

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this “Agreement”) is made as of October 18, 2017, between TV-49, Inc., a Wisconsin corporation (“Buyer”), and OTA Broadcasting (SFO), LLC, a Delaware limited liability company (“SF Licensee”) and OTA Broadcasting (SEA), LLC, a Delaware limited liability company (“Seattle Licensee”) (each a “Seller” and collectively the “Sellers”).

WHEREAS, SF Licensee holds the authorizations for television broadcast stations KAXT-CD, San Francisco, San Jose, CA (FCC Facility ID No. 37689) and KTLN-TV, Novato, CA (FCC Facility ID No. 49153) (each a “Station,” and together, the “SF Stations”), issued by the Federal Communications Commission (the “FCC”);

WHEREAS, Seattle Licensee holds the authorizations for television broadcast stations KFFV, Seattle, WA (FCC Facility ID No. 49264) and KVOZ-TV, Bellingham, WA (FCC Facility ID No. 35862) (each a “Station,” and together, the “Seattle Stations,” and, together with the SF Stations, the “Stations”), issued by the FCC; and

WHEREAS, Sellers desire to sell the Station Assets (as hereinafter defined) to Buyer and Buyer desires to acquire the Station Assets from Sellers.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the parties, intending to be legally bound, hereby agree as follows:

ARTICLE 1 SALE OF ASSETS

1.1 Station Assets. On the terms and subject to the conditions hereof, on the Closing Date (as defined in Article 4), except for the Excluded Assets (as defined in Section 1.2), Sellers shall sell, convey, assign, transfer and deliver to Buyer, and Buyer shall purchase, acquire and accept from Sellers, the following assets, properties and rights used or held for use exclusively or primarily in the operation of the Stations (the “Station Assets”), free and clear of all security interests, liens, pledges, options, rights of first refusal, mortgages, indentures, security agreements or other claims or encumbrances of any kind or character, whether written or oral (collectively, “Liens”) except for Permitted Encumbrances (as defined in Section 2.1). The Station Assets are limited to the following:

(a) all licenses, permits and other authorizations issued to Sellers by the FCC with respect to the Stations (the “FCC Licenses”), including those described in Schedule 1.1(a);

(b) all transmitters, antennae, cables and all other tangible personal property, broadcast, and other equipment and fixtures owned by Sellers and used or held for use by Sellers exclusively or primarily in the operation of the Stations and listed in Schedule 1.1(b) (the “Tangible Personal Property”), except for any retirements or dispositions thereof made between the date hereof and the Closing Date in the ordinary course of business consistent with past custom and practice (including with respect to quantity and frequency) (the “Ordinary Course of Business”);

(c) all of the real property interests leased, subleased, licensed, or otherwise occupied by and used by Sellers exclusively or primarily in the business and operation of the Stations and listed in Schedule 1.1(c) (the “Real Property Leases”);

(d) the contracts and agreements entered into by Sellers in connection with the business and operations of the Stations (only as described in Schedule 1.1(c) and Schedule 1.1(d)) (collectively, the “Contracts”);

(e) trademarks, trade names, call letters, service marks, copyrights, transferable software licenses, domain names, websites, social media accounts and profiles, and other intangible rights, owned or licensed and used or held for use by Sellers exclusively or primarily in the operation of the Stations, including those identified on Schedule 1.1(e) (the “Intangible Property”);

(f) all other records and files held by Sellers to the extent that they are used or held for use exclusively or primarily in the operation of the Stations, including the Stations’ FCC public inspection files, but not records relating to Excluded Assets; and

(g) goodwill associated with the Stations.

1.2 Excluded Assets. Notwithstanding anything to the contrary contained herein, the Station Assets shall not include the following (the “Excluded Assets”):

(a) all cash, cash equivalents, marketable securities and similar investments, bank accounts, lockboxes and deposits of, and any rights or interests in, the cash management system of Sellers;

(b) all rights, causes of actions, claims and credits related to any Excluded Asset or any Excluded Liability (defined below), including all guarantees, warranties, indemnities and similar rights in favor of Sellers in respect of any Excluded Asset or any Excluded Liability, including without limitation all rights and claims of Sellers against third parties with respect to the Stations and the Station Assets to the extent arising during or attributable to any period prior to the Effective Time (defined below);

(c) (i) Sellers’ corporate names and Sellers’ minute books, equity books and other organizational records having to do with the formation and capitalization of Sellers, (ii) all privileged business records of the Stations, (iii) any personnel records and other records relating to the employees of Sellers that Sellers are required by law to retain in their possession, (iv) tax returns and related records of Sellers, (v) duplicate copies of records of the Stations and (vi) all records not relating to the operation of the Stations;

(d) all rights of Sellers under this Agreement, the other agreements and instruments executed and delivered in connection with this Agreement, and the transactions contemplated hereby or thereby;

(e) all of the Stations’ aggregate accounts receivable arising out of sales occurring in the conduct of the Stations’ business prior to the Effective Time or commencement of the LMAs (defined below), as applicable, for services performed (e.g., the actual broadcast of

commercials sold) or delivered by the Sellers prior to the Effective Time or commencement of the LMAs, as applicable (the “Accounts Receivable”);

(f) all contracts of insurance, all coverages and proceeds thereunder and all rights in connection therewith, including without limitation rights arising from any refunds due with respect to insurance premium payments to the extent related to such insurance policies;

(g) any assets listed on Schedule 1.2(g);

(h) all pension, profit sharing plans and trusts and the assets thereof and any other employee benefit plan or arrangement and the assets thereof, if any, maintained by Sellers;

(i) all deposits and prepaid expenses, except to the extent Sellers receive a credit therefor under Section 3.1;

(j) the rights to usage of spectrum on Channel 47 associated with the FCC Licenses of KTLN-TV, Novato, CA that were relinquished in FCC Auction 1001, conducted pursuant to the Middle Class Tax Relief and Job Creation Act of 2012, Pub. L. No. 112-96, §§ 6402 (codified at 47 U.S.C. § 309(j)(8)(G)), 6403 (codified at 47 U.S.C. § 1452), 126 Stat. 156 (2012) and rules and regulations promulgated thereunder (the “Relinquished Spectrum”), and all amounts paid to Sellers in connection with the surrender of the Relinquished Spectrum;

(k) all assets used or held for use in the operation of any other station owned or operated by Sellers or an Affiliate (defined below) of Sellers, except for any such items that are specifically set forth as included in the Station Assets on the Schedules hereto; and

(l) any contract or agreement not described in Schedule 1.1(c) or Schedule 1.1(d), including any agreement for the sale of advertising time on the Stations.

As used herein the term “Affiliate” shall mean, with respect to a specified person or entity, any person, entity, or member of a group of persons or entities acting together that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, the specified person or entity.

1.3 Purchase Price. The purchase price to be paid for the Station Assets will be Twenty-Three Million Two Hundred Thousand Dollars (\$23,200,000.00), as adjusted pursuant to Section 3.1 and Section 9.4 hereof (the “Purchase Price”). The purchase price for the Station Assets associated with the SF Stations will be Ten Million One Hundred Thousand Dollars (\$10,100,000.00) (with Eight Million One Hundred Thousand Dollars (\$8,100,000.00) allocated to KTLN-TV and Two Million Dollars (\$2,000,000.00) allocated to KAXT-CD), as adjusted pursuant to Section 3.1 and Section 9.4 hereof (the “SF Purchase Price”), and the purchase price for the Station Assets associated with the Seattle Stations will be Thirteen Million One Hundred Thousand Dollars (\$13,100,000.00), as adjusted pursuant to Section 3.1 and Section 9.4 hereof (the “Seattle Purchase Price”). Buyer shall pay the Purchase Price to Seller at Closing (defined below) by wire transfer of immediately available funds.

1.4 Deposit. Within two (2) business days from the date of the establishment of an escrow account by JPMorgan Chase Bank (the “Escrow Agent”), Buyer shall make a cash

deposit in immediately available funds in an amount equal to Two Million Three Hundred Thousand Dollars (\$2,300,000) (the “Deposit”) with the Escrow Agent pursuant to an Escrow Agreement (the “Escrow Agreement”) among Buyer, OTA Broadcasting, LLC and the Escrow Agent. Buyer shall provide all necessary Know Your Customer information to Escrow Agent as promptly as practicable in order for Escrow Agent to promptly establish such account. Upon the completion of all of the Closings, the Deposit shall be applied to the Purchase Price, and any interest accrued thereon attributable to the period prior to the first Closing shall be disbursed to Buyer. If this Agreement is terminated by Sellers pursuant to clause (b) of Schedule 15.1, the Deposit and any interest accrued thereon shall be disbursed to Sellers. If this Agreement is otherwise terminated pursuant to its terms, the Deposit and any interest accrued thereon shall be disbursed to Buyer. The parties shall each instruct the Escrow Agent to disburse the Deposit and all interest thereon to the party entitled thereto and shall not, by any act or omission, delay or prevent any such disbursement unless contested by a party in good faith in writing within five (5) business days of a disbursement request, in which event the Deposit shall remain with the Escrow Agent until the parties’ dispute is resolved. Any failure by Buyer to make the Deposit as set forth in this Section 1.4 constitutes a material default as to which the Cure Period under Schedule 15.1 does not apply entitling Sellers to immediately terminate this Agreement.

