

ASSET PURCHASE AGREEMENT

This **ASSET PURCHASE AGREEMENT** (the “Agreement”) is entered into as of this 13th day of July, 2018 (the “Effective Date”), by and between Western Broadcasting Corporation of Puerto Rico (the “Seller”), and Univision of Puerto Rico Inc., a Delaware corporation (“Buyer”) (each a “Party” and, collectively, the “Parties”).

RECITALS

WHEREAS, Seller has been granted and holds a license issued by the Federal Communications Commission (the “FCC”) to operate digital television station WOLE-DT, Aguadilla, Puerto Rico, FCC Facility ID No. 71725 (the “Station”);

WHEREAS, Seller holds licenses and authorizations from the FCC for the operation of the Station, and Seller owns or leases all other assets used in connection with the operation of the Station; and

WHEREAS, Buyer, through its licensee subsidiary WLII/WSUR License Partnership, G.P., holds licenses issued by the FCC to operate television stations WLII-DT, Caguas, Puerto Rico, FCC Facility ID No. 19777 (“WLII”) and WSUR-DT, Ponce, Puerto Rico, FCC Facility ID No. 19776, which rebroadcasts the signal of WLII pursuant to the Note 5 “satellite exemption” from the FCC’s Local Television Multiple Ownership Rule, 47 C.F.R. § 73.3555(b), Note 5 (the “Duopoly Rule”);

WHEREAS, in association with entering into that certain Rebroadcast Rights Agreement between Seller and Buyer, dated as of October 1, 2014 (the “Rebroadcast Rights Agreement”), the Seller and Buyer previously petitioned and received approval from the FCC to designate the Station as a “satellite” of WLII so that the Station could rebroadcast the signal of WLII without attribution to Buyer of an interest in the Station for purposes of the Duopoly Rule (the “Satellite Exemption”);

WHEREAS, on the terms and conditions described herein, Seller desires to sell, and Buyer desires to purchase, all of the assets used or useful in connection with the operation of the Station, except for the Excluded Assets;

NOW, THEREFORE, taking the foregoing into account, and in consideration of the mutual covenants and agreements set forth herein, the sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, hereby agree to the following terms and conditions:

ARTICLE 1 SALE AND PURCHASE

1.1 **Station Assets**. Subject to the terms and conditions herein contained, Seller shall grant, convey, sell, assign, transfer and deliver to Buyer, and Buyer shall purchase, on the Closing Date all of Seller’s right, title and interest in and to the assets, properties, interest and rights described below, but excluding the Excluded Assets (collectively, the “Station Assets”), free

and clear of all Liens other than Permitted Liens, as such terms are defined below. The Station Assets shall consist of:

(a) **Licenses and Authorizations.** All licenses, authorizations, permits and approvals issued or pending with respect to the Station by (i) the FCC (the “FCC Authorizations”) and (ii) any other federal, state or local governmental authorities in connection with the conduct of the business and operation of the Station, as set forth on Schedule 1.1(a) attached hereto, which are assignable.

(b) **Tangible Personal Property.** All currently existing Transmission Equipment (defined below), fixtures, computers, software, inventory, toolings, parts, tubes, microwaves, transponders, relays, and other tangible personal property (including associated manufacturer and vendor warranties) used or useful in connection with the conduct of the business and operation of the Tower Structures (defined below), as listed and described on Schedule 1.1(b) attached hereto, and any replacements thereof, additions and improvements thereto and substitutions therefor made between the date hereof and the Closing Date (collectively, the “Tangible Personal Property”). For purposes of this Agreement, “Transmission Equipment” shall mean all digital, analog or other equipment currently used (or used between the date hereof and the Closing Date) for the transmission of the Station’s broadcast signals over the air, including the antenna, transmitter and all associated transmission equipment, lines and facilities, in each case owned or leased by Seller for use at the Station. “Tower Structures” shall mean all antenna support structures (including any guy anchors and guy wires), transmitter buildings and other structures and improvements currently used (or used between the date hereof and the Closing Date) in connection with the operation of the Station, and owned or leased by Seller for use at the Stations.

(c) **Intangible Property.** All of Seller’s rights in and to the Station’s call letters and specific computer software as listed on Schedule 1.1(c) (the “Intangible Property”);

(d) **Real Property Leases.** All right, title and interest in certain leasehold interests in real property used or useful in the use of the Tower Structures (including any and all interests in site license agreements and ground leases), each of which is listed and described on Schedule 1.1(d) attached hereto (the “Leased Real Property”), along with all of Seller’s and its affiliates’ rights (including leasehold rights) to the buildings, improvements and fixtures, rights of way, easements, privileges and appurtenances thereto and any additions or improvements thereto prior to the Closing Date (collectively, the “Real Property Leases”).

(e) **Real Property.** The real property identified on Schedule 1.1(e) together with all rights, easements and privileges appertaining or relating to such real property, and all improvements located on such real property (collectively, the “Transferred Real Property”).

(f) **Contracts.** All contracts and agreements that are listed or described on Schedule 1.1(f) (collectively, the “Assumed Contracts”).

(g) **Files and Records.** (i) The Station’s public inspection file, filings with the FCC relating to the Station, and such other technical information, programming information, engineering data, logs, books and records that relate to the Station and Station Assets being conveyed hereunder, including all engineering evaluations, analyses, and other material related to

the construction of digital facilities for the Station; and (ii) manuals and data, and lists of present and former suppliers and customers, of the Station and Station Assets.

(h) **Claims**. Any and all rights, claims, credits, causes of action or rights of setoff against third parties if and to the extent that they relate to the Station or Station Assets, including, without limitation, all rights under manufacturer and vendor warranties.

(i) **Prepaid Items**. All deposits, reserves, prepaid expenses, and prepaid taxes relating to the Station and Station Assets pro-rated as of Closing.

(j) **Goodwill**. All of Seller's goodwill in, and the going concern value of, the Station.

1.2 **Excluded Assets**. The following shall be excluded from the Station Assets and retained by Seller (collectively, the "Excluded Assets"):

(a) **Cash**. All cash, cash equivalents or similar investments such as certificates of deposit, treasury bills and other marketable securities on hand and/or in banks and deposits of Seller.

(b) **Accounts Receivable**. All accounts receivable of Seller arising from the operation of Station prior to Closing which are outstanding and uncollected as of such Closing (collectively, the "Accounts Receivable").

(c) **Insurance**. Any insurance policies, intercompany accounts, promissory notes, amounts due from employees, bonds, letters of credit, or other similar items; any cash surrender value in regard thereto of Seller; and any proceeds from insurance claims made by Seller.

(d) **Benefit Plans**. Any benefit, retirement, vacation, paid time off, welfare and fringe-benefit agreements, including pension, profit-sharing or cash or deferred (Section 401(k) or Puerto Rico equivalent) plans and trusts and assets thereof, or any other employee benefit plan or arrangement, including employment and other compensatory contracts with employees, and the assets thereof.

(e) **Tax Refunds**. Any interest in and to any refunds of federal, state or local franchise, income or other taxes of Seller for taxes incurred and actually paid by Seller prior to Closing.

(f) **Real and Personal Property**. All assets, real or personal properties and rights of the Seller not used or useful in connection with the conduct of the business and operation of the Station, the Tower Structures or not otherwise listed on Schedule 1.1(c) or Schedule 1.1(b) attached hereto. For the avoidance of doubt, the real properties of the Seller located in Mayaguez, as set forth on Schedule 1.2(j), shall be Excluded Assets.

(g) **Books and Records**. All financial records, account books and general ledgers (to the extent that such books and records do not apply to the Station or the Station Assets), and all corporate records (including organizational documents) of Seller, including tax returns and transfer books.

(h) **Employees.** The employees of the Station or of Seller (collectively, the “Employees”).

(i) **Contracts.** Any contracts or agreements that are not Assumed Contracts.

(j) **Scheduled Excluded Assets.** Any assets listed on Schedule 1.2(j).

1.3 **Liabilities.**

(a) The Station Assets shall be transferred by Seller to Buyer free and clear of all debts, security interests, mortgages, trusts, claims, pledges, conditional sales agreements, equipment leases, easements, covenants, restrictions, rights-of-way, and other liens, liabilities and encumbrances of every kind and nature (“Liens”), other than for Permitted Liens. “Permitted Liens” means taxes not yet due and payable as of the Closing Date (other than as a result of any breach at or prior to the Closing), Liens that will be discharged prior to Closing, Buyer’s obligations to perform on and after the Closing Date the obligations arising under the Real Property Leases, any Liens that are set forth on the title commitment for the Transferred Real Property, the Assumed Contracts, and any other Liens set forth in Schedule 1.3(a).

