

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (the "Agreement") is entered into as of the 22 day of APRIL, 2009, by and between LP Nyack Limited Partnership ("Seller") and Richard D. Bogner ("Buyer"). Seller and Buyer are sometimes referred to herein as the "Parties", and each as a "Party".

Background

Seller owns and operates, under license from the Federal Communications Commission ("FCC"), Low Power Television Station WRNN-LP, Channel 57, Nyack, New York, (FCC Facility ID 38945) and is the applicant for a Low Power Digital Television Station WRNN-LD on Channel 26 (the "Station"). Seller has an application pending before the FCC for the modification of the Station's transmitting facilities (FCC File No. BDISDTL-20090323ADI), which application proposes to operate the Station on digital Channel 26 and relocate the transmitting facilities to a new transmitter site owned by Buyer (the "Modification Application").

Contingent upon FCC action granting the Modification Application, Seller wishes to sell and assign all of Seller's right, title and interest in and to the FCC-issued authorizations for the Station identified in Exhibit 1 hereto (the "FCC Authorizations"), and Buyer wishes to assume and acquire Seller's right, title and interest to the FCC Authorizations, subject to the terms and conditions set forth in this Agreement. The Parties expressly exclude from this transaction all of Seller's assets relating to the FCC Authorizations, including the transmitting equipment used in connection with the operation of the Station, because Buyer has on hand, or will acquire from a third party, all equipment necessary for the operation of the Station from the transmitter site specified in the Modification Application.

Now, therefore, in consideration of the mutual promises and covenants contained herein, the Parties, intending to be bound legally, agree as follows:

1. **Assignment and Sale.** Subject to the terms and conditions set forth in this Agreement, Seller agrees to convey, transfer, sell and assign to Buyer at the Closing (as defined in Section 4) all of Seller's right, title and interest in and to the FCC Authorizations.
2. **Consideration.** As consideration for the assignment and transfer of the FCC Authorizations, Buyer shall pay to Seller, on a quarterly basis, a sum equal to one-third (1/3) of all gross revenues received from the operation of the Station, less documented operating expenses (including, but not limited to, utilities, insurance, equipment maintenance and repairs). Payments and documentation of expenses shall be delivered to Seller no later than the 20th day of the month following the end of each calendar quarter, i.e., April 20, July 20, October 20 and January 20 of each year. The Parties agree that any modifications that Buyer may make in the Station's operations, including transmitting facilities, operating frequency, coverage or service provided, will not modify Seller's entitlement to a portion of the Station's revenues described above. Further, upon Buyer's future sale of the Station to a third party pursuant to prior FCC consent, Seller shall receive one-third (1/3) of the proceeds less any brokerage fee that Buyer must pay. The Parties further agree that Seller's entitlement to portions of revenues and proceeds from the further sale of the Station, as described above does not confer any ownership

PDS

interest in the Station. Upon request, Seller shall have the right to audit, no more than once per calendar year, Buyer's records and books for the purpose of verifying the amount of payment owed to Seller under this Agreement

3. **FCC Application.** Within three (3) business days of the execution of this Agreement, the Parties shall file an application for FCC consent to the assignment of the FCC Authorizations from Seller to Buyer (the "Assignment Application"). Each Party shall be responsible for its own costs relating to the preparation of the Assignment Application, and the FCC filing fee will be shared equally by them. Nothing contained in this Agreement shall give Buyer any right to, directly or indirectly, control, supervise or direct, or attempt to control, supervise or direct, any matter relating to the ownership of, or operation under, the FCC Authorizations prior to the Closing, and Seller shall have complete control and supervision of all matters relating to the ownership of, or operation under, the FCC Authorizations up to the time of the Closing.