1.5 Holdback Escrow. [REDACTED]

[REDACTED]

ARTICLE 2
ASSUMPTION OF OBLIGATIONS

2.1 Permitted Encumbrances. The Station Assets shall be sold and conveyed to Buyer at the Effective Time free and clear of all Liens except for: (i) any liens for taxes, if any, which are not yet due and payable, accruing before the Effective Time, (ii) liens (if any) that will be released at or before the Effective Time, and (iii) the Assumed Liabilities (as defined in Section 2.2). The encumbrances described in the foregoing clauses (i), (ii) and (iii) are collectively referred to herein as “Permitted Encumbrances.”

2.2 Assumed Liabilities. Except as otherwise provided herein and subject to the terms and conditions of this Agreement, simultaneously with the sale, transfer, conveyance and assignment to Buyer of the Station Assets, Buyer shall assume, and hereby agrees to perform and

discharge when due all liabilities and obligations arising or to be performed on and after the Effective Time under the Contracts, but only to the extent (i) performance thereunder is due on or after the Effective Time and (ii) the corresponding benefits therefrom are received by Buyer, together with any other liabilities of Sellers for which Buyer receives a credit under Section 3.1 (collectively, the “Assumed Liabilities”).

2.3 Excluded Liabilities. Other than the Assumed Liabilities and except as provided in the LMAs, Buyer shall not assume or be liable for, and does not undertake or attempt to assume or discharge any obligation of Sellers (the “Excluded Liabilities”), including, without limitation:

(a) any liability or obligation arising out of any contract that is an Excluded Asset;

(b) any liability or obligation of Sellers arising out of or relating to any pension, 401(k), employee benefit, retirement or profit sharing plan or trust, or any liability for continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (“COBRA”);

(c) any obligation to continue to offer employment to any employee of Sellers;

(d) any compensation or benefits or any severance pay or similar obligations to any employee or independent contractor of Sellers and any related payroll tax or other liability;

(e) any liability or obligation of Sellers arising out of or relating to any litigation, proceeding or claim by any individual, partnership, corporation, limited liability company, association, joint stock company, trust, joint venture, unincorporated organization, or governmental entity (or any department, agency, or political subdivision thereof) relating to Sellers, the Stations or the Station Assets before the Effective Time, whether such litigation, proceeding or claim is pending, threatened or asserted before, on or after the Effective Time;

(f) any liability of Sellers related to Excluded Assets;

(g) any liability under any Contracts which relates to (i) any breach or default by Sellers in respect of such Contracts, or (ii) any period prior to the Closing Date; and

(h) any and all other liabilities, obligations, debts or commitments of Sellers whatsoever, whether accrued now or hereafter, whether fixed or contingent, whether known or unknown, or any claims asserted against Sellers, any employee of Sellers, the Stations or any of the Station Assets or other items owned by Sellers at the Effective Time (as hereinafter defined) relating to any event (whether act or omission) before the Closing Date, including, without limitation, Sellers’ obligation to pay any applicable taxes.

2.4 Retained Obligations of Sellers. Sellers retain and shall hereafter pay, satisfy, discharge, perform and fulfill all obligations other than the Assumed Liabilities, as they become due, without any charge or cost to Buyer.

ARTICLE 3
ADJUSTMENTS AND ALLOCATION.

3.1 Prorations and Adjustments. Except as otherwise provided herein or in the LMAs, all prepaid income and accrued but unpaid expenses arising from the conduct of the business and operations of the Stations shall be prorated between Buyer and Sellers in accordance with generally accepted accounting principles (“GAAP”) as of 11:59 p.m. on the Closing Date (the “Effective Time”). Such prorations shall include, without limitation, all ad valorem and other taxes (other than transfer taxes, which shall be paid as set forth in Article 12), music and license fees, FCC regulatory fees, utility expenses, amounts due under Contracts, and similar prepaid and deferred items. There shall be no proration or adjustment for any imbalance in the value of rights and obligations under trade, barter or similar agreements for the sale of time for goods or services. The prorations and adjustments contemplated by this Section 3.1 shall be made to the extent practicable at the Closing, and to the extent not made at the Closing shall be made within ninety (90) calendar days after the Closing Date. Prorated amounts agreed upon at the Closing shall be reflected as an adjustment to the Purchase Price to be paid at the Closing. Promptly following agreement or final determination regarding the prorations contemplated by this Section 3.1 which are not made at Closing, a cash payment in respect of such prorations shall be made by Sellers to Buyer or by Buyer to Sellers, as the case may be.

3.2 Allocation. After Closing, Buyer and Sellers shall allocate the Purchase Price in accordance with the respective fair market values of the Station Assets and the goodwill being purchased and sold in accordance with the requirements of Section 1060 of the Internal Revenue Code of 1986, as amended (the “Code”). Buyer and Sellers each further agrees to file its federal income tax returns and its other tax returns reflecting its allocation as and when required under the Code. By no later than five (5) business days before Closing, Sellers shall deliver to Buyer their allocation of the Purchase Price.

ARTICLE 4
THE CLOSING

4.1 Single Closing. Subject to satisfaction or waiver of the conditions set forth in Articles 10 and 11 below, and subject to Section 4.2, consummation of the sale of the Station Assets under this Agreement (the “Closing”) shall occur on a date (the “Closing Date”) mutually agreed upon by the parties, which date shall be no later than five (5) business days after the date on which all conditions set forth in Articles 10 and 11 shall have been satisfied or waived in writing, or such other date and time agreed to by Sellers and Buyer. The Closing shall be held at a place mutually agreed upon by the parties, subject to satisfaction or waiver of the conditions to the Closing contained herein. The parties may mutually agree to close prior to the dates the FCC Consents become Final Orders (defined below), but in no instance shall the Closing occur prior to the date on which the FCC grants its consent to assignment of the FCC Licenses to Buyer by initial order (the “FCC Consent”). The term “Final Order” means an action by the FCC as to which: (a) no request for stay by the FCC is pending, no such stay is in effect, and any deadline for filing a request for any such stay has passed; (b) no appeal, petition for rehearing or reconsideration, or application for review is pending before the FCC and the deadline for filing any such appeal, petition or application has passed; (c) the FCC has not initiated reconsideration or review on its own motion and the time in which such reconsideration or review is permitted

has passed; and (d) no appeal to a court, or request for stay by a court, of the FCC's action is pending or in effect, and the deadline for filing any such appeal or request has passed.

4.2 Multiple Closings. Consummation of the sale of the Station Assets associated with the SF Stations (the "SF Closing") may take place separately from the consummation of the sale of the Station Assets associated with the Seattle Stations (the "Seattle Closing"), and the SF Closings may occur in separate Closings for each of the SF Stations. Each partial Closing shall occur within five (5) business days after the date on which all conditions set forth in Articles 10 and 11 shall have been satisfied or waived as such conditions relate to the Stations subject to such Closing, or on such other date and time agreed to by Sellers and Buyer. In no instance shall the Seattle Closing take place prior to the grant of FCC Consent to the assignment of the FCC Licenses of the Seattle Stations to Buyer; and in no instance shall the SF Closing take place prior to the grant of FCC Consent to the assignment of the FCC Licenses of the SF Stations to Buyer. In the event of multiple Closings pursuant to this Section 4.2:

(i) all references herein to the "Closing," "Closing Date," or "Effective Time" shall be deemed, as applicable, to refer to the SF Closing and the date and effective time thereof in relation to the representations, warranties, covenants, conditions, and rights and obligations related to the Station Assets associated with the SF Stations, and to refer to the Seattle Closing and the date and effective time thereof in relation to the representations, warranties, covenants, conditions, rights, and obligations related to the Station Assets associated with the Seattle Stations;

(ii) after a Closing, the pre-Closing covenants set forth in Articles 8 and 9 and the other provisions of this Agreement that apply only prior to Closing shall continue in effect with respect to the Stations that were not subject to such partial Closing (but shall no longer be effective with respect to Stations that were subject to such partial Closing);

(iii) the conditions set forth in Articles 10 and 11, and the deliveries to be made pursuant to Article 13 that relate to the Station Assets not subject to the partial Closing, shall not apply to, and shall not be made at such partial Closing;

(iv) the provisions of Article 14 and the other provisions of this Agreement that apply only after Closing shall apply with respect to the respective Station Assets only from and after the partial Closing with respect to such Station Assets;

(v) each partial Closing shall be final and non-rescindable, and, after a partial Closing with respect to certain Stations, any termination of this Agreement shall constitute a termination of this Agreement only with respect to the Stations not yet subject to a partial Closing; and

(vi) any termination of this Agreement for breach or default of this Agreement shall constitute a termination only with respect to the Stations to which such breach or default applies.

