

## SETTLEMENT AND RELEASE AGREEMENT

**THIS SETTLEMENT AND RELEASE AGREEMENT** (this "**Agreement**"), made as of this 20th day of March 2009 (the "**Effective Date**"), is by and among 54 Broadcasting, Inc., a Texas corporation (the "**Company**"), LS Communications, Ltd., a Texas limited partnership ("**LSC**"), Goldberg-Hirsch Ventures, LP, a Texas limited partnership ("**GHV**"), Ronnel Oliveira, an individual residing in the state of Texas ("**Oliveira**"), Mark Goldberg, an individual residing in the state of Texas ("**Goldberg**"), LIN Television of Texas, L.P., a Texas limited partnership ("**LIN**"), Thomas J. Vaughan, an individual residing in the state of Illinois ("**TJV**"), and Vaughan Media LLC, an Illinois limited liability company ("**Vaughan Media**") and, collectively with TJV, "**Vaughan**").

### WITNESSETH:

**WHEREAS**, the Company, LSC, GHV and Oliveira (collectively, "**Plaintiffs**") instituted a lawsuit entitled *54 Broadcasting, Inc. v. LIN Television of Texas, L.P., et al.* in the State of Texas 53d Judicial District Court of Travis County, Austin, Texas (Cause No. D-1-GN-07004233), which action was transferred to the United States District Court, Western District of Texas, Austin Division (Civil Litigation No. 1:08-CV-030 SS) alleging certain causes of action against LIN and Vaughan relating to, *inter alia*, the disposition of Plaintiffs' equity interests in the Company (the "**Litigation**").

**WHEREAS**, in connection with the Litigation, each of LIN and Vaughan Media brought certain counter-claims against Plaintiffs and third-party claims against Goldberg relating to the business and operation of the Company;

**WHEREAS**, the matters giving rise to the Litigation, including the claims and counter-claims of the parties hereto, have been resolved and the parties have agreed to the disposition of the Plaintiffs' equity interests in the Company and to request that the Federal Communications Commission consent to the transfer of control of the Company's television station KNVA-TV, Analog UHF Channel 54 and DTV Channel 49, Austin, Texas, pursuant to the terms and subject to the conditions of that certain Amended and Restated Option Agreement entered into and agreed to by parties hereto as of the date hereof (the "**Amended and Restated Option Agreement**"); and

**WHEREAS**, each of the parties hereto will benefit directly from the execution and delivery of the Amended and Restated Option Agreement and the agreements contemplated thereby; and

**WHEREAS**, (i) in consideration for the execution and delivery of the Amended and Restated Option Agreement and the rights and benefits conferred upon each of the parties pursuant to the terms and subject to the conditions thereof, including, *inter alia*, the payment of \$6,000,000 by LIN to the Plaintiffs, (ii) in view of the agreements set forth in the Amended and Restated Option Agreement and this Agreement and the documents and agreements contemplated thereby and hereby, (iii) in consideration of the mutual releases set forth herein, and (iv) without the admission of any liability, the parties desire to settle their respective claims in connection with the Litigation; and

**NOW, THEREFORE**, in consideration of the premises and the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby mutually acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

**1. Mutual Release of Claims.**

(a) **Release by the Company Parties.** Each Plaintiff and Goldberg, on its own behalf and on behalf of his, her or its, as applicable, present and former heirs, parents, subsidiaries, affiliates, divisions, branches, agencies and other offices, predecessors, successors, transferees, insurers, assigns, officers, agents, representatives, attorneys, fiduciaries, administrators, directors, stockholders, members and employees ("**Related Parties**") (each Plaintiff and Goldberg and their respective Related Parties, the "**Company Parties**"), agrees to, and does hereby release LIN and Vaughan and each of LIN's and Vaughan's Related Parties (collectively with each of LIN and Vaughan, the "**Defendant Parties**"), from any and all claims, demands, actions, causes of action, debts, liabilities and obligations, including attorney's fees, asserted or arising from or in connection with the facts and circumstances alleged by or in the Litigation (collectively, the "**Claims**"); *provided, however*, that no Company Party, is hereby releasing, or shall be deemed to be releasing, any Defendant Party from any claims based upon an alleged breach or other alleged violation of this Agreement or the Amended and Restated Option Agreement or the other agreements contemplated hereby and thereby.

