations” means the broadcast television stations identified on the attached Exhibit I, including all stations in services TV, CA and TX.

Section 1.2 Table of Definitions. The following terms have the meanings set forth in the Sections referenced below:

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ARTICLE II PURCHASE AND SALE

Section 2.1 Purchase and Sale of Transferred Assets. Upon the terms and subject to the conditions of this Agreement, at the Closing, the Sellers shall sell, assign, transfer, convey and deliver to the Buyers, and the Buyers shall purchase, all of the Sellers' right, title and interest, legal and equitable, in and to the Transferred Assets, free and clear of all Encumbrances except Permitted Encumbrances and except for the Required Consents that are listed on Schedule 3.3(a) of the Disclosure Schedules, or that are not required to be listed on such Schedule, in each case that are not obtained prior to the Closing. "Transferred Assets" means all of the assets, properties, privileges, interests, claims and rights (wherever located), whether tangible or intangible or real or personal, that are owned, leased, used, or held for use, in the operation of the Stations (other than the Excluded Assets), including the assets, properties and rights referred to below to the extent owned, leased, used, or held for use, in the operation of the Stations (in each case other than to the extent included in the Excluded Assets):

- (a) all Contracts;
- (b) all Real Property;
- (c) all assets as of the Closing Time that are identified in clauses (i) through (iii) of the definition of the term Current Assets;
- (d) all Accounts Receivable, notes receivable and other receivables due to the Sellers in connection with the Business, including receivables from advertising sales entities related to the Business, if any, together with any unpaid interest or fees accrued thereon or other amounts due with respect thereto;
- (e) all Tangible Personal Property;
- (f) all Intellectual Property;
- (g) all Permits;
- (h) all FCC Licenses and other Licenses;
- (i) all books of account, general, financial and accounting records, files, invoices, original executed copies, if available, or true and correct copies of all Contracts, employment records (to the extent permitted by applicable Law), customers and suppliers lists, other distribution lists, purchase and sales records, advertising records, creative materials, advertising and promotional material, billing records, engineering records and data, drawings, blueprints, schematics, technical information, programming information, copyright, FCC and other regulatory records, manuals and customer and supplier correspondence in the Sellers' possession (the "Books and Records");

(j) all rights to causes of action, lawsuits, judgments, claims and demands of any nature in favor of the Sellers to the extent relating to the Business, the Transferred Assets or the Assumed Liabilities;

(k) all guarantees, warranties, indemnities and similar rights in favor of the Sellers or their Affiliates related to the Business, the Transferred Assets or the Assumed Liabilities; and

(l) all of the Sellers' goodwill in, and going concern value of, the operation of the Stations.

Section 2.2 Excluded Assets. Notwithstanding anything contained in Section 2.1 to the contrary, the Sellers are not selling, and the Buyers are not purchasing, any of the following assets of the Sellers, all of which shall be retained by the Sellers (collectively, the "Excluded Assets"):

(a) any equity interest in any Seller or any equity interest in any direct or indirect holder of any equity interest in any Seller;

(b) all state and federal telecommunications licenses and authorities for services other than broadcast television (except for the FCC Licenses for the Radio Station);

(c) Contracts (including those for management and consulting services) with any Affiliate of the Sellers that are listed on Schedule 2.2(c) of the Disclosure Schedules;

(d) intercompany receivables owing to a Seller by any of its Affiliates;

(e) cash, cash equivalents and securities held for investment;

(f) the Sellers' corporate books and records of internal corporate proceedings, tax records, work papers, and books and records that the Sellers are required by Law to retain, and employment records relating Persons who are not Transferred Employees;

(g) all of the Sellers' bank accounts;

(h) all accounting records (including records relating to Taxes) and internal reports relating to the business activities of the Sellers that are not Transferred Assets;

(i) any interest in or right to any refund of Taxes relating to the Business, the Transferred Assets or the Assumed Liabilities for, or applicable to, any taxable period (or portion thereof) ending on or prior to the Closing Time;

(j) subject to Section 5.23, any insurance policies and rights, claims or causes of action thereunder;

(k) except as specifically provided in Section 5.9, any Employee Plan or Employment Agreements, including any assets relating thereto;

(l) all rights, claims and causes of action relating to any Excluded Asset or any Excluded Liability;

(m) the assets listed in Schedule 2.2(m) of the Disclosure Schedules;

(n) all rights to causes of action, lawsuits, judgments, claims and demands of any nature in favor of the Sellers, to the extent relating to the recovery of amounts paid by any Seller prior to the Closing Time, or to any Current Liability (but, in the case of any Current Liability, only to the extent that such Current Liability is included in the amount of Current Liabilities used to calculate the Final Net Asset Value), including with respect to the matter described on Schedule 3.10 of the Disclosure Schedules; and

(o) all rights of the Sellers under this Agreement and the Ancillary Agreements.

Section 2.3 Assumed Liabilities.

In connection with the purchase and sale of the Transferred Assets pursuant to this Agreement and subject to the terms and conditions contained herein, at the Closing, the Buyers shall assume and hereby agrees to pay, discharge, perform or otherwise satisfy when due the following, and only the following, liabilities and obligations of the Sellers relating to the Business (other than any liability described in any of clauses (a) through (j), of Section 2.4) (the “Assumed Liabilities”):

(a) all liabilities as of the Closing Time that are Current Liabilities, to the extent that such Current Liabilities are included in the amount of Current Liabilities used to calculate the Final Net Asset Value;

(b) all obligations and liabilities of the Sellers under the Contracts (with the exclusion of Contracts for employment of, or to retain as a consultant, any individual or compensation or severance payable to any such individual (collectively, “Employment Agreements”)), Permits and the FCC Licenses that are Transferred Assets to the extent such Contracts, Permits and FCC Licenses are either scheduled on Schedule 1.1(a), 3.9(a) or 3.18(a) (as applicable) of the Disclosure Schedules, are in effect on that date of this Agreement and not required to listed on such applicable Schedule, or are entered into or obtained after the date of this Agreement and not in breach of this Agreement (or that a Buyer otherwise elects in writing (pursuant to a written agreement headed “Additional Contract Assumption” between such Buyer and the applicable Seller) at or prior to the Closing to assume), to be performed or paid on or after, or in respect of periods following, the Closing Time, excluding liabilities arising from a breach thereof by a Seller (but including any breach by a Seller where a Buyer would otherwise be responsible for the performance of the relevant obligation by reason of this Section 2.3), and except for those payments in respect of periods before the Closing Time, unless expressly assumed by the Buyers, provided that, any monetary fines or forfeitures imposed by the FCC to be performed or paid after the Closing shall not be Assumed Liabilities, except to the extent such fine or forfeiture relates to the conduct or omission of any Buyer after the Closing; and

(c) all liabilities assumed by the Buyers pursuant to Section 5.9.

Section 2.4 Excluded Liabilities.

Notwithstanding any other provision of this Agreement or any Ancillary Agreement to the contrary, the Buyers are assuming only the Assumed Liabilities and the Buyers are not assuming and shall not be responsible for any other liability or obligation of the Sellers or Affiliates thereof or arising out of or relating to the conduct or operation of the Business or the ownership or use of the Transferred Assets of whatever nature, whether presently in existence or arising hereafter, known or unknown, contingent or otherwise. All such other obligations and liabilities of the Sellers or Affiliates thereof or arising out of or relating to the conduct or operation of the Business or the ownership or use of the Transferred Assets shall be retained by and remain obligations and liabilities of the Sellers or Affiliates thereof unless the parties otherwise agree in writing at Closing, in which case the Buyers shall assume the liability and receive an adjustment in its favor pursuant to Section 2.8 to the extent of the liability assumed (all such liabilities and obligations not being assumed being referred to herein as the “Excluded Liabilities”) and the Sellers or Affiliates thereof shall pay, perform or otherwise satisfy their respective Excluded Liabilities. Subject to Section 5.9(i), the Excluded Liabilities shall include the following:

(a) all liability for Taxes (whether federal, state, local or foreign) arising from or with respect to the Transferred Assets or the operation of the Business that are incurred in or attributable to any period, or any portion of any period, ending on or prior to the Closing Time, including Taxes incurred in respect of or measured by (i) the sales of goods or services by the Sellers, (ii) the wages or other compensation paid by the Sellers to its employees, (iii) the value of the Sellers’ property (personal as well as real property), (iv) the income of the Sellers earned or realized prior to the Closing Time, and (v) any gain and income from the sale of the Transferred Assets and other transactions contemplated by this Agreement;

(b) all liabilities and obligations under the Employee Plans, Employment Agreements or any other compensation or benefit plans, policies or arrangements covering any employees of the Sellers (including all Transferred Employees with respect to periods prior to the Closing Time), except as expressly provided in Section 5.9;

(c) any indebtedness of the Sellers for borrowed money or guarantees of such indebtedness for borrowed money outstanding as of the Closing Time;

(d) any liability or obligation to the extent relating to an Excluded Asset;

(e) any liability to the extent resulting from any release of Hazardous Substances by, or material violations of Environmental Law caused by, the Sellers, or any of their respective agents or representatives, prior to the Closing;

(f) any liabilities that are not described in Section 2.3(a) or 2.3(c) and that arise under any Contracts, Permits or FCC Licenses that are not described in Section 2.3(b);

(g) any liabilities for change of control or other compensation payments to any employee of a Seller that arise as the result of the consummation of any transaction contemplated by this Agreement or any severance obligations, liabilities or payments;

(h) any liabilities for bonuses or other compensation payments that arise as a result from a transaction contemplated by this Agreement;

(i) any monetary fines or forfeitures imposed by the FCC for rule violations occurring prior to the Closing (whether or not disclosed or scheduled); and

(j) any liabilities arising from or attributable to the helicopter/tower accident described on Schedule 3.10 of the Disclosure Schedules.

Section 2.5 Consideration.

In full consideration for the sale, assignment, transfer, conveyance and delivery of the Transferred Assets to the Buyers, at the Closing, the Buyers shall (a) pay to (or as directed in writing by) the Sellers, by wire transfer to a bank account or accounts designated in writing by the Sellers to the Buyers, an amount equal to \$115,000,000 (the “Base Purchase Price”, and as adjusted in accordance with this Agreement, the “Purchase Price”), less the Deposit, less the amount of any DTV Offset (if any), in immediately available funds in United States dollars and (b) assume the Assumed Liabilities. The Purchase Price shall be subject to adjustment as provided in Section 2.8.

Section 2.6 Purchase Price Deposit; Escrow Fund.

Upon execution and delivery of this Agreement, the Buyers shall deposit a portion of the Purchase Price in the amount of \$5,750,000 (the “Deposit”) in immediately available funds in United States dollars in escrow with SunTrust Bank (the “Escrow Agent”), to be held by the Escrow Agent and in accordance with the terms and conditions of the Escrow Agreement (the Deposit and any interest accruing thereon is referred to as the “Escrow Fund”). The Escrow Fund will be owned by the Buyers for all relevant purposes relating to Taxes, unless and until the Closing occurs, and from and after the Closing will be owned by the Sellers for all relevant purposes relating to Taxes. The Escrow Fund will be held by the Escrow Agent, pursuant to the terms of the Escrow Agreement and will be released and applied as follows:

(a) If the Closing does not occur and this Agreement is terminated by the Sellers under Section 8.1(b)(i), KSWO Inc. and KFDA Operating will give the Escrow Agent written instructions to release the Escrow Fund to KSWO Inc., on behalf of all of the Sellers, in accordance with the Escrow Agreement.

(b) If the Closing does not occur and this Agreement is terminated for any reason other than for the reason set forth in Section 2.6(a), KFDA Operating and KSWO Inc. will give the Escrow Agent written instructions to release the Escrow Fund to the Buyers in accordance with the Escrow Agreement.

(c) If the Closing occurs, then (i) at the Closing, the Buyers and KSWO Inc. will give joint written instructions to the Escrow Agent directing the Escrow Agent to pay to the Buyers the amount then held by the Escrow Agent pursuant to the Escrow Agreement that is in excess of \$5,750,000, and (ii) following the Closing, the remainder of the Escrow Fund will secure the Sellers’ obligations under Section 2.8(e) and Article VII following the Closing, and will be held and disbursed in accordance with Sections 2.8(e) and Article VII and the terms of the Escrow Agreement.

Section 2.7 Closing.

(a) The sale and purchase of the Transferred Assets and the assumption of the Assumed Liabilities contemplated by this Agreement shall take place at a location proposed by the Sellers (subject to Buyers' consent, not to be unreasonably withheld) at 10:00 A.M. Central Time, on the last Business Day of the first month during which all conditions to the obligations of the parties set forth in Article VI (other than such conditions as may, by their terms, be satisfied only at the Closing or on the Closing Date) are satisfied or to the extent permitted by applicable Law, waived (or at such other place, date or time as may be agreed by the parties); provided, however, that, unless otherwise agreed by KSWO Inc. and the Buyers, the Closing shall not occur sooner than three Business Days after the satisfaction or waiver of all conditions to the obligations of the parties set forth in Article VI (other than such conditions as may, by their terms, be satisfied only at the Closing or on the Closing Date); and provided further that (i) if the Closing is delayed pursuant to the preceding proviso, then the Closing shall be delayed to the fourth such Business Day and (ii) notwithstanding clause (i) above, such delay shall be shortened in the event that the FCC Consent becomes effective within four Business Days prior to December 31, 2008 to the extent necessary for the Closing, in such case, to occur on or prior to December 31, 2008. The day on which the Closing takes place is referred to herein as the "Closing Date". Subject to the consummation of the Closing on the Closing Date, the sale and purchase of the Transferred Assets and the assumption of the Assumed Liabilities contemplated by this Agreement will be deemed effective as of the Closing Time.

(b) At the Closing, the Sellers shall cause to be delivered to the Buyers the following documents:

(i) duly executed copies of each of the Ancillary Agreements (in forms reasonably satisfactory to the Buyers, in the case of those for which a form is not attached as an Exhibit to this Agreement) to which one or more of the Sellers is to be party;

(ii) certified copies of resolutions, duly adopted by the respective boards of directors or similar governing bodies or Persons of the Sellers, which shall be in full force and effect at the Closing Time, authorizing or ratifying the execution, delivery and performance by the Sellers of this Agreement and the transactions contemplated hereby;

(iii) a duly executed certificate of the secretary of the Sellers as to incumbency and specimen signatures of officers of the Sellers executing this Agreement and/or the Ancillary Agreements;

(iv) a duly executed certificate of an officer of the Sellers pursuant to Section 6.3(a);

(v) an opinion of counsel for the Sellers (the "Oklahoma Opinion") and an opinion of FCC counsel for the Sellers, each dated the Closing Date, in the forms of Exhibit F-1 and Exhibit F-2, respectively, with an additional opinion in a form reasonably satisfactory to the Buyers addressing substantially the matters addressed the Oklahoma Opinion, but as to the Sellers other than KSWO Inc. and as to matters of Texas law;

(vi) written instructions to the Escrow Agent as described in Section 2.6(c);

(vii) [reserved]

(viii) a list showing each former employee of any Seller who, as of the Closing Time, is currently on COBRA continuation coverage, including a description of the related premium payments required to be paid by any Seller;

(ix) a list showing the motor vehicles then owned by the Sellers and included in the Transferred Assets and not reflected in Schedule 3.5(a) of the Disclosure Schedules;

(x) (A) the Rooftop Lease Agreement dated September 1, 1998, by and between TCTB Partners (fka PNRC Properties) and Midessa Television Co., as amended by the First Amendment dated September 22, 2000 shall have been renewed at least through August 30, 2009 on terms reasonably satisfactory to the Buyer (which the parties agree may include an increase in the rent payable thereunder as contemplated by such Rooftop Lease Agreement) and (B) counterparts of the Lease Agreement June 1, 2001 between Andrews Tower Rental, Inc. ("Andrews") and one of the Sellers, as successor to Telemundo of Galveston, executed by Andrews and such Seller, or other evidence reasonably satisfactory to the Buyer that such agreement is in effect and that a Seller is the lessee thereunder, or another lease agreement entered into between Andrews Tower Rental, Inc., and a Seller for the space leased by the Sellers thereunder on terms reasonably satisfactory to the Buyer; and

(xi) all other documents reasonably requested by the Buyers that are reasonably necessary to effect the intent of this Agreement and consummate the transactions contemplated hereby.

(c) At the Closing, the Buyers shall deliver or cause to be delivered to the Sellers the following documents:

(i) duly executed copies of each of the Ancillary Agreements (in forms reasonably satisfactory to the Sellers, in the case of those for which a form is not attached as an Exhibit to this Agreement) to which a Buyer is to be party;

(ii) a duly executed certificate of the secretary of the Buyers as to incumbency and specimen signatures of officers of the Buyers executing this Agreement and the Ancillary Agreements;

(iii) a duly executed certificate of an officer of the Buyers pursuant to Section 6.2(a);

(iv) written instructions to the Escrow Agent as described in Section 2.6(c); and

(v) all other documents reasonably requested by the Sellers that are reasonably necessary to effect the intent of this Agreement and consummate the transactions contemplated hereby.

Section 2.8 Adjustment of Purchase Price.

(a) Closing Date Net Asset Adjustment.

(i) Not later than two Business Days prior to the Closing, KSWO Inc. shall deliver to the Buyers the Pre-Closing Net Asset Statement, which shall set forth the Sellers' estimate of the Current Assets and the Current Liabilities as of the Closing Time. The Pre-Closing Net Asset Statement shall be prepared in accordance with GAAP, as applied on a basis consistent with the preparation of the Financial Statements. KSWO Inc. shall derive the Pre-Closing Net Asset Value from the Pre-Closing Net Asset Statement, and shall deliver such calculation along with the Pre-Closing Net Asset Statement to the Buyers.

(ii) At the Closing, the Base Purchase Price shall be: (A) increased by the amount, if any, by which the Pre-Closing Net Asset Value is greater than \$0.00 or (B) decreased by the amount, if any, by which the Pre-Closing Net Asset Value is less than \$0.00.

(b) Final Net Asset Adjustment.

(i) Not more than 90 days following the Closing, the Buyers shall deliver to KSWO Inc. the Final Net Asset Statement, which shall set forth the Current Assets and the Current Liabilities of the Business as of the Closing Time. The Final Net Asset Statement shall be prepared in accordance with GAAP, as applied on a basis consistent with the preparation of the Financial Statements. The Buyers shall derive the Final Net Asset Value from the Final Net Asset Statement, and shall deliver such calculation along with the Final Net Asset Statement to KSWO Inc.

(ii) KSWO Inc. shall complete its review of the Final Net Asset Statement and the Buyers' calculation of the Final Net Asset Value within 30 days after delivery thereof. In the event that KSWO Inc. determines that the Final Net Asset Statement has not been prepared on the basis set forth in Section 2.8(b)(i) or otherwise objects to the Buyers' calculation of the Final Net Asset Value, KSWO Inc. may, on or before the last day of such 30-day period, so inform the Buyers in writing (the "Seller Objection"), setting forth a good faith description of the basis for KSWO Inc.'s objection and the adjustments to the Final Net Asset Statement and the Final Net Asset Value that KSWO Inc. believes should be made. If no Seller Objection is received by the Buyers on or before the last day of such 30-day period, or if during such 30-day period KSWO Inc. gives the Buyers notice to the effect that KSWO Inc. does not dispute the Buyers' determination of the Final Net Asset Value, then the Final Net Asset Value, as set forth on the Final Net Asset Statement delivered by the Buyers, shall be final. The Buyers shall have 30 days from its receipt of the Seller Objection to review and respond to the Seller Objection.

(c) Resolution of Seller Objections. If KSWO Inc. and the Buyers do not resolve all of their disagreements with respect to the proposed adjustments set forth in the Seller

Objection within 15 days following the completion of the Buyers' review of the Seller Objection, they shall refer any remaining disagreements with respect to the Seller Objection to the CPA Firm, which, acting as experts and not as arbitrators, shall determine, on the basis set forth in and in accordance with this Agreement, and only with respect to the remaining differences so submitted, whether and to what extent, if any, the Final Net Asset Statement or the Final Net Asset Value, in each case, as computed by the Buyers, require adjustment. The Buyers and KSWO Inc. shall instruct the CPA Firm to deliver its written determination to the Buyers and KSWO Inc. no later than 60 days after the remaining differences underlying the Seller Objection are referred to the CPA Firm. The CPA Firm's determination shall be conclusive and binding upon the Buyers, the Sellers and their respective Affiliates and may not be challenged or appealed in any tribunal by any party. The Buyers and the Sellers shall make readily available to the CPA Firm all relevant books and records and any work papers (including those of the parties' respective accountants, to the extent permitted by such accountants) relating to the Final Net Asset Statement, the Final Net Asset Value and the Seller Objection and all other items reasonably requested by the CPA Firm in connection therewith that are in its possession. If any party fails to reasonably cooperate with the CPA Firm or provide supporting information requested by the CPA Firm within 30 days after such request, then such party shall be in breach of this Agreement, which may be remedied in accordance with Section 9.12 relating to enforcement. The cost of retaining of the CPA Firm shall be borne by the party or parties (i.e., by the Buyers, or by the Sellers) against which the CPA Firm resolves a majority of the aggregate amount in dispute (determined by value), provided, however, that if any party seeks to enforce this provision in accordance with Section 9.12, and such relief is granted, then the non-prevailing party or parties will bear all additional fees and costs in connection with such enforcement, including all court costs and attorney's fees.