(b) Buyer shall assume and undertake to pay, discharge and perform all obligations and liabilities relating to the Real Property Leases, the Assumed Contracts and other Station Assets arising or occurring after Closing (collectively, the “Assumed Liabilities”), effective as of 12:00 am on the Closing Date. Buyer shall not assume (i) any obligations or liabilities under or relating to the Real Property Leases, the Assumed Contracts or other Station Assets relating to the period prior to Closing; (ii) any obligations or liabilities of Seller which are unrelated to the Station or the Station Assets; (iii) any obligations or liabilities relating to Employees or contractors of Seller or its affiliates; (iv) any obligations or liabilities relating to the Excluded Assets; (v) any federal, state or local franchise, income or other taxes of Seller; or (vi) any other obligations or liabilities of Seller, including obligations or liabilities arising from Seller’s failure to obtain any required license, permit, or other authorization to conduct the business and operation of the Station.

1.4 **Station Employees and Labor Agreements.**

(a) For the avoidance of doubt and in keeping with Section 1.2(h), nothing in this Agreement, or in any existing agreement of Seller or any provisions therein, including any of Seller’s obligations under any existing Collective Bargaining Agreement (as defined below) that would obligate Seller to ensure that Buyer assumes any such Collective Bargaining Agreement, as a successor or otherwise, shall obligate Buyer to retain or offer post-Closing employment to any of Seller’s employees, and Buyer does not assume any liabilities resulting therefrom, nor any of Seller’s existing employee obligations (including any severance obligations and any obligations or liabilities under Seller’s union collective bargaining agreements), or any obligations or liabilities related thereto, all of which are Retained Liabilities that shall remain the sole responsibility of Seller.

(b) It is expressly understood and agreed that the Station Assets shall not include any collective bargaining, guild, or other union agreements, or any agreements with

individuals that are subject to such collective bargaining, guild, or other union agreements, to which Seller or any of its subsidiaries is a party (together, the “Collective Bargaining Agreements”). It is further understood that Buyer shall not assume any Collective Bargaining Agreement between Seller and any labor organization, and nothing in this Agreement shall be deemed to constitute an assumption of any rights or liabilities under any such agreements.

1.5 **Purchase Price; Escrow; Payment.**

(a) **Purchase Price.** The aggregate purchase price to be paid for the Station Assets will be Three Million Six Hundred and Sixty-Six Thousand Six Hundred and Sixty-Six Dollars and Sixty-Four Cents (\$3,666,666.64) (the “Purchase Price”), subject to the adjustments described below. Seller and Buyer agree to use the Purchase Price as the basis for the filing of all returns and reports concerning the transaction contemplated herein, including all federal, state, and local tax returns.

(b) **Pre-Signing Escrow Deposit.**

(i) On May 16, 2018, Buyer caused an amount equal to Four Hundred and Sixty-Six Thousand Six Hundred and Sixty-Six Dollars and Sixty-Four Cents (\$466,666.64) (the “Pre-Signing Escrow Amount”) to be deposited with the Chicago Deferred Exchange Company (the “Escrow Agent”), pursuant to the terms of the Joint Order Escrow Agreement entered into by and among the Escrow Agent, Buyer and Seller on May 16, 2018 (the “Pre-Signing Escrow Agreement”). In accordance with the terms of the Pre-Signing Escrow Agreement, the Pre-Signing Escrow Amount will be held in a non-interest bearing account with the Escrow Agent making disbursements to Seller or its designee of \$116,666.66 (One Hundred and Sixteen Thousand, Six Hundred and Sixty-Six Dollars and Sixty-Six Cents) on the first day of each calendar month following the date of the Pre-Signing Escrow Agreement’s execution until the completion of the fourth such deposit or as otherwise directed by the parties to the Pre-Signing Escrow Agreement.

(ii) In the event the initial FCC Consent (as defined in Section 2.1) has not been obtained by September 7, 2018, Buyer agrees to make an additional deposit of \$116,666.66 (One Hundred and Sixteen Thousand, Six Hundred and Sixty-Six Dollars and Sixty-Six Cents) with the Escrow Agent by September 13, 2018 (the “Additional Deposit”). In the event Buyer makes the Additional Deposit, the parties to the Pre-Signing Escrow Agreement and that certain letter agreement dated May 2, 2018 regarding the suspension of payments under the Rebroadcast Rights Agreement agree to amend such documents to reflect (w) that if, prior to October 1, 2018, this Agreement is terminated or the Closing Date occurs, then the Additional Deposit shall be released to Buyer immediately thereafter, (x) that if the Additional Deposit is still on deposit with the Escrow Agent on October 1, 2018, it will be released to Seller, (y) that if the Additional Deposit is released to Seller in accordance with the preceding subsection (x), then October 2018 shall be considered a “Withdrawal Month” (as defined in such letter agreement), and (z) that if, on or after October 1, 2018 and before November 1, 2018, the Closing Date occurs, then the Seller shall promptly refund to Buyer an amount equal to the product of (a) the Additional Deposit multiplied by (b) a fraction, the numerator of which is the number of days in October 2018 following the Closing Date (for example, if the Closing Date is October 10, 2018, then the

numerator would be twenty-one (21) (there being twenty-one (21) days in October 2018 after October 10, 2018)), and the numerator of which is thirty-one (31).

(c) **Payment at Closing.** At Closing, (i) the Parties shall cause any remaining Pre-Signing Escrow Amount (excluding the Additional Deposit, which shall be disposed of pursuant to Section 1.5(b)(ii) above), to be released to Seller, pursuant to the terms of the Pre-Signing Escrow Agreement, (ii) Buyer shall pay to Seller an amount equal to Three Million Fifty Thousand Dollars (\$3,050,000.00) (the “Buyer Closing Payment”) and (iii) Buyer shall deposit One Hundred and Fifty Thousand Dollars (\$150,000.00) (the “Tower Escrow Amount”) with the Escrow Agent to be held in escrow pursuant to the provisions of Section 1.5(d) below. All payments to Seller or to Buyer shall be made by wire transfer of immediately available funds to an account designated by the Party receiving payment.

(d) **Tower Escrow Deposit.** At Closing, Buyer shall cause the Tower Escrow Amount to be deposited with the Escrow Agent, pursuant to the terms of a Tower Escrow Agreement to be entered into by and among the Escrow Agent, Buyer and Seller on the Closing Date substantially in the form of Exhibit F (the “Tower Escrow Agreement”). Buyer shall be entitled to draw from the Tower Escrow Amount funds in order to make the improvements identified in Schedule 3.5 hereof in accordance with the terms set forth in Schedule 3.5, which are necessary to make the Monte del Estado Tower (as defined in Schedule 3.5) compliant with FAA/FCC regulations and industry standards for such towers. Once such improvements are completed to Buyer’s satisfaction, Buyer shall notify Seller of the completion of the Necessary Repairs (as defined in Schedule 3.5) and Buyer and Seller shall act together to cause the Escrow Agent to release any remaining portion of the Tower Escrow Amount to Seller.

(e) **Adjustment.** All operating income and expenses (including taxes and assessments, license fees, rental payments under leases assumed by Buyer, taxes, utility bills, annual regulatory fees payable to the FCC, and similar prepaid and deferred items, and other ongoing revenue or costs of usual operation of Station) shall be prorated as of 12:01 a.m. on the Closing Date, and an adjustment to the Purchase Price shall be made as set forth in this subsection to reflect the principle that all such income and expenses attributable to the operation of the Station before the Closing Date shall be for the account of Seller, and all income and expenses attributable to the operation of the Station on or after the Closing Date shall be for the account of Buyer. Sales commissions related to the sale of advertisements broadcast on the Station prior to Closing shall be the responsibility of Seller, and sales commissions related to the sale of advertisements broadcast on the Station after Closing shall be the responsibility of Buyer. Seller shall prepare and deliver to Buyer its proposed Closing Date prorations and adjustment no less than three (3) days prior to the Closing Date. Buyer and Seller shall each use good faith efforts to reach agreement in writing as to the prorations and adjustments capable of being ascertained at Closing on the Closing Date. As to those prorations and adjustments not capable of being ascertained at Closing, Buyer shall prepare and deliver a list to Seller within ninety (90) days following the Closing Date, or such earlier or later date as shall be mutually agreed to by Seller and Buyer (“Adjustment List”). The Adjustment List shall set forth each prorated income or expense item and include the net adjustment (“Adjustment”) to be made to the Purchase Price as a result thereof. If the Adjustment is a credit to Buyer, then Seller shall promptly pay the Adjustment amount to Buyer. If the Adjustment is a charge to the account of Buyer, then Buyer shall promptly pay the Adjustment amount to Seller. In the event that Seller disagrees with the Adjustment amount

determined by Buyer or with any other matter arising out of this subsection, and Buyer and Seller cannot resolve the dispute themselves within sixty (60) days, Buyer and Seller will refer the matters under dispute to an independent certified public accounting firm (“Independent Accountant”) mutually agreeable to Buyer and Seller, whose decision shall be final. The fees and expenses of the Independent Accountant shall be borne by Buyer, on the one hand and Seller on the other hand, in inverse proportion as they may prevail on matters resolved by the Independent Accountant, which proportionate allocations shall also be determined by the Independent Accountant at the time it renders its determination on the merits of the matters submitted.