ARTICLE 5
GOVERNMENTAL CONSENTS

5.1 FCC Applications. By the later of (i) five (5) business days after execution of this Agreement by the Sellers and Buyer, (ii) one (1) business day after Escrow Agent receives the Deposit or (iii) solely as to assignment application for KTLN-TV, one (1) business day after grant of an FCC channel sharing construction permit to KTLN-TV (or on any other date mutually agreed by the parties), Sellers and Buyer shall file applications with the FCC (the “FCC Applications”) requesting the FCC Consents. Two separate applications shall be filed for the assignment of the FCC Licenses for each of the SF Stations (each, an “SF FCC Application”) and one separate application shall be filed for the assignment of the FCC Licenses for the Seattle Stations (the “Seattle FCC Application”). Sellers shall submit the FCC filing fees due at the time the FCC Applications are filed, provided, however, that Buyer shall be responsible for one-half of such fees, to be paid by an adjustment at Closing under Section 3.1 of this Agreement. Sellers and Buyer shall diligently prosecute the FCC Applications and otherwise use their commercially reasonable efforts to obtain the FCC Consents as soon as practicable. Sellers shall take all action required under FCC rules to give timely public notice of the filing of the FCC Applications.

5.2 General. Sellers and Buyer shall notify each other of all documents filed with or received from any governmental agency (including the FCC) with respect to the FCC Applications, this Agreement, or the transactions contemplated hereby. Sellers and Buyer shall cooperate with the FCC in connection with obtaining the FCC Consents, and shall promptly provide all information and documents requested by the FCC in connection therewith. If either Sellers or Buyer becomes aware of any fact relating to it that would prevent or delay the FCC Consents, such party shall promptly notify the other party thereof and the parties shall use commercially reasonable efforts to remove any such impediment.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer makes the following representations and warranties to Sellers:

6.1 Organization. Buyer is duly organized, validly existing and in good standing under the laws of the State of Wisconsin and is, or will be at Closing or commencement of the LMAs (as applicable), qualified to do business in each jurisdiction in which the Station Assets are located. Buyer has the requisite power and authority to execute and deliver this Agreement and all of the other agreements and instruments to be executed and delivered by Buyer pursuant hereto, to consummate the transactions contemplated hereby and thereby and to comply with the terms, conditions and provisions hereof and thereof.

6.2 Authorization. The execution, delivery and performance of this Agreement by Buyer have been duly authorized and approved by all necessary action of Buyer. This Agreement is, and each other document when executed and delivered by Buyer will be, a legal, valid and binding agreement of Buyer enforceable in accordance with its terms, except in each case as such enforceability may be limited by bankruptcy or other similar laws affecting or limiting the enforcement of creditors’ rights generally and except as such enforceability is

subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

6.3 No Conflicts. Neither the execution and delivery by Buyer of this Agreement and any other instrument or agreement hereunder, nor the consummation by Buyer of any of the transactions contemplated hereby or thereby, nor compliance by Buyer with or fulfillment by Buyer of the terms, conditions and provisions hereof or thereof, will: (a) conflict with any organizational documents of Buyer or any law, judgment, order, or decree to which Buyer is subject or, (b) require the approval, consent, authorization or act of, or the making by Buyer of any declaration, filing or registration with, any third party or any foreign, federal, state or local court, governmental or regulatory authority or body, except the FCC Consents.

6.4 No Finder. No broker, finder or other person is entitled to a commission, brokerage fee or other similar payment from Buyer in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Buyer or any party acting on Buyer's behalf.

6.5 Qualification. Buyer is legally, financially and otherwise qualified to be the licensee of, acquire, own and operate the Stations under the Communications Act of 1934, as amended (the "Communications Act"), and the rules, regulations, and policies of the FCC. There are no facts relating to Buyer that would, under existing law and the existing rules, regulations, policies and procedures of the FCC, disqualify Buyer as an assignee of the FCC Licenses or as the owner and operator of the Stations. No waiver of or exemption from any FCC rule or policy is necessary to be obtained by Buyer in order for the FCC Consents to be granted. To Buyer's knowledge, there is no fact or circumstance relating to Buyer which might reasonably be expected to result in the FCC's denial of the FCC Applications.

6.6 Absence of Litigation. There are no suits, arbitrations, administrative charges or other legal proceedings, claims or governmental investigations pending, or, to Buyer's knowledge, threatened, against Buyer relating to or affecting this Agreement or the transactions contemplated hereby, nor, to Buyer's knowledge, is there a basis for any such suit, arbitration, administrative charge, or other legal proceeding, claim or governmental investigation.

6.7 Funds. Buyer has sufficient funds (or arrangement for sufficient funds) to pay the Purchase Price at Closing.

6.8 Bankruptcy. No insolvency proceedings of any character, voluntary or involuntary, affecting Buyer are pending or, to Buyer's knowledge, threatened, and Buyer has not made any assignment for the benefit of creditors or taken any action which would constitute the basis for the institution of such insolvency proceedings.

ARTICLE 7 REPRESENTATIONS AND WARRANTIES OF SELLERS

Sellers make the following representations and warranties to Buyer:

7.1 Organization. Each Seller is duly organized, validly existing and in good standing under the laws of the State of Delaware. Each Seller has the requisite power and authority to execute and deliver this Agreement and all of the other agreements and instruments to be executed and delivered by Sellers pursuant hereto, to consummate the transactions contemplated hereby and thereby and to comply with the terms, conditions and provisions hereof and thereof.

7.2 Authorization. The execution, delivery and performance of this Agreement by Sellers have been be duly authorized and approved by all necessary action of Sellers. This Agreement is, and each other document when executed and delivered by Sellers will be, a legal, valid and binding agreement of Sellers enforceable in accordance with its terms, except in each case as such enforceability may be limited by bankruptcy or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

7.3 Absence of Conflicting Agreements or Required Consents. Except as with respect to the FCC or as disclosed on Schedule 1.1(c) or Schedule 1.1(d), neither the execution and delivery by Sellers of this Agreement and any other instrument or agreement hereunder, nor the consummation by Sellers of any of the transactions contemplated hereby or thereby, nor compliance by Sellers with or fulfillment by Sellers of the terms, conditions and provisions hereof or thereof, will: (a) conflict with any organizational documents of Sellers or any law, judgment, order, or decree to which any Seller is subject; (b) require the approval, consent, authorization or act of, or the making by Sellers of any declaration, filing or registration with, any third party or any foreign, federal, state or local court, governmental or regulatory authority or body; (c) not, either alone or with the giving of notice or the passage of time, or both, 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 Contract; or (d) not result in the creation of any Lien on any of the Station Assets except Permitted Encumbrances.

7.4 FCC Authorizations.

(a) Schedule 1.1(a), as such Schedule may be updated at Closing by Seller to reflect changes as a result of the Auction Repack and the channel sharing arrangement between KTLN-TV and KAXT-CD, is a complete list of the FCC Licenses as of the date of this Agreement and will be a complete list as of the Closing Date. The FCC Licenses are held by either SF Licensee or Seattle Licensee, as designated on Schedule 1.1(a), and have been issued for the full term customarily issued to broadcast stations in the state to which each Station is licensed. The FCC Licenses are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired, except with respect to the Relinquished Spectrum. The FCC Licenses represent all licenses, permits, and authorizations necessary to lawfully operate the Stations in the manner in which they are operated as of the date of this Agreement and as of the Closing Date.

(b) Except as may be set forth on Schedule 1.1(a), to the knowledge of Sellers, there are no complaints or proceedings pending or threatened before the FCC relating to the operation of the Stations, other than proceedings affecting the broadcasting industry generally. Sellers are not subject to any outstanding judgment or order of the FCC relating to the Stations,

except as set forth on Schedule 1.1(a) or except with respect to the Relinquished Spectrum or the Auction Repack (as defined in Section 9.7). To the knowledge of Sellers, there is no fact or circumstance relating to the Stations or Sellers which might reasonably be expected to result in the FCC's denial of the FCC Applications.

(c) All material reports, filings and payments required to be filed with or paid to the FCC by Sellers in connection with the Stations or the Station Assets have been filed or paid. All such reports and filings are accurate and complete in all material respects and, subject to the LMA(s), from the date hereof to the Effective Time all reports required to be filed will be accurate and complete in all material respects and filed on a timely basis. Sellers maintain appropriate public files for the Stations as required by FCC rules. Sellers are operating only those facilities for which appropriate FCC Licenses have been obtained and are in full force and effect. Other than those applicable to the broadcast television industry at large or as set forth on Schedule 1.1(a), Sellers are not subject to any obligation to file reports or other documents with the FCC. Except as set forth on Schedule 1.1(a), each Station has been at all times since the applicable Seller's acquisition of the Station and will be between the date of this Agreement until the Closing Date, operating in compliance in all material respects with the terms and conditions of the FCC Licenses, the Communications Act and the rules, regulations and policies of the FCC applicable to such Station. Except as set forth on Schedule 1.1(a), Sellers have not entered into a tolling agreement or otherwise waived any statute of limitations relating to the Stations during which the FCC may assess any fine or forfeiture or take any other action or agreed to any extension of time with respect to any FCC investigation or proceeding.

