*Execution Copy*

March __, 2009

Vaughan Media LLC
c/o Mr. Thomas J. Vaughan
1850 Burning Tree Street
Decatur, IL 62521

Dear Mr. Vaughan:

1. Reference is hereby made to the following documents and agreements:

(*a*) that certain Amended and Restated Option Agreement (as amended, restated or modified from time to time in accordance with its terms, the "***Amended and Restated Option Agreement***"), dated as of the date hereof, by and among Vaughan Media LLC, an Illinois limited liability company ("***Vaughan***"), LIN Television of Texas, L.P., a Delaware limited partnership ("***LIN***"), 54 Broadcasting, Inc., a Texas corporation ("***54 Broadcasting***"), and the other shareholders of 54 Broadcasting (the "***Shareholders***"), pursuant to which (*i*) 54 Broadcasting and the Shareholders granted LIN an option to purchase all of the common stock of 54 Broadcasting owned by the Shareholders (the "***Optioned Shares***"), representing 95.51% of the issued and outstanding common stock of 54 Broadcasting and (*ii*) LIN assigned certain of its rights and obligations thereunder to Vaughan and Vaughan assumed such rights and obligations. Capitalized terms used, but not defined, herein shall have the meanings ascribed to such terms in the Amended and Restated Option Agreement;

(*b*) that certain Local Marketing Agreement, by and between LIN and 54 Broadcasting, dated as of June 24, 1994, and amended as of July 25, 1997, March 21, 2002 and as of the date hereof (as so amended and as further amended, restated or modified from time to time in accordance with its terms, the "***LMA***"); and

(*c*) that certain Settlement and Release Agreement, dated as of the date hereof, by and among, *inter alios*, Vaughan, LIN, 54 Broadcasting and the Shareholders (the "***Settlement Agreement***" and, together with the LMA and the Amended and Restated Option Agreement, the "***Operative Documents***").

2. The parties hereto acknowledge and agree that that certain Option and Put Agreement, dated June 24, 1994, as amended (the "***Original Option Agreement***"), and that certain Assignment and Assumption Agreement, dated as of November 20, 2007, by and between LIN and Vaughan were amended, restated and superseded in their entirety by the Amended and Restated Option Agreement and are of no further force or effect. The parties hereto acknowledge and agree that this letter agreement shall amend, restate and supersede in its entirety that certain letter agreement, dated as of November 20, 2007, by and between Vaughan and LIN (the "***Original Letter Agreement***") and such Original

Letter Agreement shall be of no further force and effect; *provided, however,* that this amendment and restatement shall be without prejudice to any rights (including rights to indemnification) under the Original Letter Agreement that have accrued prior to the date hereof.

3. Pursuant to the terms of Amended and Restated Option Agreement and subject to the consent of the FCC, upon the Option Closing Vaughan will acquire the Optioned Shares and, thereafter, will be the controlling owner of 54 Broadcasting, which is the holder of the FCC license for station KNVA(TV), UHF Channel 54, Austin, Texas (the "***Station***"). As of the date hereof LIN is, and following the Option Closing will continue to be, the owner of 4.49% of the issued and outstanding shares of common stock of 54 Broadcasting. Accordingly, each of LIN and Vaughan desire to set forth certain mutual understandings and agreements in connection with the anticipated filing of the FCC Application and consummation of the Option Closing.

4. Vaughan hereby agrees to use its commercially reasonable efforts to cooperate with the other parties to the Amended and Restated Option Agreement to complete Vaughan's portion of the FCC Application, to submit the FCC Application (together with the other Persons who are required to join in such filing), and to obtain the FCC Consent to the transfer of control of 54 Broadcasting and the Station to Vaughan. Vaughan will diligently take or cooperate in taking all reasonable steps that are necessary, proper or desirable to expedite the preparation and submission of the FCC Application and any Additional Applications and the prosecution thereof to Final Order and to obtain any extension of the effectiveness of any FCC Consent which may be required in order to permit the transfer of control to be consummated pursuant to the Amended and Restated Option Agreement and this letter agreement. Vaughan will provide LIN with a copy of any pleading, order or other document served on Vaughan relating to any such application(s). Vaughan will not take any action which is intended to or which would reasonably be likely to materially and adversely affect the likelihood of the grant of any FCC Consent or any FCC Consent becoming a Final Order.

5. Vaughan agrees to cooperate with the other parties to the Amended and Restated Option Agreement in taking all commercially reasonable actions in connection with obtaining any other consents required in connection with the sale and transfer of the Optioned Shares to Vaughan pursuant to the Amended and Restated Option Agreement. Vaughan agrees to provide LIN with prompt notification and copies of all notices from the Shareholders, 54 Broadcasting, or any other party, that are provided to Vaughan relating to the Amended and Restated Option Agreement or the transactions, filings or other matters relating thereto.

6. Vaughan and LIN each hereby covenant and agree that simultaneously with and effective automatically upon the Option Closing, each party shall execute and deliver to the other party an option agreement substantially in the form attached hereto as *Exhibit A* (the "***New Option Agreement***"). Further, the parties acknowledge and agree that simultaneously with and effective automatically upon the Option Closing, the LMA shall be amended pursuant to a Fourth Amendment to Local Marketing Agreement, substantially in the form attached hereto as *Exhibit B*, and Vaughan shall cause 54

Broadcasting and Vaughan to enter into a Management Services Agreement substantially in the form attached hereto as *Exhibit C.*

7. Vaughan hereby agrees to (*a*) acquire the Optioned Shares from the Shareholders, (*b*) deposit the Purchase Price in the Escrow Account pursuant to the terms of the Amended and Restated Option Agreement and the escrow agreement to be entered into at the Option Closing, and (*c*) execute and deliver such other documents, instruments or agreements as are required pursuant to the terms of the Amended and Restated Option Agreement or as 54 Broadcasting, LIN and the Shareholders shall reasonably request or deem necessary to carry out the purposes of this letter agreement and the Amended and Restated Option Agreement, to the extent not inconsistent with this letter agreement or the Amended and Restated Option Agreement.

8. Subject to obtaining and entering into a credit agreement or other financing arrangement in connection with the financing of the purchase of the Optioned Shares prior to the Option Closing, pursuant to which LIN has agreed in writing following the date hereof to guarantee the indebtedness of Vaughan thereunder (an "***Acquisition Financing Arrangement***"), Vaughan shall use commercially reasonable efforts to consummate the transactions contemplated by the Amended and Restated Option Agreement, and Vaughan shall further cooperate with the other parties to the Amended and Restated Option Agreement by furnishing additional information, executing and delivering any additional documents and/or instruments, and doing any and all such other things as may be reasonably required by the parties or their counsel to consummate or otherwise implement the transactions contemplated by the Amended and Restated Option Agreement.

9. LIN and Vaughan shall each cooperate and use commercially reasonable efforts to obtain on behalf of Vaughan an Acquisition Financing Arrangement from a third-party source to fund the payment of the Purchase Price.

10. LIN agrees to promptly pay or reimburse Vaughan, within fifteen (15) days of invoicing with reasonable documentation, for all of its reasonable costs and out-of-pocket expenses, including filing fees and reasonable attorneys' fees, incurred in connection with (a) Vaughan's compliance with its obligations pursuant to this letter agreement and the Amended and Restated Option Agreement (including any fees associated with the filing of the FCC Application), (b) the preparation and negotiation of this letter agreement and the documents referenced herein (including the Amended and Restated Option Agreement and the Settlement Agreement), and (c) the performance of its obligations under this letter agreement and the Amended and Restated Option Agreement.

11. From and after the date hereof, LIN shall defend, indemnify and hold harmless Vaughan from and against any and all losses, costs, damages, claims, suits, actions, judgments, liabilities and expenses, including reasonable attorneys' fees and expenses ("***Damages***") incurred by Vaughan arising out of or resulting from (i) the performance of Vaughan's obligations under the Original Option Agreement and the Amended and Restated Option Agreement (without limiting the obligations of Vaughan

pursuant to this letter agreement), (ii) any act or omission, event or occurrence that was or shall be caused by LIN, its agents or affiliates (including any predecessor in interest thereto) relating to the business or operations of the Company or the Station, (iii) the non-performance of Vaughan's obligations under the Amended and Restated Option Agreement solely to the extent that such non-performance is as a result of Vaughan's inability to obtain an Acquisition Financing Arrangement in accordance with the terms hereof, and (iv) the performance of Vaughan's obligations under the Original Letter Agreement, this letter agreement, and the documents or agreements to be entered into pursuant to Section 6 hereof; *provided, however*, that this Section 11 shall not extend to Damages to the extent arising out of or resulting from a breach by Vaughan of its representations, warranties, covenants or agreements in this letter agreement or the Amended and Restated Option Agreement or from the gross negligence or willful misconduct of Vaughan or any of its employees, agents or affiliates. Any claims for indemnification pursuant to this Section 11 shall be made and conducted in accordance with the procedures set forth on *Exhibit D*.