1.6 **Treatment and Allocation of Purchase Price.**

(a) As soon as practicable after the Closing, but in any event after any adjustment to the Purchase Price has been finally determined under Sections 1.5(c) and 7.4, Buyer shall deliver to Seller a statement allocating the Purchase Price (plus Assumed Liabilities to the extent properly taken into account under Section 1060 of the U.S. Internal Revenue Code (the “Code”), among the Station Assets, in compliance with Section 1060 of the Code (the “Purchase Price Allocation”). If, within fifteen (15) days after the delivery thereof, Seller notifies Buyer in writing that Seller objects to the Purchase Price Allocation set forth therein, Buyer and Seller shall attempt in good faith to resolve such dispute within thirty (30) days. If Buyer and Seller are unable to agree upon the Purchase Price Allocation within thirty (30) days after the commencement of such good faith negotiations, each Party shall have the right to act in accordance with its own allocation of the Purchase Price and Assumed Liabilities for the preparation, filing and audit of any tax returns in its discretion.

(b) Seller and Buyer agree to treat all payments made by either of them to or for the benefit of the other under this Agreement (including the Pre-Signing Escrow Amount, Additional Deposit and the Tower Escrow Amount) and under the indemnity provisions of this Agreement as adjustments to the Purchase Price for tax purposes to the extent permissible under applicable law.

1.7 **Further Assurances.** Each of Seller and Buyer shall, at any time or from time to time after the Closing, at the request and expense of the other, execute and deliver to the other all such instruments and documents or further assurances or take all such actions as the other may reasonably request in order to (i) vest in Buyer all of Seller’s right, title and interest in and to the Station Assets as contemplated hereby, (ii) effectuate Buyer’s assumption of the Assumed Liabilities and (iii) grant to each party all rights contemplated herein to be granted to such party under this Agreement; *provided, however*, that after the Closing, apart from such customary further assurances, neither Seller nor Buyer shall have any other obligations except as specifically set forth herein or in the Ancillary Agreements (as defined in Section 3.1 hereof).

ARTICLE 2 FCC CONSENT; CLOSING

2.1 **FCC Consent; Assignment Application.** Seller and Buyer shall each prepare and execute, file, and diligently prosecute the appropriate application to the FCC (the “Assignment Application”) to obtain the FCC’s consent as expeditiously as possible, without material adverse conditions, to (i) the assignment from Seller to Buyer of the FCC Authorizations and (ii) the extension of the Satellite Exemption or grant of a new “satellite” waiver with the effect

of exempting Buyer and its affiliates from being treated as having an ownership interest in the Station for purposes of the Duopoly Rule and other FCC multiple ownership and cross-ownership restrictions following the Closing ((i) and (ii) collectively, the “FCC Consent”). Seller and Buyer shall file the Assignment Application and any other requisite applications, instruments or documents requesting the FCC Consent not later than five (5) business days after the date of the execution of this Agreement.

(a) Seller shall pay the FCC filing fee in connection with the Assignment Application, and Buyer shall reimburse Seller one-half of such fee by adding such amount to the Buyer Closing Payment. Buyer and Seller each shall be responsible for all of its other costs with respect to the preparation, filing and prosecution of the Assignment Application; *provided, however*, that neither Buyer nor Seller shall be required to pay consideration to any third party to obtain the FCC Consent.

(b) Buyer and Seller shall cooperate in good faith to diligently prosecute the Assignment Application and otherwise use their reasonable best efforts to obtain the FCC Consent as soon as possible; *provided, however*, that neither Party shall be required to appear at any trial-type hearing or to participate in a judicial appeal. Buyer and Seller shall, with all reasonable diligence, oppose any petitions to deny or other objection filed with respect to an Assignment Application to the extent such petition or objection relates to such Party. Neither Buyer nor Seller shall take any intentional action that would, or intentionally fail to take such action the failure of which to take would, reasonably be expected to have the effect of preventing or materially delaying the receipt of the FCC Consent. If any FCC Consent imposes any condition upon any Party hereto, such Party shall make commercially reasonable efforts to comply with such condition, provided that such Party shall not be obligated to accept any condition that is materially adverse to the other business operations of such Party or any of its affiliates, or would require such Party or any of its affiliates to divest any broadcast station or other business operation, alter the channel upon which any station (including the Station) owned by such Party or any of its affiliates broadcasts, require any station (including the Station) owned by such Party or any of its affiliates to provide a different class of service (i.e., low-power, full-power, etc.) than currently licensed as of the date of this Agreement, or alter the contour of any station’s coverage area (including the Station).

(c) Buyer and Seller shall (i) keep each other informed in all material respects and on a reasonably timely basis of any material communication received by such Party from, or given by such Party to, the FCC with respect to this Agreement, the Station, the Assignment Application, or the transaction contemplated hereby; (ii) notify each other of all documents filed with or received from the FCC with respect to this Agreement, the Station, the Assignment Application, or the transaction contemplated hereby, and promptly provide each other with copies of all such documents; (iii) furnish each other with such information and assistance as the other may reasonably request in connection with their preparation of the Assignment Application; (iv) cooperate in all respects with each other in connection with this Agreement, the Station, the Assignment Application, or the transaction contemplated hereby and in connection with any investigation or other inquiry by or before the FCC related to the foregoing and (v) notify the other Party hereto in the event it is or becomes aware of any facts or circumstances that would reasonably be expected to delay or otherwise adversely affect the FCC approval process or the transactions contemplated by this Agreement. Buyer and Seller shall have the right to review in

advance, and to the extent practicable each will consult with the other on, all information relating to the other Party that appears in any filing made with, or written materials submitted to, the FCC with respect to this Agreement, the Station, the Assignment Application, or the transaction contemplated hereby. Neither Buyer nor Seller shall file any amendment to the Assignment Application without the prior written consent of the other, such consent not to be unreasonably withheld.

2.2 **Closing.** The consummation of the transactions contemplated in this Agreement (referred to herein as the “Closing”) shall occur on a date (such date referred to herein as the “Closing Date”) that is mutually agreed by the Parties and is no more than ten (10) days following the date (a) on which the initial FCC Consent shall have been granted, and (b) the other conditions to Closing set forth in Article 8 and Article 9 hereof (other than those requiring delivery of a certificate or other document, or the taking of other action, at the Closing) shall have either been waived or satisfied. Seller and Buyer agree to cooperate to the extent necessary to obtain the FCC’s extension of the effectiveness of the FCC Consent as may be required. The Closing shall be held at the offices of Buyer or by exchange of documents via email, or as Seller and Buyer may agree.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants to Buyer, as of the date hereof and as of the Closing Date, as follows. For the purposes of this Agreement, all reference to the “Knowledge” of Seller shall mean the actual knowledge of the Station’s General Manager, Station Manager and Chief Engineer or the knowledge such persons would have after making a reasonable and due inquiry into the matters at issue.

3.1 **Organization and Authorization.** Seller is a corporation duly organized, validly existing, and in good standing under the laws of the Commonwealth of Puerto Rico, and, to the extent required under applicable law, is duly qualified to do business in the territory in which the Station is located. Seller has the power and authority to execute and deliver this Agreement and the agreements identified in Section 10.1(a) through 10.1(i) (the Pre-Signing Escrow Agreement and the agreements identified in Section 10.1(a) through 10.1(i), collectively, the “Ancillary Agreements”) and to consummate the transactions contemplated hereby and thereby. Seller’s performance under this Agreement and the Ancillary Agreements does not and will not contravene its organizational documents or breach any contractual obligation. Seller has the requisite power and authority to own and hold its respective FCC Authorizations and operate the Station and carry on its business as it is now conducted and as proposed to be conducted. The execution and delivery of this Agreement and the Ancillary Agreements and the consummation of the transactions contemplated hereby and thereby on Seller’s part have been duly and validly authorized by Seller, and no other proceedings on the part of Seller are necessary to authorize the execution and delivery of, or the performance of Seller’s obligations under, this Agreement or the Ancillary Agreements, or to consummate the transactions contemplated hereby and thereby. This Agreement has been duly and validly executed and delivered by Seller. This Agreement constitutes, and the Ancillary Agreements will constitute, when duly executed and delivered by Seller, the legal, valid, and binding obligation of Seller, enforceable against Seller in accordance with their respective terms, except as may be limited by bankruptcy, insolvency, or other laws affecting generally the enforcement of creditors’ rights or the application of principles of equity.