4. **Closing.** The Parties shall consummate the transaction contemplated by this Agreement at a closing (the "Closing") which shall take place on a date set by Buyer no earlier than the fifth (5th) business day after the later of the date that FCC has issued public notice(s) of its actions granting both the Assignment Application and the Modification Application (or any application that may be substituted for the Modification Application pursuant to Section 6(b) below), and no later than the fifth (5th) business days after such FCC actions have become "final orders", i.e. no longer subject to administrative or judicial review (the "Closing Date"). At the Closing, Seller and Buyer shall execute and deliver an Assignment and Assumption of the FCC Authorizations. Each Party shall also execute any other documents reasonably requested by the other and necessary to consummate the transaction contemplated by this Agreement, including seeking an extension of the FCC consent to the Assignment Application as necessary.

5. **Representations and Warranties.**

Each Party represents and warrants to the other that: (i) it has the full right and legal authority to execute and deliver this Agreement, perform its obligations hereunder and consummate the transaction contemplated hereby; (ii) this Agreement, upon execution, shall be legally binding upon it and enforceable against it in accordance with its terms; (iii) the execution, delivery and performance of this Agreement do not require the consent of any third party and will not violate any judgment, order, decree, injunction, rule, regulation or ruling of any governmental authority to which the Party is bound; and (iv) this Agreement will not conflict with, constitute grounds for termination of or result in a breach of the terms, conditions or provisions of, or constitute a default under any agreement, judgment, order or decree to which the Party is subject. Subject to obtaining the consent of the FCC to the Assignment Application, Buyer is, and as of the Closing will be, legally, financially and otherwise qualified under the Communications Act of 1934, as amended, and the FCC's rules to perform its obligations hereunder and to be the holder of the FCC Authorizations. To Buyer's knowledge, no fact or circumstance exists relating to the FCC qualifications of Buyer that (i) could reasonably be expected to prevent the FCC from granting its consent to the Assignment Application, (ii) would otherwise disqualify Buyer as the holder of the FCC Authorizations or (iii) would require a waiver of any FCC rule or policy prior to the consent by the FCC to the Assignment Application.

6. **Covenants of Seller.** Seller covenants to Buyer as follows:

PPB

(a) Between the date hereof and the Closing Date, Seller shall not amend the Modification Agreement without the prior consent of Buyer;

(b) Between the date hereof and the Closing Date, if Seller is notified that the Modification Application will not be granted by the FCC, Seller shall notify Buyer, and Buyer shall have a reasonable period of time (up to 30 days from such notification) to present Seller with a proposal for new technical facilities for the Station. If Buyer presents Seller with such a proposal, Seller will request dismissal of the Modification Application (if still pending before the FCC) and file, at Buyer's sole expense, a new application with the FCC for consent to the modification of the Station's facilities in accordance with the Buyer's new proposal.

(c) Seller shall be solely responsible for all costs associated with termination of the operation of the Station on Channel 57 from the current transmitter site at Pleasantville, New York, including dismantling and disposing of the Station's transmitting and other equipment used in the operation of the Station, and Buyer shall have no responsibilities with respect to such equipment or payment of rent or any other costs associated with the Station's operations on Channel 57 at the Pleasantville site or termination thereof.

7. **Conditions Precedent to Closing.**

(a) Subject to provisions of Section 6(a) above, the Parties acknowledge and agree that the FCC consent to the Assignment Application and grant of the Modification Application (or a substitute modification application filed pursuant to Section 6(a)) shall be a condition precedent to the Closing.

(b) Buyer agrees that Seller's obligation to consummate the transactions contemplated by this Agreement is subject to the satisfaction or waiver by Seller, on or prior to the Closing Date, of the following conditions: All representations and warranties of Buyer contained in this Agreement shall be true and complete at and as of the Closing Date as if such representations and warranties were made at and as of the Closing Date. Buyer shall have performed and complied in all material respects with all covenants, agreements and conditions required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

(c) Seller agrees that Buyer's obligation to consummate the transactions contemplated by this Agreement is subject to the satisfaction or waiver by Buyer, on or prior to the Closing Date, of the following conditions: All representations and warranties of Seller contained in this Agreement shall be true and complete at and as of the Closing Date as if such representations and warranties were made at and as of the Closing Date. Seller shall have performed and complied in all material respects with all covenants, agreements and conditions required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

8. **Termination.** This Agreement may be terminated at any time prior to the Closing by either Party for any reason or by the mutual agreement of the Parties.