12. Vaughan hereby covenants and agrees that from and after the date hereof until the execution and delivery of the New Option Agreement, other than in connection with an Acquisition Financing Arrangement, it shall not (a) issue any subscriptions, warrants, options, calls, commitments or other rights to purchase or acquire any equity or debt interests, or any securities convertible into or exchangeable for any equity or debt interests, in Vaughan or (b) transfer, sell, assign, pledge or otherwise dispose of any equity or debt interests in Vaughan.

13. As of the date hereof and as of the Option Closing, each party hereto hereby makes the following representations and warranties to the other party hereto:

(a) Such party has the legal right and requisite power and authority to make and enter into this letter agreement and to perform its obligations hereunder and to comply with the provisions hereof. The execution, delivery and performance of this letter agreement by such party has been duly authorized by all necessary company action on its part. The execution, delivery and performance of this letter agreement by such party does not and will not contravene the charter, bylaws or other organizational documents of such party. This letter agreement has been duly executed and delivered by such party and constitutes the valid and binding obligation of such party enforceable against it in accordance with its terms, except as such enforcement may be limited by applicable bankruptcy, insolvency, moratorium or other similar laws affecting the rights of creditors generally and except that the availability of equitable remedies, including specific performance, is subject to the discretion of the court before which any proceeding therefor may be brought.

(b) The execution, delivery and performance of this letter agreement by such party, and the compliance by such party with the provisions hereof, do not and will not (with or without notice or lapse of time, or both) conflict with, or result in any violation of, or default under, or give rise to any right of termination, cancellation or acceleration of any obligation under any loan or credit agreement, note, bond, mortgage, indenture, lease or other agreement, instrument, permit, concession, franchise, license,

judgment, order, decree, statute, law, ordinance, rule or regulation applicable to such party or any of its properties or assets, other than any such conflicts, violations, defaults, or other effects which, individually or in the aggregate, do not and will not prevent, restrict or impede such party's performance of its obligations under and compliance with the provisions of this letter agreement, the Amended and Restated Option Agreement and the other transaction documents executed in connection herewith.

(c) Subject to obtaining the necessary FCC Consent, no consent, approval, order or authorization of, or registration, declaration or filing with, any Governmental Authority or any other Person (other than any of the foregoing which have been obtained and, at the date in question, are then in effect) is required under existing laws as a condition to the execution, delivery or performance of this letter agreement by such party.

14. As of the date hereof and as of the Option Closing, Vaughan hereby makes the following representations and warranties to LIN:

(a) Vaughan is legally, financially and otherwise qualified under the Communications Act to purchase and own the Optioned Shares and to be the controlling owner of the licensee of the Station. There is no fact or condition known to Vaughan that would, under the Communications Act, disqualify Vaughan as owner and operator of the Station. There are no suits, arbitration, administrative charges or other legal proceedings, claims or governmental investigations pending or, to Vaughan's knowledge, threatened against Vaughan affecting its qualification or ability to purchase and acquire the Optioned Shares or to be the controlling owner of the licensee of the Station, nor, to Vaughan's knowledge, is there any basis for any such suit, arbitration, administrative charge or other legal proceedings, claim or governmental investigation. Vaughan has not been operating under or subject to, or in default with respect to, any order, writ, injunction or decree of any court or Governmental Authority which would have an adverse effect on Vaughan's ability to enter into this letter agreement or the Amended and Restated Option Agreement or consummate the transactions contemplated hereby or thereby.

(b) Vaughan was organized as an Illinois limited liability company on November 13, 2007. Thomas J. Vaughan is the sole manager and member of Vaughan and there are no outstanding subscriptions, warrants, options, calls, commitments or other rights to purchase or acquire any equity or debt interests, or any securities convertible into or exchangeable for any equity or debt interests, in Vaughan.

15. Termination; Effect of Termination.

(a) This letter agreement may be terminated as follows:

(i) prior to the Option Closing upon the mutual written agreement of LIN and Vaughan;

(ii) automatically and without further action of the parties upon termination of the Amended and Restated Option Agreement (other than upon the occurrence of the Option Closing);

(iii) prior to the Option Closing by LIN, in its sole discretion, upon fifteen (15) days' prior written notice to Vaughan; or

(iv) prior to the Option Closing by Vaughan, in its sole discretion, if LIN defaults in any of its material obligations hereunder and such default is not cured within fifteen (15) days after written notice from Vaughan.

(b) Except as otherwise provided herein, termination of this letter agreement shall not relieve any party of any liability for breach or default under this letter agreement prior to the date of termination. Notwithstanding anything to the contrary, termination of this letter agreement shall not relieve any party of any obligation, including payment obligations (including, without limitation, LIN's obligations pursuant to Section 10 hereof), that shall have accrued prior to the date of such termination.

(c) In the event that this letter agreement is terminated by LIN pursuant to Section 15(a)(iii), in addition to any payments due and owing to Vaughan pursuant to Section 15(b) above, LIN shall pay to Vaughan a termination fee in the aggregate amount of $5,000.00 (Five Thousand Dollars).

(d) In the event that this letter agreement is terminated for any reason, Vaughan shall assign to LIN, and LIN shall assume from Vaughan, all of Vaughan's rights, duties, and obligations under the Amended and Restated Option Agreement.

16. Each of Thomas J. Vaughan and Vaughan hereby agree that in the event of the death or incapacity of Thomas J. Vaughan prior to the Option Closing, Vaughan shall assign all of its rights and obligations under the Amended and Restated Option Agreement, this letter agreement, and all of the documents and agreements executed in connection therewith and herewith, to a party designated by LIN in its sole and absolute discretion. Thomas J. Vaughan hereby further agrees to make any and all necessary arrangements to ensure that, in the event of his death or incapacity, the foregoing assignment may be effected promptly upon the request of LIN.

17. Miscellaneous

(a) Nothing in this letter agreement, whether express or implied, shall be construed to give any Person, other than the parties hereto, any legal or equitable right, remedy or claim under or in respect of this letter agreement.

(b) This letter agreement shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to the conflicts of law rules thereof.

(c) This letter agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. The delivery of this letter agreement by facsimile or other electronic transmission will be deemed to be an original of the letter agreement so transmitted.

(d) If one or more provisions of this letter agreement are held to be unenforceable under applicable law, portions of such provisions, or such provisions in their entirety, to the extent necessary, shall be severed from this letter agreement, and the balance of this letter agreement shall be enforceable in accordance with its terms.

(e) The section headings used in this letter agreement are for reference purposes only and shall not affect the meaning or interpretation of any term or provision of this letter agreement.

(f) Without intending to limit the remedies available to any of the parties hereto, each of the parties hereto acknowledges and agrees that a breach by such party of any provision of this letter agreement will cause the other party hereto irreparable injury for which an adequate remedy at law is not available. Therefore, the parties hereto agree that in the event of any such breach each such party shall be entitled to an injunction, restraining order or other form of equitable relief from any court of competent jurisdiction restraining any other party hereto from committing any breach or threatened breach of, or otherwise specifically to enforce, any such provision of this letter agreement, and without any requirement of proving actual damages or posting any bond or other security, in addition to any other remedies that such parties may have at law or in equity.

(g) NEITHER PARTY HERETO SHALL BE LIABLE TO THE OTHER FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR EXEMPLARY DAMAGES (EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES).

(h) This letter agreement and the exhibits and attachments hereto, the Amended and Restated Option Agreement and the Settlement Agreement collectively represent the entire understanding and agreement between the parties with respect to the subject matter hereof and thereof and supersede all prior agreements with respect to the subject matter hereof and thereof.

[*Remainder of page intentionally left blank. Signature pages follow.*]

If the foregoing correctly sets forth our understanding, please so indicate by signing below. Upon execution and delivery by all of the undersigned, this letter agreement shall become a legal and binding agreement among the parties hereto.

LIN TELEVISION OF TEXAS, L.P.
By: LIN Television of Texas, Inc.
Its General Partner

By:_____
Name:_____
Title:_____

Agreed and Accepted as of the date hereof:

VAUGHAN MEDIA LLC

By:_____
Name: Thomas J. Vaughan
Title: Sole Member

Agreed and Accepted as and to the extent set forth in Section 16:

_____
Thomas J. Vaughan

# Exhibit A

## Form of New Option Agreement

# OPTION AGREEMENT

THIS OPTION AGREEMENT (this "***Agreement***") is made and entered into as of _____ ___, 20[__], by and among **LIN Television of Texas, L.P.**, a Delaware limited partnership (together with its successors and permitted assigns, "***Option Holder***"), **54 Broadcasting, Inc.**, a Texas corporation (together with its successors and permitted assigns, the "***Company***"), and **Vaughan Media LLC**, an Illinois limited liability company (together with its successors and permitted assigns, "***Grantor***").