3.2 **No Defaults.** The execution, delivery, and performance of this Agreement or the Ancillary Agreements by Seller does not and will not (a) constitute a violation of, or conflict with, Seller's organizational documents; (b) result in a default (or give rise to any right of modification, termination, cancellation, or acceleration) under, or conflict with, any of the terms, conditions, or provisions of any note, bond, mortgage, indenture, agreement, lease, or other instrument or obligation relating to the business of the Station and to which Seller or any of the Station Assets may be subject; (c) violate any statute, regulation, order, injunction, or decree of any federal, state, or local governmental authority or agency which is applicable to Seller or any of the Station Assets; (d) result in the creation or imposition of any Lien, charge, or encumbrance of any nature whatsoever upon any of the Station Assets, other than Permitted Liens or the Liens arising in favor of Buyer from this Agreement; or (e) require the consent, approval or authorization of or filing with any governmental authority, lending institution, or other third party (each, a "Consent") other than the FCC Consent, except as otherwise noted in Schedule 3.2 hereto. Seller has not entered into any agreement with any third party related to the Station's FCC Authorizations, including agreements for the sale, transfer, or assignment of the FCC Authorizations or any interest therein, other than Assumed Contracts.

3.3 **Tangible Personal Property.** Schedule 1.1(b) hereto contains a list of the tangible personal property that is used by the Station for the purpose of transmitting the Station's signal in the manner and to the full extent that the Station's transmission chain presently is operated, but excluding any tangible personal property that is used by Seller for the purpose of advertising sales, accounting, program production, or soliciting contributions. Except as set forth in Schedule 1.1(b), Seller owns and has, and will have on the Closing Date, good and marketable title to the Tangible Personal Property, free and clear of all Liens except Permitted Liens. Each material item of Tangible Personal Property (a) is in good condition and repair, ordinary wear and tear excepted; (b) has been maintained in a manner substantially consistent with generally accepted standards of good engineering practice; and (c) is operating in full compliance, in all material respects, with the FCC Authorizations, the Communications Act of 1934, as amended, and all rules, regulations and published policies of the FCC (collectively, the "Communications Laws") and rules and regulations of the Federal Aviation Administration ("FAA").

3.4 **Real Property.** The leased real property to be transferred to Buyer is set forth on Schedule 1.1(d) and Schedule 1.1(d) lists all of the Real Property Leases to which the Leased Real Property is subject. The owned real property to be transferred to Buyer is set forth on Schedule 1.1(e) (such Transferred Real Property, together with the Leased Real Property, each a "Property" and collectively the "Properties"). In addition:

(a) Each of the Real Property Leases is in full force and effect, unimpaired by any acts or omissions of Seller, and constitutes the legal, valid and binding obligation of Seller and the other parties thereto in accordance with their respective terms. Seller has performed each material term, covenant and condition of each of the Real Property Leases which is to be performed by Seller on or prior to the date hereof. No default or event, or which upon the giving of notice of passage of time, or both, would give rise to any default on the part of Seller, or to Seller's Knowledge, any other party thereto, exists under any Real Property Lease. Seller has delivered true, correct and complete copies of the Real Property Leases, including all amendments, modifications and supplements thereto, and any agreements with respect to all Leased Real Property. Seller does not owe and has no obligations or liability for any leasing commissions or

similar payments with respect to any Real Property Lease. Neither Seller, nor to Seller's Knowledge, any other person, have granted any oral or written right to any third party to lease, sublease, license or otherwise use or occupy any of the Leased Real Property.

(b) No Property is subject to any unrecorded easements, rights, obligations, covenants, conditions, restrictions, limitations or agreements not of record, and there is no pending condemnation or similar proceeding affecting any of the Properties. Seller has peaceful and undisturbed possession of the Transferred Real Property and, under the Real Property Leases, the Leased Real Property. Seller's present use of the Properties is in compliance with all applicable zoning codes and other laws. The Properties are located on public roads or have access to the same and are served by fully operational utilities which are required for the use, occupancy and adequate operation of the Station, and which are sufficient for their present purposes. All permanent certificates of occupancy and other consents and approvals required to be obtained by Seller for use of the Leased Real Property and the Transferred Real Property from any governmental authority, association or board with jurisdiction over the Properties have been issued and are in full force and effect.

(c) Except as set forth on Schedule 3.4(c), Seller has the full legal power and authority to fully assign its rights, title and interest in and under the Real Property Leases to Buyer without the consent, waiver or approval of any person and such assignment will not give any party thereto the right to terminate or materially modify any Real Property Lease.

(d) Seller or a subsidiary of Seller has good and marketable title to the Transferred Real Property. Except as set forth in Schedule 3.4(d), none of such Transferred Real Property is subject to any Lien except for Permitted Liens. The Permitted Liens do not, individually or in the aggregate, materially and adversely affect the use, value or operation of the Transferred Real Property or any parcel or component thereof.

3.5 **Broadcast Towers.** Except as set forth in Schedule 3.5, the Tower Structures are in good operating condition and repair, subject to ordinary wear and tear, suitable for the purposes for which it is currently being used. The Tower Structures from which the Station broadcasts (a) are obstruction marked; lighted and fenced as required by the rules and regulations of the FAA and FCC; (b) have received the requisite determination of no hazard from the FAA; and (c) have been properly registered with the FCC to the extent required by, and in accordance with, the Communications Laws. The operations of the Station do not exceed permissible levels of exposure to non-ionizing electromagnetic radiofrequency radiation specified in the Communications Laws. All of the towers, guy anchors, guy wires, cables, driveways, parking lots, ground systems, transmitting equipment, buildings and other improvements relating to the Station's operations are located entirely on and wholly within the lot limits and metes and bounds of the properties on which the Station's towers are situated and do not encroach on any adjoining premises.

3.6 **Assumed Contracts.** Each of the Assumed Contracts constitutes a legal, valid and binding obligation of Seller and, to the Knowledge of Seller, the other parties thereto, and is in full force and effect. Seller has delivered to Buyer true, correct and complete copies of all Assumed Contracts, including all amendments, modifications and supplements thereto. Seller has fully and timely performed all of its obligations, including covenants and conditions, pursuant to each of the Assumed Contracts and is not in default or breach of any such agreements. Seller has not received notice from any party to any Assumed Contract that such party contends that

Seller is in default or breach under any Assumed Contract. There has not been, and is not, any default or breach under any Assumed Contract by the other party to any Assumed Contract. Except as set forth in Schedule 1.1(f) attached hereto, there have been no modifications, extensions, or amendments of any of the Assumed Contracts, whether oral or written, except as may be contemplated by this Agreement. Seller has not been notified by any other party to any Assumed Contract that such party has a present intent to terminate or not to renew any Real Property Lease or Assumed Contract. Except as set forth in Schedule 1.1(f), none of the Assumed Contracts included in the Station Assets has as the other party an entity controlled by any of Seller's owners or affiliates.

3.7 **FCC Authorizations and Other Licenses.** Schedule 1.1(a) hereto contains a true, complete and correct list of the FCC Authorizations and all other licenses, permits, or other authorizations from governmental or regulatory authorities that are held by Seller and are required for the lawful conduct of the business and operations of the Station in the manner and to the full extent that the Station is presently operated, including the Communications Laws. The FCC Authorizations and other licenses are valid, in full force and effect, unimpaired by any act or omission of Seller, and not subject to any Liens. The FCC Authorizations have not been revoked, suspended, canceled, rescinded, or terminated and have not expired. There is not pending or, to Seller's Knowledge, threatened, any action by or before the FCC to revoke, suspend, cancel, rescind, or modify any of the FCC Authorizations (other than proceedings relating to FCC rules of general applicability), and there is no order to show cause, notice of violation, notice of apparent liability, or notice of forfeiture or complaint pending or threatened against Seller or the Station by or before the FCC. Seller lawfully holds, and Seller is the sole holder of, each of the FCC Authorizations and the other licenses, permits, and authorizations listed on Schedule 1.1(a), none of which is subject to any restrictions or conditions that would limit in any material respect the operations of the Station, other than (a) as may be set forth on the faces of such FCC Authorizations and other licenses or (b) as may be applicable to substantial segments of the television broadcasting industry. Seller is qualified to be an FCC licensee and Seller has been and is operating the Station in compliance with the FCC Authorizations and the Communications Laws in all material respects. The Station is not transmitting or receiving any objectionable interference to or from any other station. Except as provided on Schedule 3.7, all material reports and filings required to be filed with the FCC by Seller with respect to the operation of the Station have been timely filed, and all such reports and filings are substantially accurate and complete in all material respects. All regulatory fees required to be paid to the FCC by Seller with respect to the Station have been timely filed and paid. Seller maintains a public inspection file for the Station and, except as provided on Schedule 3.7 as of the date of filing of the Assignment Application, such file substantially complies with the Communications Laws in all material respects. Without limiting the foregoing, Seller has operated the Station in compliance with the requirements for maintaining full-power status of the Station in all material respects and, to its Knowledge, no condition exists which could lead to revocation or loss of that status and there is no reason that the Station's FCC Authorizations would not be renewed in the ordinary course. The Station is on the air and operated at its full licensed power.