(b) **Release by Defendant Parties.** LIN and Vaughan, on its and his own behalf and on behalf of the applicable Defendant Parties, agrees to, and does hereby release each Company Party from any and all Claims, including any and all counter-claims asserted by LIN or Vaughan in connection with the Litigation; *provided, however*, that no Defendant Party hereby releases, or shall be deemed to be releasing, any Company Party from any claims based upon an alleged breach or other alleged violation of this Agreement or the Amended and Restated Option Agreement or the other agreements contemplated hereby and thereby.

**2. Mutual Covenants Not to Sue.**

(a) **Plaintiffs' Covenant Not to Sue.** Each Plaintiff and Goldberg hereby covenants and agrees not to, and to cause, as applicable, the other Company Parties not to, commence, aid, prosecute, or cause to be commenced, aided or prosecuted any action or other proceeding against any Defendant Party based upon any Claim released under Section 1(a).

(b) **LIN and Vaughan's Covenant Not to Sue.** Each of LIN and Vaughan hereby covenants and agrees not to, and to cause, as applicable, the other Defendant Parties not to, commence, aid, prosecute, or cause to be commenced, aided or prosecuted any action or other proceeding, against any Company Party based upon any Claim released under Section 1(b).

**3. Dismissal of Litigation and Withdrawal of Claims.** Plaintiffs, Vaughan and LIN shall enter an Agreed Order of Dismissal with Prejudice in the form attached hereto as *Exhibit A*, dismissing with prejudice any Claims in the Litigation. Within five (5) days of the date hereof, Plaintiffs, Vaughan and LIN shall file the Agreed Order of Dismissal with Prejudice

with the United States District Court, Western District of Texas, Austin Division, with each party bearing its own costs, expenses and attorneys' fees in connection therewith.

#### **4. Representations and Warranties.**

**(a) Representations and Warranties by Individual Plaintiffs and Goldberg.** Each Plaintiff (exclusive of the Company) and Goldberg hereby represents and warrants severally to each of Vaughan and LIN that: (i) if such party is not a natural person, that such party is duly organized and in good standing under the laws of the jurisdiction corresponding to such party as set forth in the preamble hereto, (ii) such party has due power and authority or (in the case of a party that is a natural person) legal capacity, to enter into this Agreement and to perform its or his covenants and obligations hereunder, (iii) with respect to any such party that is not a natural person, such party has taken all corporate or other organizational action required by law and its organizational and governance documents to authorize the execution and delivery of this Agreement, and this Agreement has been duly executed and delivered by such party, (iv) such party is under no contractual or other restriction or obligation which would prevent the performance of its or his covenants and obligations hereunder or interfere with the rights of Vaughan or LIN hereunder, (v) the execution and delivery of this Agreement, the Amended and Restated Option Agreement and the documents and agreements contemplated hereby and thereby, as applicable, by such party is done, and the decision by such party to enter into such agreements is made, freely and without duress of any kind, and (vi) upon execution, this Agreement will constitute the legal, valid and binding obligation of such party enforceable in accordance with its terms.

**(b) Representations and Warranties by the Company and Plaintiffs.** Each Plaintiff hereby represents and warrants, jointly and severally, to each of Vaughan and LIN that: (i) the Company is duly organized and in good standing under the laws of the state of Texas, (ii) the Company has due power and authority to enter into this Agreement and to perform its covenants and obligations hereunder, (iii) the Company has taken all corporate or other organizational action required by law and its organizational and governance documents to authorize the execution and delivery of this Agreement, and this Agreement has been duly executed and delivered by the Company, (iv) the Company is under no contractual or other restriction or obligation which would prevent the performance of its covenants and obligations hereunder or interfere with the rights of Vaughan or LIN hereunder, (v) the execution and delivery of this Agreement, the Amended and Restated Option Agreement and the documents and agreements contemplated hereby and thereby, as applicable, by the Company is done, and the Company's decision to enter into such agreements is made, freely and without duress of any kind, and (vi) upon execution, this Agreement will constitute the legal, valid and binding obligation of the Company enforceable in accordance with its terms.