## WITNESSETH

**WHEREAS**, the Company is the holder of the FCC license (the "***FCC License***") for the ownership and operation of television station KNVA (TV), Analog UHF Channel 54 and DTV Channel 49, Austin, Texas (the "***Station***"); and

**WHEREAS**, Grantor is the owner of 68,000 voting shares of common stock in the Company, representing 95.51% of the issued and outstanding common stock of the Company; and

**WHEREAS**, Option Holder is currently the owner of 3,197 voting shares of the common stock of the Company, representing 4.49% of the issued and outstanding common stock of the Company (all issued and outstanding common stock of the Company hereinafter referred to as "***Common Stock***");

**WHEREAS,** Grantor and the Company desire to grant Option Holder an option to purchase, at Option Holder's election, all of the Common Stock then owned by Grantor on the terms and subject to the conditions set forth herein; and

**WHEREAS,** Option Holder desires to acquire from Grantor and the Company an option to purchase, at Option Holder's election, all of the Common Stock then owned by Grantor on the terms and subject to the conditions set forth herein.

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

***1. Option Grant***. Grantor hereby gives, grants, transfers and conveys to Option Holder, and its successors and assigns, the sole and exclusive right, privilege and option to purchase (the "***Option***"), on the terms and subject to the conditions hereinafter set forth, at Option Holder's election, all of the Common Stock of the Company (together with any and all other equity securities, or securities convertible into equity securities, if any, of the Company) now held or hereinafter acquired by Grantor (collectively, the "***Subject Shares***").

***2. Consideration for Option***. The Option is granted for the Option Period (as the same may be extended pursuant to Section 3 hereof) in return for, among other consideration, the payment by Option Holder to Grantor on the date hereof of an amount equal to Five Thousand Dollars ($5,000.00), by wire transfer of immediately available funds.

***3. Option Period***. The Option shall be effective commencing on the date hereof (the "***Effective Date***") and ending on the eighth anniversary of the Effective Date (the "***Option Period***"); *provided, however*, that the Option Period shall be extended automatically without any further action by Option Holder, Grantor or the Company if the Local Marketing Agreement, dated as of June 24, 1994, and as amended as of July 25, 1997, March 21, 2002, March [__], 2009, and as of the date hereof, and as may be further amended from time to time (as so amended, the "***LMA***"), by and between Option Holder and the Company, shall be renewed and, thereafter, the Option Period shall continue until the LMA is terminated in accordance with its terms. The Option may be exercised by Option Holder at any time during the Option Period.

***4. Exercise of Option; Withdrawal; Put Option***.

(a) Option Holder may exercise the Option at any time during the Option Period by delivery of written notice thereof (the "***Exercise Notice***") to Grantor. Upon exercise of the Option, Option Holder, Grantor and the Company shall be obligated to enter into the transactions to be consummated hereunder at the Option Closing, subject to the provisions of Sections 9 and 10 hereof, and Section 4(b) below.

(b) Option Holder may withdraw any Exercise Notice prior to the Option Closing by written notice to Grantor of such withdrawal. No such withdrawal (and no withdrawal of any subsequent Exercise Notice) will affect Option Holder's right subsequently to exercise the Option by delivering to Grantor during the Option Period one or more other Exercise Notices.

(c) In the event that the Option Period expires and Option Holder has not exercised the Option, during the 30-day period immediately following the date on which the Option Period expires (the "***Put Period***") Grantor shall have the right to require Option Holder to exercise the Option (such right, the "***Put Option***"). Grantor may exercise the Put Option by delivery of written notice thereof to Option Holder at any time during the Put Period and, upon delivery of such notice, Option Holder shall be deemed to have exercised the Option for all purposes under this Agreement and Option Holder, Grantor and the Company shall be obligated to enter into the transactions to be consummated hereunder at the Option Closing, subject to the provisions of Sections 9 and 10 hereof.

(d) The date of the Exercise Notice pursuant to Section 4(a) or the date of the notice of exercise of the Put Option pursuant Section 4(c) shall be deemed the "Exercise Date".

***5. Purchase of Subject Shares***.

(a) *Purchase Price*. At the Option Closing, and pursuant to the terms and subject to the conditions set forth in this Agreement, Option Holder shall pay to Grantor an amount equal to the Cash Purchase Price by federal wire transfer of immediately available funds pursuant to wire instructions delivered to Option Holder by Grantor at least two business days prior to the Closing Date (or such other method of funds transfer as may be agreed upon by Option Holder and Grantor). The "***Cash Purchase Price***" shall be an amount equal to (A) the sum of (x) the Base Value (as defined in *Schedule 5(a)* hereto) and (y) the Escalation Amount (as defined in *Schedule 5(a)* hereto) less (B) Outstanding Debt (as defined in *Schedule 5(a)* hereto).

(b) *Purchase of Subject Shares*. Subject to Section 4(b), upon the exercise of the Option, Grantor shall, on the Closing Date, deliver any and all stock certificates representing the Subject Shares, duly endorsed for transfer to Option Holder, together with appropriate stock powers duly endorsed for transfer to Option Holder.

(c) *Closing*. Upon the exercise of the Option, the consummation of the sale and purchase of the Subject Shares provided for in this Agreement (the "***Option Closing***") shall take place no later than ten business days after the satisfaction or, to the extent permissible by law, the waiver (by the party for whose benefit the closing condition is imposed) of, the conditions specified in Sections 9 and 10 hereof. Alternatively, the Option Closing may take place at such other place, time or date as the parties may mutually agree upon in writing. The date on which the Option Closing is to occur is referred to herein as the "***Closing Date***."

***6. Representations and Warranties of Grantor and the Company***. Grantor and the Company, jointly and severally, represent and warrant to Option Holder as follows; *provided, however*, that neither Grantor nor the Company make any representation or warranty as to any action, event, occurrence or circumstance that was or shall be caused by Option Holder or that arose, or shall arise from any omission by Option Holder to perform its obligations under the LMA:

(a) The Company is a corporation duly organized, validly existing and subsisting under the laws of the State of Texas and has the corporate power and authority to own, lease and operate its properties and to carry on its business as now being conducted. The Company is duly qualified to do business and is in good standing in each jurisdiction in which such qualification is necessary because of the property owned, leased or operated by it or because of the nature of its business as now being conducted.

(b) Each of Grantor and the Company has the power and authority and full legal capacity to enter into and to perform its obligations under this Agreement. The execution, delivery and performance of this Agreement by each of Grantor and the Company has been duly authorized and this Agreement constitutes a valid and binding obligation of each of Grantor and the Company enforceable against each of them in accordance with it terms, except as may be limited by bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights in general and subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(c) Grantor owns and, as of the Closing Date shall own, 100% of the Subject Shares and Grantor has good and valid title to the Subject Shares free and clear of all liens. The Subject Shares constitute all of the issued and outstanding Common Stock of the Company, other than any Common Stock owned by Option Holder. All of the Subject Shares have been duly authorized and are validly issued, fully paid and nonassessable. Other than the Subject Shares and any Common Stock owned by Option Holder, or pursuant to a credit agreement or other financing arrangement entered into by Grantor in connection with the financing of Grantor's purchase of the Subject Shares (and "***Acquisition Financing Arrangement***"), no class of interests in or equity interests of the Company is outstanding, and there are no outstanding subscriptions, warrants, options, calls, commitments or other rights to purchase or acquire, or securities convertible into or exchangeable for, any equity or debt interests of the Company or

any obligation of the Company to issue or grant any thereof; *provided* that the foregoing representations shall be deemed qualified as to the knowledge of Grantor with respect to the period prior to the date hereof.

(d) The Company is, and as of the Closing Date shall be, the holder of the FCC License and such FCC License valid and in full force and effect.

(e) As of the Closing Date, Grantor and the Company shall have filed all material returns, reports, and statements that Grantor or the Company, as the case may be, is required to file with the FCC and the Federal Aviation Administration. Except as set forth on *Schedule 6(e)* hereto, as of the date hereof (*i*) there is no action, suit or proceeding pending or, to Grantor's knowledge, threatened in writing against Grantor or the Company in respect of the Station seeking to enjoin the transactions contemplated by this Agreement; and (*ii*) to Grantor's knowledge, there are no governmental claims or investigations pending or threatened against Grantor or the Company in respect of the Station (except those affecting the broadcasting industry generally).

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

The parties agree that *Schedule 6(e)* hereto may be updated by Grantor as of the Closing Date.