(d) Access to Information. The Sellers shall provide to the Buyers full access to their books and records regarding the Business and to any other information, including work papers of its accountants (to the extent permitted by such accountants), and to any employees during regular business hours and on reasonable advance notice, to the extent reasonably necessary for the Buyers to prepare the Final Net Asset Statement, to respond to the Seller Objection and to prepare materials for presentation to the CPA Firm in connection with Section 2.8(c). The Sellers shall have full access to all information used by the Buyers in preparing the Final Net Asset Statement and the Final Net Asset Value, including the work papers of its accountants, and to any employees during regular business hours and on reasonable advance notice, to the extent reasonably necessary for the Sellers to review and respond to the Final Net Asset Statement and the Final Net Asset Value and to prepare materials for presentation to the CPA Firm in connection with Section 2.8(c).

(e) Final Purchase Price Adjustment.

(i) Following the Closing, the Purchase Price shall be adjusted by the Final Adjustment Amount, if any.

(ii) If the Final Adjustment Amount is positive, the Buyers shall promptly (and in any event within five Business Days) after the final determination thereof pay to KSWO Inc. (on behalf of the Sellers) the Final Adjustment Amount, plus interest on such amount from the Closing Date to, but not including, the date of payment at one-month LIBOR

(as in effect on the Closing Date) calculated on a 365-day basis, in U.S. Dollars by wire transfer of immediately available funds to an account or accounts designated by KSWO Inc.

(iii) If the Final Adjustment Amount is negative, the Sellers shall promptly (and in any event within five Business Days) after the final determination thereof pay to the Buyers the amount by which the Final Adjustment Amount is less than \$0.00, plus interest on such amount from the Closing Date to, but not including, the date of payment at one-month LIBOR (as in effect on the Closing Date) calculated on a 365-day basis, in U.S. Dollars by wire transfer of immediately available funds to an account or accounts designated by the Buyers.

(iv) In case of any Seller Objection, the parties shall calculate and pay the Final Adjustment Amount in accordance with this Section 2.8(e) based on the undisputed portions of the Final Adjustment Amount. When the Final Adjustment Amount is finally determined as provided in this Section 2.8, the parties shall recalculate and pay the Final Adjustment Amount in accordance with this Section 2.8(e).

Section 2.9 Allocation of Purchase Price.

The Buyers and the Sellers agree that the Purchase Price shall be allocated for federal income tax purposes among the Transferred Assets as shall be determined by the parties in accordance with the attached Exhibit A (the “Allocation Schedule”). Except for the fact that it does not yet reflect the Current Assets and Assumed Liabilities that are liabilities for income tax purposes, the Buyers and the Sellers believe that the Allocation Schedule has been prepared in accordance with Section 1060 of the Code, and the parties will revise the Allocation Schedule to reflect the amounts of the Current Assets and such Assumed Liabilities when they those amounts are known after the Closing Date. Unless otherwise required by applicable Law, the Buyers and the Sellers agree to act, and cause their respective Affiliates to act, in accordance with the computations and allocations contained in the Allocation Schedule (as revised as agreed by them) in any relevant Returns or similar filings (including any forms or reports required to be filed pursuant to Section 1060 of the Code (the “1060 Forms”)), to cooperate in the preparation of any 1060 Forms, to file such 1060 Forms in the manner required by applicable Law and to not take any position inconsistent with such Allocation Schedule (as so revised) upon examination of any Returns, in any litigation or otherwise.

ARTICLE III REPRESENTATIONS AND WARRANTIES OF THE SELLERS

The Sellers hereby jointly and severally represent and warrant to the Buyers as follows:

Section 3.1 Organization and Qualification.

Each Seller is a corporation or limited partnership (as specified in the Recitals) validly existing and in good standing under the laws of its state of formation and has all necessary corporate or partnership power and authority to own, lease and operate the Transferred Assets and to carry on the Business as it is now being conducted by it. Each Seller is duly qualified or licensed as a foreign entity to do business, and is in good standing, in each jurisdiction set forth opposite its

name on Schedule 3.1 of the Disclosure Schedules. The Sellers have delivered to the Buyers correct and complete copies of each Seller's certificate of formation and partnership agreement, or articles of incorporation and by-laws, as applicable, in each case as presently in effect.

Section 3.2 Authority.

Each Seller has full corporate or partnership power and authority to execute and deliver this Agreement and each of the Ancillary Agreements to which it will be a party, to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery by each Seller of this Agreement and by each Seller of each of the Ancillary Agreements to which it will be a party and the consummation by such Seller of the transactions contemplated hereby and thereby have been duly and validly authorized by all necessary corporate or partnership action. This Agreement has been, and upon their execution each of the Ancillary Agreements to which each Seller will be a party will have been, duly executed and delivered by such Seller. This Agreement constitutes, and upon the execution each of the Ancillary Agreements to which each Seller will be a party will constitute, the legal, valid and binding obligations of such Seller, enforceable against such Seller in accordance with their respective terms, except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general principles of equity (regardless of whether considered in a proceeding in equity or at law).

Section 3.3 No Conflict; Required Filings and Consents.

(a) If the Required Consents set forth on Schedule 3.3(a) of the Disclosure Schedules are obtained, and subject to compliance with the applicable requirements of the HSR Act, then the execution, delivery and performance by each Seller of this Agreement, and by each Seller of each of the Ancillary Agreements to which such Seller will be a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not:

- (i) conflict with or violate the articles or certificate of incorporation or formation, by-laws or partnership agreement of any Seller;
- (ii) conflict with or violate any judgment, decree, order, statute, Law, rule or regulation of any court, arbitrator or government or regulatory body applicable to such Seller, its Business or any of its Transferred Assets or by which such Seller, its Business or any of its Transferred Assets may be bound or affected;
- (iii) violate, conflict with, result in any breach of, constitute a default (or an event that, with notice or lapse of time or both, would become a default) under, accelerate performance required by the terms of or result in the termination, suspension, or modification of, result in the creation or imposition of any Encumbrance (other the Permitted Encumbrances) under, require any consent of any Person pursuant to, or give to others any rights of termination, acceleration or cancellation of, any of its Material Contracts, Licenses, FCC Licenses or Permits or otherwise to materially impair the ability of the Buyers, after the Closing, to own and operate the Station(s) that such Seller operates, in the manner operated by such Seller prior to the Closing; or

(iv) violate, conflict with or result in any breach of or any default under, result in any termination or modification of, or cause any acceleration of any obligation of such Seller under, any Contract to which such Seller is party or by which it is, or its Transferred Assets are, bound, which violation, conflict, breach or default would have a Material Adverse Effect.

(b) No Seller is required to file, seek or obtain any notice, authorization, approval, order, permit or consent of or with any Governmental Authority or any third party in connection with the execution, delivery and performance by such Seller of this Agreement and by such Seller of each of the Ancillary Agreements to which such Seller will be a party or the consummation of the transactions contemplated hereby or thereby or in order to prevent the termination of any right, privilege, License or qualification relating to the Business, except (i) for the Required Consents identified on Schedule 3.3(a) of the Disclosure Schedules or not required to be identified thereon by reason of the materiality qualification in Section 3.3(a), (ii) any Required Consent under any Contract that is not a Material Contract, or (iii) as may be necessary as a result of any facts or circumstances relating to the Buyers or any of its Affiliates.

Section 3.4 Transferred Assets.

(a) Each Seller either has good, transferable and indefeasible title to or has a valid leasehold interest in, or as of the Closing will have good, transferable and indefeasible title to or have a valid leasehold interest in, all of its Transferred Assets (other than Real Property, to which Section 3.13 applies), free and clear of any Encumbrances except Permitted Encumbrances, Encumbrances described on Schedule 3.4(a) of the Disclosure Schedules, the Required Consents identified on Schedule 3.3(a) of the Disclosure Schedules and the Required Consents not required to be identified on such Schedule. Upon consummation of the transactions contemplated by this Agreement and the Ancillary Agreements, each Seller will have assigned, transferred and conveyed to the Buyers, good title to (or, as the case may be, a valid leasehold interest in) all of such Transferred Assets, free and clear of all Encumbrances except the Permitted Encumbrances and except for the absence of the Required Consents that are listed on Schedule 3.3(a) of the Disclosure Schedules, or that are not required to be listed on such Schedule, in each case that are not obtained prior to the Closing.

(b) Except for the Excluded Assets, the Transferred Assets constitute all of the assets, properties, rights, interests and claims necessary to permit the Buyers to conduct the Business as it is being conducted by the Sellers and in compliance in all material respects with all applicable Laws and its Material Contracts, FCC Licenses, Licenses and Permits as of the Closing and to perform all of the liabilities and obligations of its Business as they exist at the Closing.

(c) Except as set forth on Schedule 3.4(c) of the Disclosure Schedules, all of the buildings, machinery, Equipment, and other tangible assets included as part of the Transferred Assets and Tangible Personal Property, whether owned or leased, are, free from material patent defects and to each Seller's Knowledge free from material latent defects, have been maintained in accordance with normal industry practice (and, where applicable, generally accepted standards of good engineering practice), and are in good operating condition (subject to normal wear and tear), that is suitable for the purposes for which they are presently used. The

Transferred Assets, together with the Excluded Assets, are sufficient to operate the Business as it is operated by the Sellers in the ordinary course of business.

(d) Schedule 3.4(d) of the Disclosure Schedules sets forth a description of all material services provided by the Sellers with respect to the Stations utilizing either (i) assets not included in the Transferred Assets or the Excluded Assets or (ii) employees of a Seller that are neither listed in Schedule 3.12(a) of the Disclosure Schedules nor replacements of such listed employees.

(e) Except as set forth on Schedule 3.4(e) of the Disclosure Schedules, no ownership of Transferred Assets is evidenced by a certificate of title or similar certificate.

Section 3.5 Tangible Personal Property. Schedule 3.5(a) of the Disclosure Schedules lists as of March 31, 2008 all Tangible Personal Property acquired by a Seller since 1997 for an initial cost in excess of \$10,000 and included in the Transferred Assets.

Section 3.6 Options. Except as set forth on Schedule 3.6 of the Disclosure Schedules, no Affiliate of a Seller or any other Person has any option to acquire, or (except for Permitted Encumbrances) any interest in, any of its Transferred Assets or any property (real or otherwise) used in the operation of its Station(s).

Section 3.7 Financial Statements.

(a) Attached hereto as Schedule 3.7(a) of the Disclosure Schedules are true and complete copies of the unaudited balance sheets for each Station, and the unaudited combined statements of income of the Business, for each of the calendar year ending on of December 31, 2006 and the calendar year ending on December 31, 2007 (collectively referred to as the "Financial Statements").

(b) Except as disclosed on Schedule 3.7(b) of the Disclosure Schedules, or as noted in the Financial Statements themselves, the Financial Statements (i) have been prepared based on the books and records of the Sellers relating to the Business (except as may be indicated in any notes thereto); (ii) have been prepared in accordance with GAAP applied on a consistent basis throughout the periods indicated (except for the absence of any footnotes that may be required by GAAP), (iii) are consistent in all material respects (without giving effect to materiality under GAAP to the extent necessary to avoid "double materiality") with the books and records of the Sellers, and (iv) fairly present in accordance with GAAP (except for the absence of any footnotes that may be required by GAAP) the financial condition and results of operations of Business for the respective periods indicated therein. The books and records of Sellers relating to the Business (x) have been maintained according to applicable Law and reasonable business practices and (y) taken together, are accurate and complete in all material respects. If a Financial Statement did contain the footnotes (if any) that would be required by GAAP, then the financial position or results of operations reflected in such Financial Statement (when considered together with such footnote(s)) would not be materially worse than the financial position or results of operations reflected in such Financial Statement (when considered without such footnote(s)), except as a result of any Excluded Liability(ies) and/or Material Contract(s) that would be reflected in or referred to in such footnote(s).

Section 3.8 Absence of Certain Changes or Events.

(a) Except as disclosed in Schedule 3.8(a) of the Disclosure Schedules or as related to the transactions contemplated hereby, since December 31, 2007 there have been no events, series of events or the lack of occurrence of any events or series of events that were reasonably anticipated that, singularly or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

(b) Without limiting the generality of Section 3.8(a), except as set forth in Schedule 3.8(b) of the Disclosure Schedules, since December 31, 2007 each Seller has operated in the ordinary course of business and prior to the date of this Agreement :

(i) there has not been any uncured default by a Seller under the terms of the leases for the Real Property or any material destruction of or physical damage, destruction or loss (whether or not covered by insurance) to any of its Transferred Assets;

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

(iii) each Seller has preserved its business organization intact and has used its commercially reasonable efforts to keep available the services of its employees and to preserve its relationships with the applicable Networks, the FCC, the FAA and its customers, advertisers, suppliers, MVPDs and others with whom it deals;

(iv) no Seller has sold, leased, transferred, or assigned any of its assets, tangible or intangible, that if they were held by a Seller on the Closing Date would constitute Transferred Assets, other than in the ordinary course of business and in a manner not materially adverse to it;

(v) the Seller has not made any loan to any of its members, officers, or employees outside the ordinary course of business except as would not have any effect on the Transferred Assets;

(vi) no Seller has taken any other material action outside of the ordinary course of business, except as related to the transactions contemplated hereby;

(vii) No party (including a Seller) has accelerated, or (other than in the ordinary course of business) terminated or cancelled, any agreement, contract, lease or license involving more than \$50,000 to which a Seller is a party or by which it is bound;

(viii) no Seller has made any capital expenditure (or series of related capital expenditures), or any capital investment in, any loan to, or any acquisition of the securities or assets of, any other Person, involving more than \$250,000 individually;

(ix) no Seller has delayed or postponed the payment of accounts payable or other Liabilities either involving more than \$250,000 (individually) or outside the ordinary course of business;

(x) no Seller has canceled, compromised, waived, or released any Action (or series of related Actions) either involving more than \$250,000 or outside the ordinary course of business; and

(xi) for U.S. federal and state Tax purposes, no Seller has made any change in any of its accounting methods, policies, procedures, practices or methods with respect to applying such principles that will be binding on the Buyers.

Section 3.9 Compliance with Law.

(a) Except as disclosed in Schedule 3.9(a) of the Disclosure Schedules, and other than with respect to the Communications Laws (the representations and warranties about which are exclusively provided in Section 3.14), each Seller has maintained and operated its Business and Transferred Assets (other than Real Property, to which only Section 3.13 applies) in material compliance with applicable Laws and all court orders, judgments, arbitration awards or decrees relating to or affecting the Business, if any, and no Seller has, since January 1, 2006, received any notice of any claims of any Governmental Authority, and Sellers have no Knowledge that any Seller is not in material compliance with all Laws, court orders, judgments, arbitration awards and decrees applicable to it in connection with the conduct or operation of the Business and the ownership or use of such Transferred Assets.

(b) Schedule 3.9(b) of the Disclosure Schedules sets forth a list of all Licenses held by each Seller. Except as set forth in Schedule 3.9(b) of the Disclosure Schedules, all material permits, Licenses, franchises, approvals, certificates, consents, waivers, concessions, exemptions, orders, registrations, notices or other authorizations of any Governmental Authority necessary for each Seller to operate its Business (including any Owned Real Property or Leased Real Property) and to own its Station(s) (other than the FCC Licenses) (the “Permits”) are in full force and effect and constitute the valid, legal, binding and enforceable obligation of the applicable Seller. True and correct copies of all of each Seller’s written Licenses have been made available to the Buyers. Except as set forth in Schedule 3.9(b) of the Disclosure Schedules, each Seller and the operation of its Station(s) are in compliance in all material respects with its Permits and all other applicable requirements of Governmental Authorities relating to such Permits and no suspension, modification, termination or cancellation of any of its Permits is pending or, to the Knowledge of each Seller, threatened.

(c) Except as set forth on Schedule 3.9(c) of the Disclosure Schedules, no material expenditures are, based on applicable Law, required of any Seller for it and its Business and operations to be, at the present time, in compliance with applicable Law.

Section 3.10 Litigation.

Except as set forth on Schedule 3.10 of the Disclosure Schedules and except for routine claims in the ordinary course of business that are not individually or in the aggregate material, (a) there is no Action by or against a Seller pending, or to the Knowledge of the Sellers, threatened, in connection with the operation of the Business, or the ownership of its Station(s) or Transferred Assets or that could adversely affect the ability of any Seller to perform its obligations under this Agreement or the Ancillary Agreements or which seeks to restrain or prohibit, or to obtain

damages or other relief in connection with, this Agreement or the Ancillary Agreements, and (b) there is not in existence any order, writ, judgment, award, injunction or decree of any Governmental Authority of competent jurisdiction or any arbitrator or arbitrators requiring a Seller to take any action of any kind with respect to its Business or Transferred Assets, or to which its Business or Transferred Assets are subject or by which they are bound or affected or which would affect the legality, validity or enforceability of this Agreement or any Ancillary Agreement or the consummation of the transactions contemplated hereby or thereby.

Section 3.11 Employee Plans.

(a) Schedule 3.11(a) of the Disclosure Schedules sets forth all material Employee Plans in effect.

(b) Except as disclosed on Schedule 3.11(b) of the Disclosure Schedules: (i) with respect to the Employee Plans in effect currently or within six years prior to the date of this Agreement, each such Employee Plan has been operated and administered in all material respects in accordance with applicable Law and administrative or governmental rules and regulations, including ERISA and the Code, and the requirements of such Employee Plan's governing documents; and (ii) there does not now exist, nor do any circumstances exist that would reasonably be expected to result in, any liabilities with respect to any Employee Plan under (A) Title IV of ERISA, (B) Section 302 of ERISA, or (C) Sections 412 and 4971 of the Code, in each case, that would reasonably be expected to be a liability of the Buyers.

(c) Schedule 3.11(c) of the Disclosure Schedules lists each former employee of each Seller who, on the date of this Agreement, is currently on COBRA continuation coverage, and a complete and accurate description of the related premium payments required to be paid by any Seller.

(d) No Employee Plan requires or obligates the Buyers to assume the benefits or to have any liability thereunder except as required under COBRA or other Law.

Section 3.12 Labor and Employment Matters.

(a) Schedule 3.12(a) of the Disclosure Schedules accurately sets forth the names, date of hire, position and current rate of compensation of each of the Business Employees and there has been no material change in the number of Business Employees or compensation payable thereto (other than any change in compensation that would not be prohibited by Section 5.1 or 5.2, or pursuant to any contract listed on Schedule 3.18 of the Disclosure Schedules) since the date of such listing. Such list also includes, as of such date, for each Business Employee a description of any other compensation arrangements, whether written or oral, including bonuses, personal vehicle usage, severance or other perquisites that are not set forth in an employment agreement listed on Schedule 3.18(a) of the Disclosure Schedules. Except with respect to ongoing disputes of a routine nature or involving immaterial amounts, and accrued amounts to be paid in the ordinary course of business, each Seller has paid in full to its Business Employees all wages, salaries, commissions, bonuses, benefits and other compensation due and payable to such employees. Except as set forth on Schedule 3.12(a) of the Disclosure Schedules or in any contract listed on Schedule 3.18 of the Disclosure Schedules, all Business Employees are employees-at-will and there are no employment agreements between any Seller and

any Business Employee or professional service contracts not terminable at will relating to the Business and operations thereof or written or oral contracts for the future employment of any Business Employee.