**(c) Representations and Warranties by LIN and Vaughan.** Each of Vaughan and LIN hereby represents and warrants severally to each Plaintiff and Goldberg that: (i) if such party is not a natural person, that such party is duly organized and in good standing under the laws of the jurisdiction corresponding to such party as set forth in the preamble hereto, (ii) such party has due power and authority or (in the case of a party that is a natural person) legal capacity, to enter into this Agreement and to perform its covenants and obligations hereunder, (iii) with respect to any such party that is not a natural person, such party has taken all corporate

or other organizational action required by law and its organizational and governance documents to authorize the execution and delivery of this Agreement, and this Agreement has been duly executed and delivered by such party, (iv) such party is under no contractual or other restriction or obligation which would prevent the performance of its or his covenants and obligations hereunder or interfere with the rights of Plaintiffs and Goldberg hereunder, (v) the execution and delivery of this Agreement, the Amended and Restated Option Agreement and the documents and agreements contemplated hereby and thereby, as applicable, by such party is done, and the decision by such party to enter into such agreements is made, freely and without duress of any kind, and (vi) upon execution, this Agreement will constitute the legal, valid and binding obligation of such party enforceable in accordance with its terms.

**5. *No Admission of Liability.***

(a) This Agreement is a compromise and settlement of the Litigation and the Claims being released herein, and this Agreement and the consideration provided for herein do not constitute and shall not be understood or construed to constitute any admission of liability on the part of any the parties hereto or any individual or entity released or granting a release herein, or an admission directly or by implication, that any of the parties have violated any law, rule, regulation, policy or any contractual right or other obligation owed to any other party. The parties hereto expressly deny any liability or claims asserted or brought by any other party. The parties intend hereby only to settle the Litigation and the Claims.

(b) This Agreement and any discussions in connection therewith shall not be construed as, or deemed to be, evidence of an admission or concession by any party of liability to any other party. Except as necessary to enforce its terms, this Agreement and any discussions in connection therewith shall not be offered in evidence in any proceeding involving the subject matter of the Litigation and the Claims.

**6. *Amended and Restated Option Agreement.*** The execution and delivery of this Agreement by each party hereto is expressly conditioned upon, and in consideration for, the execution and delivery of the Amended and Restated Option Agreement by the parties thereto and the sufficiency of such consideration is hereby acknowledged by the parties hereto.

**7. *Confidentiality.*** The parties hereto expressly agree that the confidentiality of the terms of this Agreement is of material importance to all parties hereto and is a material inducement to the execution of this Agreement. The parties hereto agree that the terms of this Agreement shall remain strictly confidential and the parties hereto shall not make any disclosure to any third party of the terms of this Agreement, or characterize this settlement as either favorable or unfavorable, without the prior written authorization of all parties hereto, *provided* that the parties hereto will be permitted to disclose the terms of this settlement in confidence to any taxing authority, attorney, tax advisor, accountant, regulatory authority, internal and external auditors, or within themselves and their affiliates in the normal course of their business, or where disclosure is required by law or believed to be required by legal obligation, and, *provided further*, that any party and its respective affiliates' shall be permitted to make any disclosures required by applicable law generally or the rules, policies or procedures of the Securities and Exchange Commission or the national securities exchange or other stock market on which such party's or its affiliates' securities are traded. The parties hereto agree that no publicity will be

sought or permitted, and in the case of an inquiry by or disclosure to a third party, the parties hereto shall indicate only that the matter has been resolved, and shall not in any other way characterize this Agreement.

**8. *Governing Law; Exclusive Jurisdiction.***

(a) This Agreement shall be construed and interpreted according to the laws of the State of Texas, without regard to the conflict of law principles thereof.