***7. Representations and Warranties of Option Holder***. Option Holder represents and warrants to Grantor and the Company as follows:

(a) Option Holder is a limited partnership duly formed, validly existing and in good standing under the laws of the State of Delaware.

(b) Option Holder has the power and authority to enter into and perform its obligations under this Agreement.

(c) The execution, delivery and performance of this Agreement by Option Holder has been duly authorized and this Agreement constitutes a valid and binding obligation of Option Holder enforceable against it in accordance with its terms, except as may be limited by bankruptcy, insolvency or other similar laws affecting creditors' rights in general and subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

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

***8. Covenants of Grantor and the Company*** During the Option Period, and subject to the LMA and the performance by Option Holder of its obligations thereunder, Grantor and the Company, jointly and severally, covenant to:

(a) Maintain insurance on the assets of the Company and with respect to the operation of the Station in such amounts and in such nature as in effect on the date hereof;

(b) Operate the Station in all material respects in accordance with the terms of the FCC License, the Communications Act of 1934, as amended (the "***Communications Act***"), the rules and published policies of the FCC ("***FCC Rules***") and all other statutes, ordinances, rules and regulations of governmental authorities;

(c) Refrain from taking any action that would cause the FCC License not to be in full force and effect or to be revoked, suspended, cancelled, rescinded, terminated or expired;

(d) File all material returns, reports, and statements that Grantor or the Company, as the case may be, is required to file with the FCC and the Federal Aviation Administration;

(e) Other than pursuant to an Acquisition Financing Arrangement, not mortgage, pledge, subject to any lien or otherwise encumber (or cause any of the foregoing to occur) any of the assets of the Company, any equity interests of Grantor or the Subject Shares;

(f) Not sell, lease, transfer, assign or otherwise dispose of (i) any of the assets of the Company in a manner that is inconsistent with this Agreement, except for properties and assets sold or replaced with others of like kind and value in the ordinary course of business (ii) any equity interests in Grantor or (iii) any equity interests in the Company; and

(g) Not issue any subscription, warrant, option, calls, commitments or other rights to purchase or acquire any equity or debt interests, or any securities convertible into or exchangeable for any equity or debt interests, of Grantor or the Company (other than pursuant to an Acquisition Financing Arrangement).

Notwithstanding anything to the contrary contained herein, to the extent that the obligations of Grantor or the Company hereunder would require the incurrence of an expense reimbursable under the terms of the LMA, such obligation or covenant shall be subject to the terms and conditions of the LMA.

***9. Grantor and the Company Closing Conditions.***

Subject to the exercise of the Option pursuant to the terms and subject to the conditions of this Agreement, the obligations of Grantor and the Company hereunder are subject to satisfaction or waiver, at or prior to the Option Closing, of each of the following conditions:

(a) *Representations, Warranties and Covenants*. The representations and warranties of Option Holder made in this Agreement shall be true and correct in all material respects at and 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 Option Holder at or prior to the Option Closing shall have been complied with or performed in all material respects. Grantor shall have received a certificate dated as of the Closing Date from Option Holder, executed by an authorized officer of Option Holder, to the effect that the conditions set forth in this Section 9(a) have been satisfied.

(b) *FCC Consent*. The FCC Consent shall have been obtained and be in effect and no court or governmental order prohibiting the Option Closing shall be in effect.

(c) *No Prohibitions*. No injunction, restraining order or decree of any nature of any governmental authority of competent jurisdiction shall be in effect that restrains or prohibits any party from consummating the transactions contemplated by this Agreement.

***10. Option Holder Closing Conditions.***

Subject to the exercise of the Option pursuant the terms and subject to the conditions of this Agreement, the obligations of Option Holder hereunder are subject to satisfaction or waiver, at or prior to the Option Closing, of each of the following conditions:

(a) *Representations, Warranties and Covenants*. The representations and warranties of Grantor and the Company made in this Agreement shall be true and correct in all material respects at and 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 Grantor and the Company at or prior to the Option Closing shall have been complied with or performed in all material respects. Option Holder shall have received certificates dated as of the Closing Date from each of the Company and Grantor, executed by an authorized officer of each of the Company and Grantor to the effect that the conditions set forth in this Section 10(a) have been satisfied.

(b) *FCC Consent*. The FCC Consent shall have been obtained and constitute a Final Order, and no court or governmental order prohibiting the Option Closing shall be in effect. For purposes hereof, "***Final Order***" shall mean an action by the FCC or other regulatory authority having jurisdiction (*i*) with respect to which action no timely request for stay, motion or petition for reconsideration or rehearing, application or request for review or notice of appeal or other judicial petition for review is pending and (*ii*) as to which the time for filing any such request, motion, petition, application, appeal or notice and for entry of orders staying, reconsidering or reviewing on the FCC's or such other regulatory authority's own motion has expired.

(c) *No Prohibitions*. No injunction, restraining order or decree of any nature of any governmental authority of competent jurisdiction shall be in effect that restrains or prohibits any party from consummating the transactions contemplated by this Agreement.

***11. Closing Deliveries.***

(a) *Grantor Documents*. Subject to the exercise of the Option pursuant to the terms and subject to the conditions of this Agreement, at the Option Closing Grantor shall deliver or cause to be delivered to Option Holder:

(1) certified copies of resolutions authorizing the execution, delivery and performance of this Agreement, including the consummation of the transactions contemplated hereby, by Grantor;

(2) the certificates described in Section 10(a) hereof;

(3) all stock certificates representing the Subject Shares, duly endorsed for transfer to Option Holder accompanied by appropriate stock powers duly endorsed for transfer to Option Holder;

(4) a certificate from the Secretary of State of the State of Texas as to the Company's good standing and payment of all taxes in such jurisdiction dated within three days of the Closing Date; and

(5) such other documents, certificates, payments, assignments, transfers and other deliveries as Option Holder may reasonably request and as are customary to effect a closing of the matters herein contemplated.

(b) *Option Holder Documents*. Subject to the exercise of the Option pursuant to the terms and subject to the conditions of this Agreement, at the Option Closing Option Holder shall deliver or cause to be delivered to Grantor:

(A) the certificate described in Section 9(a) hereof;

(B) the Cash Purchase Price; and

(C) such other documents, certificates, payments, assignments, transfers and other deliveries as Grantor may reasonably request and as are customary to effect a closing of the matters herein contemplated.

***12. Survival; Indemnification.***

(a) *Survival*. The representations and warranties in this Agreement shall survive the Option Closing for twelve months after the Closing Date, whereupon they shall expire and be of no further force or effect, except those under this Section 12 that relate to Damages for which written notice is given by the Indemnified Party to the Indemnifying Party prior to the expiration, which shall survive until resolved.

(b) *Indemnification*.

(i) Subject to the limitations set forth in Section 12(c) below, from and after the Option Closing, Grantor shall defend, indemnify and hold harmless Option Holder from and against any and all losses, costs, damages, claims, suits, actions, judgments, liabilities and expenses, including reasonable attorneys' fees

and expenses ("***Damages***"), incurred by Option Holder arising out of or resulting from any material inaccuracy in, or breach or nonfulfillment of, any of the representations, warranties, covenants or agreements made by Grantor or the Company in this Agreement or default by Grantor or the Company under this Agreement.

(ii) From and after the Option Closing, Option Holder shall defend, indemnify and hold harmless Grantor from and against any and all Damages incurred by Grantor arising out of or resulting from (*A*) any material inaccuracy in, or breach or nonfulfillment of, any of the representations, warranties, covenants or agreements made by Option Holder in this Agreement or default by Option Holder under this Agreement; (*B*) the business or operations of the Station after the Closing Date; and (*C*) any taxes owed by Option Holder for any period following the Closing Date.

(iii) From and after the date hereof, Option Holder shall defend, indemnify and hold harmless Grantor from and against any and all Damages incurred by Grantor arising out of or resulting from (A) any act or omission, event or occurrence that was or shall be caused by Option Holder, its agents or affiliates (including any predecessor in interest thereto) relating to the business or operations of Option Holder or the Station, (B) liabilities of the Company arising prior to the date hereof and (C) the operation of the Station or the conduct of the business thereof from and after the date hereof and continuing through the Option Period and any extensions thereof (including without limitation in connection with any fines or penalties imposed by the FCC), except to the extent arising from, relating to, or as a result of the actions or omissions of Grantor's employees and representatives in performing their duties, or in acting outside the scope of their employment, with respect to the operation of the Station during the Option Period and any extensions thereof, which actions or omissions constitute willful misconduct or gross negligence; *provided, however*, that this paragraph (iii) shall not extend to Damages to the extent arising out of or resulting from a breach by Grantor or the Company of their representations, warranties, covenants or agreements in this Agreement or from the gross negligence or willful misconduct of Grantor or the Company or any of their employees, agents or affiliates.