(b) Each Seller is not, and has not been, party to any labor or collective bargaining contract that pertains to any Business Employees and no such labor or collective bargaining contract is being negotiated by any Seller with respect to any of its Business Employees. No union has been certified to represent any of the Sellers' Business Employees for purposes of collective bargaining, no union claims to represent or is seeking to represent any of their Business Employees for purposes of collective bargaining and no Seller has recognized or agreed to recognize any union for the purposes of collective bargaining for any of its Business Employees. No Seller is engaged, or has engaged, in any unfair labor practice or other unlawful employment practice and, to the Knowledge of the Sellers, there is not now, nor has there ever been, any actual or threatened: (i) unfair labor practice charge or complaint involving of their Business Employees pending before the National Labor Relations Board, the Equal Employment Opportunity Commission, the Occupational Safety and Health Administration, the U.S. Department of Labor, any arbitration tribunal or any other federal, state, local or other Governmental Authority, (ii) grievance or other claim involving any of their Business Employees pending before any Governmental Authority, (iii) arbitration proceeding arising out of or under any collective bargaining agreement pending before any Governmental Authority involving any of their Business Employees, (iv) union organizing of any of their Business Employees, (v) labor strike, picketing, work slowdown, lockout or other labor dispute involving or concerning any of their Business Employees; or (vi) any obligation on the part of a Seller to comply with government contractor affirmative action obligations arising out of any Contracts.

(c) Except for the assumption of the Assumed Liabilities, the consummation of the transactions contemplated hereby will not cause the Buyers to incur or suffer any liability relating to, or obligation to pay, severance, termination or other payments to any Person, or any liability or obligation to pay, with respect to any Employee Plans.

(d) All handbooks and written policies and procedures relating to employment by Seller including those relating to, compensation, benefits, equal employment opportunity and safety, are listed on Schedule 3.12(d) of the Disclosure Schedules and the Sellers have made available to the Buyers true and complete copies thereof.

Section 3.13 Real Property.

(a) Schedule 3.13(a) of the Disclosure Schedules lists each parcel of Real Property owned by a Seller that constitutes a Transferred Asset (collectively for all Sellers, the "Owned Real Property").

(b) Except for the Permitted Encumbrances and except as disclosed on Schedule 3.13(b) of the Disclosure Schedules, (i) except for the Required Consents that are listed on Schedule 3.3(a) of the Disclosure Schedules, or that are not required to be listed on such Schedule, in each case that are not obtained prior to the Closing, each Seller has or as of the Closing Time will have good and indefeasible and marketable, as applicable, fee simple title to all of its Owned Real Property and all buildings, improvements and fixtures thereon, free and clear of all Encumbrances other than Encumbrances described on Schedule 3.4(a) of the

Disclosure Schedules, (ii) the Owned Real Property, any building, improvements or fixtures constructed thereon and its current use is in material compliance with all applicable Laws and all restrictive covenants related thereto, if any, (iii) no Seller has received written notice from any Governmental Authority or has Knowledge that its Owned Real Property, any building, improvements or fixtures constructed thereon or its current use is not in material compliance with all applicable Laws, except for such failures to comply, if any, which have been remedied, and (iv) there is no pending or written threat of condemnation, lawsuit, administrative action or similar proceeding affecting the Owned Real Property or any portion thereof.

(c) Schedule 3.13(c) of the Disclosure Schedules lists each parcel of Real Property leased by a Seller as lessee that constitutes a Transferred Asset (collectively for all Sellers, the “Leased Real Property”).

(d) Except for the Permitted Encumbrances and except as disclosed on Schedule 3.13(d) of the Disclosure Schedules: (i) subject to the Required Consents that are listed on Schedule 3.3(a) of the Disclosure Schedules, or that are not required to be listed on such Schedule, each Seller has or as of the Closing Time will have a valid leasehold estate in all of its Leased Real Property, free and clear of all Encumbrances other than Encumbrances described on Schedule 3.4(a) of the Disclosure Schedules, (ii) no Seller has received written notice from any Governmental Authority or has Knowledge that its Leased Real Property, any building, improvements or fixtures constructed thereon or its current use is not in material compliance with all applicable Laws, except for such failures to comply, if any, which have been remedied, (iii) all leases in respect of the Leased Real Property are in full force and effect and no Seller is in material breach or default under any such lease, (iv) no Seller has received any written notice or has Knowledge of a material breach or default thereunder, and to the Knowledge of the Sellers, no event has occurred that, with notice or lapse of time or both, would constitute a material breach or default thereunder, (v) to the Knowledge of the Sellers, there is no pending or written threat of condemnation, lawsuit, administrative claim or similar proceeding affecting the Leased Real Property or any portion thereof, (vi) the Leased Real Property, any building, improvements or fixtures constructed thereon and its current use is in material compliance with all applicable Laws and all restrictive covenants related thereto, if any, and (vii) there has not been any sublease or assignment entered into by a Seller in respect of the leases relating to its Leased Real Property except for those disclosed on Schedule 3.13(d) of the Disclosure Schedules. Except as disclosed on Schedule 3.13(d) of the Disclosure Schedules, the documents made available by the Sellers to the Buyers as evidence of each lease of Real Property constitute the entire agreement setting forth all material terms between the relevant Seller(s) and the lessor.

(e) Schedule 3.13(e) of the Disclosure Schedules lists all other material Real Property (other than Owned Real Property, Leased Real Property or licenses of real property described on Schedule 2.2(m) of the Disclosure Schedules) of each Seller used in connection with the conduct the Business. Except as set forth on Schedule 3.13(e) of the Disclosure Schedules, each Seller has, or as of the Closing Time will have, the valid and enforceable right to use all such other Real Property pursuant to the Licenses, Permits, easements, rights-of-way or other rights necessary to conduct the Business (collectively, the “Easements”), in each case subject only to Permitted Encumbrances and the Required Consents that are listed on Schedule 3.3(a) of the Disclosure Schedules or that are not required to be listed on such Schedule. Each Seller has not received any written notice of termination, material breach or material impairment

of any of the Easements. Except as disclosed on Schedule 3.13(e) of the Disclosure Schedules, the documents made available by each Seller to the Buyers as evidence of each Easement constitute the entire agreement setting forth all material terms between each Seller and the grantor.

(f) Except as set forth on Schedule 3.13(f) of the Disclosure Schedules, there are no (i) parties in possession of any portion of the Owned Real Property except the Seller and (ii) lease, license agreements or any other occupancy agreements in effect with respect to the Owned Real Property under which Seller is the landlord or licensor.

(g) The water, sanitary sewer, storm sewer, drainage, telephone, gas, television cable and other public utility systems and lines serving the Real Property are adequate for service to the Real Property as it is utilized by the Sellers. The Seller has not received any written or, to the Sellers' Knowledge, oral notice of any actual or threatened reduction or curtailment of any utility services to the Real Property. No assessments for public improvements have been made against the Real Property which remain unpaid and, to the Knowledge of the Seller, there are no plans by any Governmental Authorities to implement any such assessments prior to the Closing Date. There is no pending or, to the Knowledge of the Seller, special assessments or change in zoning affecting the Real Property.

(h) There are no unpaid charges, debts, liabilities, claims or obligations arising from the ownership or operation of the Real Property that are due and payable and that could give rise to any mechanics' or materialmen's or statutory liens against the Real Property.

Section 3.14 FCC Licenses; Compliance with Communications Laws; Cable Matters.

(a) Schedule 1.1(a) of the Disclosure Schedules sets forth a complete and accurate list of all FCC Licenses held by the Sellers (including call sign, licensee, community and state of license, facility identification number, and the current license expiration date). Except as set forth on Schedule 3.14(a) of the Disclosure Schedules: (i) the Sellers, taken together, validly hold, and, on the Closing Date will validly hold, the FCC Licenses, (ii) the FCC Licenses constitute all of the licenses, permits and authorizations that are necessary under the Communications Laws for the operation of each Station as presently operated. (iii) the Sellers' FCC Licenses are in full force and effect and have not been materially adversely modified, revoked, suspended, canceled, rescinded or terminated and have not expired and are not subject to any conditions (other than conditions appearing on the face of the FCC License or generally imposed on the television or radio (as applicable) broadcast industry), (iv) no action or proceeding is pending or, to the Knowledge of the Sellers, threatened before the FCC or any other Governmental Authority to revoke, refuse to renew or materially and adversely modify any Seller's FCC Licenses (except for FCC rulemaking proceedings generally affecting the television broadcasting industry), and there is no pending, issued or outstanding or, to the Knowledge of the Sellers, threatened investigation, order to show cause, cease and desist order, notice of violation, notice of apparent liability, notice of forfeiture, petition or complaint with respect to any of the Stations or any of the FCC Licenses, and (v) the most recent renewal of each Seller's FCC Licenses was granted in the ordinary course for a full renewal term without any conditions (other than conditions set forth in the grant of renewal or generally imposed on the television or radio (as applicable) broadcast industry).

(b) Except as set forth on Schedule 3.14(b) of the Disclosure Schedules: (i) the Stations, their physical facilities, electrical and mechanical systems and transmitting and studio equipment are being and have been operated in all material respects in accordance with the specifications of the applicable FCC Licenses, and the Stations are in compliance in all material respects with the Communications Laws and the FAA Laws; (ii) with respect to its Full-Power Station(s) and Class A Stations, as defined by the FCC's rules, each Seller has complied in all material respects with the Communications Laws concerning advertising in children's programming, and the record-keeping obligations related thereto; (iii) with respect to its Full-Power Station(s), each Seller has complied in all material respects with the Communications Laws concerning digital television consumer education efforts, and the record-keeping obligations related thereto; (iv) all obligations, reports and other filings required by the Communications Laws with respect to each Seller's Station(s), including material required to be placed in such Stations' public inspection files, have been properly and timely filed; and (v) no MVPD has notified a Seller of any signal quality deficiency or copyright indemnity or other prerequisite to MVPD carriage of any such Full-Power Station's analog and/or digital signal, and no MVPD has notified a Seller that it has declined or threatened to decline such carriage of any such Full-Power Station's analog and/or digital signal or failed to respond to a request for carriage of any such Full-Power Station's analog and/or digital signal or sought any form of relief from carriage of any such Full-Power Station's analog and/or digital signal from the FCC. As used in this Sections 3.14(b)-(d), the defined term "Full-Power Station(s)" shall also include Station KWAB-TV.

(c) Schedule 3.14(c) of the Disclosure Schedules lists (i) the MVPDs that, to the Knowledge of the Sellers, carry any Full-Power Station's analog and/or digital signals; (ii) as to each such MVPD, whether the relevant Seller has elected "must-carry" or retransmission consent status pursuant to the Cable Act; (iii) the expiration date of each Retransmission Consent Agreement governing carriage of the Full-Power Stations' analog and/or digital signals; (iv) as to each such MVPD, whether such system or provider is carrying a Full-Power Station's analog and/or digital signal, with the pertinent channels so listed. The Retransmission Consent Agreements listed on Schedule 3.18(a) of the Disclosure Schedules constitute all Retransmission Consent Agreements to which any Seller is a party relating to the Full-Power Stations. The Sellers have made available to Buyers true and complete copies of the Retransmission Consent Agreements set forth on Schedule 3.18(a) of the Disclosure Schedules. To the Knowledge of the Sellers, no petition for special relief to modify the area in which any Full-Power Station is entitled to exercise mandatory carriage rights, nor any mandatory carriage complaint on behalf of any Full-Power Station, is pending before the FCC.

(d) Except as set forth on Schedule 3.14(d) of the Disclosure Schedules, each Full-Power Station holds an FCC License to broadcast digital television ("DTV") signals and each such Station is currently broadcasting its DTV signal in material compliance with such FCC License. Schedule 3.14(d) of the Disclosure Schedules sets forth each Full-Power Station's pre- and post-transition DTV channel assignment. The final DTV channels and technical parameters allocated to the Full-Power Stations by the FCC in Appendix B to its Seventh Report and Order, FCC 07-138, MB Docket 87-268 (rel. Aug. 6, 2007), as modified by the FCC's Memorandum Opinion and Order on Reconsideration of the Seventh Report and Order, FCC 08-72, MB Docket 87-268 ("Final DTV Table"), as determined by the FCC, are based upon the facilities certified by each Full-Power Station on FCC Form 381. Except as set forth on Schedule 3.14(d) of the

Disclosure Schedules, the TV Stations hold FCC Licenses to operate post-transition DTV facilities that are (i) predicted to at least replicate the area and population coverage of each Full-Power Station's current analog facilities (meaning its current Grade B service area and population); (ii) predicted to at least replicate the area and population coverage of each TV Station's pre-transition DTV facilities; and (iii) predicted to serve at least 95% of the predicted population set forth in the Final DTV Table for each Full-Power Station. Except as set forth on Schedule 3.14(d) of the Disclosure Schedules, there are no pending petitions for reconsideration or other matters or actions pending before the FCC that seek to, propose to, or the effect of which could, reduce or otherwise affect or modify the DTV coverage, service or facilities authorized in (x) each Full-Power Station's outstanding DTV construction permit or DTV license or (y) the Final DTV Table.

(e) Except as could not reasonably be expected to have a Material Adverse Effect, all of the tower structures owned by the Sellers and used in the operation of the Stations are obstruction-marked and lighted in accordance with the Communications Laws and all other applicable laws, including the laws of the Federal Aviation Administration ("FAA"). To the Knowledge of the Sellers, appropriate notifications to the FAA have been filed for each such tower structure, if and to the extent required by the Communications Laws or other applicable laws. The FAA has granted "No Hazard" determinations with respect to each such tower structure if and to the extent required by the Communications Laws or other applicable laws. Antenna structure registrations have been issued by the FCC with respect to each such tower structure, if and to the extent required by the Communications Laws or other applicable laws.

(f) The Sellers have completed construction of the final, post-transition facilities set forth in the Final DTV Table for stations KSWO-DT and KXXV(TV) and there are no further costs to be incurred with respect to such final, post-transition DTV facilities. Except as set forth on Schedule 3.14(f) of the Disclosure Schedules, the Sellers have ordered and paid for all equipment required to complete the construction of the final, post-transition DTV facilities set forth in the Final DTV Table for stations KWES-DT, KFDA-DT, and KWAB-DT.

Section 3.15 Intellectual Property.

Except as disclosed on Schedule 3.15 of the Disclosure Schedules, Business has been operated in such a manner so as not to violate or infringe in any material respect upon the rights of any Person in any copyright, trademark, service mark, patent, license, trade secret or other intellectual property. There are no judgments, proceedings, writs, orders, injunctions, awards or decrees of any court, judge, justice, magistrate or Governmental Authority against any Seller that restrict, in any respect, the rights of such Seller to use any Intellectual Property in the conduct of its Business. There are no actions threatened or pending before any court, judge, justice, magistrate or Governmental Authority against any Seller that may result in a restriction, in any respect, of the rights of such Seller to use any Intellectual Property in the conduct of its Business.

Section 3.16 Taxes.

(a) Except as set forth on Schedule 3.16(a) of the Disclosure Schedules, each Seller has, in a timely manner, filed all material Returns and other reports required of it under all federal, state, local and foreign Tax Laws applicable to each Seller, its Business or Transferred Assets. All such Returns and reports are correct and complete in all material respects and were

prepared in compliance with all applicable Laws and regulations. Each Seller has paid in full all Taxes (whether or not shown on any Return) that are due and payable, including all Taxes that each Seller is obligated to withhold from amounts paid or payable to or benefits conferred upon employees, creditors and all other third parties and there are no Taxes (whether or not shown on any Return) that are past due. No event has occurred which could impose on the Buyers (or any of its Affiliates) any successor or transferee liability for any Taxes (other than any Assumed Liability) in respect of each Seller. There are no Tax deficiencies (including penalties and interest) of any kind assessed against or relating to either the Sellers or the Transferred Assets with respect to any taxable period ending on or before, or including, the date hereof of a character or nature that would result in Encumbrances or claims on any of the Transferred Assets or on the Buyers' title or use of the Transferred Assets or that would result in any claim against the Buyers.

(b) Except as set forth on Schedule 3.16(b) of the Disclosure Schedules, there is no action, suit, proceeding, audit, investigation, dispute or claim with respect to any Seller or with respect to any Taxes or Returns of a Seller either (i) claimed or raised by any Governmental Authority in writing or (ii) as to which a Seller has Knowledge. No Seller has waived any statute or period of limitations with respect to any Tax or agreed, or been requested by any Governmental Authority to agree, to any extension of time with respect to any such Tax. No extension of time within which to file any Return of a Seller has been requested, granted or currently is in effect.

(c) Schedule 3.16(c) of the Disclosure Schedules (i) lists all rulings and similar determinations with respect to Taxes related to any of its Transferred Assets requested or received by any Seller, and (ii) contains a complete and accurate description of all material elections relating to Taxes with respect to any of its Transferred Assets that were made by or on behalf of any Seller.

(d) The Sellers have disclosed on their federal income Returns all positions taken therein with respect to its Transferred Assets that could give rise to a substantial understatement of federal income Tax within the meaning of Section 6662 of the Code.

(e) None of the Transferred Assets (i) is property required to be treated as being owned by another Person pursuant to the provisions of Section 168(f)(8) of the Internal Revenue Code of 1954, as amended and in effect immediately prior to the enactment of the Tax Reform Act of 1986, or (ii) constitutes "tax-exempt use property" or "tax-exempt bond financed property" within the meaning of Section 168 of the Code.

(f) No Seller is a party to any Tax allocation or sharing agreement.

Section 3.17 Environmental Matters.

Except as set forth on Schedule 3.17 of the Disclosure Schedules, with respect to its Business or Transferred Assets:

(a) (i) Each Seller is currently, and has been, in compliance with all applicable Environmental Laws, (ii) there are no written claims pursuant to any Environmental Law pending or, to the Knowledge of the Sellers, threatened, against any Seller, (iii) each Seller has

complied, and is in compliance, in all material respects with all authorizations required under all Environmental Laws to conduct the operation of its Business and each Seller holds, and is in compliance with, all permits, licenses and approvals necessary under any Environmental Law for the current use, occupancy or operation of the Business and Transferred Assets, (iv) to the Sellers' Knowledge, no Hazardous Substances are present on any of the Transferred Assets in quantities or concentrations that could give rise to any material liability under Environmental Laws, and (v) no Seller has operated its Business in a manner that could reasonably be expected to give rise to any material liability to any third party, including Governmental Authorities, under Environmental Laws.

(b) Any such permits, licenses or approvals necessary under any Environmental Law for the current use, occupancy or operation of the Business and the Transferred Assets are transferable to the Buyers without the consent of any Governmental Authority.

(c) To the Sellers' Knowledge, none of the following exists on any of the Real Property currently or previously owned or operated (whether by fee interest, leasehold interest, or otherwise) by any Seller: (i) under or above-ground storage tanks, (ii) asbestos containing material in any form or condition, (iii) materials or equipment containing polychlorinated biphenyls, or (iv) landfills, surface impoundments, or disposal areas, including incinerators, septic tanks and cesspools.

(d) To the Sellers' Knowledge, Hazardous Substances have not been released at, on, in or under the Real Property by any Seller or, to the Sellers' Knowledge, by any other Person. To the Sellers' Knowledge, there are no quantities or concentrations of Hazardous Substances released at or located on, in or under the Real Property that pose an unacceptable risk to human health or the environment or otherwise require further investigation or remediation under Environmental Laws. To the Sellers' Knowledge, no Seller has treated, recycled, stored, disposed of, arranged for or permitted the disposal of, transported, handled, or released any substance, including any Hazardous Substances, or owned or operated any property or facility (and no such property or facility is contaminated by any such substance) in a manner that has given or would give rise to any damages, including any damages for response costs, corrective action costs, personal injury, property damage or natural resources damages, pursuant to any Environmental Law.

(e) To the Sellers' Knowledge, no Seller has, either expressly or (except by virtue of acquiring any Real Property) by operation of Law, assumed or undertaken any liability, including any obligation for corrective or remedial action, of any other Person relating to Environmental Law. The Sellers have no Knowledge of any such liability that it has acquired by virtue of acquiring any Real Property.

(f) There are no (i) studies, reports, surveys or other materials in any Seller's possession relating to the presence or alleged presence of Hazardous Substances at, on or affecting any Real Property, or (ii) notices or other materials in any Seller's possession that were received from any Governmental Authority having the power to administer or enforce any Environmental Laws relating to current or past ownership, use or operation of any Real Property or activities at any Real Property.

(g) The representations and warranties contained in this Section 3.17 are the only representations and warranties being made with respect to compliance with or liability under Environmental Laws or with respect to any environmental, health or safety matter, including natural resources, related to the Business or the Transferred Assets, or any Seller's ownership or operation thereof.

Section 3.18 Contracts.