(b) The parties hereby consent to the venue and jurisdiction of any disputes under this Agreement in the United States District Court for the Western District of Texas, Austin Division, before the Honorable Judge Sam Sparks, to the extent he is able and willing to preside over such dispute, as the exclusive venue and jurisdiction to the extent federal jurisdiction is proper, and the parties further agree that the Honorable Judge Sam Sparks shall be the sole arbiter of any such disputes, to the extent he is able and willing to preside over such dispute, including with respect to the procedures therefor. In the event that the Honorable Judge Sam Sparks is unable or unwilling to preside over a dispute in accordance with this Section 8(b), the parties shall submit the dispute to another judge in the United States District Court for the Western District of Texas, Austin Division, to the extent federal jurisdiction is proper.

**9. *Notices.*** Any notice, demand or request required or permitted to be given under the provisions of this Agreement shall be delivered pursuant to the terms and subject to the conditions of Section 19 of the Amended and Restated Option Agreement.

**10. *Binding on Predecessors and Successors.*** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and to their respective predecessors, representatives, successors, heirs, agents and assigns.

**11. *Interpretation; Headings.*** The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. All references to a Section shall be deemed references to such portions of this Agreement, unless the context shall otherwise require. The conjunction “or” shall be understood in its inclusive sense (and/or). The parties agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in the construction or interpretation of this Agreement. The division of this Agreement into sections and the inclusion of headings or titles are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

**12. *Entire Agreement.*** This Agreement, together with the Amended and Restated Option Agreement and that certain Third Amendment to Local Marketing Agreement, by and between LIN and the Company, dated as of the date hereof, constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior oral or written agreements, commitments or understandings with respect to the matters provided for herein.

13. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document. Each party hereto will receive by delivery or facsimile or other electronic transmission a duplicate original of this Agreement executed by each party, and each party agrees that the delivery of this Agreement by facsimile or other electronic transmission will be deemed to be an original of this Agreement so transmitted.

*[The remainder of this page has been intentionally left blank]*

IN WITNESS WHEREOF, the parties have duly executed this Settlement and Release Agreement as of the day and year first above written.

**54 BROADCASTING, INC.**

By: Mark Goldberg  
Name: MARK Goldberg  
Title: SECRETARY

**RONNEL OLIVEIRA**

Mark Goldberg  
MARK GOLDBERG

**GOLDBERG-HIRSCH VENTURES, L.P.**

By: Goldberg-Hirsch Management  
Company, L.L.C.  
Its General Partner

By: Kathy Hirsch  
Name: Kathy Hirsch  
Title: Manager

**LS COMMUNICATIONS, LTD.**

By: LS Broadcasting, Inc.  
Its General Partner

By: \_\_\_\_\_  
Name:  
Title:

**LIN TELEVISION OF TEXAS, L.P.**

By: LIN Television of Texas, Inc.  
Its General Partner

By: \_\_\_\_\_  
Name:  
Title:

IN WITNESS WHEREOF, the parties have duly executed this Settlement and Release Agreement as of the day and year first above written.

**54 BROADCASTING, INC.**

By: \_\_\_\_\_  
Name:  
Title:

\_\_\_\_\_  
**RONNEL OLIVEIRA**

\_\_\_\_\_  
**MARK GOLDBERG**

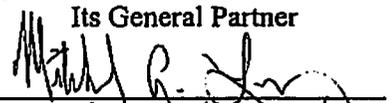
**GOLDBERG-HIRSCH VENTURES, L.P.**

By: Goldberg-Hirsch Management  
Company, L.L.C.  
Its General Partner

By: \_\_\_\_\_  
Name:  
Title:

**LS COMMUNICATIONS, LTD.**

By: LS Broadcasting, Inc.  
Its General Partner

By:   
Name: Mitchell A. Davis  
Title: General Partner

**LIN TELEVISION OF TEXAS, L.P.**

By: LIN Television of Texas, Inc.  
Its General Partner

By: \_\_\_\_\_  
Name:  
Title:

IN WITNESS WHEREOF, the parties have duly executed this Settlement and Release Agreement as of the day and year first above written.