(iv) Indemnification Procedures. If any person entitled to indemnification under this Agreement (an "***Indemnified Party***") asserts a claim for indemnification for, or receives notice of the assertion or commencement of any action, suit, claim or legal, administrative, arbitration, mediation, governmental or other proceeding or investigation, other than any brought by a party to this Agreement or an Affiliate of a party to this Agreement (a "***Third Party Claim***") as to which such Indemnified Party intends to seek indemnification under this Agreement, such Indemnified Party shall give reasonably prompt written notice of such claim to the party from whom indemnification is to be sought (an "***Indemnifying Party***"), together with a statement of any available information regarding such claim. The Indemnifying Party shall have the right, upon written notice to the Indemnified Party (the "***Defense Notice***") within fifteen

(15) days after receipt from the Indemnified Party of notice of such claim, to conduct at its expense the defense against such Third Party Claim in its own name, or if necessary in the name of the Indemnified Party (which notice shall specify the counsel the Indemnifying Party will appoint to defend such claim ("***Defense Counsel***"); *provided*, *however*, that the Indemnified Party shall have the right to approve the Defense Counsel, which approval shall not be unreasonably withheld or delayed). The parties hereto agree to cooperate fully with each other in connection with the defense, negotiation or settlement of any Third Party Claim. If the Indemnifying Party delivers a Defense Notice to the Indemnified Party, the Indemnified Party will cooperate with and make available to the Indemnifying Party such assistance and materials as may be reasonably requested by the Indemnifying Party, all at the expense of the Indemnifying Party.

(v) If the Indemnifying Party shall fail to give a Defense Notice, it shall be deemed to have elected not to conduct the defense of the subject Third Party Claim, and in such event the Indemnified Party shall have the right to conduct such defense in good faith. If the Indemnified Party defends any Third Party Claim, then the Indemnifying Party shall reimburse the Indemnified Party for the costs and expenses of defending such Third Party Claim upon submission of periodic bills. If the Indemnifying Party elects to conduct the defense of the subject Third Party Claim, the Indemnified Party may participate, at his or its own expense, in the defense of such Third Party Claim; *provided*, *however*, that such Indemnified Party shall be entitled to participate in any such defense with separate counsel at the expense of the Indemnifying Party if (*A*) so requested by the Indemnifying Party to participate or (*B*) in the reasonable opinion of counsel to the Indemnified Party, a conflict or potential conflict exists between the Indemnified Party and the Indemnifying Party that would make such separate representation advisable; and *provided*, *further*, that the Indemnifying Party shall not be required to pay for more than one counsel for all Indemnified Parties in connection with any Third Party Claim.

(vi) Regardless of which party defends a Third Party Claim, the other party shall have the right at its expense to participate in the defense of such Third Party Claim, assisted by counsel of its own choosing. The Indemnified Party shall not compromise, settle, default on, or admit liability with respect to a Third Party Claim without the prior written consent of the Indemnifying Party, which consent shall not be unreasonably withheld or delayed, and, if the Indemnified Party settles, compromises, defaults on, or admits liability with respect to a Third Party Claim except in compliance with the foregoing, the Indemnified Party will be liable for all Damages paid or incurred in connection therewith and the Indemnifying Party shall have no obligation to indemnify the Indemnified Party with respect thereto. The Indemnifying Party shall not compromise or settle a Third Party Claim without the consent of the Indemnified Party, which consent shall not be unreasonably withheld or delayed, unless such compromise or settlement includes as a term thereof an unconditional release of the Indemnified Party and such compromise or release does not impose any non-monetary obligations on the Indemnified Party other than immaterial administrative

obligations (and all monetary obligations are subject to the indemnification provisions of this Agreement), in which case the consent of the Indemnified Party shall not be required.

(vii) After any final decision, judgment or award shall have been rendered by a court or governmental entity of competent jurisdiction and the expiration of the time in which to appeal therefrom, or after a settlement shall have been consummated, or after the Indemnified Party and the Indemnifying Party shall have arrived at a mutually binding agreement with respect to a Third Party Claim hereunder, the Indemnified Party shall deliver to the Indemnifying Party notice of any sums due and owing by the Indemnifying Party pursuant to this Agreement with respect to such matter and the Indemnifying Party shall be required to pay all of the sums so due and owing to the Indemnified Party by wire transfer of immediately available funds within ten (10) business days after the date of such notice.

(viii) Any claim under this Section 12by an Indemnified Party for indemnification other than indemnification against a Third Party Claim (a "***Direct Claim***") will be asserted by giving the Indemnifying Party reasonably prompt written notice thereof, and the Indemnifying Party will have a period of 20 days within which to satisfy such Direct Claim. If the Indemnifying Party does not so respond within such 20 day period, the Indemnifying Party will be deemed to have rejected such claim, in which event the Indemnified Party will be free to pursue such remedies as may be available to the Indemnified Party under this Section 12.

(ix) A failure by an Indemnified Party to give timely, complete, or accurate notice as provided in this Section 12(b) shall not affect the rights or obligations of either party hereunder except to the extent that, as a result of such failure, any party entitled to receive such notice was deprived of its right to recover any payment under its applicable insurance coverage or was otherwise materially adversely affected or damaged as a result of such failure to give timely, complete, and accurate notice.

(x) The parties shall use their commercially reasonable efforts to collect the proceeds of any insurance that would have the effect of reducing any Damages (in which case such proceeds shall reduce such Damages). To the extent any Damages of an Indemnified Party are reduced by receipt of payment under insurance policies or from third parties not affiliated with the Indemnified Party, such payments (net of the expenses of the recovery thereof) shall be credited against such Damages and, if indemnification payments shall have been received prior to the collection of such proceeds, the Indemnified Party shall remit to the Indemnifying Party the amount of such proceeds (net of the cost of collection thereof) to the extent of indemnification payments received in respect of such Damages. The indemnification obligations hereunder shall survive any termination of this Agreement.

(c) NEITHER PARTY HERETO SHALL BE LIABLE TO THE OTHER FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR EXEMPLARY DAMAGES (EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES), EXCEPT TO THE EXTENT SUCH DAMAGES ARE DIRECT DAMAGES ARISING FROM A THIRD PARTY CLAIM SUBJECT TO INDEMNIFICATION HEREUNDER.

***13. Specific Performance***. Grantor, the Company and Option Holder acknowledge and agree that, due to the unique nature of the subject matter of this Agreement, Option Holder would suffer irreparable damages in the event of breach of this Agreement, which damages could not adequately be compensated except by specific performance of this Agreement. Accordingly, without limiting any other remedy that may be available to Option Holder at law or equity, in the event of a breach by Grantor or the Company of this Agreement, it is agreed that Option Holder shall be entitled to temporary and permanent injunctive relief, including, but not limited to, specific performance hereof, without any showing of actual damage or inadequacy of legal remedy, in any proceeding before a court of law with proper jurisdiction to hear the matter, which may be brought to enforce this Agreement. Grantor and the Company hereby waive any defense that there is an adequate remedy at law for such breach of this Agreement.

***14. Expenses***. Option Holder agrees to reimburse Grantor, within fifteen days of invoicing with reasonable documentation, for its reasonable and customary fees, costs and out-of-pocket expenses, including filing fees and reasonable and customary attorneys' fees, incurred in connection with the performance of its covenants and obligations hereunder; *provided, however*, that, for the avoidance of doubt, Option Holder shall have no reimbursement obligation with respect to claims, actions or proceedings brought by or on behalf of Grantor against Option Holder.

***15. Further Assurances***. Subject to the terms and conditions of this Agreement, each of the parties hereto will use all commercially reasonable efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or advisable under applicable laws and regulations to consummate and make effective the transactions contemplated by this Agreement.

***16. Amendment and Modification***. This Agreement may be amended, modified or supplemented only by written agreement of Grantor, the Company and Option Holder.

***17. Waiver of Compliance; Consents***. Except as otherwise provided in this Agreement, any failure of any of the parties to comply with any obligation, representation, warranty, covenant, agreement or condition herein may be waived by the party entitled to the benefits thereof only by a written instrument signed by the party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, representation, warranty, covenant, agreement or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure. Whenever this Agreement requires or permits consent by or on behalf of any party hereto, such consent shall be given in writing in a manner consistent with the requirements for a waiver of compliances as set forth in this Section 17.

***18.*** ***Notices***. All notices, requests, demands and other communications which are required or may be given pursuant to the terms of this Agreement shall be in written or electronic form, and shall be deemed delivered (a) on the date of delivery when (*i*) delivered by hand or (*ii*) sent by reputable overnight courier maintaining records of receipt and (b) on the date of transmission when sent by facsimile or other electronic transmission during normal business hours with confirmation of transmission by the transmitting equipment; *provided, however*, that any such communication delivered by facsimile or other electronic transmission shall only be effective if such communication is also delivered by hand or deposited with a reputable overnight courier maintaining records of receipt within two business days after its delivery by facsimile or other electronic transmission. All such communications shall be addressed to the parties at the address set forth in *Exhibit A*, or at such other address as a party may designate upon ten days' prior written notice to the other party.