(d) Except as set forth on Schedule 1.1(a), Sellers have no applications pending before the FCC relating to the operation of the Stations.

7.5 [INTENTIONALLY OMITTED].

7.6 Real Property Leases. Schedule 1.1(c) lists all Real Property Leases to which any Seller is a party, except for leases that are Excluded Assets. With respect to the Real Property Leases: (i) they are and shall be at Closing in full force and effect, (ii) all rents and other payments that have become due under the Real Property Leases have been paid, (iii) Sellers are in peaceable possession of the real estate covered by the Real Property Leases, and (iv) neither Sellers nor, to Sellers' knowledge, any other party thereto, is in default in any material manner under the Real Property Leases.

7.7 Equipment. All of the fixtures, towers and improvements owned by Sellers and located at the sites included in the Real Property Leases (the "Owned Improvements") are, and shall be at Closing, in good operating condition and repair, ordinary wear and tear excepted. Sellers have received no written notice alleging that the Owned Improvements fail to comply with applicable zoning laws or the building, health, fire and environmental protection codes of applicable governmental jurisdictions.

7.8 Contracts. Schedule 1.1(d) describes in all material respects certain contracts, agreements or other commitments related to the operation of the Stations to which a Seller is a party on the date hereof and which are not Excluded Assets. Sellers are not in violation or breach in any material respect of any of the terms, conditions or provisions of any Contract. All amounts

due from Sellers under any Contract have been paid, except where a good faith claim has been raised by Sellers. To Sellers' knowledge, no other party thereto is in default or breach in any material respect under any of the Contracts.

7.9 Title to and Condition of Tangible Personal Property. Sellers have title to all Tangible Personal Property, free and clear of all Liens, except for Permitted Encumbrances. All of the material items of Tangible Personal Property are and shall be at the Closing in good operating condition and repair, ordinary wear and tear excepted.

7.10 Intangible Property. All material Intangible Property is described, listed or set forth on Schedule 1.1(e). Except as set forth on Schedule 1.1(e), Sellers have not received written notice of any material claims, demands or proceedings pending by any third party challenging Sellers' right to use any of the material Intangible Property or that any material Intangible Property or any services provided by Sellers conflict with, infringe or otherwise violate the material intellectual property rights of third parties. Except as set forth on Schedule 1.1(e), the Station Assets include all material Intangible Property, including Sellers' rights in and to the call letters used in the operation of the Stations and, to Sellers' knowledge, no third party has materially infringed or is materially infringing on any of the Intangible Property. Sellers have not received any written notice that any of the owned Intangible Property is the subject of an outstanding judicial or administrative finding, opinion or office action materially restricting the use thereof by Sellers or has been adjudged invalid, unenforceable or unregistrable in whole or in part.

7.11 Compliance With Laws. Except as set forth on Schedule 1.1(a), Sellers have operated and are operating the Stations in compliance in all material respects with all laws, regulations and governmental orders applicable to the operation of the Stations. Sellers have not received any notice asserting any noncompliance with any applicable statute, rule or regulation in connection with the operation of the Stations that has not been resolved, and, to Sellers' knowledge, no investigation is pending or threatened regarding any such matter.

7.12 Taxes. Sellers, with respect to the Stations or the Station Assets, have filed any and all applicable federal, state, local and foreign income, franchise, sales, use, property, excise, payroll and other tax returns and forms required to be filed, and have paid in full or discharged all taxes, assessments, excises, interest, penalties, deficiencies and losses required to be paid with respect to the Stations, except any being contested in good faith by appropriate proceedings.

7.13 Absence of Litigation. Except as may be set forth on Schedule 1.1(a) or Schedule 1.1(f), and except for proceedings of general applicability, there are no suits, arbitrations, administrative charges or other legal proceedings, claims or governmental investigations pending against, or, to Sellers' knowledge, threatened against, Sellers relating to or affecting this Agreement or the transactions contemplated hereby or the Station Assets, nor, to Sellers' knowledge, is there any basis for any such suit, arbitration, administrative charge, or other legal proceeding, claim or governmental investigation.

7.14 Bankruptcy. No insolvency proceedings of any character, voluntary or involuntary, affecting Sellers or any of the Station Assets, are pending or, to Sellers' knowledge,

threatened, and Sellers have not made any assignment for the benefit of creditors or taken any action which would constitute the basis for the institution of such insolvency proceedings.

7.15 Financial Information. Sellers' audited financial statements relating to the operation of the Stations for the years ending December 31, 2015 and December 31, 2016 (the "Business Audited Financial Statements"), the unaudited financial statements from the Sellers' internal reporting system relating to the operation of the Stations as of August 31, 2017 (the "Balance Sheet Date") and the related unaudited statement of operations for the period then ended (the "Business Unaudited Financial Statements"), and the unaudited balance sheet of the Station as of August 31, 2017 and the related unaudited statement of operations for the 8 months then ended (the "Business Unaudited Interim Financial Statements" and, together with the Business Audited Financial Statements and the Business Unaudited Financial Statements, the "Business Financial Statements"), complete and correct copies of which have been delivered to Buyer, were prepared in accordance with the books and records of Sellers and GAAP, consistently applied during the applicable periods, and present fairly in all material respects the financial position of the Stations as of the applicable dates, and the results of the Stations' operations for each of the applicable periods (except as may be indicated in the notes thereto).

7.16 Cable and Satellite Matters. Schedule 1.1(d) contains a list of all retransmission consent or copyright indemnification agreements with any multi-channel video programming distributors, including cable systems, telephone companies and DBS systems ("MVPDs") with more than 100 subscribers with respect to any Station as of the date of this Agreement. Sellers have made timely elections for mandatory carriage with respect to each MVPD in each Station's local television market as defined in 47 C.F.R. §§ 76.55 and 76.66. Since January 1, 2015, no such MVPD has provided written notice to Sellers of any signal quality issue or failed to respond to a request for carriage or, to the knowledge of Sellers, sought any form of relief from carriage of any Station from the FCC. Since January 1, 2015, Sellers have not received any written notice of the intention of any MVPD to delete any Station from carriage, to change any Station's channel position, or to modify the local market of any Station. To Seller's knowledge, except as set forth on Schedule 1.1(d), every material MVPD in each Station's market is carrying the signals of KFFV, KVOS-TV, and KTLN-TV. As of the date of this Agreement, the programming of KTLN-TV is being retransmitted by MVPDs to at least ninety percent (90%) of the MVPD households in the San Francisco Designated Market Area ("DMA"). As of the Closing Date, the programming of KTLN-TV will be retransmitted by MVPDs to at least ninety percent (90%) of the MVPD households in the San Francisco DMA as broadcast from the facilities which will be, as of the Closing Date, shared by KTLN-TV and KAXT-CD pursuant to the channel sharing arrangement between those Stations as described in Section 8.1(m). Except as set forth on Schedule 1.1(d), as of the Closing, Sellers will have delivered effective network non-duplication letters with respect to each applicable MVPD and have otherwise taken all actions necessary to perfect each Station's network non-duplication rights.

7.17 Employees, Labor Matters.

(a) Sellers have delivered to Buyer a list of all full-time, part-time and per diem employees employed by Sellers with regard to each Station, including the names, date of hire, current rate of compensation, employment status (i.e., active, disabled, on authorized leave and

reason therefor), department, title, whether covered by a collective bargaining agreement and whether full-time, part-time or per-diem.

(b) None of the Stations are subject to or bound by any labor agreement or collective bargaining agreement.

(c) Sellers are not engaged in any unfair labor practice with respect to the Stations. There are no labor strikes, material labor disputes, concerted work stoppages or lockouts pending or, to the knowledge of Sellers, threatened with respect to the Stations. There are no grievances, complaints or other legal proceedings pending, or to the knowledge of Sellers, threatened, against Sellers in connection with the employment of the Stations' employees, except any that would not reasonably be expected to result in a material liability. Sellers are in material compliance with all applicable labor and employment laws in connection with the employment of their respective employees with respect to the Stations.

7.18 Employee Benefit Plans. With respect to any (a) employee benefit plan, arrangement or policy subject to the Employee Retirement Income Security Act of 1974, as amended and the rules and regulations promulgated thereunder ("ERISA"), including any retirement, pension, deferred compensation, severance, profit sharing, savings, group health, dental, life insurance, disability or cafeteria plan, policy or arrangement; (b) any equity or equity-based compensation plan; (c) any bonus or incentive arrangement; and (d) any severance or termination agreements, policies or arrangements that are not covered by ERISA, in each case, maintained or contributed to or required to be maintained or contributed to by Sellers for the benefit of any current employee of the Stations or any former employee who was directly engaged in the operation of any Station (collectively, the "Employee Plans"):

(a) the Employee Plans are in material compliance with all applicable requirements of ERISA, the Code, and other applicable laws and have been administered in accordance with their terms and such laws, disregarding for this purpose any failure to so comply or administer that does not: (i) have a material adverse effect, or (ii) impose upon Buyer any carryover or other liability with respect thereto; and

(b) there is no pending or, to the knowledge of Sellers, threatened, legal action, suit or claim relating to the Employee Plans (other than routine claims for benefits) that would reasonably be expected to have a material adverse effect or impose upon Buyer any carryover or other liability with respect thereto.