3.8 **Employees.** Seller is not a party or subject to any collective bargaining agreements with respect to the Station. No labor union or other collective bargaining representative represents or, to the Knowledge of Seller, claims to represent any of the employees of the Station. To the Knowledge of Seller there is no effort being made to organize the employees

or any group of employees of the Station for purposes of collective bargaining.] Seller, in the operation of the Station, has complied in all material respects with all applicable laws, rules and regulations relating to the employment of labor, including those related to wages, hours, collective bargaining, occupational safety, discrimination, and the payment of social security and other payroll related taxes, and Seller has not received any notice alleging that Seller has failed to comply in any material respect with any such laws, rules or regulations. Seller acknowledges and agrees that Buyer shall have no obligation to offer employment to any employee of Seller or the Station or assume any post-closing liability with respect to any employee that Buyer does not employ or for any such employee's benefits of any kind or nature.

3.9 **Brokers.** There is no broker or finder or other person or entity who, as a result of any agreement, understanding, or action, would have any valid claim for a commission or a brokerage fee in connection with the sale of the Station pursuant to this Agreement.

3.10 **Litigation; Compliance with Law.** Except as set forth in Schedule 3.10, (a) Seller is not subject to any order, writ, injunction, judgment, arbitration, decision, or decree having a binding effect and affecting the business of the Station or the Station Assets or which restrains or enjoins, or purports to restrain or enjoin, or could reasonably be expected to restrain or enjoin, the transactions contemplated hereby, and to Seller's Knowledge no such proceeding is pending; (b) there is no litigation pending by or against, or, to Seller's Knowledge, threatened against, Seller which relates to the Station or which could materially and adversely affect any of the Station Assets; (c) Seller, with respect to the Station, has complied in all material respects with all applicable laws, regulations, orders, or decrees, including the Communications Laws; (d) the present uses by Seller of the Station Assets do not violate any laws, regulations, orders, or decrees, including the Communications Laws, in any material respect; and (e) Seller has no Knowledge of any basis for any claim for compensation or damage or other relief from any violation of the foregoing.

3.11 **Approvals and Consents.** Except as described in Schedule 3.11 hereto, the execution, delivery and performance by Seller of this Agreement and the consummation of the transactions contemplated herein will not require any consent, permit, license or approval of any person, entity or government or regulatory authority other than the FCC Consent. Schedule 3.11 also specifies which Assumed Contracts, Real Property Leases, or actions contemplated hereunder require (a) notice to, or consent from, a third-party counterparty for the consummation of the transactions contemplated herein, or (b) other actions to be taken by Buyer or Seller to assign the Assumed Contracts or Real Property Leases from Seller to Buyer or to prevent the consummation of the transaction contemplated herein from resulting in a breach of such Assumed Contracts ("Required Consents").

3.12 **Insurance.** All of the material Station Assets that are insurable are insured against loss, injury, or damage to the full extent of their replacement value.

3.13 **Environmental Matters.** (a) Seller has not, in connection with the business and operation of the Station or the Station Assets, generated, used, transported, treated, stored, released or disposed of, or suffered or knowingly permitted anyone else to generate, use transport, treat, store, release or dispose of any Hazardous Substance (as defined below) in violation of any applicable environmental law; (b) there has not been any generation, use,

transportation, treatment, storage, release or disposal of any Hazardous Substance in connection with the conduct of Seller's business which has created or might reasonably be expected to create any material liability under any applicable environmental law or which would require reporting to or notification of any governmental entity; (c) no asbestos or polychlorinated biphenyl or underground storage tank is contained in or located at any facility used in connection with its business including all of the Properties; and (d) any Hazardous Substance handled or dealt with in any way in connection with Seller's business has been and is being handled or dealt with in all material respects in compliance with all applicable environmental laws. Seller and the Station are in compliance in all material respects with all environmental, health and safety laws applicable to the Properties and Station Assets. There is no action, suit or proceeding pending or, to Seller's Knowledge, threatened against Seller or the Station that asserts that Seller or the Station have violated any environmental, health or safety laws applicable to the Properties or Station Assets. "Hazardous Substance" means substances that are defined or listed in, or otherwise classified pursuant to, any applicable laws as "hazardous substances," "hazardous materials," "hazardous wastes" or "toxic substances," or any other formulation of any applicable environmental law intended to define, list or classify substances by reason of deleterious properties such as ignitibility, corrosiveness, reactivity, radioactivity, carcinogenicity, reproductive toxicity and petroleum and drilling fluids, produced waters and other wastes associated with the exploration, development, or production of crude oil, natural gas or geothermal energy.

3.14 **Taxes.** Seller has duly, timely, and in the required manner filed all federal, state, and local income, franchise, sales, use, property, excise, payroll, and other tax returns and forms required to be filed, and has paid in full or discharged all taxes, assessments, excises, interest, penalties, deficiencies, and losses required to be paid, in each case, with respect to the Station or its operations. No event has occurred which could impose upon Buyer any liability for any taxes, penalties, or interest due or to become due from Seller or in relation to any Station Assets from any taxing authority that accrued and were due for payment prior to the Closing Date. No Station Assets are subject to any Lien as a result of the nonpayment of any amounts referred to in the first sentence of this Section 3.14.

3.15 **Accuracy of Representations and Statements.** No representation or warranty made by Seller in this Agreement, and no statement made in any certificate, document, exhibit, or schedule furnished or to be furnished by Seller in connection with the transaction herein contemplated, contains or will contain any untrue statement of a material fact or omits or will omit to state any material fact necessary to make such representation or warranty or any such statement not misleading to Buyer in the circumstance under which such representation, warranty, or statement was made.

3.16 **Sufficiency of Assets.** The Station Assets are sufficient for the conduct of the business and the operation of the Station as presently operated by Seller.

3.17 **Intellectual Property.** Seller owns or possesses, has valid licenses for, or is an authorized user of all Intangible Property, Computer Software, Information Technology, and any other intellectual property reasonably necessary to carry on the Station's business as it is currently being operated by Seller. Seller has not received any notice of infringement or conflict, nor does Seller have any Knowledge of any basis for any such claim, with asserted rights of others with respect to any such intellectual property. To Seller's Knowledge, no third party infringes the

Intangible Property of Seller. As used herein, “Computer Software” means all computer software and databases (including source code, object code and all related documentation), and “Information Technology” means rights for use of the computers, Computer Software, firmware, middleware, servers, workstations, routers, hubs, switches, intra-office data communications lines, and all other information technology equipment and elements, and associated documentation, in each case, which are reasonably necessary for the operation of the Station, if any.

3.18 **Absence of Insolvency.** No insolvency proceedings of any character including without limitation, bankruptcy, receivership, reorganization, composition or arrangements with creditors, voluntary or involuntary, affecting Seller or any of the Station Assets, are pending or, to the Knowledge of Seller, threatened, and Seller has made no assignment for the benefit of creditors, nor taken any action with a view to, or which would constitute the basis for the institution of, any such insolvency proceedings.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller as of the date hereof and as of the Closing Date as follows, but solely with respect to the transactions contemplated by this Agreement and the Ancillary Agreements:

4.1 **Organization and Standing.** Buyer is a corporation that is duly organized, validly existing, and in good standing under the laws of the State of Delaware. At Closing, Buyer or its affiliates will be qualified to do business in the Commonwealth of Puerto Rico.

4.2 **Authorization.** Buyer has the power and authority to execute and deliver this Agreement and the Ancillary Agreements to which Buyer will be a party, and to consummate the transaction contemplated hereby and thereby. Its performance under this Agreement and the Ancillary Agreements to which Buyer will be a party shall not contravene its organizational documents or breach any contractual obligation. The execution and delivery of this Agreement and the Ancillary Agreements to which Buyer will be a party and the consummation of the transactions contemplated hereby and thereby have been duly and validly authorized by Buyer, and no other proceedings on the part of Buyer are necessary to authorize the execution and delivery of, or the performance of Buyer’s obligations under this Agreement or the Ancillary Agreements to which Buyer will be a party, or to consummate the transactions contemplated hereby or thereby. This Agreement has been, and the Ancillary Agreements to which Buyer will be a party will be, duly and validly executed and delivered by Buyer. This Agreement and the Ancillary Agreements to which Buyer will be a party, constitute the legal, valid, and binding obligations of Buyer enforceable in accordance with their respective terms, except as may be limited by bankruptcy, insolvency, or other laws affecting generally the enforcement of creditors’ rights or the application of principles of equity.

4.3 **No Defaults.** The execution, delivery, and performance of this Agreement and the Ancillary Agreements by Buyer will not (a) conflict with or result in any breach of any provision of the organizational documents of Buyer; (b) violate any statute, regulation, order, injunction, or decree of any federal, state, or local governmental authority or agency which

is applicable to Buyer; or (c) require the consent or approval of any governmental authority, lending institution, or other third party other than the FCC Consent.