(a) Schedule 3.18(a) of the Disclosure Schedules lists each of the following written Contracts in effect on the date of this Agreement to which a Seller is party or that relates to the Business or the Stations:

- (i) any Contract relating to the use of any microwave or satellite transmission facilities;
- (ii) any Contract relating to the sale of broadcast time to third parties for advertising or other purposes, other than any such Contract that was entered into in the ordinary course of business and that is not a Tradeout Agreement;
- (iii) any Contract for the purchase, sale or lease of Real Property or any option to purchase or sell Real Property;
- (iv) any installment sale Contract or liability for the deferred purchase price of property with respect to any of the Transferred Assets;
- (v) any other Contract involving revenue or payments, individually, in excess of \$50,000 (or the payment or receipt of goods or services of such value) (without giving effect to any permitted renewals or extensions) and that is not terminable without penalty on 90 days notice or less;
- (vi) any Retransmission Consent Agreement with any MVPD;
- (vii) any other contract that is material to the Business;
- (viii) any affiliation agreement with any broadcast television network;
- (ix) any noncompetition agreement that would restrict, or purport to restrict, the Buyers' ability to own the Stations or operate the Business following the Closing;
- (x) any Contract for the employment of any officer, individual, consultant, employee or other Person on a full-time, part-time, consulting or other basis, other than an oral agreement for employment at will, or requiring the payment of severance;
- (xi) any Contract for the sale of any assets, properties or rights other than the sale of services or products in the ordinary course of business consistent with past practice and other than this Agreement;

(xii) any Contract with respect to the lending or investing of funds other than customer advances and trade or customer accounts receivable;

(xiii) any license with respect to any Intellectual Property, other than any so-called shrink-wrap or click-through license for software that is readily commercially available;

(xiv) any material partnership agreement, stockholder's agreement, joint venture agreement or any agreement governing the ownership or disposal of any equity interests of any Person (other than a Seller or any direct or indirect holder of any equity interest in any Seller);

(xv) any Contract for the sale of any assets, properties or rights other than the sale of services or products in the ordinary course of business consistent with past practice at historical profit margins and other than this Agreement; or

(xvi) any Contract with a term of greater than twelve (12) months that cannot be terminated by the Seller with less than sixty (60) days notice.

The Contracts listed on Schedule 3.18(a) of the Disclosure Schedules and described in the preceding sentence are referred to as the "Material Contracts".

(b) Except as set forth on Schedule 3.18(b) of the Disclosure Schedules, each Material Contract to which it is party is valid and binding on each Seller, is in full force and effect, and is legally enforceable in accordance with its terms upon such Seller and, to the Sellers' Knowledge, upon the other parties thereto, except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general principles of equity (regardless of whether considered in a proceeding in equity or at law). Except as set forth on Schedule 3.18(b) of the Disclosure Schedules, neither a Seller nor, to the Sellers' Knowledge, any other Person, is in material breach of, or default under, any Material Contract to which such Person is a party. The Seller has made available to the Buyers true and complete copies of all written Contracts disclosed on Schedule 3.18(a) of the Disclosure Schedules and material related correspondence, notices and other written communication and complete written descriptions of all material terms of any oral Contracts disclosed thereon. No Seller has received any written correspondence from the Network that is a party to any of the Affiliation Agreements to the effect that (i) such Affiliation Agreement will not be renewed in the ordinary course or (ii) any term of such Affiliation Agreement will be modified or changed in any manner which could reasonably be expected to have a Material Adverse Effect.

Section 3.19 Brokers.

Except for Moelis & Company, the fees of which shall be paid by the Sellers, no broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated hereby (including with respect to any Real Owned Property or Leased Owned Property) based upon arrangements made by or on behalf of any Seller.

Section 3.20 Bonds; Letters of Credit.

Schedule 3.20 of the Disclosure Schedules sets forth a list of all franchise, construction, fidelity, performance and other bonds, guaranties in lieu of bonds and letters of credit posted by any Seller, and all certificates of insurance of any Seller, in connection with the operation of its Station(s).

Section 3.21 Transactions with Affiliates.

(a) Except as set forth in Schedule 3.21(a) of the Disclosure Schedules, and except for arms-length agreements entered into between two or more of the Sellers on one hand and an unAffiliated third party, on the other hand, no Affiliate of any Seller (i) is a party to any contract or agreement with, or has any claim or right against, any Seller arising from or relating to the operation of such Seller's Station(s), or (ii) has any indebtedness owing to such Seller arising from or relating to the operation of such Seller's Station(s). Except as set forth in Schedule 3.21(a) of the Disclosure Schedules or in respect of the Lawton Cable System with respect to the activities described on Schedule 3.21(a) of the Disclosure Schedules, no Seller (x) has claim or right against any Affiliate of any Seller arising from or relating to the operation of such Seller's Station(s), or (y) has indebtedness owing to any Affiliate of such Seller arising from or relating to the operation of such Seller's Station(s).

(b) Neither any Seller nor, to the Sellers' Knowledge, any director, officer, member, manager or partner thereof, has any financial interest in any supplier, advertiser or customer of any Seller or in any other business enterprise with which such Seller's Station(s) or such Seller engages in business or with which such Stations or such Seller is in competition, in each case other than the Lawton Cable System. The ownership of less than one percent of the outstanding capital stock of a publicly-held corporation shall not be deemed to be a violation of this representation and warranty.

Section 3.22 Liabilities. There are no liabilities or obligations of any Seller, whether arising under Contracts, related to tax or non-tax matters, known or unknown, due or not yet due, liquidated or unliquidated, fixed, contingent or otherwise, including penalty, acceleration or forfeiture clauses in any Contract, in each case that would be required to be shown on the face of a balance sheet of such Seller prepared in accordance with GAAP, except for (a) liabilities disclosed in this Agreement or the Schedules hereto, or quantified on the Financial Statements, or described in any notes thereto, and not heretofore paid or discharged, and (b) liabilities which have arisen after December 31, 2007 in the ordinary course of business which, individually or in the aggregate, are of the same character and nature as the liabilities disclosed in this Agreement or the Schedules hereto or quantified on the face of the Financial Statements (rather than any notes thereto), none of which results from or relates to any breach of Contract, breach of warranty, tort, infringement, or breach of Law or arose out of any Action or any order, writ, judgment, award, injunction or decree of any Governmental Authority. Except as set forth in Schedule 3.22 of the Disclosure Schedules, each Seller has no Funded Indebtedness.

Section 3.23 Insurance. A summary of the insurance coverage of the Sellers as of the date of this Agreement is attached as Schedule 3.23 of the Disclosure Schedules. Each Seller maintains and will continue to maintain in full force and effect through the Closing Time, insurance policies covering it and the Assets in amounts and insuring against hazards, in at least the amounts set forth on Schedule 3.23 of the Disclosure Schedules. All of such policies are in full force and effect and no Seller is in default of any material provision thereof. No Seller has

received notice from any issuer of any such policies of its intention to cancel, terminate or refuse to renew any policy issued by it. No written notice of cancellation, termination or nonrenewal has been received by any Seller with respect to any such policy. There is no claim by or on behalf of any Seller pending under any such policies as to which coverage has been questioned, denied or disputed by the underwriters of such policies or in respect of which such underwriters have reserved their rights.

Section 3.24 Bankruptcy.

No Seller is currently insolvent or the subject of bankruptcy or any similar proceeding, nor will any Seller be rendered insolvent by any of the transactions contemplated by this Agreement. As used in this Section 3.24, “insolvent” means that the sum of the liabilities of a Seller exceeds the fair present value of such Seller’s assets. No Seller is entering into this Agreement or any of the transactions contemplated hereby with the intent to defraud, hinder or delay any other party from collecting on a liability of such Seller.

Section 3.25 Tradeout Accounts. All of the trade and barter accounts, Tradeout Agreements and Tradeout Receivables and Tradeout Payables of the Sellers as of the date specified therein are listed on Schedule 3.25 of the Disclosure Schedules (“Tradeout Accounts”) and are enforceable, represent bona fide transactions and are properly reflected on the Sellers’ books and records.

Section 3.26 Advertisers. Schedule 3.26 of the Disclosure Schedules lists the Sellers’ 10 largest advertisers in terms of advertising sales during each of 2006 and 2007 and, through the date specified therein, during 2008, and states the approximate total advertising sales by the Sellers to each such advertiser during such periods. Except as set forth in Schedule 3.26 of the Disclosure Schedules, as of the date of this Agreement, the Sellers have not received any written or, to the Sellers’ Knowledge, oral notice of termination or an intention to terminate or materially reduce or otherwise materially and adversely alter the relationship with the Sellers from any advertiser listed on Schedule 3.26 of the Disclosure Schedules.

Section 3.27 Business Operations. Except as set forth on Schedule 3.27 of the Disclosure Schedules, the only businesses the Sellers have conducted since their formation is the Business.

Section 3.28 No Other Representations or Warranties.

Except for the representations and warranties contained in this Article III, neither any Seller nor any other Person makes any other express or implied representation or warranty on behalf of any Seller.

ARTICLE IV REPRESENTATIONS AND WARRANTIES OF THE BUYERS

The Buyers hereby jointly and severally represent and warrant to the Sellers as follows:

Section 4.1 Organization and Qualification.

Each Buyer is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware and has all necessary limited liability company power and authority to own, lease and operate its properties and to carry on its business as it is now

being conducted. Each Buyer is duly qualified or licensed as a foreign entity to do business, and is in good standing, in each jurisdiction where the character of the properties owned, leased or operated by it or the nature of its business makes such qualification or licensing necessary, except, in each case, for any such failures that would not, individually or in the aggregate, reasonably be expected to have a Buyer Material Adverse Effect.

Section 4.2 Authority.

Each Buyer has full limited liability company power and authority to execute and deliver this Agreement and each of the Ancillary Agreements to which it will be a party, to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery by any Buyer of this Agreement and each of the Ancillary Agreements to which it will be a party and the consummation by such Buyer of the transactions contemplated hereby and thereby have been duly and validly authorized by all necessary limited liability company action. This Agreement has been, and upon their execution each of the Ancillary Agreements to which any Buyer will be a party will have been, duly and validly executed and delivered by such Buyer. This Agreement constitutes, and upon their execution each of the Ancillary Agreements to which any Buyer will be a party will constitute, the legal, valid and binding obligations of such Buyer, enforceable against such Buyer in accordance with their respective terms, except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general principles of equity (regardless of whether considered in a proceeding in equity or at law).

Section 4.3 No Conflict; Required Filings and Consents.

(a) Except for the FCC Consent and any applicable filings required under the HSR Act, the execution, delivery and performance by any Buyer of this Agreement and each of the Ancillary Agreements to which any Buyer will be a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not:

(i) conflict with or violate the organizational documents (such as the certificate of formation and limited liability company agreement) of any Buyer;

(ii) conflict with or violate any Law applicable to any Buyer or by which any property or asset of any Buyer is bound or affected; or

(iii) violate, conflict with, result in any breach of, constitute a default (or an event that, with notice or lapse of time or both, would become a default) under, accelerate performance required by the terms of or result in the termination, suspension or modification of, require any consent of any Person pursuant to, or give to others any rights of termination, acceleration or cancellation of, any material contract or agreement to which any Buyer is a party or by which any Buyer is bound;

provided that the parent of the Buyers will be required to attain the consent of its lender (which is the party that will make the commitment to provide debt financing that will be part of the Requisite Financing Commitments) for the consummation of the transactions contemplated by this Agreement.

(b) Except as set forth on Schedule 4.3(b) of the Disclosure Schedules, no Buyer is required to file, seek or obtain any notice, authorization, approval, order, permit or consent of or with any Governmental Authority or any third party in connection with the execution, delivery and performance by any Buyer of this Agreement and each of the Ancillary Agreements to which it will be party or the consummation of the transactions contemplated hereby or thereby or in order to prevent the termination of any right, privilege, license or qualification of any Buyer, except (i) for the Required Consents set forth on Schedule 3.3(a) of the Disclosure Schedules and (ii) as may be necessary as a result of any facts or circumstances relating to the Sellers or any of their Affiliates.

(c) Each Buyer that, as described on Exhibit J, will acquire any FCC License(s) is qualified under the Communications Laws to be the assignee of such FCC License(s), and, to the Knowledge of the Buyers, there are no facts or circumstances (including facts or circumstances implicating the jurisdiction of administrative agencies other than the FCC) that, under the Communications Laws, would disqualify the Buyers as owner and operator of the Stations or constitute a valid grounds for filing the petition to deny or objection related to any Buyer's qualifications that would reasonably be expected to result in a material delay a grant of the FCC Consent.

Section 4.4 Brokers.

No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated hereby based upon arrangements made by or on behalf of any Buyer.

Section 4.5 Litigation and Claims.

There are no civil, criminal or administrative actions, suits, demands, claims, hearings, proceedings or investigations pending or, to the Knowledge of the Buyers, threatened against any Buyer or any of its Affiliates that, individually or in the aggregate, would impair or delay the ability of any Buyer to effect the Closing or which seek to restrain or prohibit, or to obtain damages or other relief in connection with, this Agreement or the Ancillary Agreements. Neither any Buyer nor any of its Affiliates is subject to any order, writ, judgment, award, injunction or decree of any Governmental Authority of competent jurisdiction or any arbitrator or arbitrators that, individually or in the aggregate, would impair or delay the ability of any Buyer to effect the Closing or that would affect the legality, validity or enforceability of this Agreement or any Ancillary Agreement or the consummation of the transactions contemplated hereby or thereby.

Section 4.6 No On-Sale Agreements.

No Buyer nor any of its Affiliates has not entered into any discussions, negotiations, agreements or understandings with any Person (other than the Sellers) with respect to a purchase and sale transaction entered into with such Person, whether by merger, stock sale, asset sale or otherwise, involving any of the Transferred Assets.

Section 4.7 No Other Representations or Warranties.

Except for the representations and warranties contained in this Article IV, neither any Buyer nor any other Person makes any other express or implied representation or warranty on behalf of any Buyer.

ARTICLE V COVENANTS

Section 5.1 Conduct of Business Prior to the Closing.

(a) Between the date of this Agreement and the Closing Date, unless the Buyers shall otherwise agree in writing, the Sellers shall:

(i) conduct the Business and operate the Stations only in the ordinary course of business consistent with past practice, including with respect to spending amounts on advertising, promotions and marketing of the Stations between the date of this Agreement and the Closing Date;

(ii) operate the Stations with the intent of preserving (x) their business organization intact, and to retain substantially as at present the employees, consultants and agents of the Stations and (y) the goodwill of the Stations and their existing relationships with Governmental Authorities, suppliers, advertisers, customers, the Networks, MVPDs and others having business relations with the Stations, consistent with past practices;

(iii) maintain their Tangible Personal Property and Real Property in good operating condition and repair, reasonable wear and tear excepted, and maintain adequate and usual supplies of office supplies, spare parts and other materials as have been customarily maintained in the past;

(iv) preserve intact their Transferred Assets (provided that nothing in this clause (iv) shall prohibit any action not prohibited by Section 5.1(b)(i), nor will any Seller be in breach of this Section 5.1(a)(iv) by reason of any event that is reasonably beyond its control), and maintain in effect casualty and liability insurance as set forth in Section 3.23 and existing bonds;

(v) timely file all required FCC applications, request and reports, and promptly provide the Buyers with copies thereof;

(vi) maintain service quality for the Business consistent with past practices;

(vii) (x) promptly notify Buyers of any materially adverse developments with respect to the business or operations of the Stations, including the loss of carriage or change in channel position on any MVPD system in any Full-Power Station's DMA and (y) take reasonable action to protect the respective present analog and pre- and post-transition digital service areas of the Full-Power Stations from increased electrical interference from other stations, existing or proposed, and to exercise reasonable efforts to maintain carriage of each Full-Power Station's analog and/or digital signals on all MVPD systems in such Full-Power Station's DMA;

(viii) pay Taxes and current liabilities (to the extent not reasonably disputed), in material compliance with applicable Laws and Contracts and in a manner consistent with past practices;

(ix) maintain its books, records and accounts relating to the Business in a manner consistent with past practices;

(x) report and write off Accounts Receivable consistent with past practices;

(xi) comply in all material respects with all Laws applicable to the Business and their Transferred Assets, including the Communications Laws and the FAA Laws; and

(xii) take all commercially reasonable steps necessary to maintain in full force and effect, or renew or extend when required, all FCC Licenses;

provided that no Seller will be in breach of this Section 5.1(a) by virtue of its failing to take any action that is prohibited by another provision of this Agreement after giving reasonable prior notice to the Buyers that any such provision of this Agreement would cause such breach.

(b) Except as provided in Schedule 5.1(b) of the Disclosure Schedules, between the date of this Agreement and the Closing Date, without the prior consent of a Buyer (which consent shall not be unreasonably withheld), the Sellers shall not, with respect to the Business or the Stations:

(i) sell, transfer, encumber or otherwise dispose of any Transferred Assets or any interest therein, other than dispositions of assets that are replaced in the ordinary course of business and consumption of assets in the ordinary course of business;

(ii) enter into any new Contract, agreement or arrangement (or series of related Contracts, agreements or arrangements) that, if it were in effect on the date of this Agreement, would be a Material Contract or terminate, suspend or abrogate any existing Material Contract, in each case other than in the ordinary course of business;

(iii) enter into any barter or trade contract or Contracts that are prepaid, other than in the ordinary course of business;

(iv) renegotiate, modify, renew, amend, or terminate any Material Contract (including any Affiliation Agreement or Programming Agreement), other than in the ordinary course of business and, in the case of a renegotiation, modification, renewal or amendment, on terms no more costly or burdensome, when taken as a whole with respect to each such Material Contract, that existed before such renegotiation, modification, renewal or amendment;

(v) enter into any contracts with any employee or Affiliate of the Sellers (or any director, officer, shareholder or employee of such Affiliate) with respect to the Stations or the Transferred Assets, other than in the ordinary course of business;

- (vi) make or attempt to make any change in the Permits (including any modification, termination, renewal, suspension, or abrogation), other than to keep the Permits in full force and effect;
- (vii) make a loan, advance or capital contribution to, or an investment in, another Person, in each case other than any of the same that will be an Excluded Asset and that will have no effect on the Transferred Assets;
- (viii) incur any liability that will constitute an Assumed Liability if it has not been satisfied in full as of the Closing Time, other than in the ordinary course of business;
- (ix) incur any Funded Indebtedness or issue any securities evidencing Funded Indebtedness;
- (x) delay or postpone the payment of accounts payable, performance of Tradeout Accounts and other liabilities beyond their due date or accelerate the collection of accounts receivable, other than in the ordinary course of business;
- (xi) make any change in any method of accounting or accounting practice or policy that has a material impact on any of the Transferred Assets, except in accordance with the Sellers' then current practice or as required by GAAP;
- (xii) make or change any Tax election that will be binding on a Buyer, change an annual accounting period, adopt or change any accounting method, enter into any closing agreement, consent to any extension or waiver of the limitation period applicable to any Tax claim that will be binding on a Buyer or take any other similar action relating to the filing of any Tax Return or the payment of any Tax that will be binding on a Buyer, in each case except as required by GAAP or any applicable Law;
- (xiii) increase or reduce in any material amount the number of Business Employees or fail to promptly advise the Buyers of any union organizing activities with respect to any of the Business Employees to which the Sellers have Knowledge;
- (xiv) enter into any employment contract or arrangement, whether written or oral, having annual compensation in excess of \$75,000 or any collective bargaining agreement, written or oral, or modify the material terms of any such employment contract or arrangement or collective bargaining agreement, in each case other than in the ordinary course of business;
- (xv) grant or announce any increase in the base salary payable to any Business Employees in excess of 4%;
- (xvi) make any alteration in any Station's buildings, leasehold improvements or fixtures, other than immaterial alterations in the ordinary course of business, or any alteration required in order to comply with any Law;

(xvii) consent to the execution, placement, creation or amendment of any Encumbrance on any Transferred Asset or Real Property, other than any Encumbrance that will be released on or prior to the Closing Date;

(xviii) in any manner take or cause to be taken any action which is designed, intended or might reasonably be anticipated to have the effect of discouraging customers, employees, suppliers, lessors and other associates of the Sellers from maintaining the same business relationships with the Buyers and their Affiliates after the Closing Date as were maintained with the Sellers prior to the date of this Agreement, other than in the ordinary course of business to the extent not materially adverse;

(xix) use or disclose to any Person, except as required by Law or judicial order, or in the ordinary course of business (including with respect to obligations of confidentiality), any Confidential Information;

(xx) notwithstanding Section 5.1(b)(iv), enter into, renegotiate, modify, renew, amend, extend or terminate any Retransmission Consent Agreement or make elections of retransmission consent or mandatory carriage for the carriage cycle commencing January 1, 2009;

(xxi) take any action that would result in (A) the FCC Licenses being materially and adversely modified, conditioned terminated or surrendered for cancellation or (B) a reduction in coverage of the respective present analog and/or digital service areas and populations of the Stations;

(xxii) authorize any of the foregoing or enter into any agreement to do any of the foregoing.