7.19 Brokers. Other than to MVP Capital, LLC, the broker for which Sellers shall be solely responsible for paying a broker fee pursuant to Sellers' agreement with MVP Capital, LLC, no broker, finder or other person is entitled to a commission, brokerage fee or other similar payment from Sellers in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Seller or any party acting on Sellers' behalf.

ARTICLE 8 COVENANTS

8.1 Sellers' General Covenants. Sellers covenant and agree that between the execution date of this Agreement by the Sellers and Buyer and the Closing, except as permitted

by this Agreement or with the prior written consent of Buyer, which shall not be unreasonably withheld, delayed or conditioned, Sellers shall, subject to the LMAs (as applicable):

(a) except with respect to the Relinquished Spectrum and the Auction Repack, not directly or indirectly, including by dissolution, liquidation, or otherwise, sell, lease or dispose of any of the Station Assets unless those assets are replaced in the Ordinary Course of Business with assets of equal or greater value;

(b) maintain the Tangible Personal Property in its current condition (reasonable wear and tear in ordinary usage excepted);

(c) obtain any Required Consents under the Real Property Leases in accordance with Section 9.3;

(d) upon reasonable notice, furnish Buyer with reasonable access to the Stations during normal business hours, at times mutually agreeable to Buyer and Sellers, provided that such access rights shall not be exercised in a manner that interferes with the operation of the Stations or other stations owned by Sellers or their Affiliates;

(e) operate the Stations in compliance in all material respects with the Communications Laws, the FCC Licenses and all applicable laws;

(f) except for changes undertaken in compliance with Section 9.7 with respect to the Relinquished Spectrum and the Auction Repack, not cause or permit, or agree or commit to cause or permit, by act or failure to act, any of the FCC Licenses to expire or to be revoked, suspended or materially adversely modified, or take or fail to take any action that would cause the FCC to institute proceedings for the suspension, revocation or material adverse modification of any of the FCC Licenses;

(g) not make any material change in any method of accounting or accounting practice utilized in the preparation of the Business Financial Statements except for any such change required by reason of a concurrent change in GAAP;

(h) (i) not increase the rate or nature of, or prepay, the compensation (including wages, salaries and bonuses) or severance that is paid or payable to any employee of the Stations, except (A) in the Ordinary Course of Business or pursuant to existing compensation and fringe benefit plans, Employee Plans, practices and arrangements or (B) as may be required by law or existing contracts or applicable collective bargaining agreements; (ii) not enter into, renew or allow the renewal or entering into of, any employment or consulting agreement or other contract or arrangement with respect to the performance of personal services for the Stations that is not terminable at will; and (iii) not agree or commit to do any of the foregoing;

(i) not enter into, or become obligated under, any agreement or commitment except for: (x) any Contract relating to program rights that involve payments of less than \$25,000 in any twelve (12) month period and less than \$100,000 in total payments; (y) any other Contract (other than advertising sales contracts for cash only) with a term of one (1) year or less or that involve cash payments or cash receipts of \$25,000 or less; provided, however, that in no event may Sellers enter into Contracts with respect to the Stations that in the aggregate involve cash

payments or cash receipts of \$250,000 or more; and (z) any exercise of a renewal option under a Real Property Lease that would otherwise terminate or expire, or where the deadline to exercise such renewal option would lapse, within one (1) year of the anticipated date of Closing;

(j) except with the consent of Buyer or as explicitly permitted under Section 9.7 of this Agreement, not make or agree or commit to make any capital expenditure greater than \$50,000 in connection with any particular project relating to any Station, or greater than \$150,000 in total with respect to the Stations;

(k) use commercially reasonable efforts to promote the Stations and their programming in a manner generally consistent with historical practice;

(l) make proper affirmative must-carry elections with all MVPDs serving the local television markets of KTLN-TV, KFFV, and KVOS-TV electing mandatory carriage of those Stations' broadcast signals during the election period beginning on January 1, 2018 and ending on December 31, 2020;

(m) implement a channel sharing arrangement in compliance with the rules and policies of the FCC between Stations KAXT-CD and KTLN-TV pursuant to which KTLN-TV will conduct its broadcast operations on a shared channel and using shared facilities currently operated by KAXT-CD, including modification of the community of license of KTLN-TV; and

(n) use commercially reasonable efforts to maximize the Stations' repacked facilities as authorized by the FCC, after reasonable consultation with Buyer, provided that settlement of any mutual exclusivity involving a Station's proposed maximized facilities shall not be reached without approval, not to be unreasonably withheld, of Buyer.

8.2 Buyer's General Covenants. Buyer covenants and agrees that between the execution date of this Agreement by the Sellers and Buyer and the Closing, Buyer shall:

(a) maintain its qualifications to be the licensee of the Stations as set forth in Section 6.5 above, and the accuracy of the other representations and warranties of Buyer set forth in Article 6 herein;

(b) take necessary steps as required to be able to pay the Purchase Price and otherwise consummate this transaction;

(c) cooperate in a commercially reasonable manner with Seller to obtain the Required Consents; and

(d) immediately notify the Sellers of any event, circumstance or occurrence which will interfere with the prompt consummation of this transaction at Closing.

ARTICLE 9 JOINT COVENANTS

Sellers and Buyer hereby covenant and agree as follows:

9.1 Cooperation. Each party shall cooperate fully with one another in taking any commercially reasonable actions (including to obtain the required consent of any governmental instrumentality or any third party) necessary to accomplish the transactions contemplated by this Agreement, including, but not limited to, the prompt satisfaction of any condition to the Closing set forth herein.

9.2 Control of Stations. Buyer shall not, directly or indirectly, control, supervise or direct the operations of the Stations prior to the Closing. Such operations, including complete control and supervision of all programs, employees, finances, and policies, shall be the sole responsibility of Sellers until the Closing.

9.3 Consents.

(a) Seller shall use commercially reasonable efforts, and Buyer shall reasonably cooperate in such efforts, to obtain (i) any third party consents necessary for the assignment of any Contract (which shall not require any payment to any such third party) and (ii) execution of reasonable estoppel certificates by lessors under the Real Property Leases, but no such consents or estoppel certificates are conditions to Closing except for the Required Consents. Receipt of consent to assign to Buyer the Stations' main tower leases designated with a diamond on Schedule 1.1(c) is a condition precedent to Buyer's obligation to close under this Agreement (the "Required Consents").

(b) To the extent that any Contract may not be assigned without the consent of any third party, and such consent is not obtained prior to Closing, this Agreement and any assignment executed pursuant to this Agreement shall not constitute an assignment of such Contract; provided, however, with respect to each such Contract, Sellers and Buyer shall cooperate to the extent feasible in effecting a lawful and commercially reasonable arrangement under which Buyer shall receive the benefits under the Contract from and after Closing, and to the extent of the benefits received, Buyer shall pay and perform Sellers' obligations arising under the Contract from and after Closing in accordance with its terms.

9.4 Risk of Loss. Sellers shall bear the risk of casualty loss or damage to any of the Station Assets prior to the Effective Time, and Buyer shall bear such risk on and after the Effective Time, except if such loss or damage results primarily and directly from Buyer's usage of such Station Assets under the LMAs. In the event of any casualty loss or damage to the Station Assets between the date of this Agreement and the Effective Time, Sellers shall use commercially reasonable efforts to repair or replace (as appropriate under the circumstances) any lost or damaged Station Asset (the "Damaged Asset") unless such Damaged Asset was obsolete and unnecessary for the continued operation of the applicable Station consistent with Sellers' past practice and the FCC Licenses. If Sellers are unable to repair or replace a Damaged Asset by the Effective Time, at Closing, the Purchase Price shall be reduced by the reasonably estimated cost to complete such repair or replacement (in full settlement of any claim by Buyer with respect thereto), and Sellers' representations and warranties shall be deemed modified to take into account the condition of such Damaged Asset.

9.5 Employees. Although Buyer is not hereby under any obligation to hire any employees of Sellers in connection with the transactions contemplated by this Agreement, Buyer

may, in its sole discretion, whether prior to, on the Closing Date, or thereafter, offer employment to certain employees of Sellers employed in operation of the Stations. Subject to the LMA (as applicable) Sellers shall be responsible for all compensation and benefits in regard to any employee arising prior to the Effective Time (in accordance with Sellers' employment terms).