4.4 **Buyer's Qualification.** Upon satisfaction of the conditions precedent to Closing set forth in Article 9 below, Buyer will be legally, financially, and technically qualified to acquire and to become the FCC licensee of the Station and to perform its obligations under this Agreement and the Ancillary Agreements to which Buyer will be a party.

4.5 **Litigation.** Buyer is not subject to any order, writ, injunction, judgment, arbitration, decision, or decree having a binding effect and affecting the business of Buyer or which restrains or enjoins, or purports to restrain or enjoin, or could reasonably be expected to restrain or enjoin, the transactions contemplated hereby, and no such proceeding is pending. There is no litigation pending by or against, or, to the knowledge of Buyer, threatened against Buyer that would prevent or materially impede the consummation by Buyer of the transactions contemplated by this Agreement and the Ancillary Agreements to which Buyer will be a party.

4.6 **Brokers.** There is no broker or finder or other person who, as a result of any agreement, understanding, or action, would have any valid claim for a commission or a brokerage fee in connection with the sale of the Station pursuant to this Agreement.

4.7 **Accuracy of Representations and Statements.** No representation or warranty made by Buyer in this Agreement, and no statement made in any certificate, document, exhibit, or schedule furnished or to be furnished by Buyer in connection with the transaction herein contemplated, contains or will contain any untrue statement of a material fact or omits or will omit to state any material fact necessary to make such representation or warranty or any such statement not misleading to Seller in the circumstance under which such representation, warranty, or statement was made.

ARTICLE 5 COVENANTS OF SELLER

The following terms of this Article 5 shall apply to Seller from the Effective Date until the earlier to occur of the termination of this Agreement in accordance with Article 12 and the completion of Closing (except as otherwise specified).

5.1 **Station Documents.** The records, files and other documents kept in connection with the Station shall be maintained by Seller in the usual and ordinary manner consistent with standard broadcast industry practice. Seller shall maintain the online public inspection files in material compliance with the Communications Laws, including requirements related to (a) which documents shall be included in such public inspection files, and (b) by when such documents must be added to such files.

5.2 **Maintenance of Equipment.** Seller shall preserve and maintain intact the Tangible Personal Property included in the Station Assets in accordance with standards of good engineering practice and will replace any of such property which shall be worn out, lost, stolen, or destroyed with like property of substantially equivalent kind and value.

5.3 **FCC Compliance.** Seller shall continue to operate and maintain the Station in accordance in all material respects with the terms of the FCC Authorizations and in

material compliance with all applicable laws, including Communications Laws. Seller shall maintain the FCC Authorizations in full force and effect and shall take all actions necessary to so maintain them, including but not limited to the timely filing and prosecution of any renewal applications or other submissions to the FCC. Seller shall operate the Station in compliance with the requirements for maintaining the full-power status of the Station. Seller promptly will deliver to Buyer (a) after filing, copies of any material reports, applications, or responses to the FCC in connection with the Station filed after the Effective Date and (b) copies of any material communications from the FCC, or directed to the FCC by a third party, in connection with the Station that are received by Seller or of which Seller becomes aware after the Effective Date. Except as expressly permitted or required herein, Seller will not file any application with the FCC requesting authority to modify the Station's facilities without Buyer's prior written consent, and Seller shall take all actions necessary to keep the FCC Authorizations, including all material permits and applications pending before the FCC, valid and in full force and effect.

5.4 **Operation of Station in Ordinary Course.** In all respects, except as disclosed in advance in writing to, and approved by, Buyer, Seller shall operate the Station in the ordinary course of business and in accordance with past practice, and shall pay and perform all of its respective obligations with respect to the Station (including those required under the Assumed Contracts and Real Property Leases) in the ordinary course and as such obligations become due, and shall preserve the business and goodwill of the Station and the Station Assets. Seller shall not, without the prior written consent of the Buyer, which consent shall not be unreasonably withheld, (a) enter into any contract, lease or agreement with respect to the Station which would be binding upon Buyer after the Closing Date and which involve the payment or potential payment by the Station of more than fifty thousand dollars (\$50,000) per annum, or terminate any Assumed Contract; (b) make or authorize any new, material capital expenditures other than capital expenditures to address exigent circumstances; (c) exercise any option to extend a Real Property Lease, or enter into any new contract for the purchase or lease of real property, except as set forth on Schedule 5.4; (d) sell, lease, or transfer, or agree to sell, lease, or transfer, any of the Station Assets without replacement thereof with an asset of equivalent kind, condition, and value that satisfies industry standards for such assets (it being understood, for the avoidance of doubt, that the real properties listed on Schedule 1.2(j) are not Station Assets); (e) create, incur or assume any new Lien on the Station Assets other than Permitted Liens and Liens arising pursuant to, and in accordance with, the terms of this Agreement; (f) make or change any material tax election with respect to the Station Assets, except in the ordinary course of business; (g) terminate or cancel any insurance coverage maintained by Seller with respect to the Station Assets without replacing such coverage with a comparable amount of insurance coverage; or (h) agree or commit to do any of the foregoing. Any contract, lease or agreement with an aggregate value of ten thousand dollars or greater shall require Buyer's prior written consent.

5.5 **Insurance.** Seller shall maintain in full force and effect through the Closing Date adequate property damage, liability and other insurance with respect to the Station Assets.

5.6 **Solicitation.** For as long as this Agreement shall be in effect, neither Seller, nor any of its respective principals, directors, officers, agents, or representatives, shall hold any communications, discussions or negotiations with, and shall not, directly or indirectly, solicit, initiate, encourage, induce, 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) relating to any business combination transaction, purchase or acquisition involving the Station.

5.7 **Compliance with Law.** Seller shall comply in all material respects with all federal, state, and local laws, rules and regulations, including the Communications Laws, in connection with the operation of its Station.

5.8 **Access to Facilities, Files and Records.** At the request of Buyer, Seller shall from time to time give to, or cause to be given to, Buyer and its officers, employees and authorized representatives full access during normal business hours to its Station Assets, offices, properties, insurance policies, licenses, agreements, records related to expenses incurred by Seller to operate the main studio and transmission chain, contracts and equipment with respect to the Station; *provided, however,* that all such access shall be scheduled in a manner reasonably acceptable to Seller. Seller shall also provide Buyer with all other information concerning the Station or the Station Assets as Buyer may reasonably request. This Section shall survive the Closing, provided that Buyer shall reimburse Seller for any material, out-of-pocket costs incurred by Seller to comply with its obligations under this Section following the Closing.

5.9 **Title Insurance.** At the request of Buyer, Seller will cooperate with Buyer in Buyer's obtaining title insurance policies with respect to such of the Transferred Real Property and Leased Real Property as Buyer shall determine. In addition, Seller will provide an affidavit to Buyer's title insurance company in reasonable and customary form sufficient for such title insurance company to remove the "standard exceptions," including any exception for mechanics' or material suppliers' liens and any exception for "parties in possession," and sufficient for the title insurance company to insure any "gap" period prior to recording the instrument of transfer due to Seller's actions.

5.10 **Representations and Warranties.** Seller shall give detailed written notice to Buyer promptly upon learning of the occurrence of any event that would cause or constitute a breach, or that would have caused a breach had such event occurred or been known to Seller prior to the Effective Date, of any of the representations or warranties contained in this Agreement. Seller shall use reasonable efforts to promptly cure any such breach. Updates provided by Seller to comply with the covenant in this Section will not have any impact on Buyer's conditions to Closing set forth in Article 8 or serve to limit Buyer's right to indemnification hereunder.

5.11 **Consummation of Agreement.** Seller shall use all reasonable efforts to fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement, and to cause the transactions contemplated by this Agreement to be fully carried out.

5.12 **Control.** Consistent with the Communications Laws, control, supervision, and direction of the operation of the Station prior to Closing shall remain the responsibility of Seller as the holder of the FCC Authorizations.

5.13 **Corporate Survival.** From and after the Closing until such time as the FCC Consent shall become a Final Order (as defined in Exhibit E), Seller shall maintain its status as a corporation in good standing under the laws of the Commonwealth of Puerto Rico.

ARTICLE 6 COVENANTS OF BUYER

Buyer covenants and agrees to Seller, solely in connection with the transaction contemplated herein, that from the Effective Date until the earlier to occur of the termination of this Agreement in accordance with Article 12 and the completion of Closing:

6.1 **Representations and Warranties.** Buyer shall give detailed written notice to Seller promptly upon learning of the occurrence of any event that would cause or constitute a breach, or would have caused a breach had such event occurred or been known to Buyer prior to the date hereof, of any of the representations and warranties of Buyer contained in this Agreement. Buyer shall use commercially reasonable efforts to cure any such breach. Updates provided by Buyer to comply with the covenant in this Section 6.1 will not have any impact on Seller's conditions to Closing pursuant to Article 7 or serve to limit the right of Seller to indemnification hereunder.