Notwithstanding the foregoing: (x) if the Cable Sale Date occurs prior to the Closing Date, then KSWO Inc. may enter into the Cable Ad Sales Agreement, the Headend Lease and the Headend Landlord Consent, and (y) any Seller may enter into any Contract that, by its terms, terminates on or prior to the Closing Date.

Section 5.2 Covenants Regarding Information.

(a) From the date of this Agreement until the Closing Time, upon reasonable notice, the Sellers shall afford the Buyers and their potential financing sources and their respective Representatives (i) reasonable access to the assets, business, properties, books, records (including Tax returns filed and those in preparation) and executive personnel of the Sellers in order to provide the Buyers and their potential financing sources with a full opportunity to make such investigation of the Sellers and the Stations as they reasonably desire; (ii) upon reasonable notice and at times and in accordance with procedures to be mutually agreed by the Sellers and the Buyers, permit the Buyers, their potential financing sources and their respective Representatives to make such reasonable inspections of the Stations and their operations as they reasonably require; and (iii) the opportunity to review such financial and operating data and other information with respect to the Stations as they may from time to time reasonably request, provided that the activities described in clauses (i) through (iii) above shall be conducted in such a way so as not to unreasonably interfere with the operation of the Stations and will not require

any travel by the Sellers or their employees or Representatives; provided, however, that any such access or furnishing of information shall be conducted at the Buyers' expense, during normal business hours and under the supervision of the Sellers' personnel. The Buyers shall have the right to make copies of books, Contracts, accounting and other records and documents relating to the Business or the Transferred Assets. All requests made pursuant to this Section 5.2(a) shall be directed to Robert H. Drewry, Laura Byrd or any such other Person or Persons as may be designated by KSWO Inc. to the Buyers from time to time, including Moelis & Company. All information received pursuant to this Section 5.2(a) shall be subject to the terms and conditions of Section 5.10.

(b) The Sellers shall provide the Buyers with copies of each Station's monthly internal balance sheets and related statements of operations for the monthly accounting periods ending between the date of this Agreement and the Closing Date, by the 30th day of each month for the preceding calendar month, which statements shall fairly present the financial position of the such Station and the results of its operations as of the end of and during such calendar month, in all material respects in accordance with GAAP (without giving effect to materiality under GAAP), except for the absence of footnotes and normal year-end adjustments, and except as set forth on Schedule 3.7(b) of the Disclosure Schedules. In addition, the Sellers shall provide to the Buyers such information as the Buyers may reasonably request to permit the Buyers to compute the income from operations and broadcast cash flow of the Stations for such month, quarter (as applicable) and the year-to-date and, if required by the Buyers' potential financing sources and at the Buyers' expense, permit an audit by an independent firm of certified public accountants of the cash flow of the Stations; provided that any such audit shall be conducted in such a way so as not to unreasonably interfere with the operation of the Stations and will not require any travel by the Sellers or their employees or Representatives, and shall be conducted during normal business hours, and the completion of any such audit will not constitute a condition to the Buyers' obligation to consummate the transactions contemplated by this Agreement.

(c) For a period of five (5) years after the Closing Date, the Buyers shall (i) retain the books and records relating to the Business relating to periods prior to and including the Closing Date to the extent included in the Transferred Assets and (ii) upon reasonable notice afford the Representatives of any Seller reasonable access (including the right to make, at such Seller's expense, photocopies), during normal business hours, to such books and records to the extent related to the Business.

(d) For a period of seven (7) years after the Closing Date, the Sellers shall (i) retain the books and records relating to the Business relating to periods prior to and including the Closing Date to the extent not included in the Transferred Assets and (ii) upon reasonable notice, afford the Representatives of the Buyers reasonable access (including the right to make, at the Buyers' expense, photocopies), during normal business hours, to such books and records to the extent related to the Business; provided, however, that, in lieu of retaining any such books and records, the Sellers may destroy or dispose of the same, so long as KSWO Inc. notifies the Buyers in writing at least 30 days in advance of destruction or disposal prior to the seventh anniversary of the Closing Date and provides the Buyers a reasonable opportunity to copy such books and records in accordance with this Section 5.2(d) prior to such destruction or disposition.

(e) Subject to compliance with Section 5.10, the Sellers shall have the right to retain one copy of all Contracts, books, records, literature, lists (other than customer lists, all of which shall be delivered to the Buyers), and any other written or recorded information constituting Transferred Assets or which otherwise relates to the Business or the Assumed Liabilities (including the Books and Records), in each case for (i) the administration by the Sellers of any suit, claim, action, proceeding or investigation relating to the Business, (ii) the administration by the Sellers or their Affiliates of any regulatory filing or matter or (iii) any other valid reasonable legal or business purpose of the Sellers.

Section 5.3 Disclosure Schedules; Updates.

The Sellers may, at their option, from time to time prior to the Closing Date, by written notice to the Buyers, supplement or amend the Disclosure Schedules (a “Disclosure Schedule Update”) with respect to any development occurring after the date hereof that would potentially constitute a breach of, or inaccuracy in, any representation or warranty of the Sellers contained herein. Upon receipt of such a supplement or amendment, the Buyers will have the right, following its receipt of such supplement or amendment, and any supporting materials reasonably requested by the Buyers, to terminate this Agreement after the expiration of any applicable cure period provided under this Agreement, if it is permitted to do so pursuant to Section 8.1(b)(ii). Changes to the Schedules pursuant to this Section 5.3 will not (i) cure any breach of any representation or warranty made in respect of the matters that are the subject of any such supplement or amendment that would otherwise occur without giving effect to the relevant supplement or amendment and the Buyers will have all rights to seek indemnification pursuant to Article VII after the Closing with respect to the representations and warranties contained in this Agreement and statements contained in the Sellers’ certificate delivered pursuant to Section 6.3(a) without giving effect to any Disclosure Schedule Updates (provided that the limitation set forth in Section 7.5(b)(i) shall not apply to any claim based on a matter to the extent it is first disclosed in any Disclosure Schedule Update) or (ii) cure any failure to otherwise meet a condition of Section 6.3.

Section 5.4 Notification of Certain Matters. Until the Closing, each party hereto shall promptly notify the other party in writing of

(a) any fact, change, condition, circumstance or occurrence or nonoccurrence of any event of which it has Knowledge, regardless of whether such matter occurred before or after the date of this Agreement: (i) that will or is reasonably likely to result in that party becoming incapable of satisfying its respective conditions to Closing set forth in Article VI of this Agreement, (ii) that, if known on the date of this Agreement, would have been required to be disclosed to the other party pursuant to this Agreement or (iii) the existence or occurrence of which would cause such party’s representations or warranties under this Agreement not to be correct and complete;

(b) any Action that is instituted or threatened against such party to restrain, prohibit or otherwise challenge the legality or propriety of any transaction contemplated by this Agreement;

(c) any event relating to the Business resulting in a loss in excess of \$250,000;

(d) the commencement of any proceeding or litigation at Law or in equity or admiralty or before the FCC or any other Governmental Authority or regulatory body involving the FCC Licenses or any of the Permits or which could have a Material Adverse Effect, other than proceedings or litigation of general applicability to the television broadcasting industry that do not have a disproportionate impact on the Stations as compared with the impact thereof on similarly-situated television broadcasters (or, insofar as the matter in question relates to the Radio Station, similarly-situated radio broadcasters);

(e) any EEO charge, labor grievance, controversy, strike or dispute materially affecting the business or operation of the Stations and the scheduling of any bargaining discussions with the certified bargaining unit;

(f) any material violation by the Sellers or the Stations of any federal, state or local Law, statute, ordinance, rule or regulation which would reasonably be expected to have a Material Adverse Effect; or

(g) any notice received by Sellers of breach, default, claimed default or termination of any Material Contract.

(h) any matter of which notice is required by Section 5.1(a)(vii) or 5.23(b).

Section 5.5 Charges, Fees, and Prepayment Obligations. The Sellers will, prior to the Closing, use commercially reasonable efforts to ensure that no sums are owed or payable by the Buyers to any Person in the nature of a transfer charge or processing fee with respect to any Contracts as a result of the transactions contemplated by the Agreement.

Section 5.6 Assignment of Security Deposits. The Sellers shall assign to the Buyers any and all security deposits in connection with the Leased Real Property.

Section 5.7 Conveyance Free and Clear of Liens. Except for Permitted Encumbrances and the Required Consents that are listed on Schedule 3.3(a) of the Disclosure Schedules, or that are not required to be listed on such Schedule, in each case that are not obtained prior to the Closing, at or prior to the Closing, the Sellers shall obtain the release of all Encumbrances disclosed in the Schedules hereto and any other Encumbrances on the Transferred Assets, and shall duly file releases of all such Encumbrances in each governmental agency or office in which any such Encumbrances or evidence thereof shall have been previously filed, and the Sellers shall transfer and convey, or cause to be transferred and conveyed, to the Buyers at the Closing good, transferable (and, in the case of the Owned Real Property, indefeasible or marketable, as applicable) title to all of the Transferred Assets free and clear of all Encumbrances, except for Permitted Encumbrances, and subject to the Required Consents that are listed on Schedule 3.3(a) of the Disclosure Schedules, or that are not required to be listed on such Schedule, in each case that are not obtained prior to the Closing.

Section 5.8 Consummation of Agreement. Subject to the provisions of Article VI and Section 8.1 of this Agreement, each Seller and the Buyers shall fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement and use its commercially reasonable efforts to cause the transactions contemplated by this Agreement to be fully carried out.

Section 5.9 Employees and Benefits.

(a) Employment of Transferred Employees. The Sellers will update Schedule 3.12(a) of the Disclosure Schedules at least 30 days before the Closing. Schedule 5.9(a) of the Disclosure Schedules sets forth the names of the Business Employees whom the Sellers intend to retain as their employees (the “Retained Employees”). A Buyer shall notify the Sellers of the Business Employees to whom it intends to make offers of employment (which shall not include the Retained Employees) no later than 15 days following its receipt of such updated Schedule 3.12(a) of the Disclosure Schedules, and a Buyer shall make offers of employment, contingent upon the Closing, to all such Business Employees (each such Business Employee who accepts a Buyer’s offer of employment and who becomes an employee of a Buyer effective as of the Closing is referred to in this Agreement as a “Transferred Employee”); provided, however, that (i) the Buyers shall not be required to offer employment to any employees and may determine to which employees to offer employment in Buyers’ sole and absolute discretion and (ii) notwithstanding clause (i) above, the Buyers agree that the Buyers will make any offer employment that is required by applicable Law to be made to any Business Employee who, on the Closing Date, is on a leave of absence, as and when any such person presents himself or herself to a relevant Buyer for employment or reinstatement. The Buyers and the Sellers shall cooperate to schedule employee meetings and develop employee communications no later than 60 days following the execution of this Agreement. Each offer by a Buyer shall include employment with substantially similar responsibilities and base compensation as of the Closing and at the same general geographic location as such employee’s primary place of employment as of the Closing. Except as otherwise provided herein, the Sellers shall retain liability for all obligations and liabilities to the Retained Employees and any other Business Employees not hired by a Buyer and for all obligations and liabilities to the Transferred Employees accruing on or prior to Closing.

(b) Service Credit. The Transferred Employees shall receive credit for all periods of employment and/or service with the Sellers (including service with predecessor employers, where such credit was provided by the Sellers) prior to the Closing Time for purposes of eligibility and vesting (but not for benefit accrual, except for accrual of vacation benefits under the relevant plans and policies of London Broadcasting Company, Inc. or a Buyer but only to the extent commercially reasonable and allowed by such plans and policies).

(c) Employee Benefits — General. The Sellers shall bear the expense of and responsibility for all liabilities arising from claims made or incurred by the Transferred Employees and their beneficiaries before the Closing Date under the Employee Plans, and the Buyers shall bear the expense of and responsibility for all liabilities arising from claims made or incurred by the Transferred Employees and their beneficiaries on or after the Closing Date under the benefit plans maintained by a Buyer or London Broadcasting Company, Inc. (excluding, however, any severance or similar obligations thereunder for employees who are not Transferred Employees) Except as may be required by applicable Law, neither London Broadcasting Company, Inc. or a Buyer shall not be obligated to continue to provide any particular employee benefits to any Transferred Employee.

(d) No Transfer of Assets. No Seller or any ERISA Affiliate of any Seller will make any transfer of any Employee Plan assets to a Buyer or London Broadcasting Company, Inc.

(e) Welfare Benefit Plans.

(i) Effective as of the Closing Date, a Buyer or London Broadcasting Company, Inc. shall offer the Transferred Employees and their eligible dependents participation in the medical plans of a Buyer or London Broadcasting Company, Inc. With respect to other welfare benefit plans, including medical, dental, life insurance, and short- and long-term disability (all of such welfare plans, including the medical plan of a Buyer or London Broadcasting Company, Inc. described in the previous sentence, the “Buyer Welfare Benefit Plans”), a Buyer or London Broadcasting Company, Inc. shall take commercially reasonable steps to offer such other welfare benefit plans to the Transferred Employees as soon as practicable after the Closing Date. To the extent waived under Sellers’ welfare benefit plans, all waiting periods and pre-existing condition clauses shall be waived under the Buyer Welfare Benefit Plans for the Transferred Employees and their eligible dependents who were participating in the welfare benefits plans and programs of the Sellers (the “Seller Welfare Benefit Plans”) on the Closing Date, but only to the extent commercially reasonable and allowed under the Buyer Welfare Benefit Plans. To the extent commercially reasonable and allowed under the Buyer Welfare Benefit Plans, a Buyer or London Broadcasting Company, Inc. shall cause the Buyer Welfare Benefit Plans to recognize any out-of-pocket medical and dental expenses incurred by each of the Transferred Employees and their eligible dependents on or prior to the Closing Date and during the calendar year in which the Closing Date occurs for purposes of determining deductibles and out-of-pocket maximums under the Buyer Welfare Benefit Plans (and the Sellers shall provide such information to the Buyers upon request, to the extent not included in the records that are part of the Transferred Assets).

(ii) Effective as of the Closing Date, a Buyers shall become liable for all responsibilities and obligations for continuation coverage under Sections 601 through 608 of ERISA (“COBRA”) and any state continuation coverage requirements with respect to the Transferred Employees and their beneficiaries (“COBRA Obligations”). In addition, a Buyer shall be responsible for all COBRA Obligations arising with respect to all “M & A qualified beneficiaries” as defined under Treas. Reg. § 54.4980B-9 in connection with the sale of the Transferred Assets, and the Buyers agree that the employees of the Sellers as of the Closing Date (and the COBRA-eligible former employees of the Sellers as of the Closing Date) shall be considered such “M&A qualified beneficiaries” regardless of whether they technically fall within the definition of “M&A qualified beneficiary” set forth in Treas. Reg. Sec. 54.4980B-9; provided that a Buyer will be required to provide COBRA benefits for any such employees or former employees who do not technically fall within such definition only to the extent they are permitted to do so under applicable Law and the relevant plan or plans maintained by the Buyers. For the avoidance of doubt, it is understood that any “M & A qualified beneficiary” who elects to receive COBRA coverage from a Buyer or an Affiliate thereof must pay (or have paid on his or her behalf) the COBRA premium amount in order to obtain such coverage.

(f) Vacation and Sick Leave Benefits. After the Closing Date, to the extent permitted by Law, an applicable Buyer or London Broadcasting Company, Inc. shall recognize,

and permit the Transferred Employees to use, all of the Transferred Employees' accrued and unused vacation and sick leave (and the Sellers shall provide such information to the Buyers upon request, to the extent not included in the records that are part of the Transferred Assets), to the extent the liability to pay the same is part of the Current Liabilities. An applicable Buyer or London Broadcasting Company, Inc. shall recognize service by each Transferred Employee with the Sellers (including service with predecessor employers, where such credit was provided by the Sellers) for purposes of determining entitlement to vacation under the applicable vacation policy of a Buyer or London Broadcasting Company, Inc., but only to the extent commercially reasonable and allowed by such plans and policies.

(g) WARN Act. The Buyers or London Broadcasting Company, Inc. agree to provide any required notice under the Worker Adjustment Retraining and Notification Act of 1988 (the "WARN Act") and any similar state or non-U.S. statute, and otherwise to comply with any such statute with respect to any "plant closing" or "mass layoff" (as defined in the WARN Act) or group termination or similar event affecting Transferred Employees and occurring after the Closing. The Sellers agree to provide or cause to be provided any required notice under the WARN Act, and any similar state or non-U.S. statute, and otherwise to comply with any such statute with respect to any "plant closing" or "mass layoff" (as defined in the WARN Act) or group termination or similar event affecting (A) Business Employees and occurring at or prior to the Closing Time and (B) Retained Employees and any other Business Employees not hired by a Buyer or London Broadcasting Company, Inc.

(h) No Third-Party Beneficiaries. Nothing herein express or implied by this Agreement shall confer upon any Business Employee, or legal representative thereof, any rights or remedies, including any right to employment or benefits for any specified period, of any nature or kind whatsoever, under or by reason of this Agreement. Nothing herein express or implied by this Agreement should (i) be treated as an amendment or other modification of any Buyer Welfare Benefit Plan or of any other benefit plan or arrangement of any Buyer or London Broadcasting Company, Inc.; or (ii) limit the right of a Buyer or London Broadcasting Company, Inc. to amend or terminate any such Buyer Welfare Benefit Plan or other benefit plan or arrangement after the Closing Date.

(i) Seller Employment Agreements. Notwithstanding any provision of this Agreement to the contrary: (i) the Buyers are not assuming any Employment Agreements of the Sellers or their Affiliates (except to the extent a Buyer otherwise elects in writing (pursuant to a written agreement between such Buyer and the applicable Seller) at or prior to the Closing to assume); (ii) however, in the event a Seller incurs any liability under (A) any Employment Agreement set forth on Schedule 3.18(a) or (B) any renewal of any such Employment Agreement prior to the Closing Date on substantially the terms thereof (except as permitted by Section 5.1(b)(xv)) and otherwise in accordance with this Agreement, in each case that is with a Business Employee to whom the Buyer does not offer employment for the term and on the other terms and conditions contemplated by such Employment Agreement following a sale of the applicable Seller's assets, then such liability will be treated as Assumed Liability for purposes of Section 2.3(a) (but not for purposes of Section 2.8), but only to the extent that such liabilities (1) arise from the applicable Seller's noncompliance, or an allegation that the applicable Seller did not comply, with any obligations under any such Employment Agreement to attempt in good faith to have a Buyer agree to employ the person subject to such Employment Agreement for the

term and on the other terms and conditions contemplated by such Employment Agreement following a sale of the applicable Seller's assets (and not for any other matters) and (2) are not attributable to gross negligence, bad faith or willful misconduct of a Seller or an Affiliate of a Seller. Any such Assumed Liabilities are referred to as "Employee Agreement Assumed Liabilities".

Section 5.10 Confidentiality.

(a) Each of the parties shall hold, and shall cause its Representatives to hold, in confidence all documents and information furnished to it by or on behalf of the other party in connection with the transactions contemplated hereby pursuant to the terms of the confidentiality agreement dated November 21, 2007, between London Broadcasting Company, Inc. and KSWO Inc. (the "Confidentiality Agreement"), which shall continue in full force and effect until the Closing Date, at which time such Confidentiality Agreement and the obligations of the parties under this Section 5.10 shall terminate only in respect of that portion of the documents and materials referenced therein exclusively relating to the Transferred Assets. The Confidentiality Agreement shall otherwise continue in full force and effect with respect to all other Confidential Information (as defined in the Confidentiality Agreement), including the terms of this Agreement. If for any reason this Agreement is terminated prior to the Closing Date, the Confidentiality Agreement shall nonetheless continue in full force and effect in accordance with its terms. Each Buyer agrees that it shall be bound by the Confidentiality Agreement to the same extent as London Broadcasting Company, Inc.