9.6 Non-Solicitation/Non-Competition. For a period of one (1) year following the Closing, Sellers shall not, directly or indirectly through OTA Broadcasting, LLC ("OTA") or through any subsidiary of OTA, offer employment to any employee of the Stations who was hired by Buyer at Closing or commencement of the LMAs (as applicable) ("Transferred Employees") without the prior written consent of Buyer, provided, however, Sellers shall not be restricted in any manner from hiring any person responding to a general solicitation for employees or public advertising of employment opportunities (including through use of employment agencies) that are not specifically directed at Transferred Employees or from hiring any Transferred Employee that has been terminated by Buyer or resigns from Buyer's employment. For a period of one (1) year following the Closing, Sellers shall not, directly or indirectly through OTA or through any subsidiary of OTA, own, control or operate any television station in the same DMA as any Station; provided, however that ownership interests of less than five percent (5%) of publicly owned companies will not be taken into account.

9.7 Repack.

(a) The parties acknowledge that the operations of each Station (except for KTLN-TV, Novato, CA) must be modified, as set forth on Schedule 9.7, pursuant to the auction and reallocation of broadcast television spectrum to be conducted by the FCC pursuant to the Middle Class Tax Relief and Job Creation Act of 2012, Pub. L. No. 112-96, §6402, 6403, 125 Stat. 156 (2012) and the FCC's rules, regulations, policies and procedures promulgated in FCC Docket No. 12-268 (the "Auction Repack"). The parties agree that implementation of the transition plans for the Stations as reported to the FCC in the construction permit applications and Form 399 Reimbursement Fund System filings, complete copies of which have been provided to Buyer, shall not be considered to be a violation of Seller's covenants under Section 8.1 of this Agreement. Notwithstanding the foregoing or anything herein to the contrary, Seller shall make all filings required by the FCC for the applicable Stations as part of the Auction Repack that are due to be filed prior to the Effective Time, and Sellers shall consult and coordinate with Buyer reasonably prior to making any such filing.

(b) If Buyer files any Form 399 Reimbursement Fund System filings or any updates thereto after the Effective Time, then Buyer shall include in its request for reimbursement any costs that Sellers incurred before the Effective Time that are eligible for reimbursement by the FCC that have not then been reimbursed to Sellers and Buyer shall provide Sellers copies of all such forms within five (5) days after making such filing. The party which incurs an expense related to the Auction Repack shall be entitled to receipt of reimbursement funds for such expense, regardless of when such funds are received. Accordingly, if Sellers receive reimbursement funds to which Buyer is entitled, then Sellers shall, within fifteen (15) business days of receipt, pay such funds over to Buyer without offset, and if Buyer receives reimbursement funds to which Sellers are entitled, then Buyer shall, within fifteen (15) business days of receipt, pay such funds over to Sellers without offset. If Sellers incur expenses with respect to the Auction Repack that were approved by Buyer but are not reimbursed by the TV

Broadcaster Relocation Fund, then Buyer shall reimburse Sellers for such amounts and such amounts shall be deemed Assumed Liabilities for purposes of this Agreement. Sellers and Buyer shall cooperate in connection with procedures implemented by the FCC regarding the reimbursement of Auction Repack expenses with the goal of ensuring that all expenses incurred by Sellers are reimbursed to Sellers and all expenses incurred by Buyer are reimbursed to Buyer.

(c) If this Agreement terminates without a Closing for any reason, then (i) all right, title and interest in and to any equipment, construction plans or other site development materials procured by Buyer to accomplish construction of the Stations for the Auction Repack shall be conveyed to Sellers, and Buyer shall have no interest therein and (ii) Sellers shall within ten (10) business days after such equipment or materials are delivered to Sellers, reimburse Buyer for the reasonable out-of-pocket expenses incurred by Buyer for such construction activities, provided, Sellers shall not have to reimburse Buyer for expenses for which Buyer has already received reimbursement from the TV Broadcaster Relocation Fund or expenses incurred by Buyer which are not reimbursable from the TV Broadcaster Relocation Fund.

(d) Buyer shall be responsible for all Auction Repack construction activities and compliance arising from and after Closing at its expense. Buyer shall be solely responsible for seeking reimbursement from the TV Broadcaster Relocation Fund for eligible expenses incurred by Buyer after Closing. If Sellers incurred Auction Repack expenses for which they have not sought reimbursement prior to Closing or if Sellers submitted reimbursement requests that remain pending at Closing, then upon Closing, Buyer shall submit or resubmit such requests on behalf of Sellers to the extent requested by Sellers, and upon receipt of payment from the FCC, Buyer shall, within fifteen (15) business days of receipt, pay over to Sellers the portion attributable to Sellers' eligible expenses, without offset.

9.8 Accounts Receivable. Buyer shall not collect any Accounts Receivable, and Buyer shall promptly pay over to Sellers any Accounts Receivable it receives, without offset.

9.9 Confidentiality.

(a) Sellers and Buyer agree that all financial or other information about the other party, or other information of a confidential or proprietary nature, disclosed in connection with the negotiation or performance of this Agreement shall be kept confidential and shall not be disclosed to any person or used by the receiving party (other than to its agents, accountants, attorneys, consultants, financing sources or employees in connection with the transactions contemplated by this Agreement) except: (i) with the prior written consent of the other party; (ii) as may be required by applicable law or legal process; (iii) such information which may have been otherwise acquired or obtained by such party (other than through disclosure by the other party in connection with the transaction contemplated by this Agreement); or (iv) such information which is or becomes generally available to the public other than as a result of a violation of this provision. This Section 9.9(a) shall remain in full force and effect for a period of two (2) years following Closing.

(b) In the event of a breach or threatened breach by any party of the provisions of this Section 9.9, the non-breaching party shall be entitled to seek an injunction restraining such party from such breach. Nothing contained in this paragraph (b) or elsewhere in this Agreement shall be construed as prohibiting the non-breaching party from pursuing any other remedies

available at law or equity for such breach or threatened breach of this Agreement nor limiting the amount of damages recoverable in the event of a breach or threatened breach by any party of the provisions of this Section.

9.10 Publicity. All press releases and other public announcements, whether written or oral, to be made by either party with respect to the transactions contemplated by this Agreement, shall be subject to the agreement of the parties prior to the dissemination thereof; provided, however, that either party may make any announcement required by applicable law (in which case such party shall give advance notice to the other). Notwithstanding the foregoing, the parties acknowledge that this Agreement and the terms hereof will be filed with the FCC Applications and thereby become public.

9.11 1031 Exchange. To facilitate a like-kind exchange under Section 1031 of the Code, Buyer may assign its rights under this Agreement (in whole or in part) to a “qualified intermediary” under section 1.1031(k)-1(g)(4) of the treasury regulations (but such assignment shall not relieve Buyer of its obligations under this Agreement) and any such qualified intermediary may re-assign the rights under this Agreement to Buyer. If Buyer gives notice of such assignment, Sellers shall provide Buyer with a written acknowledgement of such notice prior to Closing and shall undertake all other actions reasonably requested by Buyer in connection with Buyer’s like-kind exchange, with any out-of-pocket costs incurred by Sellers to be reimbursed by Buyer.

9.12 Local Marketing Agreement. Upon the request of Buyer as to the SF Stations, the parties shall negotiate and enter into one or more mutually agreeable Local Marketing Agreement(s) in the form of Exhibit A attached hereto (“LMAs”) pursuant to which Buyer shall provide programming for, and be entitled to receive the revenues for the sale of advertising time on, one or more of the SF Stations. Such LMA(s) shall terminate only upon mutual consent of the parties, following a default in accordance with the terms of such LMA(s) or upon completion of both SF Closings and shall include provisions requiring Sellers to maintain their qualifications as holder of the FCC Licenses for the SF Station(s) subject to the LMA(s).

9.13 No Negotiation. Until such time as this Agreement shall be terminated pursuant to Article 15, Sellers and their respective directors, officers, investment bankers, brokers, and agents shall cease any discussions or negotiations with, and shall not, directly or indirectly, solicit, initiate, encourage or entertain any inquiries or proposals from, discuss or negotiate with, provide any nonpublic information to or consider the merits of any inquiries or proposals from any person (other than Buyer or its Affiliates) relating to any business combination transaction involving the Station Assets or the Stations (other than in the ordinary course of business or as provided by this Agreement). Sellers shall notify Buyer of any such inquiry or proposal within seventy-two (72) hours of receipt or awareness of the same by Sellers.

ARTICLE 10
CONDITIONS OF CLOSING BY SELLERS

The obligations of Sellers hereunder are, at their option, subject to satisfaction, at or prior to the Closing of each of the following conditions (unless waived in writing by Sellers):

10.1 Representations, Warranties and Covenants. The representations and warranties of Buyer made in this Agreement shall be true and correct in all material respects as of the Closing Date except for changes permitted or contemplated by the terms of this Agreement, and the covenants and agreements to be complied with and performed by Buyer at or prior to the Closing shall have been complied with or performed in all material respects.

10.2 Governmental Consents. The FCC Consent shall have been obtained, shall be in full force and effect, and shall have become a Final Order, and no court or governmental order prohibiting the Closing shall be in effect.