9. **Effects of Termination.** If this Agreement is terminated by either Party for any reason prior to Closing, Seller shall immediately request dismissal of the Modification Application, if pending, or request cancellation of the construction permit issued by the FCC in connection with the grant of the Modification Application. In addition, Buyer, on behalf of Island Broadcasting Co. ("IBC"), licensee of LPTV Station WNXV-LP (analog Channel 26), New York, New York, in which Buyer is the managing partner, shall notify the FCC that IBC's acceptance of interference on Channel 26 is withdrawn.

10. **Cooperation.** The Parties will cooperate fully with each other in fulfilling their respective obligations under this Agreement, including using their respective best efforts to obtain the required FCC consent to the Assignment Application and grant of the Modification Application.

11. **Limitation on Liability.** Except in connection with any third-party claim or FCC enforcement action that relates to the operation of the Station prior to the Closing, Buyer acknowledges and agrees that following Closing Seller shall have no liability with respect to the operation of the Station in the form of monetary damages pursuant to this Agreement, FCC enforcement actions, or otherwise and regardless of the form of action. In no event shall any party be liable for indirect, special, consequential or punitive damages arising out of a breach of this Agreement regardless of whether such damages or loss was foreseeable and regardless of whether it was informed or had direct or imputed knowledge of the possibility of such damages or loss in advance.

12. **Confidentiality** Except as necessary for the consummation of the transaction contemplated hereby, and except as and to the extent required by law or to satisfy the requirements of the FCC, each Party will keep confidential all information obtained from the other Party in connection with the transactions contemplated by this Agreement.

13. **Assignment and Binding Effect.** Neither Party may assign this Agreement without the prior written consent of the other Party. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns.

14. **Governing Law.** This Agreement shall be governed, construed and enforced in accordance with the laws of the State of New York, without regard to the choice of law provisions thereof.

15. **Notices.** Any and all notices, requests, demands and other communications permitted or required hereunder shall be in writing and shall be deemed given, on receipt if personally delivered, sent by overnight delivery or sent by facsimile or other electronic means, or five (5) business days after mailing if mailed, postage prepaid, certified or registered, return receipt requested, to the parties as follows, or at such other addresses as they may indicate by written notice given herein provided:

(a) If to Seller, to:

LP Nyack Limited Partnership
800 Westchester Ave
S-640
Rye Brook, NY 10573
Attention: Christian French

with copies to:

Christopher G. Tygh
Covington & Burling LLP
1201 Pennsylvania Avenue, N.W.
Washington, DC 20004
Facsimile: 202-778-6291

PPB

(b) If to Buyer, to:

Richard D. Bogner
4 Hunters Lane
Roslyn, NY 11576

with copies to:

Shelley Sadowsky, Esquire
Dickstein Shapiro LLP
1825 Eye St., NW
Washington, DC 20006-5403
Facsimile: 202-379-9117

16. Counterparts. This Agreement may be signed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Purchase Agreement as of the day and year first written above.

SELLER:

LP NYACK LIMITED PARTNERSHIP

By: CR
Name: Christian French
Title: Chief operating officer

BUYER:

Richard D. Bogner
RICHARD D. BOGNER

EXHIBIT 1
FCC AUTHORIZATIONS

WRNN-LP (38945) Analog Ch. 57¹ Nyack, NY 6/01/2015
(License File No. BLTT-19950510ID, as renewed by File No. BRTTL-20070201BSH)

¹ An FCC Form 346 is pending for displacement to digital channel 26 (Application File No. BDISDTL-20090323ADI).

peb