6.2 **Approvals and Consents.** Buyer shall use all commercially reasonable efforts to cooperate with Seller in obtaining any Required Consents, including providing any financial or credit information which may be requested by a party to an Assumed Contract and/or Real Property Lease in order to consent to the assignment and transfer of an Assumed Contract and/or Real Property Lease.

6.3 **Consummation of Agreement.** Buyer shall use all commercially reasonable efforts to fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement, and to cause the transaction contemplated by this Agreement to be fully carried out.

ARTICLE 7 ADDITIONAL COVENANTS

7.1 **Confidentiality.** Except for information about the Station and the Station Assets acquired by Buyer at or after Closing and except where such information is known through other lawful sources or where its disclosure is required in accordance with applicable law, including requirements of the FCC pursuant to the Assignment Application, Buyer and Seller shall keep confidential all non-public information obtained by it with respect to the other Party or the Station in connection with this Agreement and the Ancillary Agreements. If the transactions contemplated herein are not consummated for any reason, Buyer and Seller shall return to each other or destroy, without retaining a copy thereof in any medium whatsoever, any schedules, documents or other written information, including all financial information, obtained from the other in connection with this Agreement and the Ancillary Agreements and the transactions contemplated hereby and thereby. In addition, Seller shall keep confidential all non-public information regarding the operation of the Station and the Station Assets.

7.2 **Public Announcements.**

(a) Prior to the Closing Date, no Party shall, without the approval of the other Parties hereto, make any press release or other public announcement concerning the transactions contemplated by this Agreement, except (i) to announce that the transactions have been entered into and (ii) as and to the extent that such Party shall be so obligated by law, in which case such Party shall give advance notice to the other Party and the Parties shall use their best efforts to cause a mutually agreeable release or announcement to be issued.

(b) Notwithstanding the foregoing, the Parties acknowledge that the Communications Laws require that local public notice of the transactions contemplated by this Agreement be made by Seller after the Assignment Application has been filed with the FCC and that a copy of this Agreement shall be included as a material part of the Assignment Application, which will be made available for public inspection at the Station and in the FCC's records. The form and substance of the required public notices, to the extent not dictated by the Communications Laws, shall be mutually agreed upon by Seller and Buyer.

7.3 **Risk of Loss.** Subject to the Unwind Agreement (as defined below), the risk of loss or damage to any of the Station Assets shall remain with Seller at all times until 11:59 p.m. local time on the day prior to Closing and the risk of any interruption in the Station's normal broadcast transmissions, shall remain with Seller at all times until 12:01 a.m. local time on the day of Closing. Seller shall use all commercially reasonable efforts to repair or replace any damaged or lost Station Assets; *provided, however*, that in the event that any Station Asset or Station Assets incur damage which reasonably is expected to exceed One Hundred Thousand Dollars (\$100,00) to repair or any Station Asset or Station Assets having a fair market value of One Hundred Thousand Dollars (\$100,00), or more, is lost as of the date otherwise scheduled for Closing, then Buyer may, at its option, upon prior written notice to Seller, either (a) postpone Closing for a period of up to sixty (60) days while Seller shall repair or replace such Station Asset or Station Assets; (b) elect to close the transaction contemplated herein with the Station Asset or Station Assets in their damaged or lost condition, in which case Seller shall assign to Buyer all proceeds of insurance on such damaged or lost Station Asset or Station Assets, and Buyer shall have the responsibility to repair or replace the damaged or lost Station Asset or Station Assets; or (c) if such damage or loss exceeds Three Hundred Thousand Dollars (\$300,000), Buyer may terminate this Agreement with respect to Seller and Station without penalty upon written notice to Seller.

7.4 **Certain Tax Matters.**

(a) **Withholding Taxes.** The amounts payable by one party (the "Payer") to another Party (the "Payee") pursuant to this Agreement ("Payments") shall not be reduced on account of any taxes unless required by applicable law. The Payee alone shall be responsible for paying any and all taxes (other than withholding taxes required to be paid by the Payer) levied on account of, or measured in whole or in part by reference to, any Payments it receives. The Payer shall deduct or withhold from the Payments any taxes that it is required by applicable law to deduct or withhold. If, in accordance with the foregoing, the Payer withholds any amount, it shall make timely payment to the proper taxing authority of the withheld amount, and send to the Payee proof of such payment as soon as reasonably practicable. Within thirty (30) days after the date the Payee is eligible to apply any such withheld amounts to reduce a tax payment otherwise due (whether by

credit, offset or other mechanism) or accepts a refund attributable to such withheld amounts, the Payee shall pay the Payer the amount of such reduction or refund, plus the actual tax benefit realized resulting from such payment.

(b) Transfer Taxes and Apportioned Obligations.

(i) All amounts payable hereunder are exclusive of all recordation, transfer, documentary, excise, sales, value added, use, stamp, conveyance or other similar taxes imposed or levied by reason of, in connection with or attributable to this Agreement or the transactions contemplated hereby (collectively, "Transfer Taxes"). Buyer, on the one hand, and Seller, on the other hand, shall be equally responsible for the payment of all Transfer Taxes, and shall pay all amounts due and owing in respect of any Transfer Taxes, these amounts in addition to the sums otherwise payable, at the rate in force at the due time for payment or such other time as is stipulated under applicable law.

(ii) All personal property and similar ad valorem obligations levied with respect to the Station Assets for a taxable period which includes (but does not end on) the Closing Date (collectively, the "Apportioned Obligations") shall be apportioned between Seller, on the one hand, and Buyer, on the other hand, based on the number of days of such taxable period ending on the day prior to the Closing Date (such portion of such taxable period, the "Pre-Closing Tax Period") and the number of days of such taxable period on and after the Closing Date (such portion of such taxable period, the "Post-Closing Tax Period"). Seller shall be liable for the proportionate amount of such Apportioned Obligations that is attributable to the Pre-Closing Tax Period, and Buyer shall be liable for the proportionate amount of such Apportioned Obligations that is attributable to the Post-Closing Tax Period.

(iii) Apportioned Obligations and Transfer Taxes shall be timely paid, and all applicable filings, reports and returns shall be filed, as provided by applicable law. To the extent that the paying Party has not received a credit pursuant to Section 1.5(c), the paying Party shall be entitled to reimbursement from the non-paying Party in accordance with Section 7.4(b)(i) or Section 7.4(b)(ii), as the case may be. Upon payment of any such Apportioned Obligation or Transfer Tax, the paying Party shall present a statement to the non-paying Party setting forth the amount of reimbursement to which the paying Party is entitled under Section 7.4(b)(i) or Section 7.4(b)(ii), as the case may be, together with such supporting evidence as is reasonably necessary to calculate the amount to be reimbursed. The non-paying Party shall make such reimbursement promptly but in no event later than ten (10) days after the presentation of such statement.

(c) Cooperation and Exchange of Information. Each of Seller and Buyer shall (i) provide the other with such assistance as may reasonably be requested by the other (subject to reimbursement of reasonable out-of-pocket expenses) in connection with the preparation of any tax return, audit or other examination by any taxing authority or judicial or administrative proceeding relating to liability for taxes in connection with the Station or the Station Assets, (ii) retain and provide the other with any records or other information that may be relevant to such tax return, audit or examination, proceeding or determination and (iii) inform the other of any final determination of any such audit or examination, proceeding or determination that affects any amount required to be shown on any tax return of the other for any period.

(d) **Survival of Covenants.** The covenants contained in this Section 7.4 shall survive until thirty (30) days after the expiration of the applicable statute of limitations (including extensions thereof).

7.5 **1031 Exchange.** Provided that such exchange shall in no event serve to delay or defer the Closing, Buyer or Seller may conduct a Code Section 1031 like kind exchange from or into the assets that are the subject of this Agreement to the fullest extent permitted by law. Each Party agrees to cooperate with the other to execute such consents to assignment of this agreement as are reasonably necessary or helpful to conduct such exchange. The liabilities of the Parties under this Agreement will not be affected by this cooperation, and each party will be responsible for its own expenses incurred in connection with such exchange.

ARTICLE 8 CONDITIONS TO THE OBLIGATIONS OF SELLER

With respect to the transactions contemplated under this Agreement and the Ancillary Agreements, the obligations of Seller to consummate the transactions hereunder and thereunder are subject to the fulfillment of the following conditions prior to or on the Closing Date, unless waived in writing by Seller.

8.1 Representations, Warranties and Covenants.

(a) Each of the representations and warranties of Buyer contained in this Agreement was true and correct in all material respects as of the date when made and shall be deemed to be made again on and as of the Closing Date and shall be then true and correct.

(b) Buyer shall have performed and complied in all material respects with each and every covenant and agreement required by this Agreement in connection with the Station to be performed or complied with by it prior to or on the Closing Date.