(b) From and after the Closing, the Sellers will, and will cause its Affiliates and Representatives to, maintain the confidentiality of the Confidential Information included in and related to the Transferred Assets and the Business (the "Transferred Confidential Information") at all times, and will not, directly or indirectly, use any Transferred Confidential Information for their own benefit or for the benefit of any other Person or reveal or disclose any Confidential Information to any Person other than authorized Representatives of a Buyer and the Sellers, except in connection with this Agreement or with the prior written consent of a Buyer and except to the extent the Transferred Confidential Information includes information regarding the Excluded Assets or other assets, business or properties of Sellers. As used herein, "Transferred Confidential Information" includes information concerning the Transferred Assets, the Business or the Stations and relating to customers, suppliers, independent contractors or employees, customer lists, and pending projects and proposals relating to the Transferred Assets or the Business. The covenants in this Section 5.10(b) will not apply to Transferred Confidential Information that (i) is or becomes available to the general public through no breach of this Agreement by the Sellers, their Affiliates or any of its their respective Representatives or, to the Knowledge of the Sellers, breach by any other Person of a duty of confidentiality to a Buyer or (ii) a Seller or any of its Affiliates or Representatives is required to disclose by applicable Law; provided, however, that the Sellers will (if permitted by applicable Law) notify the Buyers in writing of such required disclosure as much in advance as practicable in the circumstances and cooperate with the Buyers (at the Buyers' expense) to limit the scope of such disclosure.

Section 5.11 Consents and Filings; Further Assurances.

(a) Each of the parties shall, both up to and after the Closing Date (subject to Section 5.11(f)), use all commercially reasonable efforts to take, or cause to be taken, all appropriate action to do, or cause to be done, all things necessary, proper or advisable under applicable Law or otherwise to consummate and make effective the transactions contemplated by this Agreement and the Ancillary Agreements as promptly as practicable, including to (i) obtain the Required Consents and (ii) promptly make all necessary filings, and thereafter make any other required submissions, with respect to this Agreement required under applicable Law. The Buyers will prepare, at their own cost, for inclusion in the FCC Applications, a showing demonstrating that the continued operation of KWAB as a satellite of KWES is justified under FCC precedent, provided, however, that the Sellers shall cooperate by providing any financial, operational and other information reasonably necessary for such showing. All fees to be paid and costs incurred in connection with obtaining the Required Consents and making such filings shall be borne by the Buyers.

(b) It is specifically understood and agreed by the Buyers and the Sellers that (x) the Closing will be in all respects subject to, and conditioned upon, the receipt of prior FCC Consent, (y) between the date of this Agreement and the Closing Date, the Buyers will not directly or indirectly control, supervise or direct, or attempt to control, supervise or direct, the operation of the Stations, and (z) such operation, including complete control and supervision of all programs, employees and policies, will be the sole responsibility of the Sellers. The Buyers and the Sellers will prepare and file with the FCC, as soon as practicable but in no event later than ten (10) Business Days after the date of this Agreement (or, if the Buyers have not delivered to the Sellers the Requisite Financing Commitments on or prior to such tenth (10th) Business Day, then within two (2) Business Days after the Buyers have done so), all requisite applications and other necessary instruments and documents to request the FCC Consent (“FCC Applications”) (such date, the “Filing Date”). After the FCC Applications have been filed with the FCC, the Buyers and the Sellers will cooperate to prosecute the FCC Applications with commercially reasonable diligence and otherwise use their commercially reasonable efforts to obtain the prompt grant of the FCC Consent and to cause it to become a Final Order (it being expressly agreed that the FCC Consent becoming a Final Order is a condition to the obligations of the Buyers and the Sellers to consummate the Closing unless such requirement is waived by the Buyers as described in Section 6.3(c), in which case the FCC Consent becoming a Final Order shall no longer be a condition to the obligations of the Buyers and the Sellers to consummate the Closing). Each party will promptly deliver to the other parties a copy of any pleading, order or other document served on or delivered to it relating to the FCC Applications. The Buyers and the Sellers will use their respective commercially reasonable efforts to oppose any petitions to deny or other objections that may be filed with respect to the FCC Application and any requests for reconsideration or review of the FCC Consent, provided, however, that neither the Buyers nor the Sellers shall have any obligation to participate in any evidentiary hearing on any FCC Application. Neither the Sellers nor the Buyers will take any action that it knows or should know would adversely affect or delay the grant the FCC Consent, or adversely affect or delay the FCC Consent becoming a Final Order. The Buyers will pay the FCC filing fees relating to the transactions contemplated hereby irrespective of whether the transactions contemplated by this Agreement are consummated.

(c) (i) The Sellers shall request or cause to be requested all Required Consents not related to FCC Licenses or Leased Real Property by letter in a form reasonably acceptable to the Buyers.

(ii) The Buyers agree that, if in connection with the process of obtaining any Required Consent, a Governmental Authority or other Person purports to require any condition or any change to a Permit or Contract to which such Required Consent relates that would be applicable to either the Buyers or the Sellers as a requirement for granting such Required Consent, which condition or change involves a monetary payment or monetary commitment to such Governmental Authority or other Person, either the Buyers or the Sellers may elect, in their sole discretion, to satisfy the full amount of such monetary payment or monetary commitment (notwithstanding the obligation with respect to costs set forth in Section 5.11(a)), in which case, the other party or parties shall be deemed to accept such condition or change to the extent so satisfied.

(iii) Subject to the terms of Section 5.11(c)(ii), the Sellers shall not agree, without the Buyers' prior written consent, which consent shall not be unreasonably withheld or delayed, to any material change to the terms of any Permit or Contract as a condition to obtaining any Required Consent to the transfer or assignment of such Permit or Contract to the Buyers. If in connection with obtaining any Required Consent, a Governmental Authority or other third party seeks to impose any condition or adverse change to any Permit or Contract to which such Required Consent relates that would be applicable to the Buyers as a requirement for granting such Required Consent, the Sellers will promptly notify the Buyers of such fact and the Sellers shall not agree to such condition or adverse change unless the Buyers shall, in its reasonably exercised discretion, consent to such condition or change in writing. The Sellers are not required to consent to any change to any Permit or Contract that would impose any condition on any Seller following the Closing.

(d) The Buyers shall promptly, but in no event more than 10 days after receipt of such request, furnish to any Governmental Authority or other Person from which a Required Consent is requested such accurate and complete information regarding the Buyers, including financial information relating to the cable and other media operations of the Buyers, as a Governmental Authority or other Person may reasonably require in connection with obtaining such Required Consent.

(e) Notwithstanding the provisions of this Section 5.11, the Sellers shall not have any further obligation to obtain Required Consents (i) for any business radio license that the Sellers reasonably expect can be obtained within 120 days after the Closing Date and so long as a temporary authorization is available to the Buyers under FCC rules with respect thereto; or (ii) with respect to Leased Real Property, if the Sellers obtain and make operational prior to the Closing substitute Leased Real Property that is reasonably satisfactory to the Buyers.

(f) If and to the extent that the Sellers fail to obtain all Required Consents (other than the FCC Consent) on or prior to the Closing (regardless of whether the Buyers shall have waived satisfaction of any applicable condition to the Closing), then, for a period of six months following the Closing Date, the Sellers shall continue to use commercially reasonable

efforts, at the Buyers' request, to obtain such Required Consents in accordance with this Section 5.11.

(g) For purposes of this Agreement, "commercially reasonable efforts" of a party refers to the efforts, time, and costs that a reasonable person engaged in the same business as such party and desirous of achieving the result in question would use, expend, or incur (all in a manner consistent with the continued operation of its business) in similar circumstances to ensure that such result is achieved prior to the Closing Date (or any other relevant time that may be specified in this Agreement), but will not be deemed to require a party to waive any condition to the Closing in its favor or to undertake extraordinary measures, including the initiation or prosecution of legal proceedings, the payment of amounts (other than incidental fees and expenses of its counsel or other relevant advisors and normal and usual filing fees and processing fees, if applicable), taking on any other obligation not already imposed upon it by any Contract or Law or agreeing to any requested modification to any Contract or Permit; provided that if any Person demands that such party pay any amount not required to be paid by it, such party shall use commercially reasonable efforts to negotiate with such Person to reduce such amount, if another party indicates that such other party is willing to pay a reduced amount.

(h) The parties acknowledge that the applications (the "Renewal Applications") seeking renewal of certain of the FCC Licenses are pending before the FCC, as identified on Schedule 1.1(a) of the Disclosure Schedules. To the extent reasonably necessary to facilitate the grant of the FCC Consent, the Sellers shall use commercially reasonable efforts to enter into tolling agreements as required by the FCC with respect to the Renewal Applications to extend the statute of limitations for the FCC to determine or impose a forfeiture penalty against the Stations in connection with any pending complaints ("Tolling Agreement"). The Seller shall consult with the Buyers before entering any such Tolling Agreement.

(i) Upon the Buyers' request that Sellers prosecute any Pending Translator Application(s), the Sellers agree to take, until the expiration of one year following the Closing Date, all commercially reasonable steps requested by the Buyers to prosecute the pending applications for new television translator stations identified on Schedule 5.11(i) of the Disclosure Schedules ("Pending Translator Applications") and to cooperate with Buyers to prepare and file with the FCC, as soon as practicable but in no event later than ten (10) Business Days in the event that the FCC grants a construction permit for any of the Pending Translator Applications, all requisite applications and other necessary instruments and documents to request the consent of the FCC to assign such construction permit from Sellers to Buyers in accordance with Section 5.11(b) hereof. All costs incurred in connection with obtaining grant of any Pending Translator Application(s), including FCC filing fees, legal fees, engineering fees, and any payments made pursuant to an FCC auction or a settlement agreement with a mutually exclusive third party, shall be borne by the Buyers.

(j) As promptly as practicable following the Filing Date, Buyers and Seller shall each file, with the appropriate Governmental Authority, such filings as are required by the HSR Act and shall take all commercially reasonable actions necessary to cause early termination of the applicable waiting period required thereby; provided that compliance with this Section 5.11(j) shall not require Buyers or any of their Affiliates to engage in any divestures or to take

any other action that limits their businesses. The required filing fee under the HSR Act shall be borne by the Buyers.

Section 5.12 Release of Guarantees.

Prior to, at or after the Closing, the Sellers and their Affiliates that are a party to any guarantees, performance bonds, bid bonds, letters of credit and other similar agreements to the extent listed in Schedule 5.12 of the Disclosure Schedules relating to the Business (the “Guarantees”) may cause such Guarantees to be revoked or terminated, without liability to the Buyers therefor. In the event any of the Guarantees are not released prior to or at the Closing, they will be treated as Assumed Liabilities, but only to the extent that (a) such Guarantees relate to Contracts or Permits that are transferred to the Buyers and (b) payments are required to be made under, and costs and expenses incurred in connection with, such Guarantees relate to (x) matters arising from or relating to periods following the Closing Time (and not as a result of a breach by the Sellers of this Agreement or any Ancillary Agreement) and/or (y) a liability that is actually included in the amount of the Current Liabilities used to compute the Final Net Asset Value (but, in the case of any liability described in this clause (y), only to the extent such liability is included in the Current Liabilities used to compute the Final Net Asset Value).

Section 5.13 Refunds and Remittances.

After the Closing: (i) if the Sellers or their Affiliates receive any refund or other amount that is a Transferred Asset or is otherwise properly due and owing to the Buyers in accordance with the terms of this Agreement, the Sellers promptly shall remit, or shall cause to be remitted, without setoff, such amount to the Buyers and (ii) if the Buyers or any of its Affiliates receive any refund or other amount that is an Excluded Asset or is otherwise properly due and owing to a Seller or any of its Affiliates in accordance with the terms of this Agreement, the Buyers promptly shall remit, or shall cause to be remitted, without setoff, such amount to the Sellers.

Section 5.14 Cooperation on Litigation.

Except with respect to any Action between one or more of the Buyers and one or more of the Sellers, with respect to any defense or prosecution of any litigation or legal proceeding with respect to any Station that relates to the period prior to the Closing Time and for which the Sellers are responsible pursuant to this Agreement, or the defense of which an Indemnifying Party assumes pursuant to Section 7.4, the Buyers and the Sellers shall cooperate with and assist the other party(ies) and its or their Affiliates, upon reasonable request, by making witnesses available during normal business hours and providing all information in its possession (including access to employees with information regarding such proceedings and access to books and records that may relate to the proceedings) that such other party(ies) and its or their Affiliates may reasonably require in connection with such litigation or legal proceedings or in response to any complaint, claim, inquiry, order or requirements of any Governmental Authority or other third party. The party requesting such cooperation and assistance shall reimburse the requested party for all reasonable and actual out-of-pocket costs incurred by such requested party under this Section 5.14.

Section 5.15 Transition.

For a period of five (5) years after the Closing Date, and except as required by Law or with respect to statements of facts within the public record, the parties hereto will not Knowingly make any false, misleading or intentionally disparaging representations or statements with regard to any other party hereto or the Business.

Section 5.16 Bulk Transfer Laws.

The Buyers hereby waive compliance by the Sellers, and the Sellers hereby waive compliance by the Buyers, with the provisions of any so-called “bulk transfer laws” of any jurisdiction in connection with the sale of the Transferred Assets to the Buyers.

Section 5.17 Public Announcements.

Neither any Seller nor any Buyer shall issue any press release or other public statement with respect to the transactions contemplated hereby without the consent of the other parties hereto, which such consent shall not be unreasonably withheld, except as may be required by applicable Law. The Sellers and the Buyers will consult with each other concerning the means by which any employee, customer or supplier of the Business or any other Person having any business relationship with the Business will be informed of the transactions contemplated hereby.

Section 5.18 Leased Vehicles; Other Equipment and Liens.

Prior to the Closing, the Sellers will pay, or cause to be paid, the remaining balances on any leases for vehicles (other than any vehicle leased under a Tradeout Agreement) or capital leases of other Equipment included in the Transferred Assets and will deliver such vehicles and other Equipment free and clear of all Encumbrances (other than Permitted Encumbrances and the Required Consents that are listed on Schedule 3.3(a) of the Disclosure Schedules, or that are not required to be listed on such Schedule, in each case that are not obtained prior to the Closing) to the Buyers at the Closing. At or prior to the Closing, the Sellers shall deliver to the Buyers terminations or other evidence that all such remaining balances on any such leases for vehicles or capital leases for other Equipment included in the Transferred Assets have been paid.

Section 5.19 Exclusivity.

From the date of this Agreement until the Closing, the Sellers agrees that they will not, and will cause their Affiliates and Representatives not to, directly or indirectly: (i) offer the Transferred Assets, the Stations or the Business for sale, (ii) solicit, encourage or entertain offers for the Transferred Assets or the Business, (iii) participate in any negotiations or discussions for the sale of the Transferred Assets or the Business or (iv) make information about the Transferred Assets or the Business available to any Person (other than the Buyers and their Affiliates and Representatives) in connection with the possible sale of the Transferred Assets or the Business prior to the Closing or the date this Agreement is terminated in accordance with its terms. The Sellers shall not enter into any agreement relating to the sale (by merger, exchange or otherwise) of the equity interests of a Seller (other than a transaction for which approval of the FCC may be sought on Form 316 (unless such approval would interfere with or delay the obtainment of the FCC Consents) or another “short” form, or is not required to be sought pursuant to the Communications Laws), or consummate any such transaction, without prior written consent of the Buyers. The Sellers shall immediately notify the Buyers if any Person makes a proposed offer, inquiry or contract with respect to any of the foregoing.

Section 5.20 Title Commitments, Surveys and Lien Searches.

(a) Not fewer than 15 days prior to the Closing, the Sellers shall deliver to the Buyers the following items: (i) search results for local defendant, tax lien, judgment, and bankruptcy covering each Seller in the state and federal jurisdictions in which it operates its Stations, and (ii) UCC filing searches covering the Sellers in their respective states of organization dated as of a date no earlier than 30 days prior to Closing.

(b) With respect to any Real Property, within 10 days after the date of this Agreement, the Sellers shall deliver to the Buyers copies of the following items in their possession: (i) the most recent soil, engineering and environmental reports and studies, if any, with respect to the ownership, maintenance, use, occupancy and operation, (ii) any existing surveys and plats, (iii) the Sellers' source deeds, (iv) any and all title insurance commitments and title insurance policies, (v) the most-recently received property tax bill, and (vi) any permits issued by any Governmental Agency, and the Sellers will deliver to the Buyers any further materials related to Real Property that may be reasonably required by the Buyers' financing parties as promptly as is practicable after such materials are requested.

(c) After the execution of this Agreement, the Sellers, at the Buyers' expense, shall take such actions as the Buyers may reasonably request from time to time to cooperate with the Buyers so that the Buyers may obtain (i) commitments for owner's leasehold and title insurance policies on each parcel of Real Property by an agent writing for a nationally recognized title insurance company acceptable to the Buyers (the "Title Company"), and (ii) an ALTA survey on each parcel of Real Property for which a title insurance policy is to be obtained. The cost of the title commitments obtained under this Section 5.20(c) shall be paid by the Buyers, and the costs of any surveys obtained under this Section 5.20(c) shall be borne by the Buyers. The Seller shall provide reasonable assistance in connection with the Buyers obtaining such commitments and surveys and any appraisals, as the Buyers may request from time to time, at the Buyers' expense. The Buyers will order such commitments and surveys within 30 days after the date of this Agreement; provided that the Buyers may order any such supplemental materials at any time to the extent required by the Buyers' financing parties. If the Buyers notify the Sellers in writing within 90 days after the date of this Agreement that any commitment or survey ordered in accordance with the terms of this Section 5.20(c) discloses a condition that constitutes a breach, or any facts which could be reasonably expected to result in a breach, of the representations of the Sellers contained in Section 3.13 or any condition that would prohibit the Sellers from transferring title to such Real Property free and clear of Encumbrances (other than Permitted Encumbrances, and except for the Required Consents that are listed on Schedule 3.3(a) of the Disclosure Schedules, or that are not required to be listed on such Schedule, in each case that are not obtained prior to the Closing) (a "Title Defect"), then the Sellers will promptly commence further investigation and use commercially reasonable efforts to at their expense to (i) cure the Title Defect prior to the Closing, or (ii) cause the Title Company to commit to insure over each such Title Defect prior to the Closing. If any such Title Defect cannot be removed prior to the Closing or the Title Company does not commit to insure over such Title Defect prior to the Closing, the Buyers and the Sellers will enter into a written agreement at the Closing containing the commitment of the Sellers to use commercially reasonable efforts to remedy the Title Defect following Closing on terms satisfactory to the Buyers in their reasonable discretion; provided, however, that no such commitment will impair the Buyers' rights under Section 6.3(a).

If any additional title encumbrances are discovered after the Title Company's issuance of a commitment, the Buyers shall have the same rights concerning objections to the additional title encumbrances, as set forth above in this Section 5.20.

(d) The Sellers will use commercially reasonable efforts to take such actions as the Buyers may request to assist the Buyer' in obtaining customary estoppels and collateral access agreements from landlords, easement holders and tenants, all in forms reasonably agreed upon by the Buyers and the Sellers and any other documentation to the extent reasonably required by the Buyers' prospective financing parties.

Section 5.21 Non-Competition.

(a) The Sellers shall not, and shall cause their Affiliates to not, directly or indirectly, whether as principal, agent, consultant, stockholder, investor or otherwise, alone or in association with any Person, for a period commencing immediately following the Closing Date and expiring three years following the Closing Date, manage, operate, finance, participate in, enter into, engage in or own any interest in, the business of any broadcast television station licensed to a community within any Station's DMA specified on the attached Exhibit I, except as a passive investor or shareholder holding less than 5% of the outstanding voting stock or other equity interest of any entity. For the avoidance of doubt, this Section 5.21(a) shall not restrict the ownership or operation of any cable television system that provides service in such DMA, including the solicitation of advertisers for such a system in competition with any Station.

(b) The Sellers shall not, and shall cause its Affiliates to not, directly or indirectly, whether as principal, agent, consultant, stockholder, investor or otherwise, alone or in association with any Person, for a period commencing immediately following the Closing Date and expiring on the first anniversary of the Closing Date, solicit (excluding through any general or public solicitation not targeted at any Transferred Employees) for employment (including as an independent contractor) any Transferred Employee; provided that this Section 5.21(b) shall not prohibit: (i) any advertisement, posting, notice or other general solicitation that is not directed primarily at employees of the Stations, (ii) any solicitation by a bona fide recruiting or search firm that is not directed to solicit employees of the Stations, (iii) any solicitation of a person who, at the time of such solicitation, is not an employee of the Buyers, or (iv) any hiring of, or employment discussions with, any person who responds to any solicitation described in any of clauses (i), (ii) or (iii) above or who contacts a Seller or Affiliate regarding employment without any solicitation.