***19.*** ***Assignment***. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns, but, except as provided for herein, neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by Grantor or the Company without the prior written consent of Option Holder, which consent shall not be unreasonably withheld. Without the consent of Grantor and the Company, Option Holder may assign its rights and obligations under this Agreement to any other party or parties; *provided*, *however*, that Option Holder, as assignor, shall not thereby be released of its obligations hereunder.

***20.*** ***No Third Party Beneficiaries***. Except as expressly provided herein, this Agreement is not intended to, and shall not, confer upon any other person except the parties hereto any rights or remedies hereunder.

***21.*** ***Governing Law***. The construction and performance of this Agreement shall be governed by the laws of the State of New York without giving effect to the choice of law provisions thereof.

***22.*** ***Severability***. If any provision of this Agreement or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid or enforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in any acceptable manner to the end that the transactions contemplated hereby are fulfilled to the greatest extent possible.

***23.*** ***Publicity***. None of Grantor, the Company or Option Holder shall make or issue or cause to be made or issued, any announcement (written or oral) concerning this Agreement or the transactions contemplated hereby for dissemination to the general public without the prior consent of the other party. This provision shall not apply, however, to any announcement or written statement required to be made by law or the regulations of any federal or state governmental agency or any stock exchange, except that the party required to make such

announcement shall provide a draft copy thereof to the other party hereto, and consult with such other party concerning the timing and content of such announcement, before such announcement is made.

***24. FCC Approval***.

(a) Notwithstanding any provision to the contrary herein, Option Holder's rights under this Agreement are subject to the Communications Act and the FCC Rules.

(b) As soon as reasonably practicable, but in no event later than five business days after Option Holder's delivery of the Exercise Notice, the parties shall file an application (the "***Consent Application***") with the Federal Communications Commission (the "***FCC***") requesting the FCC's written consent to the transfer of control of the Company from Grantor to Option Holder, including, as applicable, any waiver of such FCC Rules as Option Holder may deem appropriate or desirable (a "***Waiver Request***"). In addition, each party hereto covenants and agrees to (*i*) prepare, file and prosecute any alternative application, petition, motion, request (including any Waiver Request) or other filing (including, upon the request of Option Holder, any motion for leave to withdraw or dismiss any Consent Application or other filing made by the parties in connection with the transactions contemplated by this Agreement) (collectively, the "***Additional Applications***" and, together with the Consent Application, the "***FCC Applications***"); (*ii*) file any amendment or modification to the FCC Applications; (*iii*) provide to Option Holder any information, documents or other materials reasonably requested by Option Holder in connection with the preparation of any such FCC Applications, including without limitation any Waiver Request; (*iv*) prosecute the FCC Applications with commercially reasonable diligence and otherwise use their commercially reasonable efforts to obtain a favorable conclusion with regard to the FCC Applications; (*v*) otherwise take any other action with respect to the FCC as may be reasonably necessary or reasonably requested by Option Holder in connection with the transactions contemplated hereby; and (*vi*) cooperate in good faith with the other party with respect to the foregoing covenants, all as may be determined by Option Holder to be reasonably necessary or appropriate or advisable in order to consummate the transactions contemplated hereby upon the exercise of the Option. Each party shall promptly provide the other with a copy of any pleading, order or other document served on it relating to the FCC Applications, shall furnish all information required by the FCC and shall be represented at all meetings or hearings scheduled to consider the FCC Applications. The FCC's written consent to the transfer of the Subject Shares contemplated hereby is referred to herein as the "***FCC Consent***." The parties each agree to comply with any condition imposed on them by any FCC Consent, except that no party shall be required to comply with a condition if such condition requires such party to divest any of its direct or indirect assets. The parties shall oppose any petitions to deny or other objections filed with respect to the application for any FCC Consent and any requests for reconsideration or review of any FCC Consent.

***25. Counterparts***. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The delivery of an executed counterpart of the Agreement by facsimile or electronic transmission will be deemed to be an original counterpart of the Agreement so transmitted.

***26.*** ***Headings***. The section headings contained in this Agreement are solely for the purpose of reference, are not part of the agreement of the parties and shall not in any way affect the meaning or interpretation of this Agreement.

***27.*** ***Entire Agreement***. This Agreement, including the documents delivered pursuant to this Agreement or other written agreements referring specifically to this Agreement, embody the entire agreement and understanding of the parties hereto in respect of the transactions contemplated by this Agreement. The Schedule(s) and Exhibit(s) hereto are an integral part of this Agreement and are incorporated by reference herein. This Agreement supersedes all prior negotiations, agreements and understandings between the parties with respect to the transactions contemplated by this Agreement and all letters of intent and other writings executed prior to the date hereof relating to such negotiations, agreements and understandings.

***28.*** ***Sale of Station KXAN(TV)***. In the event that Option Holder (i) sells all or substantially all of the assets, including the FCC licenses, of television broadcast station KXAN(TV) and (ii) Option Holder does not exercise the Option within 30 days of the closing of such sale or otherwise notifies Grantor of Option Holder's intention to not exercise the Option following the closing of such sale, then Grantor and the Company shall have the right, in their sole discretion, to terminate this Agreement effective immediately upon written notice to Option Holder.

[*Remainder of page intentionally left blank. Signature pages follow.*]

IN WITNESS WHEREOF, the undersigned have executed this Option Agreement as of the day and year first written above.

**GRANTOR:**

**VAUGHAN MEDIA LLC**

By:_____
Name: Thomas J. Vaughan
Title: Sole Member

**THE COMPANY:**

**54 BROADCASTING, INC.**

By:_____
Name: Thomas J. Vaughan
Title: President

**OPTION HOLDER:**

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

By: LIN TELEVISION OF TEXAS, INC.
*Its General Partner*

By:_____
Name:
Title:

**Exhibit A - Notices**

If to Option Holder, to:

LIN Television of Texas, L.P.
c/o LIN TELEVISION CORPORATION
Four Richmond Square
Suite 200
Providence, Rhode Island 02906
Fax: 401-454-2817
Attention: General Counsel

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

Covington & Burling LLP
1201 Pennsylvania Ave., N.W.
Washington, D.C. 20004-2401
Fax: 202-778-6291
Attention: Eric Dodson Greenberg, Esq.

If to the Company to:

54 Broadcasting, Inc.
c/o Vaughan Media LLC
14429 Bridgeview Lane
Port Charlotte, FL 33953
(October – May)
1850 Burning Tree Street
Decatur, IL 62521
(June – September)
Fax: 941-764-6867
Attention: T. J. Vaughan, President

If to Grantor to:

Vaughan Media LLC
14429 Bridgeview Lane
Port Charlotte, FL 33953
(October – May)
1850 Burning Tree Street
Decatur, IL 62521
(June – September)
Fax: 941-764-6867
Attention: T. J. Vaughan, Sole Member

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

Pillsbury Winthrop Shaw Pittman LLP
2300 N Street, NW
Washington, DC 20037-1122
Attention: Clifford M. Harrington
Phone: 202-663-8525
Fax: 202-663-8007

## Schedule 5(a)

1. For purposes of this Agreement, the "***Base Value***" shall be an aggregate amount equal to the aggregate cash amount paid by Grantor to acquire the Company; *provided*, *however*, that in the event that Grantor shall have entered into an Acquisition Financing Arrangement, the "Base Value" shall equal the Outstanding Debt.

2. For purposes of this Agreement, the "***Outstanding Debt***" shall be an amount equal to the total outstanding balance of debt, if any, for borrowed money of Grantor pursuant to an Acquisition Financing Arrangement in connection with the acquisition of the Company.

3. For purposes of this Agreement, the "***Escalation Amount***" shall be an amount equal to the sum of (a) the Market Appreciation Amount, *plus* (b) if applicable, the Fixed Appreciation Amount, each as defined below.

4. For purposes of this Agreement, the "***Market Appreciation Amount***" shall be an amount equal to the greater of (a) the Deemed Market Appreciation Amount or (b) the Net Broadcast Cash Flow Amount. The" ***Deemed Market Appreciation Amount***" equals the product of (*i*) the number of calendar years (including fractions of years) during the Option Period prior to the exercise of the Option, *times* (*ii*) an amount equal to $27,000; "***Net Broadcast Cash Flow Amount***" means the product of (*x*) the number of calendar years (including fractions of years) during the Option Period prior to the exercise of the Option, *times* (*y*) the average net broadcast cash flow (as determined by Option Holder) for the preceding 12-month period (or if the Option is exercised prior to the first anniversary of the Effective Date, the average net broadcast cash flow for the period following the Effective Date); *provided*, *however*, that the Net Broadcast Cash Flow Amount shall not exceed $60,000. Solely with respect to that portion of the Escalation Amount constituting the Market Appreciation Amount, the parties shall apply as a credit against such amount an amount equal to $5,000 multiplied by the number of months (including fractions of months) between the date hereof and the date of the Option Closing. In no event shall the Market Appreciation Amount result in an internal rate of return that is less than zero.