10.3 Other Closing Deliveries. Buyer shall have made each of the deliveries contemplated by Section 13.2 hereof.

ARTICLE 11
CONDITIONS OF CLOSING BY BUYER

The obligations of Buyer hereunder are, at its option, subject to satisfaction, at or prior to the Closing of each of the following conditions (unless waived in writing by Buyer):

11.1 Representations, Warranties and Covenants. The representations and warranties of Sellers made in this Agreement shall be true and correct in all material respects as of the Closing Date except for changes permitted or contemplated by the terms of this Agreement, and the covenants and agreements to be complied with and performed by Sellers at or prior to the Closing shall have been complied with or performed in all material respects. Notwithstanding anything in this Agreement to the contrary, Sellers shall not be deemed to have breached any of their representations or warranties or failed to comply with any of their covenants or agreements contained in this Agreement to the extent such breach or failure results from Buyer's performance of its obligations under the LMAs.

11.2 Governmental Consents. The FCC Consent shall have been obtained, shall be in full force and effect, and shall have become a Final Order, and no court or governmental order prohibiting the Closing shall be in effect.

11.3 No Material Adverse Change. Between the date of this Agreement and the commencement date of the LMAs, as applicable (or if the LMAs do not commence, the Closing Date), there shall have been no material adverse change or effect on the business, operations, liabilities, properties, assets or financial condition of the Stations taken as a whole, or on the ability of Sellers to perform their obligations under this Agreement, except for changes or effects that arise out of, result from or are attributable to any of the following: (i) any change in conditions in the United States, foreign or global economy or capital or financial markets, including any change in interest or exchange rates; (ii) any change in the legal, regulatory, political, economic, financial or business conditions or any change in GAAP or the interpretation

or enforcement thereof generally affecting the television communications industry; (iii) any natural disaster, hostilities, act of terrorism or war (whether or not threatened, pending or declared) or the escalation or material worsening of any such natural disaster, hostilities, acts of terrorism or war; (iv) any labor strike, organizing campaign, work stoppage, slowdown, lockout or other labor dispute; (v) the adoption, implementation, promulgation, repeal, modification, reinterpretation or proposal of any order, protocol, government program, industry standard or applicable law of or by any governmental authority; (vi) changes in the competitive marketplace in any market in which the Stations operate, including but not limited to the addition of new competitors in any market or the change in formats of any competitive station; (vii) matters subject to Section 9.4 (Risk of Loss), which shall be resolved as set forth therein; (viii) actions taken by or at the request of Buyer or an Affiliate of Buyer, including without limitation pursuant to the LMAs; (ix) ratings or performance of a television network of which any of the Stations is an affiliate; (x) the announcement or performance of this Agreement or the transactions contemplated hereby; or (xi) any other matter outside Sellers' reasonable control. Notwithstanding anything herein to the contrary, any change or effect that arises after the commencement date of the LMAs that would otherwise constitute a material adverse change in accordance with this Section and occurs directly as a result of the action or failure to act by Sellers shall be considered a material adverse change for purposes of this Section 11.3.

11.4 Required Consents. Buyer shall have received the Required Consents.

11.5 Other Closing Deliveries. Sellers shall have made each of the deliveries contemplated by Section 13.1 hereof.

11.6 Channel Sharing. KAXT-CD, San Francisco, San Jose, CA and KTLN-TV, Novato, CA shall have implemented a channel sharing arrangement authorizing, among other changes, a change in community of license of KTLN-TV, in accordance with FCC rules and regulations.

ARTICLE 12
EXPENSES

Each party shall be responsible for all costs and expenses incurred by it in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement, except that filing fees with respect to the FCC Applications shall be paid equally by Sellers and Buyer as set forth in Section 5.1. Transfer or sales or use taxes and other fees and charges applicable to the transfer of the Station Assets under this Agreement shall be paid equally by Sellers and Buyer. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

ARTICLE 13
DELIVERIES AT CLOSING

13.1 Sellers' Deliveries. At the Closing, Sellers shall deliver or cause to be delivered to Buyer:

(a) consents of counterparties, if required, under the Contracts and the Real Property Leases, for assignment of such agreements to Buyer;

(b) a good standing certificate issued by the Secretary of State of each Seller's jurisdiction of formation;

(c) certified copies of all corporate or other resolutions necessary to authorize the execution, delivery, and performance of this Agreement by Sellers, including the consummation of the transactions contemplated hereby;

(d) a certificate of each Seller, dated the Closing Date and duly executed by an officer or manager of such Seller to certifying as to the matters set forth in Section 11.1;

(e) such bills of sale, documents of title and other instruments of conveyance, assignment and transfer as may reasonably be requested by Buyer to convey, transfer and assign the Station Assets to Buyer, free and clear of Liens, except for Permitted Encumbrances; and

(f) mortgage discharges and termination statements on Form UCC-3, or other appropriate releases, which when filed will release and satisfy any and all Liens relating to the Station Assets (other than Permitted Encumbrances), together with proper authority to file such termination statements or other releases at and following the Closing.

13.2 Buyer's Deliveries. At the Closing, Buyer shall deliver or cause to be delivered to Sellers:

(a) such documents and instruments of assumption as may reasonably be requested by Sellers for Buyer to assume the Real Property Leases, the Contracts and any other Assumed Liabilities;

(b) a good standing certificate issued by the Secretary of State of Buyer's jurisdiction of formation;

(c) certified copies of all corporate or other resolutions necessary to authorize the execution, delivery, and performance of this Agreement by Buyer, including the consummation of the transactions contemplated hereby;

(d) a certificate, dated the Closing Date and duly executed by an officer or manager of Buyer certifying as to the matters set forth in Section 10.1; and

(e) the Purchase Price by wire transfer of immediately available funds, as adjusted pursuant to Section 3.1 hereof.

ARTICLE 14
SURVIVAL; INDEMNIFICATION; LIMITATION OF LIABILITY

14.1 Indemnification.

(a) Subject to Sections 14.3 and 14.4, from and after the Effective Time, Sellers, jointly and severally, do hereby indemnify and hold harmless Buyer and its Affiliates, directors, officers, employees and other agents and representatives from and against any and all liabilities, judgments, claims, settlements, losses, damages, fees, liens, taxes, penalties, obligations and expenses (collectively, "Losses") incurred or suffered by any such person arising from, by reason of or in connection with:

(i) any breach of any representation or warranty of Sellers contained in this Agreement or any certificate or other document delivered by Sellers hereunder;

(ii) the nonfulfillment by Sellers of any covenant made by Sellers in this Agreement;

(iii) the conduct of the business or other operations of each of the Stations on or before each Station's respective Closing Date, except for the Assumed Liabilities, or any condition existing relating to environmental liability prior to each Station's respective Effective Time;

(iv) the failure of Sellers to comply with any federal, state or local tax laws, including without limitation those laws applicable to the transactions contemplated by this Agreement;

(v) [REDACTED]

(vi) [REDACTED]

(vii) any Excluded Asset or Excluded Liability; and

(viii) any and all actions, suits, proceedings, demands, judgments, costs and legal and other expenses incident to any of the matters referred to in clauses (i) through (vii) of this Section 14.1(a).

Notwithstanding anything in this Agreement to the contrary, Sellers shall not be deemed to have breached any of their representations or warranties or failed to comply with any of their covenants contained in this Agreement to the extent such breach or failure results directly and primarily from Buyer's performance of its obligations under the LMAs.

(b) Subject to Sections 14.3 and 14.4, from and after the Effective Time, Buyer does hereby indemnify and hold harmless Sellers and their Affiliates, directors, officers,

employees and other agents and representatives from and against any and all Losses incurred or suffered by any such person arising from, by reason of or in connection with:

(i) any breach of any representation or warranty of Buyer contained in this Agreement or any certificate or other document delivered by Buyer hereunder;

(ii) the nonfulfillment by Buyer of any covenant made by Buyer in this Agreement;

(iii) the conduct of the business or other operations of each of the Stations from and after each Station's respective Effective Time;

(iv) the failure of Buyer to comply with any federal, state or local tax laws, including without limitation those laws applicable to the transactions contemplated by this Agreement;

(v) the Assumed Liabilities; and

(vi) any and all actions, suits, proceedings, demands, judgments, costs and legal and other expenses incident to any of the matters referred to in clauses (i) through (v) of this Section 14.1(b).