(c) If any provision of this Section 5.21 is determined to be unreasonable or unenforceable, such provision and the remainder of this Section 5.21 shall not be declared invalid, but rather shall be modified and enforced to the maximum extent permitted by law.

(d) The parties agree that the provisions of this Section 5.21 are reasonable and necessary to protect and preserve the interests and business of the Buyers and that any breach of the Sellers' obligations would result in irreparable harm to the Buyers for which the Buyers would not have any adequate remedy at law. Accordingly, in addition to any other available remedies, the Buyers shall be entitled to immediate and permanent injunctive relief to prevent any breach or contemplated breach of this Section 5.21 by a Seller or any Affiliate

thereof, without regard to any requirement for the posting of a bond or any other security by the Buyers.

Section 5.22 Tax Covenants.

(a) Subject to the final sentence of Section 9.1, each party will be responsible for its own Taxes arising out of the transactions contemplated by this Agreement and for filing all Returns related to such Taxes.

(b) The Sellers shall be responsible for all Taxes with respect to the Transferred Assets for all prior calendar years and periods prior to and including the Closing Time.

(c) The Buyers and the Sellers will cooperate fully, as and to the extent reasonably requested by the other party, in connection with the filing and preparation of Returns with respect to the Transferred Assets and any proceeding related thereto. Such cooperation will include the retention and (upon any other party's request) the provision of records and information that are reasonably relevant to any such proceeding and making employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder. The Buyers and the Sellers agree that each party will retain, or cause its Affiliates to retain, as the case may be, all books and records with respect to Tax matters pertinent to the Transferred Assets relating to any taxable period beginning on or prior to the Closing Date until the expiration of the statute or period of limitations of the respective taxable periods.

Section 5.23 Risk of Loss.

(a) The Sellers shall bear all risk of loss of or damage (other than ordinary wear and tear) to any Transferred Asset at all times prior to the Closing Time. Between the date of this Agreement and the Closing Time, if any material Transferred Asset is lost, damaged or destroyed (other than ordinary wear and tear), the Sellers shall, at their option: either (i) replace or restore such Transferred Asset to at least as good condition as existed on the date of this Agreement; or (ii) pay over and assign to the Buyers all insurance proceeds payable as a result of the occurrence of the event resulting in such loss or damage (to the extent not used to restore or replace the Transferred Assets prior to the Closing) and all deductibles related to such insured loss or damage. To the extent that such insurance proceeds and deductibles are not sufficient to restore or replace such Transferred Asset, at the Closing, the Sellers shall pay to the Buyers the difference between such amount and the fair market value of the Transferred Asset on the date of loss. Notwithstanding the foregoing, the Buyers shall have the right to refuse payment by the Sellers and to exercise its right to refuse to consummate the transactions contemplated by this Agreement if such loss, damage or destruction, after giving effect to any repair, restoration or replacement that has been completed, causes a condition set forth in Section 6.3 to not be satisfied.

(b) Sellers shall give prompt written notice to the Buyers if the regular broadcast transmissions of the main-station signal of any Full-Power Station in the normal and usual manner are interrupted or discontinued, including the operation of any Full-Power Station

in the broadcast of such signal at a power level of less than 75% of its maximum authorized facilities, in each case other than to permit routine maintenance during overnight hours (an “Interruption”). If any Interruption persists for more than seventy-two (72) hours (or, in the event of force majeure or utility failure affecting the market served by a Full-Power Station generally, ninety-six (96) hours) during any period of thirty (30) consecutive days, and such Interruption continues to persist as of the Closing Date, then the Buyers may, at their option, delay the Closing Date until the date notified by the Sellers to the Buyers no later than three (3) Business days after the date on which the Interruption is cured and no longer exists, provide that, if such Interruption continues to persist as of the Termination Date, the Buyers may, at their option, terminate this Agreement without liability on the part of the Buyers in accordance with Section 8.1(c) hereof.

Section 5.24 DTV Buildout Costs.

The Sellers acknowledge that two installment payments aggregating \$212,583.39 (the “KWES DTV Amount”) are to be made pursuant to the Harris Corporation Quotation for DTV Transmitter and related equipment and services executed by Midessa Television on April 23, 2008 (the “Midland/Odessa DTV Build-Out Contract”). The Sellers covenant that they shall make any such payment prior to the Closing Time to the extent required by the Midland/Odessa DTV Build-Out Contract. To the extent that any such payment is not made prior to the Closing Time, the amount thereof shall be deemed to be a Current Liability for purposes of Sections 2.3(a) and 2.8; provided that, at the election of the Buyers, the Purchase Price will be reduced by the aggregate amount of such payment(s) yet to be made (“DTV Offset”), in which event the amount of such payment(s) will not be deemed to be a Current Liability for purposes of Section 2.8 and notwithstanding Section 2.3(a) the Buyers will be responsible for making such payment(s) when due despite that fact that such payment(s) will be excluded from the amount of Current Liabilities used to calculate the Final Net Asset Value. The Sellers hereby covenant that the sum of (i) the KWES DTV Amount, (ii) the aggregate amount paid by the Sellers pursuant to the Midland/Odessa DTV Build-Out Contract on or prior to the date of this Agreement, (iii) the aggregate amount of the other payments made by the Sellers prior to the date of this Agreement in respect of capital assets for the Business that have been placed in service since December 31, 2007, and (iv) the aggregate amount of the capital expenditures that the Sellers will make in respect of the Business after the date of this Agreement and prior to the Closing Time (other than the installment payments described above), will be not less than \$500,000.

Section 5.25 Waco Market Transformer.

The Sellers shall be responsible for replacing the Sellers’ pad-mounted transformer at the KXXV tower site and for paying for the disposal of such transformer in compliance with applicable laws.

ARTICLE VI CONDITIONS TO CLOSING

Section 6.1 General Conditions.

The respective obligations of the Buyers and the Sellers to consummate the transactions contemplated hereby shall be subject to the fulfillment, at or prior to the Closing, of each of the following conditions, any of which may, to the extent permitted by applicable Law, be waived in writing by any party in its sole discretion (provided that such waiver shall only be effective as to the obligations of such party):

(a) No Governmental Authority shall have enacted, issued, promulgated, enforced or entered any Law (whether temporary, preliminary or permanent) that enjoins, restrains, makes illegal or otherwise prohibits the consummation of the transactions, taken as a whole, contemplated by this Agreement or the Ancillary Agreements. Without limiting the foregoing:

(i) no party shall be subject to any restraining order or injunction restraining or prohibiting the consummation of the transactions contemplated by the Agreement; and

(ii) no Action or other proceeding shall be pending before any court or Governmental Authority in which it is sought to restrain or prohibit, or obtain damages or other relief in connection with, this Agreement or the consummation of the transactions contemplated hereby.

(b) The waiting period (if any) under the HSR Act applicable to the consummation of the transactions contemplated by this Agreement shall have expired or been terminated.

Section 6.2 Conditions to Obligations of the Sellers.

The obligations of the Sellers to consummate the transactions contemplated hereby shall be subject to the fulfillment, at or prior to the Closing, of each of the following conditions, any of which may be waived in writing by the Sellers in their sole discretion:

(a) The representations and warranties of the Buyers contained in this Agreement shall be true and correct both when made and as of the Closing Date, or in the case of representations and warranties that are made as of a specified date, such representations and warranties shall be true and correct as of such specified date (in each case without giving effect to any limitation or qualification as to materiality (including the word “material” or “Material Adverse Effect” set forth therein, except as provided in Section 7.5(d)), except where the failure to be so true and correct, individually or in the aggregate, has not had, and would not reasonably be expected to have, a Buyer Material Adverse Effect. The Buyers shall have performed all obligations and agreements and complied in all material respects with all covenants and conditions required by this Agreement to be performed or complied with by it prior to or at the Closing (subject to Section 7.5(d)). The Sellers shall have received from the Buyers a certificate to the effect set forth in the preceding sentences in this Section 6.2(a), signed on the Buyers’ behalf by an officer thereof.

(b) The Sellers shall have received the deliveries set forth in Section 2.7(c), including an executed counterpart of each of the Ancillary Agreements, signed by each party thereto other than a Seller or the Lawton Cable Operator.

(c) The FCC Consent shall have been granted, without any condition materially adverse to the Sellers other than those generally applicable to assignors of licenses such as the FCC Licenses, and will be in full force and effect.

Section 6.3 Conditions to Obligations of the Buyers.

The obligations of the Buyers to consummate the transactions contemplated hereby shall be subject to the fulfillment, at or prior to the Closing, of each of the following conditions, any of which may be waived in writing by the Buyers in their sole discretion:

(a) The representations and warranties of the Sellers contained in this Agreement shall be true and correct both when made and as of the Closing Date, or in the case of representations and warranties that are made as of a specified date, such representations and warranties shall be true and correct as of such specified date (without giving effect to any limitation or qualification as to “materiality” (including the word “material”) or “Material Adverse Effect” set forth therein, except as provided in Section 7.5(d)), except where the failure to be so true and correct, individually or in the aggregate, has not had, and would not reasonably be expected to have, a Material Adverse Effect. The Sellers shall have performed all obligations and agreements and complied with all covenants and conditions required by this Agreement to be performed or complied in all material respects with by them prior to or at the Closing (without giving effect to any limitation or qualification as to “materiality” (including the word “material”) or “Material Adverse Effect” set forth therein, except as provided in Section 7.5(d)). The Buyers shall have received from the Sellers a certificate to the effect set forth in the preceding sentences in this Section 6.3(a), signed on the Sellers’ behalf by an officer thereof.

(b) The Buyers shall have received the deliveries set forth in Section 2.7(b) hereof, including an executed counterpart of each of the Ancillary Agreements signed by each party other than any Buyer.

(c) The FCC Consent will have been granted, without any condition materially adverse to the Buyers other than those generally applicable to assignees of licenses such as the FCC Licenses, will be in full force and effect, and will have become a Final Order; provided that the Buyers may, in writing, waive the condition that the FCC Consent has become a Final Order, but not the condition that the FCC Consent has been granted and is in full force and effect.

(d) As to each Affiliation Agreement, either (i) such Affiliation Agreement shall be in full force and effect, and the Network party thereto shall have consented to the assignment of such Affiliation Agreement to the Buyers without any materially adverse change in the terms and conditions thereof, or (ii) such Network will have offered to enter into a replacement agreement without any materially adverse change in the terms and conditions thereof.

(e) There shall not have occurred any change, event or development that, individually or in the aggregate, has had or is reasonably likely to have a Material Adverse Effect.

(f) [Reserved]

(g) [Reserved]

(h) All Encumbrances described on Schedule 3.4(a) of the Disclosure Schedules shall be released (of record, if they have been recorded).

(i) Each of the Required Consents set forth on Schedule 6.3(i) of the Disclosure Schedules shall have been obtained, and evidence thereof satisfactory to the Buyers shall have been delivered to the Buyers and such consents shall be in full force and effect.

ARTICLE VII INDEMNIFICATION

Section 7.1 Survival of Representations and Warranties.

The representations and warranties of the Sellers and the Buyers contained in this Agreement and the Ancillary Agreements and any certificate delivered pursuant hereto or thereto shall survive the Closing until the first anniversary of the Closing Date, except representations and warranties relating to authorization of the transactions contemplated by this Agreement and title to the Transferred Assets, which shall survive the Closing and remain in effect indefinitely thereafter, and except representations and warranties relating to Taxes, ERISA, environmental matters and brokers, which representations and warranties will survive the Closing until sixty (60) days after the expiration of the applicable statutes of limitations. All covenants and other agreements contained in this Agreement and relating to periods after the Closing Date shall survive in accordance with their terms.

Section 7.2 Indemnification by the Sellers.

The Sellers shall jointly and severally save, defend, indemnify and hold harmless the Buyers and its Affiliates and the respective Representatives, successors and assigns of each of the foregoing (collectively, the “Buyer Indemnified Parties”) from and against any and all losses, damages, liabilities, deficiencies, claims, interest, awards, judgments, penalties, costs and expenses (including reasonable attorneys’ fees, costs and other out-of-pocket expenses incurred in investigating, preparing or defending the foregoing) (hereinafter collectively, “Losses”) to the extent arising out of or resulting from:

(a) subject to Section 7.5(d), any breach of any representation or warranty made by the Sellers contained in this Agreement or pursuant to the certificates delivered by the Sellers pursuant to Section 6.3(a);

(b) subject to Section 7.5(d), any breach of any covenant or agreement by the Sellers contained in this Agreement or the Ancillary Agreements;

(c) any Excluded Asset or Excluded Liability; and

(d) any failure of the Sellers to comply with any bulk sales laws applicable to the Sellers.

Section 7.3 Indemnification by the Buyers.

The Buyers shall jointly and severally save, defend, indemnify and hold harmless the Sellers and their Affiliates and the direct and indirect shareholders, owners, general partners, managers and members of the Sellers and their Affiliates, and the respective Representatives, successors and assigns of each of the foregoing (collectively, the “Seller Indemnified Parties”) from and against any and all Losses to the extent arising out of or resulting from:

(a) subject to Section 7.5(d), any breach of any representation or warranty made by a Buyer contained in this Agreement or pursuant to the certificates delivered by the Buyers pursuant to Section 6.2(a);

(b) subject to Section 7.5(d), any breach of any covenant or agreement by a Buyer contained in this Agreement or the Ancillary Agreements;

(c) any Assumed Liability; and

(d) any failure of a Buyer to comply with any bulk sales laws applicable to such Buyer.

Section 7.4 Procedures.

(a) In order for a Buyer Indemnified Party or Seller Indemnified Party (each an “Indemnified Party”) to be entitled to any indemnification provided for under this Agreement or the Ancillary Agreements in respect of, arising out of or involving a Loss or a claim or demand made by any Person other than the Buyers, the Sellers or their respective Affiliates (a “Third Party”) against such Indemnified Party (a “Third Party Claim”), such Indemnified Party shall deliver notice thereof to the party against whom indemnity is sought (the “Indemnifying Party”) promptly after receipt by such Indemnified Party of written notice of the Third Party Claim, describing the claim for indemnification hereunder. The failure to provide such notice, however, shall not release the Indemnifying Party from any of its obligations under this Article VII except and solely to the extent that the Indemnifying Party is materially and irreversibly prejudiced by such failure.

(b) The Indemnifying Party shall have the right at its own expense, to participate in and, upon written notice to the Indemnified Party, to assume the defense of any Third Party Claim with counsel selected by the Indemnifying Party and reasonably satisfactory to the Indemnified Party, provided, that the Indemnifying Party agrees, in a writing delivered to the Indemnified Party, to indemnify the Indemnified Party from and against the entirety of any damages or liabilities the Indemnified Party may suffer resulting from, relating to, arising out of, or attributable to the Third Party Claim and that the Indemnifying Party will have sufficient financial resources to defend the Third Party Claim and pay, in cash, all damages or liabilities the Indemnified Party may suffer resulting from, relating to, arising out of, or attributable to the Third Party Claim; and provided, further, that the Buyers shall assume the defense of any Third Party Claim relating to any amount that would be an Employment Agreement Assumed Liability. Anything herein to the contrary notwithstanding, the Indemnifying Party shall not have the right to assume the defense of any Third Party Claim if and so long as (i) the Indemnifying Party is a party to the suit or proceeding and the Indemnified Party has determined in good faith that there would be a conflict of interest associated with joint representation, (ii) the claim involves or is reasonably likely to involve any claim by a Governmental Authority (other than a claim that, if

adversely decided, would not adversely effect the Buyers' rights or obligations under the FCC Licenses), or (iii) to the extent the claim involves a plea for injunctive or other equitable relief against the Indemnified Party (but in that case, only to such extent); provided that this sentence shall not be applicable in the case of a Third Party Claim described in the second proviso to the preceding sentence. If the Indemnifying Party assumes the defense of such Third Party Claim, the Indemnified Party shall have the right to employ separate counsel and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of the Indemnified Party; provided, however, that if the Indemnifying Party fails to conduct the defense of the claim actively and diligently, the Indemnified Party shall have the right to resume control of the defense of such claim at the expense of the Indemnifying Party. Whether or not the Indemnifying Party assumes or has the right to assume the defense of a Third Party Claim, the Indemnified Party shall not admit any liability with respect to, or settle, compromise or discharge, or offer to settle, compromise or discharge, such Third Party Claim without the Indemnifying Party's prior written consent, which shall not be unreasonably withheld or delayed. The Indemnifying Party shall not, without the prior written consent of the Indemnified Party, which will not be unreasonably withheld or delayed, settle, compromise or offer to settle or compromise any Third Party Claim. For purposes of each of the two preceding sentences, it will not be deemed to be unreasonable for a party to withhold its consent with respect to any finding of or admission (A) of any material breach or violation of any Law, (B) of any material violation of the rights of any Person, or (C) which such party reasonably believes could have a material adverse effect on any other Actions to which such party or its Affiliates are party or to which such party has a reasonable good faith belief it or its Affiliates may become party.

(c) A claim for any matter not involving a Third Party Claim may be asserted by notice to the party from whom indemnification is sought.

Section 7.5 Limits on Indemnification.

(a) Except for any claims based on fraud, no claim may be asserted against any party for breach of any representation, warranty or covenant contained in this Agreement or the Ancillary Agreements or any certificate delivered hereto or thereto, unless written notice of such claim is received by such party with respect to the subject matter of such claim on or prior to the date on which the representation, warranty or covenant on which such claim is based ceases to survive as set forth in Section 7.1, in which case such representation, warranty or covenant shall survive as to such claim until such claim has been finally resolved.

(b) Notwithstanding anything to the contrary contained in this Agreement:

(i) neither the Sellers, on the one hand, nor the Buyers, on the other hand, shall be liable to any Buyer Indemnified Party or Seller Indemnified Party, as applicable, for any claim for indemnification relating to breaches of representations or warranties unless and until the aggregate amount of indemnifiable Losses that may be recovered from the Sellers under Section 7.2(a) or the Buyers under Section 7.3(a), as applicable, equals or exceeds \$862,500 (the "Threshold Amount"), at which point the Sellers or the Buyers, as the case may be, the Buyer Indemnified Parties or the Seller Indemnified Parties, as applicable, from and against all Losses to the extent they exceed the Threshold Amount; provided, that (i) the Threshold Amount shall not apply to claims for fraud or for breach of representations and

warranties relating to authorization of the transactions contemplated by this Agreement, title to the Transferred Assets, Taxes and brokers, (ii) the Threshold Amount shall not be applicable to any claim based on a matter to the extent that it is first disclosed in any Disclosure Schedule Update) and (iii) the Threshold Amount as applicable to Losses that may be recovered from the Sellers shall be reduced, but not below \$340,000 (by reason of this clause (iii)), by an amount equal to the aggregate amount of any Employment Agreement Assumed Liabilities;

(ii) the maximum aggregate amount of indemnifiable Losses that may be recovered by the Buyer Indemnified Parties under Section 7.2(a) or the Seller Indemnified Parties under Section 7.3(a) shall be an amount (the “Cap”) equal to \$8,625,000 (excluding any recovery for fraud or any breach of representations and warranties relating to authorization of the transactions contemplated by this Agreement, title to the Transferred Assets, Taxes and brokers);

(iii) no party hereto shall have any liability under any provision of this Agreement for any punitive, consequential special or indirect damages, other than with respect to (1) fraud or (2) any such damages awarded to a Third Party in connection with a Third Party Claim, in which case the Indemnified Party shall be permitted to recover all such amounts from the Indemnifying Party;

(iv) the Sellers shall not be obligated to indemnify any Buyer Indemnified Party with respect to any Loss to the extent that such Loss was a Current Liability and that an accrual or reserve for the amount of such Loss was included in the calculation of the Final Net Asset Value (as finally determined pursuant to Section 2.8); and

(v) for clarification, the Threshold Amount shall not apply to any Buyer Losses related to matters under Sections 7.2(b) through 7.2(d), or to any Seller Losses related to matters under Sections 7.3(b) through 7.3(d).

(c) [reserved]

(d) In the case of any representation, warranty, or covenant set forth in this Agreement that is modified by the words “material” or “Material Adverse Effect,” or other words of similar import, such words will be disregarded in determining whether there has been a breach of or inaccuracy in such representation, warranty, or covenant for purposes of Section 6.2(a), 6.3(a), 7.2 or 7.3; provided that this Section 7.5(d) will not apply to (i) the representations and warranties set forth (x) in the final sentence of Section 3.7(b), (y) Section 3.8(a) or (z) clause (viii) of Section 3.18(a), or (ii) the covenants set forth in (x) clause (vii)(x) of Section 5.1(a) or (y) clause (xiii) of Section 5.1(b). Furthermore, for the avoidance of doubt, this Section 7.5(d) shall not be construed to cause the term “Material Contract” to refer to any Contract that is not required to be listed on Schedule 3.18(a) of the Disclosure Schedules.