5. For purposes of this Agreement, the "***Fixed Appreciation Amount***" shall be calculated as follows:

(a) In the event that the Exercise Date is a date on or prior to the first anniversary of the Effective Date, the Fixed Appreciation Amount shall equal zero dollars ($0.00);

(b) In the event that the Exercise Date is a date after the first anniversary of the Effective Date but prior to the second anniversary of the Effective Date, the Fixed Appreciation Amount shall equal Twenty-Five Thousand Dollars ($25,000);

(c) In the event that the Exercise Date is or after the second anniversary of the Effective Date but prior to the third anniversary of the Effective Date, the Fixed Appreciation Amount shall equal Fifty Thousand Dollars ($50,000);

(d) In the event that the Exercise Date is a date on or after the third anniversary of the Effective Date but prior to the fourth anniversary of the Effective Date, the Fixed Appreciation Amount shall equal Seventy-Five Thousand Dollars ($75,000);

(e) In the event that the Exercise Date shall be a date on or after the fourth anniversary of the Effective Date, the Fixed Appreciation Amount shall equal One Hundred Thousand Dollars ($100,000).

**Schedule 6(e)**

# Exhibit B

## Form of Fourth Amendment to Local Marketing Agreement

# FOURTH AMENDMENT TO LOCAL MARKETING AGREEMENT

THIS FOURTH AMENDMENT TO LOCAL MARKETING AGREEMENT (the "***Fourth Amendment***"), made as of _____ ___, 20[__] (the "***Amendment Date***"), is by and between LIN Television of Texas, L.P. ("***LIN***"), a Delaware limited partnership, and 54 Broadcasting, Inc. ("***54 Broadcasting***"), a Texas corporation.

**WITNESSETH:**

WHEREAS, LIN and 54 Broadcasting are parties to that certain Local Marketing Agreement, dated as of June 24, 1994, and amended as of July 25, 1997, March 21, 2002, and March 20, 2009 (as further amended hereby, the "***LMA***"); and

WHEREAS, LIN, 54 Broadcasting, Vaughan Media LLC ("***Vaughan***") and certain former stockholders of 54 Broadcasting are parties to that certain Amended and Restated Option Agreement, dated as of March 20, 2009 (the "***Option Agreement***"); and

WHEREAS, Vaughan, as assignee of LIN, exercised the option to purchase 95.51% of the issued and outstanding common stock of 54 Broadcasting pursuant to the Option Agreement (the "***Option Purchase***"); and

WHEREAS, effective simultaneously with the closing of the Option Purchase, the parties hereto desire to amend the LMA as set forth herein.

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.** ***Definitions.*** Capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the LMA.

**2.** ***Amendment.*** The LMA shall be amended as follows:

**(a)** Section 4.1 shall be deleted in its entirety and replaced with the following:

> 4.1 Fee Rate. During the term of this Agreement, including any renewal terms, LIN shall pay to 54 Broadcasting an aggregate annual amount equal to the sum of (x) $60,000 (the "***Base Amount***") and (y) the Supplemental Fee, as such term is defined in that certain Management Services Agreement, dated as of the date hereof, by and between 54 Broadcasting and Vaughan Media LLC. The Base Amount shall be payable in equal monthly installments, in arrears, and shall be prorated on a daily basis for

any partial month during which this Agreement is in effect. The Supplemental Fee shall be paid monthly as required to permit 54 Broadcasting to fulfill its obligations under the Management Services Agreement.

**(b)** Section 4.3 shall be deleted in its entirety and replaced with the following:

4.3 Reimbursement of Expenses. LIN shall reimburse 54 Broadcasting on an ongoing basis over the term of this Agreement, including any renewal terms, for all payment obligations in respect of expenses listed on Schedule A hereto; provided that LIN shall have no obligation under this Agreement to reimburse 54 Broadcasting for any expense noted on Schedule A past the date on which the parties reasonably and in good faith agree that such expense is no longer required for the operation of the Station under this Agreement. Reimbursement for such expenses shall be made monthly upon presentation of a paid invoice to LIN by 54 Broadcasting, or under such other system of payment upon which the parties mutually agree.

**(c)** Section 5.1 shall be deleted in its entirety and replaced with the following:

5.1 Term. The initial term of this Agreement shall commence on June 24, 1994 (the "Commencement Date") and shall expire on [*Insert date that is eight years from the date this amendment is executed*], unless otherwise renewed in accordance with the terms hereof. Unless LIN delivers written notice to 54 Broadcasting no later than 30 days prior to the expiration of the then-current term of its intent to not renew the Agreement or unless earlier terminated in accordance with Section 5.5 hereof, this Agreement shall automatically renew for two consecutive eight-year terms.

**(d)** Section 5.3 shall be deleted in its entirety and, to preserve the current designation of section numbering in the LMA, it shall be replaced with the following:

[Reserved].

**(e)** Section 7.6 shall be amended by (i) replacing the address for notification of 54 Broadcasting with the following:

54 Broadcasting, Inc.
c/o VaughanCo, Inc.
14429 Bridgeview Lane
Port Charlotte, FL 33953

(October – May)
1850 Burning Tree Street
Decatur, IL 62521
(June – September)
Fax: 941-764-6867
Attention: T. J. Vaughan, President

with a copy to:

Pillsbury Winthrop Shaw Pittman LLP
2300 N Street, NW
Washington, DC 20037-1122
Attention: Clifford M. Harrington
Phone: 202-663-8525
Fax: 202-663-8007

and (ii) replacing the address for notification of LIN. with the following:

LIN Television of Texas, L.P.
c/o LIN TELEVISION CORPORATION
Four Richmond Square
Suite 200
Providence, Rhode Island 02906
Fax: 401-454-2817
Attention: General Counsel

with a copy to:

Covington & Burling LLP
1201 Pennsylvania Avenue, N.W.
Washington, D.C. 20004-7566
Facsimile: (202) 778-5193
Attention: Eric Dodson Greenberg, Esq.

**(f)** Section 7.16 shall be deleted in its entirety and replaced with the following:

7.16 Governing Law. The construction and performance of this Agreement shall be governed by the laws of the State of New York without giving effect to the choice of law provisions thereof.

**(g)** Schedule A shall be deleted in its entirety and replaced with the Schedule A attached to this Fourth Amendment.

**3.** ***Reaffirmation of the LMA***. Except as expressly provided herein, the LMA is not amended, modified or affected by this Fourth Amendment, and the LMA and

the rights and obligations of the parties hereto thereunder are hereby ratified and confirmed by the parties in all respects.

**4.** ***Representations and Warranties.*** Each party represents and warrants to the other party as follows: (a) it is duly organized and validly existing under the laws of its jurisdiction of incorporation or formation; (b) it has full organizational power and authority and has taken all action necessary to enter into and perform this Fourth Amendment; (c) the execution and delivery of this Fourth Amendment and the transactions contemplated herein do not violate, conflict with, or constitute a default under its charter or similar organizational document, its bylaws or the terms or provisions of any material agreement or other instrument to which it is a party or by which it is bound, or any order, award, judgment or decree to which it is a party or by which it is bound; and (d) this Fourth Amendment is its legal, valid and binding obligation, enforceable in accordance with the terms and conditions hereof.

**5.** ***Counterparts.*** This Fourth Amendment may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, and it shall not be necessary in making proof of this Fourth Amendment to produce or account for more than one such counterpart. Each party will receive by delivery or electronic transmission a duplicate original of the Fourth Amendment executed by each party, and each party agrees that the delivery of the Fourth Amendment by electronic transmission will be deemed to be an original of the Fourth Amendment so transmitted.

[*Remainder of page intentionally left blank. Signature pages follow.*]

IN WITNESS WHEREOF, the parties have caused this Fourth Amendment to be duly executed and delivered as of the date above.

54 BROADCASTING, INC.

By: _____
Name: Thomas J. Vaughan
Title: President

LIN TELEVISION OF TEXAS, L.P.

By: LIN TELEVISION OF TEXAS, INC.
*Its General Partner*

By: _____
Name:
Title:

# Schedule A

## Reimbursable Expenses

1. Payments required to be made by 54 Broadcasting under that certain Lease Agreement by and between 54 Broadcasting, as Lessee, and LIN, as Lessor, dated as of August 31, 1994.