14.2 Procedures. In case any claim or litigation which might give rise to any obligation of a party under the indemnity and reimbursement provisions of this Agreement (each an "Indemnifying Party") shall come to the attention of the party seeking indemnification hereunder (the "Indemnified Party"), the Indemnified Party shall notify in writing promptly the Indemnifying Party of the existence and amount thereof. Failure to give such notice shall not prejudice the rights of the Indemnified Party, except to the extent that the Indemnifying Party shall have been materially prejudiced by such failure, provided that such notice is given within the applicable time period described in Section 14.3. The Indemnifying Party shall have the right to undertake the defense or opposition to such claim with counsel selected by it. In the event that the Indemnifying Party does not undertake such defense or opposition in a timely manner, the Indemnified Party may undertake the defense, opposition, compromise or settlement of such claim with counsel selected by it at the Indemnifying Party's cost (subject to the right of the Indemnifying Party to assume defense of or opposition to such claim at any time prior to settlement, compromise or final determination thereof). Anything herein to the contrary notwithstanding: (i) the Indemnified Party shall have the right, at its own cost and expense, to participate in the defense, opposition, compromise or settlement of the claim; (ii) the Indemnifying Party shall not, without the Indemnified Party's written consent, settle or compromise any claim or consent to entry of any judgment which does not include the giving by the claimant to the Indemnified Party of a release from all liability in respect of such claim; (iii) in the event that the Indemnifying Party undertakes defense of or opposition to any claim, the Indemnified Party, by counsel or other representative of its own choosing and at its sole cost and expense, shall have the right to consult with the Indemnifying Party and its counsel concerning such claim and the Indemnifying Party and the Indemnified Party and their respective counsel shall cooperate in good faith with respect to such claim; and (iv) neither party shall have any

liability to the other under any circumstances for special, indirect, consequential, punitive or exemplary damages or lost profits or similar damages of any kind, whether or not foreseeable.

14.3 Time Limitations.

[REDACTED]

14.4 Amount Limitations.

[REDACTED]

14.5 No Election. Except as expressly set forth herein, nothing contained in this Article 14 shall be deemed an election of remedies under this Agreement or limit in any way the liability of any party under any other agreement to which such party is a party relating to this Agreement or the transactions contemplated by this Agreement. Notwithstanding the foregoing, after Closing, all claims for breach of representations or warranties under this Agreement shall be subject to the limitations set forth in Sections 14.3 and 14.4.

ARTICLE 15
TERMINATION

15.1 Termination. This Agreement may be terminated in accordance with Schedule 15.1.

15.2 Remedies.

(a) Except as provided by this Section 15.2(a), the termination of this Agreement shall not relieve any party of any liability for breach or default under this Agreement prior to the date of termination. If Sellers terminate this Agreement pursuant to clause (b) of Schedule 15.1, then the parties shall immediately deliver joint written instructions to the Escrow Agent directing

disbursement of the Deposit to Sellers, and such payment shall constitute liquidated damages and the sole remedy of Sellers for a breach by Buyer of this Agreement. The parties acknowledge and agree that payment of such amount shall constitute payment of liquidated damages and is not a penalty and that the liquidated damages amount is reasonable in light of the substantial but indeterminate harm anticipated to be caused by material breach or default under this Agreement, the difficulty of proof of loss and damages, the inconvenience and non-feasibility of otherwise obtaining an adequate remedy, and the value of the transactions to be consummated hereunder.

(b) Notwithstanding anything contained herein to the contrary, Sections 1.4 (Deposit), 9.9 (Confidentiality), 9.10 (Publicity) and 15.2(a) and (b) and Article 12 (Expenses) shall survive any termination of this Agreement.

(c) In the event of failure or threatened failure by either party to comply with the terms of this Agreement, the other party shall, in addition to any other remedies available to it, be entitled to an injunction restraining such failure or threatened failure and, subject to obtaining any necessary FCC consent, to enforcement of this Agreement by a decree of specific performance requiring compliance with this Agreement. Notwithstanding the foregoing, if prior to Closing Sellers terminate this Agreement pursuant to clause (b) of Schedule 15.1, then Sellers' sole remedy for Buyer's breach of this Agreement shall be receipt of the Deposit pursuant to Section 15.2(a), except for any failure by Buyer to comply with its obligations related to the Deposit or Sections 5.1 (FCC Applications), 9.2 (Control of Stations), 9.9 (Confidentiality) or 9.10 (Publicity), as to which Sellers shall continue to be entitled to all available rights and remedies, including without limitation specific performance.

ARTICLE 16 MISCELLANEOUS PROVISIONS

16.1 Assignment. Except as permitted in Section 9.11, neither party may assign any of its rights or obligations under this Agreement without the express prior written consent of the non-assigning party. Notwithstanding the foregoing, Buyer may assign its rights and obligations under this Agreement to an Affiliate of Buyer upon written notice to, but without the prior consent of, Sellers, provided that (i) such assignment shall not materially delay processing of the FCC Applications, grant of the FCC Consents or Closing, (ii) any such assignee delivers to Sellers a written assumption of this Agreement, (iii) Buyer shall remain liable for all of its obligations hereunder and (iv) Buyer shall be solely responsible for any third party consents necessary in connection therewith (none of which are a condition to Closing). The terms of this Agreement shall bind and inure to the benefit of the parties' respective successors and any permitted assigns, and no assignment shall relieve any party of any obligation or liability under this Agreement.

16.2 Amendments. No amendment to, or waiver of compliance with, any provision or condition hereof or consent pursuant to this Agreement shall be effective unless evidenced by an instrument in writing signed by the party against whom enforcement of any waiver or amendment is sought.

16.3 Headings. The headings set forth in this Agreement are for convenience only and will not control or affect the meaning or construction of the provisions of this Agreement.

16.4 Governing Law. The construction and performance of this Agreement shall be governed by the laws of the State of Delaware applicable to contracts made and to be fully performed within such State, without giving effect to the choice of law provisions thereof that may require the application of the laws of any other state.

16.5 Notices. Any notice, demand or request required or permitted to be given under the provisions of this Agreement shall be in writing and shall be deemed to have been received on the date of personal delivery, on the third day after deposit in the U.S. mail if mailed by registered or certified mail, postage prepaid and return receipt requested, or on the next business day after delivery to a nationally recognized overnight courier service if sent by an overnight delivery service for next morning delivery (or to such other address as any party may request by written notice):

If to Sellers: OTA Broadcasting, LLC
3201 Jermantown Road, Suite 380
Fairfax, VA 22030
Attention: Bill Tolpegin, CEO
E-mail: tolpegin@otabroadcasting.com

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

Wiley Rein LLP
1776 K Street NW
Washington, DC 20006
Attention: Jessica N. Rosenthal, Esq.
E-mail: jrosenthal@wileyrein.com

If to Buyer: TV-49, Inc.
26 N. Halsted St.
Chicago, IL 60661
Attention: Evan D. Fieldman
E-mail: efieldman@metv.com

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

Fletcher Heald & Hildreth, P.L.C.
1300 North 17th Street, 11th Floor
Arlington, VA 22209
Attention: Francisco R. Montero, Esq.
E-mail: montero@fhhlaw.com

16.6 Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed an original and all of which together will constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or other electronic means shall be as effective as delivery of a manually executed original counterpart of this Agreement.

16.7 No Third Party Beneficiaries. Nothing herein expressed or implied is intended or shall be construed to confer upon or give to any person or entity other than the parties hereto and their successors or permitted assigns, any rights or remedies under or by reason of this Agreement.

16.8 Severability. The parties agree that if one or more provisions contained in this Agreement shall be deemed or held to be invalid, illegal or unenforceable in any respect under any applicable law, this Agreement shall be construed with the invalid, illegal or unenforceable provision deleted, and the validity, legality and enforceability of the remaining provisions contained herein shall not be affected or impaired thereby, unless such construction would alter the fundamental purposes of this Agreement.

16.9 Entire Agreement. This Agreement (together with the Schedules and Exhibit hereto) embodies the entire agreement and understanding of the parties hereto and supersedes any and all prior agreements, arrangements and understandings relating to the matters provided for herein. No party makes any representation or warranty with respect to the transactions contemplated by this Agreement except as expressly set forth in this Agreement. Without limiting the generality of the foregoing, Sellers make no representation or warranty to Buyer with respect to any projections, budgets or other estimates of the Stations' revenues, expenses or results of operations, or, except as expressly set forth in Article 7, any other financial or other information made available to Buyer with respect to the Stations.

16.10 Terms Generally. The defined terms in this Agreement shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include," "includes," and "including" shall be deemed to be followed by the phrase "without limitation." All references herein to Articles, Sections, Schedules and Exhibits shall be deemed references to Articles and Sections of, and Schedules and Exhibits to, this Agreement unless the context shall otherwise require.

16.11 Attorneys' Fees. In the event of a dispute relating to this Agreement involving the interpretation or enforcement of the terms of this Agreement, resulting in litigation brought by either party, each party shall be responsible for its attorneys' fees and costs associated with such litigation.

16.12 Further Assurances. After the Closing, each party shall from time to time, at the request of and without further cost or expense to the other, execute and deliver such other instruments and take such other actions as may reasonably be requested in order to more effectively consummate the transactions contemplated hereby.

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[THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.]

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

SELLERS: OTA BROADCASTING (SFO), LLC

By: *William Tolpegin*
Print Name: William Tolpegin
Title: CEO

OTA BROADCASTING (SEA), LLC

By: *William Tolpegin*
Print Name: William Tolpegin
Title: CEO

BUYER: TV-49, INC.

By: *Norman H. Shapiro*
Print Name: Norman H. Shapiro
Title: President

Table of Schedules

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