**54 BROADCASTING, INC.**

By: \_\_\_\_\_  
Name:  
Title:



\_\_\_\_\_  
**RONNEL OLIVEIRA**

\_\_\_\_\_  
**MARK GOLDBERG**

**GOLDBERG-HIRSCH VENTURES, L.P.**

By: Goldberg-Hirsch Management  
Company, L.L.C.  
Its General Partner

By: \_\_\_\_\_  
Name:  
Title:

**LS COMMUNICATIONS, LTD.**

By: LS Broadcasting, Inc.  
Its General Partner

By: \_\_\_\_\_  
Name:  
Title:

**LIN TELEVISION OF TEXAS, L.P.**

By: LIN Television of Texas, Inc.  
Its General Partner

By: \_\_\_\_\_  
Name:  
Title:

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**54 BROADCASTING, INC.**

By: \_\_\_\_\_  
Name:  
Title:

\_\_\_\_\_  
**RONNEL OLIVEIRA**

\_\_\_\_\_  
**MARK GOLDBERG**

**GOLDBERG-HIRSCH VENTURES, L.P.**

By: Goldberg-Hirsch Management  
Company, L.L.C.  
Its General Partner

By: \_\_\_\_\_  
Name:  
Title:

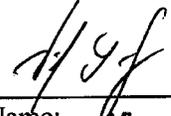
**LS COMMUNICATIONS, LTD.**

By: LS Broadcasting, Inc.  
Its General Partner

By: \_\_\_\_\_  
Name:  
Title:

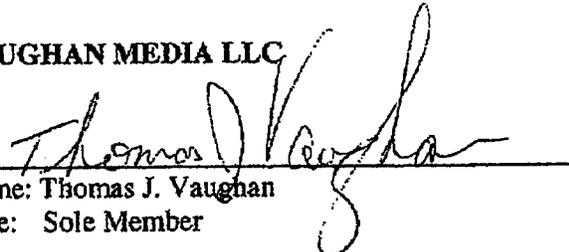
**LIN TELEVISION OF TEXAS, L.P.**

By: LIN Television of Texas, Inc.  
Its General Partner

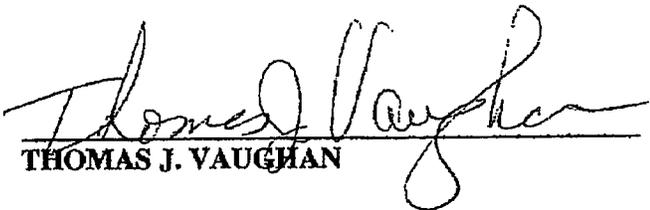
By:  \_\_\_\_\_  
Name: **Vincent L. Sadusky**  
Title: **President & CEO**

VAUGHAN MEDIA LLC

By:

  
Name: Thomas J. Vaughan

Title: Sole Member

  
THOMAS J. VAUGHAN

*[Signature page to Settlement and Release Agreement]*

**EXHIBIT A**

**Agreed Order of Dismissal**

**FOR THE WESTERN DISTRICT OF TEXAS  
AUSTIN DIVISION**

54 BROADCASTING, INC., et. al. §  
Plaintiffs/Counter-Defendants and §  
Third-Party Defendant, §  
v. §  
LIN TELEVISION OF TEXAS, L.P., et. al. §  
Defendants, Counter-Plaintiffs and §  
Third-Party Plaintiff. §

CIVIL ACTION NO. 1:08-CV-0030-SS

**AGREED ORDER OF DISMISSAL WITH PREJUDICE**

On this day came on to be considered the above-styled and numbered cause, wherein LIN Television of Texas, L.P., 54 Broadcasting, Inc., LS Communications Ltd., Goldberg-Hirsch, L.L.P., Ronnel Oliveira, Mark Goldberg, Vaughan Media LLC and Thomas J. Vaughan (collectively the “Parties”) desire to dismiss all claims against one another with prejudice. The aforementioned Parties have represented to the Court that an agreement (“Agreement”) has been reached between them and have expressed their intent for this Court to retain jurisdiction to enforce the terms of the Agreement.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that the above-styled and numbered cause be and the same is hereby dismissed with prejudice.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court retain continuing jurisdiction over the above-styled and numbered cause to enforce the terms of the Agreement.

SIGNED this \_\_\_\_\_ day of \_\_\_\_\_, 2009.

\_\_\_\_\_  
SAM SPARKS  
UNITED STATES DISTRICT JUDGE