2. Utilities, telephone and day to day maintenance costs not covered by the Lease Agreement set forth above which are associated with the Station's transmitting and office facilities, together with all other related expenses.

3. Salaries, customary insurance and employee benefits, and other related costs for up to two of the Station's full-time employees, one of which shall be the station manager and hourly rates for accounting and human resource services, all at reasonable and customary rates for such employees or services.

4. Expenses related to maintenance and filings with respect to the FCC licenses in respect of the Station and other expenses of compliance with FCC rules and other applicable law in connection with the operation of the Station, including reasonable and customary attorneys' and engineering fees of 54 Broadcasting incurred in connection therewith.

5. Property taxes on any real property, personal property and leased property on which the Station is located or that is used exclusively for the operation of the Station.

6. Premiums and other out-of-pocket costs and expenses relating to any insurance that 54 Broadcasting is required to maintain.

7. Any other costs or expense actually incurred by 54 Broadcasting as a result of complying with its obligations to broadcast the LIN Programming, to comply with its obligations under the LMA or in fulfilling its obligations under the Rules and Regulations of the FCC.

8. Capital expenditures for new and/or replacement equipment in an amount which shall not exceed the capital budget for the Station as approved by the Board of Directors of 54 Broadcasting after review by and consultation with LIN regarding the equipment needed to broadcast the LIN Programming at a quality level consistent with LIN's needs.

# Exhibit C

## Form of Management Services Agreement

*Exhibit Version*

# MANAGEMENT SERVICES AGREEMENT

This MANAGEMENT AGREEMENT (the "***Agreement***") is entered into as of [_____], by and among 54 Broadcasting, Inc., a Texas corporation ("***Licensee***"), and Vaughan Media LLC, an Illinois limited liability company ("***Manager***").

## WITNESSETH

**WHEREAS**, Licensee owns television broadcast station KNVA(TV), UHF Channel 54, Austin, Texas (the "***Station***"); and

**WHEREAS**, Manager is the manager and controlling shareholder of Licensee and performs certain functions in connection with Licensee's ownership and operation of the Station; and

**WHEREAS,** Licensee desires to pay Manager for the services Manager provides.

**NOW THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. Manager performs certain services for Licensee with respect to the business of Licensee and the Station, including, but not limited to, FCC regulatory compliance, management of the Station's finances, programming, personnel and payroll, review and filing of state and federal tax returns and any other necessary state filings, and general duties as manager and controlling shareholder of Licensee.

2. As compensation for the foregoing services, Licensee will pay Manager a base fee of $60,000 per year, which shall be payable monthly as determined by Licensee in its sole discretion. Additionally, Licensee shall pay to Manager any and all amounts due as payments pursuant to a credit facility or other financing arrangement entered into by Manager in connection with the acquisition by Manager of equity interests in Licensee (an "***Acquisition Financing Arrangement***"), other than those payments due pursuant to such Acquisition Financing Arrangement to the extent arising out of the failure of Manager to make a timely payment thereunder for which Manager had received timely payment hereunder or otherwise to the extent arising out of actions or omissions of Manager in breach of such Acquisition Financing Arrangement (the "***Supplemental Fee***"), which Supplemental Fee shall be due and payable with each pro rata payment of the base fee as provided in the foregoing sentence.

3. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

4. This Agreement may be executed in counterparts, each of which shall be deemed an original and together which shall constitute one and the same instrument.

[*Remainder of page intentionally left blank. Signature pages follow.*]

IN WITNESS WHEREOF, the parties have entered into this Management Agreement as of the date first stated above.

54 BROADCASTING, INC.

By: _____
Name: Thomas J. Vaughan
Title: President

VAUGHAN MEDIA LLC

By: _____
Name: Thomas J. Vaughan
Title: Sole Member

## Exhibit D

### Indemnification Procedures

(a) If Vaughan asserts a claim for indemnification for, or receives notice of the assertion or commencement of any action, suit, claim or legal, administrative, arbitration, mediation, governmental or other proceeding or investigation, other than any brought by Vaughan or an affiliate of Vaughan (including 54 Broadcasting) (a "***Third Party Claim***") as to which Vaughan intends to seek indemnification under this Agreement, Vaughan shall give reasonably prompt written notice of such claim to LIN, together with a statement of any available information regarding such claim. LIN shall have the right, upon written notice to Vaughan (the "***Defense Notice***") within fifteen (15) days after receipt of notice of such claim, to conduct at its expense the defense against such Third Party Claim in its own name, or if necessary in the name of Vaughan (which notice shall specify the counsel the LIN will appoint to defend such claim ("***Defense Counsel***"); *provided, however*, that Vaughan shall have the right to approve the Defense Counsel, which approval shall not be unreasonably withheld or delayed). The parties hereto agree to cooperate fully with each other in connection with the defense, negotiation or settlement of any Third Party Claim. If LIN delivers a Defense Notice to Vaughan, Vaughan will cooperate with and make available to LIN such assistance and materials as may be reasonably requested by LIN, all at the expense of LIN.

(b) If LIN shall fail to give a Defense Notice, it shall be deemed to have elected not to conduct the defense of the subject Third Party Claim, and in such event Vaughan shall have the right to conduct such defense in good faith. If Vaughan defends any Third Party Claim, then LIN shall reimburse Vaughan for the costs and expenses of defending such Third Party Claim upon submission of periodic bills. If LIN elects to conduct the defense of the subject Third Party Claim, Vaughan may participate, at its own expense, in the defense of such Third Party Claim; *provided, however*, that Vaughan shall be entitled to participate in any such defense with separate counsel at the expense of LIN if (i) so requested by LIN to participate or (ii) in the reasonable opinion of counsel to Vaughan, a conflict or potential conflict exists between Vaughan and LIN that would make such separate representation advisable.

(c) Regardless of which party defends a Third Party Claim, the other party shall have the right at its expense to participate in the defense of such Third Party Claim, assisted by counsel of its own choosing. Vaughan shall not compromise, settle, default on, or admit liability with respect to a Third Party Claim without the prior written consent of LIN, which consent shall not be unreasonably withheld or delayed, and, if Vaughan settles, compromises, defaults on, or admits liability with respect to a Third Party Claim except in compliance with the foregoing, Vaughan will be liable for all Damages paid or incurred in connection therewith and LIN shall have no obligation to indemnify Vaughan with respect thereto. LIN shall not compromise or settle a Third Party Claim without the consent of Vaughan, which consent shall not be unreasonably withheld or delayed, unless such compromise or settlement includes as a term thereof an unconditional release of Vaughan and such compromise or release does not impose any non-monetary obligations

on Vaughan other than immaterial administrative obligations (and all monetary obligations are subject to the indemnification provisions of this letter agreement), in which case the consent of Vaughan shall not be required.

(d) After any final decision, judgment or award shall have been rendered by a court or governmental entity of competent jurisdiction and the expiration of the time in which to appeal therefrom, or after a settlement shall have been consummated, or after Vaughan and LIN shall have arrived at a mutually binding agreement with respect to a Third Party Claim hereunder, Vaughan shall deliver to LIN notice of any sums due and owing by LIN pursuant to this Agreement with respect to such matter and LIN shall be required to pay all of the sums so due and owing to Vaughan by wire transfer of immediately available funds within ten (10) business days after the date of such notice.

(e) Any claim by Vaughan for indemnification other than indemnification against a Third Party Claim (a "***Direct Claim***") will be asserted by giving LIN reasonably prompt written notice thereof, and LIN will have a period of 20 days within which to satisfy such Direct Claim. If LIN does not so respond within such 20 day period, LIN will be deemed to have rejected such claim, in which event Vaughan will be free to pursue such remedies as may be available to Vaughan under Section 10 of this letter agreement.

(f) A failure by Vaughan to give timely, complete, or accurate notice as provided in this Exhibit D shall not affect the rights or obligations of either party hereunder except to the extent that, as a result of such failure, any party entitled to receive such notice was deprived of its right to recover any payment under its applicable insurance coverage or was otherwise materially adversely affected or damaged as a result of such failure to give timely, complete, and accurate notice.

(g) The parties shall use their commercially reasonable efforts to collect the proceeds of any insurance that would have the effect of reducing any Damages (in which case such proceeds shall reduce such Damages). To the extent any Damages of Vaughan are reduced by receipt of payment under insurance policies or from third parties not affiliated with Vaughan, such payments (net of the expenses of the recovery thereof) shall be credited against such Damages and, if indemnification payments shall have been received prior to the collection of such proceeds, Vaughan shall remit to LIN the amount of such proceeds (net of the cost of collection thereof) to the extent of indemnification payments received in respect of such Damages. The indemnification obligations hereunder shall survive any termination of this letter agreement.