(e) Notwithstanding anything to the contrary in this Agreement: (i) the covenants and obligations of, and the representations and warranties made by or attributable to, any Seller pursuant to this Agreement will be deemed to be made by and attributable to each Seller, jointly and severally with the other Sellers, and the Buyers will have the right to pursue remedies against any one or more of the Sellers or the Escrow Fund without any obligation to

give notice to or pursue all Sellers or the Escrow Fund or to give notice to or pursue any individual Seller before pursuing any other Seller or the Escrow Fund, and (ii) the covenants and obligations of, and the representations and warranties made by or attributable to, any Buyer pursuant to this Agreement will be deemed to be made by and attributable to each Buyer, jointly and severally with the other Buyers, and the Sellers will have the right to pursue remedies against any one or more of the Buyers without any obligation to give notice to or pursue all Buyers or to give notice to or pursue any individual Buyer before pursuing any other Buyer.

Section 7.6 Exclusivity.

To the maximum extent permitted under applicable Law, after the Closing, except for claims based upon fraud, this Article VII shall provide the exclusive remedy against the Sellers or the Buyers for any breach of any representation, warranty, covenant or other agreement in this Agreement and the Ancillary Agreements, and the Buyers and the Sellers hereby waive any claims for breach of contract, breach of representation or warranty, breach of implied covenants, negligent misrepresentation and all other claims for breach of duty to the extent the subject matter of such claims is covered by the representations, warranties, covenants or other agreements in this Agreement and the Ancillary Agreements; it being understood that a party may file suit to enforce the provisions of this Agreement in a manner consistent with this Article VII. Notwithstanding the foregoing, this Section 7.6 shall not affect any specific enforcement remedy available to any party.

Section 7.7 Disclaimer of Implied Warranties.

It is the explicit intent and understanding of each party hereto that neither a party hereto nor any of such party's Affiliates or Representatives is making any representation or warranty whatsoever (including any implied warranty of merchantability or fitness), oral or written, express or implied, as to the accuracy or completeness of any information regarding the Business, the Transferred Assets or the Assumed Liabilities, except as expressly set forth in this Agreement (including the Disclosure Schedules hereto), and no party hereto is relying on any statement, representation or warranty, oral or written, express or implied, made by the other party hereto or such other party's Affiliates or Representatives, except for the representations and warranties expressly set forth in this Agreement and the disclosures on the Disclosure Schedules related thereto.

ARTICLE VIII TERMINATION, AMENDMENT AND WAIVER

Section 8.1 Termination.

This Agreement may be terminated at any time prior to the Closing:

- (a) by mutual written consent of the Buyers and the Sellers;
- (b) (i) by the Sellers, if any Buyer breaches or fails to perform in any respect any of its representations, warranties or covenants contained in this Agreement and such breach or failure to perform (A) would give rise to the failure of a condition set forth in Section 6.2,

(B) cannot be cured or has not been cured within 30 days after written notice thereof by Sellers and (C) has not been waived by the Sellers or (ii) by the Buyers, if the Sellers breach or fail to perform in any respect any of their representations, warranties or covenants contained in this Agreement and such breach or failure to perform (x) would give rise to the failure of a condition set forth in Section 6.3, (y) cannot be cured or has not been cured within 30 days after written notice by the Buyers of any other breach of this Agreement and (z) has not been waived by the Buyers; provided, however, that the Sellers shall not have the right to terminate this Agreement under this Section 8.1(b) any time when any Seller is in material breach of any representation, warranty, covenant or agreement hereunder, and the Buyers shall not have the right to terminate this Agreement under this Section 8.1(b) at any time when any Buyer is in material breach of any representation, warranty, covenant or agreement hereunder;

(c) by either the Sellers or the Buyers if the Closing shall not have occurred by December 31, 2008 (the "Termination Date"); provided, however, that the Sellers shall not have the right to terminate this Agreement under this Section 8.1(c) any time when any Seller is in material breach of any representation, warranty, covenant or agreement hereunder, and the Buyers shall not have the right to terminate this Agreement under this Section 8.1(c) at any time when any Buyer is in material breach of any representation, warranty, covenant or agreement hereunder; or

(d) by either the Sellers or the Buyers in the event that any Governmental Authority shall have issued an order, decree or ruling or taken any other action restraining, enjoining or otherwise prohibiting all of the transactions contemplated hereby, and such order, decree, ruling or other action shall have become final and nonappealable; provided, however, that the party so requesting termination shall have complied with Section 5.11.

The party or parties seeking to terminate this Agreement pursuant to this Section 8.1 (other than Section 8.1(a)) shall give prompt written notice of such termination to the other party or parties.

Section 8.2 Effect of Termination.

In the event of termination of this Agreement as provided in Section 8.1, this Agreement shall forthwith become void and there shall be no liability on the part of any party except (a) for the provisions of Sections 2.6(a) and 2.6(b) relating to the Escrow Fund, Sections 3.19 and 4.4 relating to broker's fees and finder's fees, Sections 5.2(a) and 5.2(b) relating to expenses, Section 5.10(a) relating to confidentiality, Section 5.17 relating to public announcements, Section 9.1 relating to fees and expenses, Section 9.4 relating to notices, Section 9.7 relating to third-party beneficiaries, Section 9.8 relating to governing law and this Article VIII and (b) that nothing herein shall relieve any party from liability for any breach of this Agreement; provided that, in the event (i) the Sellers terminate this Agreement under Section 8.1(b)(i) or Section 8.1(c) or (ii) a Buyer breaches this Agreement and the Closing does not occur (either at the time otherwise required in this Agreement or otherwise), in both cases the Sellers' sole and exclusive remedy for any breach of this Agreement by the Buyers or otherwise relating to or arising out of this Agreement or the transactions contemplated by this Agreement shall be receipt of the Escrow Fund as liquidated damages (and, unless the Closing occurs, the Sellers hereby waive any other claim for damages, specific performance or other remedies (other than forfeit of the Escrow Fund) in the event of any breach by a Buyer under this Agreement); and provided, further, that the foregoing proviso shall not limit any Seller's remedy in respect of any breach of

Section 5.10(a) or the Confidentiality Agreement, or of the Buyers' obligations to bear or reimburse costs as provided in Section 5.2(a) or 5.2(b). Each party acknowledges that the agreements contained in this Section 8.2 are an integral part of the transactions contemplated by this Agreement, that the damages resulting from termination or breach of this Agreement are uncertain and incapable of accurate calculation, and that the amount payable under this section is not a penalty, but rather constitutes liquidated damages in a reasonable amount, and that without such agreements the parties would not enter into this Agreement.

ARTICLE IX GENERAL PROVISIONS

Section 9.1 Fees and Expenses.

Except as otherwise provided herein, all fees and expenses incurred in connection with or related to this Agreement and the Ancillary Agreements and the transactions contemplated hereby and thereby shall be paid by the party incurring such fees or expenses, whether or not such transactions are consummated. In the event of termination of this Agreement, the obligation of each party to pay its own expenses shall be subject to the rights of such party arising from a breach of this Agreement by the other. Notwithstanding the foregoing, the Buyers shall pay all transfer, recording and similar Taxes, recording fees and recording costs resulting from the consummation of the transactions contemplated by this Agreement, regardless of the party upon whom, by Law, such Taxes, recording fees and recording costs are imposed.

Section 9.2 Amendment and Modification.

This Agreement may not be amended, modified or supplemented in any manner, whether by course of conduct or otherwise, except by an instrument in writing signed on behalf of each party.

Section 9.3 Waiver.

No failure or delay of any party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such right or power, or any course of conduct, preclude any other or further exercise thereof or the exercise of any other right or power. Except as provided herein, the rights and remedies of the parties hereunder are cumulative and are not exclusive of any rights or remedies, which they would otherwise have hereunder. Any agreement on the part of any party to any such waiver shall be valid only if set forth in a written instrument executed and delivered by a duly authorized officer on behalf of such party.

Section 9.4 Notices.

All notices and other communications hereunder shall be in writing and shall be deemed duly given (a) on the date of delivery if delivered personally, or if by facsimile or other electronic means reasonably acceptable to the parties giving and receiving such notice, upon written confirmation of receipt by facsimile or such other means, (b) on the first Business Day following the date of dispatch if delivered utilizing a next-day service by a recognized next-day courier or (c) on the earlier of confirmed receipt or the fifth Business Day following the date of mailing if

delivered by registered or certified mail, return receipt requested, postage prepaid. All notices hereunder shall be delivered to the addresses set forth below, or pursuant to such other instructions as may be designated in writing by the party to receive such notice:

if to any Seller, to:

P.O. Box 548
Lawton, OK 73502
Facsimile: 580-355-0597
Attention: Robert H. Drewry, c/o Laura L. Byrd

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

Kirkland & Ellis LLP
153 E. 53rd Street
Suite 3600
New York, NY 10022
Facsimile: 212-446-4900
Attention: John Kuehn

if to the Buyers, to:

5420 LBJ Freeway
Suite 1000
Dallas, Texas 75240
Attention: Terry London

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

Akin Gump Strauss Hauer & Feld LLP
1700 Pacific Avenue, Suite 4100
Dallas, TX 75201
Facsimile: 214-969-4343
Attention: James A. Deeken

Section 9.5 Interpretation.

When a reference is made in this Agreement to a Section, Article or Exhibit, such reference shall be to a Section, Article or Exhibit of this Agreement unless otherwise indicated. The table of contents and headings contained in this Agreement or in any Exhibit are for convenience of reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. All words used in this Agreement shall be construed to be of such gender or number as the circumstances require. Any capitalized terms used in the Disclosure Schedules or any Exhibit but not otherwise defined therein shall have the meaning as defined in this Agreement. All Exhibits annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth herein. The word “including” and words of similar import when used in this Agreement shall mean “including, without limitation,” unless otherwise specified.

Section 9.6 Entire Agreement.

This Agreement (including the Exhibits and Disclosure Schedules hereto), the Ancillary Agreements and the Confidentiality Agreement constitute the entire agreement, and supersede all prior written agreements, arrangements, communications and understandings and all prior and contemporaneous oral agreements, arrangements, communications and understandings among the parties with respect to the subject matter of this Agreement. Neither this Agreement nor any Ancillary Agreement shall be deemed to contain or imply any restriction, covenant, representation, warranty, agreement or undertaking of any party with respect to the transactions contemplated hereby or thereby other than those expressly set forth herein or therein or in any document required to be delivered hereunder or thereunder, and none shall be deemed to exist or be inferred with respect to the subject matter hereof. Notwithstanding any oral agreement of the parties or their Representatives to the contrary, no party to this Agreement shall be under any legal obligation to enter into or complete the transactions contemplated hereby unless and until this Agreement shall have been executed and delivered by each of the parties.

Section 9.7 No Third-Party Beneficiaries.

This Agreement shall be binding upon and inure solely to the benefit of each of the parties and their respective successors and assigns, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit or remedy of any nature under or by reason of this Agreement, except as provided in Article VII.

Section 9.8 Governing Law.

This Agreement and all disputes or controversies arising out of or relating to this Agreement or the transactions contemplated hereby shall be governed by, and construed in accordance with, the internal laws of the State of Delaware, without regard to conflicts of law principles.

Section 9.9 Submission to Jurisdiction.

Each of the parties irrevocably agrees that any legal action or proceeding arising out of or relating to this Agreement or for recognition and enforcement of any judgment in respect hereof brought by the other party or its successors or assigns may be brought and determined in federal court sitting in the State of Delaware (or, if such court lacks subject matter jurisdiction, in the Delaware Court of Chancery or the Delaware Superior Court), and each of the parties hereby irrevocably submits to the jurisdiction of the aforesaid courts for itself and with respect to its property, generally and unconditionally, with regard to any such action or proceeding arising out of or relating to this Agreement and the transactions contemplated hereby (and agrees not to commence any action, suit or proceeding relating thereto except in such courts). Each of the parties further agrees to accept service of process in any manner permitted by such courts. Each of the parties hereby irrevocably and unconditionally waives, and agrees not to assert, by way of motion or as a defense, counterclaim or otherwise, in any action or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby, (a) any claim that it is not personally subject to the jurisdiction of the above-named courts for any reason other than the failure lawfully to serve process, (b) that it or its property is exempt or immune from jurisdiction of any such court or from any legal process commenced in such courts (whether through service of notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise) and (c) to the fullest extent permitted by law, that (i) the suit, action or

proceeding in any such court is brought in an inconvenient forum, (ii) the venue of such suit, action or proceeding is improper or (iii) this Agreement, or the subject matter hereof, may not be enforced in or by such courts.

Section 9.10 Personal Liability.

This Agreement shall not create or be deemed to create or permit any personal liability or obligation on the part of any direct or indirect stockholder, member or partner of any Seller or any Buyer or any Representative of or investor in any party hereto.

Section 9.11 Assignment; Successors.

Neither this Agreement nor any of the rights, interests or obligations under this Agreement may be assigned or delegated, in whole or in part, by operation of law or otherwise, by any party without the prior written consent of the other party, and any such assignment without such prior written consent shall be null and void; provided, however, that any Buyer may assign any or all of its rights or interests in this Agreement to (a) after Closing, any successor to such Buyer with respect to any Station or a material portion of the Transferred Assets, (b) one or more of such Buyer's Affiliates, so long as such assignment could not reasonably be expected to prevent or delay the satisfaction of any of the conditions set forth in Article VI, or (c) any lender to such Buyer or its Affiliates as security for obligations to such lender, in each case, without the prior consent of the Sellers. Subject to the preceding sentence, this Agreement shall be binding upon, inure to the benefit of, and be enforceable by, the parties and their respective successors and assigns. In addition, the Sellers may assign all or any portion of its rights under this Agreement (but not obligations) to a qualified intermediary within the meaning of Section 1.1031(k)-1(g)(4)(iii) of the Code ("Qualified Intermediary"), and the Buyers shall cooperate with the Sellers as may be reasonably necessary in connection with such assignment and the deferred tax-free exchange to be accomplished in connection therewith, including acknowledging the execution of a written agreement between the Sellers and the Qualified Intermediary.

Section 9.12 Enforcement.

The parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. Accordingly, each of the parties shall be entitled to specific performance of the terms hereof, including an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement in federal court sitting in the District of Delaware (or, if such court lacks subject matter jurisdiction, in the Delaware Court of Chancery or the Delaware Superior Court), this being in addition to any other remedy to which they are entitled at law or in equity, provided that, in the event the Sellers terminate this Agreement under Section 8.1(b)(i), the Sellers' sole and exclusive remedy for any breach of this Agreement by the Buyers shall be receipt of the Escrow Fund (and, unless the Closing occurs, the Sellers hereby waive any other claim for damages, specific performance or other remedies (other than forfeit of the Escrow Fund) in the event of any breach by any Buyer under this Agreement) ; and provided, further, that the foregoing proviso shall not limit any Seller's remedy in respect of any breach Section 5.10(a) or the Confidentiality Agreement, or of the Buyers' obligations to bear or reimburse costs as provided in Section 5.2(a) or 5.2(b). Each of the parties further hereby waives (a) any defense in any action for specific performance that a remedy at law

would be adequate and (b) any requirement under any law to post security as a prerequisite to obtaining equitable relief.

Section 9.13 Currency.

All references to “dollars” or “\$” or “US\$” in this Agreement or any Ancillary Agreement refer to United States dollars, which is the currency used for all purposes in this Agreement and any Ancillary Agreement.

Section 9.14 Severability.

The provisions of this Agreement will be deemed severable and the invalidity or unenforceability of any provision will not affect the validity or enforceability of the other provisions hereof; provided that if any provision of this Agreement, as applied to any party or to any circumstance, is adjudged by a Governmental Authority not to be enforceable in accordance with its terms, the parties agree that the Governmental Authority making such determination will have the power to modify the provision in a manner consistent with its objectives such that it is enforceable, and/or to delete specific words or phrases, and in its reduced form, such provision will then be enforceable and will be enforced.

Section 9.15 Waiver of Jury Trial.

EACH OF THE PARTIES TO THIS AGREEMENT HEREBY IRREVOCABLY WAIVES ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 9.16 Counterparts.

This Agreement may be executed in two or more counterparts, all of which shall be considered one and the same instrument and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other party.

Section 9.17 Execution.

This Agreement may be executed by delivery of a signature by facsimile or other electronic means reasonably acceptable to the parties and such signature shall constitute an original for all purposes.

Section 9.18 Time of Essence.

Time is of the essence with regard to all dates and time periods set forth or referred to in this Agreement.

Section 9.19 No Presumption Against Drafting Party. Each of the Buyers and the Sellers acknowledge that each party to this Agreement has been represented by counsel in connection with this Agreement and the transactions contemplated by this Agreement. Accordingly, any rule of law or any legal decision that would require interpretation of any claimed ambiguities in this Agreement against the drafting party has no application and is expressly waived.

Section 9.20 Further Assurances.

Each party covenants that at any time, and from time to time, after the Closing Date, it will execute such additional instruments and take such actions as may be reasonably requested by the other party to confirm or perfect or otherwise to carry out the intent and purposes of this Agreement.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the Sellers and the Buyers have caused this Asset Purchase Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

**KSWO TELEVISION CO., INC.
PANHANDLE TELECASTING LP
MIDESSA TELEVISION LP
CENTEX TELEVISION LP
ADELANTE TELEVISION LP
and
MIDESSA BROADCASTING LP**

as signatory for each of the above entities

By: _____
Title:

**KFDA OPERATING COMPANY, LLC
KFDA LICENSE COMPANY, LLC
KSWO OPERATING COMPANY, LLC
KSWO LICENSE COMPANY, LLC
KXXV OPERATING COMPANY, LLC
KXXV LICENSE COMPANY, LLC
KWES OPERATING COMPANY, LLC
KWES LICENSE COMPANY, LLC,
KKTm OPERATING COMPANY, LLC
and
KKTm LICENSE COMPANY, LLC**

as signatory for each of the above entities

By: _____
Title:

Exhibit J

<u>Buyer</u>	<u>Transferred Assets to be Acquired</u>
KFDA Operating Company, LLC	All Transferred Assets, to the extent relating to the Stations (other than any Telemundo Station) identified on <u>Exhibit I</u> as being in the Amarillo, TX Designated Market Area, other than the FCC Licenses to be acquired by KFDA License Company, LLC
KFDA License Company, LLC	The FCC Licenses, to the extent relating to the Stations (other than any Telemundo Station) identified on <u>Exhibit I</u> as being in the Amarillo, TX Designated Market Area
KSWO Operating Company, LLC	All Transferred Assets, to the extent relating to the Stations (other than any Telemundo Station) identified on <u>Exhibit I</u> as being in the Wichita Falls, TX- Lawton, OK Designated Market Area, other than the FCC Licenses to be acquired by KSWO License Company, LLC and all other Transferred Assets, to the extent not described in this <u>Exhibit J</u> as being acquired by any other Buyer.
KSWO License Company, LLC	The FCC Licenses, to the extent relating to the Stations (other than any Telemundo Station) identified on <u>Exhibit I</u> as being in the Wichita Falls, TX- Lawton, OK Designated Market Area
KXXV Operating Company, LLC	All Transferred Assets, to the extent relating to the Stations (other than any Telemundo Station) identified on <u>Exhibit I</u> as being in the Waco-Temple-Bryan, TX Designated Market Area, other than the FCC Licenses to be acquired by KXXV License Company, LLC
KXXV License Company, LLC	The FCC Licenses, to the extent relating to the Stations (other than any Telemundo Station) identified on <u>Exhibit I</u> as being in

the Waco-Temple-Bryan, TX Designated Market Area

KWES Operating Company, LLC

All Transferred Assets, to the extent relating to the Stations (other than any Telemundo Station) identified on Exhibit I as being in the Odessa-Midland, TX Designated Market Area, other than the FCC Licenses to be acquired by KWES License Company, LLC

KWES License Company, LLC

The FCC Licenses, to the extent relating to the Stations (other than any Telemundo Station) identified on Exhibit I as being in the Odessa-Midland, TX Designated Market Area

KKTM Operating Company

All Transferred Assets, to the extent relating to the Stations that are affiliates of the Telemundo Network (the “Telemundo Stations”), other than the FCC Licenses to be acquired by KKTM License Company, LLC

KKTM License Company

The FCC Licenses, to the extent relating to the Telemundo Stations