8.2 **Proceedings.** Neither Seller nor Buyer shall be subject to any restraining order or injunction (or similar action) and no action shall be pending which would restrain or prohibit the consummation of the transactions contemplated hereby.

8.3 **FCC Consent.** The initial FCC Consent shall have been granted by the FCC.

8.4 **Deliveries.** Buyer shall have complied with each and every one of its obligations set forth in Section 10.2.

8.5 **Apportionment and Proration.** The Parties shall have agreed in writing regarding the prorations and adjustments to apply at Closing in accordance with Section 1.5(e).

ARTICLE 9 CONDITIONS TO THE OBLIGATIONS OF BUYER

With respect to the transactions contemplated under this Agreement and the Ancillary Agreements, the obligations of Buyer to consummate the transactions hereunder and thereunder are subject to the fulfillment of the following conditions prior to or on the Closing Date, unless waived in writing by Buyer.

9.1 **Representations, Warranties and Covenants.**

(a) Each of the representations and warranties of Seller contained in this Agreement was true and correct in all material respects as of the date when made and shall be deemed to be made again on and as of the Closing Date and shall be then true and correct.

(b) Seller shall have performed and complied in all material respects with each and every covenant and agreement required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

9.2 **Proceedings.** Neither Seller nor Buyer shall be subject to any restraining order or injunction (or similar action) and no action shall be pending which would restrain or prohibit the consummation of the transactions contemplated hereby.

9.3 **FCC Consent.** The initial FCC Consent shall have been granted by the FCC.

9.4 **Absence of Any Material Adverse Change.** There shall have been no Material Adverse Change. For the purposes of this Agreement, a “Material Adverse Change” shall mean any event, circumstance, change or effect that, individually or in the aggregate, is materially adverse to the condition (financial or otherwise) of the Station Assets or to the condition (financial or otherwise), business, assets, liabilities or results of operations of the Station, taken as a whole; provided, however, that any change arising out of or resulting from or attributable to (a) any event, state of facts or circumstances or development affecting television programming services generally or the television broadcast industry generally (including legislative or regulatory matters); (b) general economic conditions; (c) any economic downturn caused by acts of war or terrorism or a natural disaster, such as an earthquake or hurricane, except to the extent such occurrence disproportionately affects the Station relative to other television broadcast stations in Puerto Rico and excluding, for the avoidance of doubt, any physical damage to the Station Assets; (d) any change or development resulting from the execution of this Agreement, the consummation of the transactions contemplated thereby or the public announcement thereof; (e) any material adverse change in the Station’s ratings; or (f) any actions of Buyer, shall not be considered a Material Adverse Change.

9.5 **Deliveries.** Seller shall have complied with each and every one of the obligations set forth in Section 10.1.

9.6 **Required Consents.** Seller shall have obtained and delivered to Buyer all of the Required Consents reasonably satisfactory to Buyer, if any, described in Schedule 3.11.

9.7 **Liens.** No Liens (other than Permitted Liens) shall exist or have been filed or recorded against the Station Assets in the public records of the Secretary of State of the Commonwealth of Puerto Rico. Duly executed UCC releases, mortgage terminations or other similar documents or instruments required to transfer the Station Assets free and clear of Liens (other than Permitted Liens) reasonably satisfactory to Buyer shall have been delivered by Seller.

9.8 **Unwind.** The Parties shall have entered an Unwind Agreement substantially in the form attached hereto as Exhibit E.

9.9 **Apportionment and Proration.** The Parties shall have agreed in writing regarding the prorations and adjustments to apply at Closing in accordance with Section 1.5(e).

ARTICLE 10 ITEMS TO BE DELIVERED AT CLOSING

10.1 **Deliveries by Seller.** At Closing, Seller shall deliver to Buyer, duly executed by Seller or such other signatory as may be required by the nature of the document, the following:

(a) a bill of sale and assignment and assumption agreement sufficient to (i) sell, convey, transfer and assign the Station Assets (other than the FCC Authorizations, Real Property Leases, Transferred Real Property and any vehicles or other equipment included in the Station Assets for which a certificate of title or origin is required in order to transfer title) to Buyer free and clear of any Liens (other than Permitted Liens) and (ii) sell, convey, transfer and assign the Assumed Liabilities to Buyer, in substantially the form attached hereto as Exhibit A (the "Bill of Sale and Assignment and Assumption Agreement");

(b) an Assignment Agreement sufficient to assign the FCC Authorizations applicable to the Station (including the Station's call letters) to Buyer, in substantially the form attached hereto as Exhibit B (the "FCC Authorizations Assignment Agreement");

(c) with respect to each Real Property Lease, either (i) an Assignment and Assumption of Lease in substantially the form attached hereto as Exhibit C (each, a "Lease Assignment and Assumption Agreement"), duly executed by Seller and, if necessary, Seller's signature shall be witnessed or notarized or (ii) such other documents as may be required by the applicable landlord;

(d) a deed of purchase and sale covering the Transferred Real Property in substantially the form attached hereto as Exhibit D (the "Deed");

(e) an Unwind Agreement, in substantially the form attached hereto as Exhibit E;

(f) a Tower Escrow Agreement, in substantially the form attached hereto as Exhibit F;

(g) certificates of title or origin (or like documents) with respect to any vehicles or other equipment included in the Station Assets for which a certificate of title or origin is required in order to transfer title;

(h) a duly executed assignment for the Intangible Property, if any owned and registered Intangible Property is included in the Station Assets;

(i) a certificate executed by an officer of Seller, dated as of the Closing Date, certifying on behalf of such Seller that the closing conditions specified in Article 9 have been satisfied;

- (j) the Required Consents described in Schedule 3.11;
- (k) joint instructions to Escrow Agent (“Joint Instructions”) executed by Seller directing release of the remaining Pre-Signing Escrow Amount, if any, to Seller in accordance with the Pre-Signing Escrow Agreement;
- (l) estoppel certificates executed by the lessor with respect to any Real Property Leases in a form reasonably satisfactory to Buyer, confirming the terms of such leases and that Seller is not in default under, or in breach of, such leases and such other customary matters reasonably requested by Buyer;
- (m) executed releases, in suitable form for filing and otherwise in form and substance reasonably satisfactory to Buyer, (i) of any security interests granted in the Station Assets as security for payment of loans and other obligations and of any other Liens (other than Permitted Liens) and (ii) releasing Buyer from any post-Closing liability to Seller in connection with the Station and Station Assets, except for liability under this Agreement;
- (n) to the extent available, tax clearance certificates from the Commonwealth of Puerto Rico;
- (o) certified copies of appropriate resolutions, duly adopted, which shall be in full force and effect at the time of Closing, authorizing the execution, delivery and performance by Seller of this Agreement, and the consummation of the transaction contemplated hereby related to the Station;
- (p) evidence that the Transferred Real Property is duly registered with the Centro de Recaudación de Impuestos Municipales (“CRIM”); and
- (q) such other customary instruments of transfer, assumption, filings or documents, in form and substance reasonably satisfactory to Buyer, as may be required to consummate the transactions contemplated by this Agreement.

10.2 **Deliveries by Buyer.** At Closing, Buyer shall deliver to Seller, duly executed by Buyer or such other signatory as may be required by the nature of the document:

- (a) a certificate for Buyer, dated as of the Closing Date, executed by an officer or other authorized representative of Buyer, certifying on behalf of Buyer that the closing conditions specified in Article 8 have been satisfied;
- (b) the Buyer Closing Payment;
- (c) the Bill of Sale and Assignment and Assumption Agreement;
- (d) the Joint Instructions;
- (e) the Lease Assignment and Assumption Agreements
- (f) the Unwind Agreement; and

(g) certified copies of resolutions, duly adopted, which shall be in full force and effect at the time of Closing, authorizing the execution, delivery and performance by Buyer of this Agreement, and the consummation of the transaction contemplated hereby; and

(h) such other customary instruments of transfer, assumption, filings or documents, in form and substance reasonably satisfactory to Seller, as may be required to consummate the transactions contemplated by this Agreement.

ARTICLE 11 SURVIVAL AND INDEMNITY

The rights and obligations of Buyer and Seller under this Agreement shall be subject to the following terms and conditions:

11.1 **Survival of Covenants, Representations, and Warranties.** Except as stated below or otherwise contemplated in this Agreement, the covenants, representations, and warranties of Buyer and Seller contained in this Agreement shall survive Closing for two (2) years following the Closing Date, *provided, however*, that the representations and warranties of Seller set forth in Section 3.1 [*Organization and Authorization*], the second sentence of Section 3.3 [*Tangible Property*], Sections 3.4(c) and 3.4(d) [*Real Property*], Section 3.13 [*Environmental Matters*], Section 3.14 [*Taxes*], Section 3.15 [*Accuracy of Representations and Statements*] and the first sentence of Section 3.17 [*Intellectual Property*], and the representations and warranties of Buyer set forth in Section 4.1 [*Organization*], Section 4.2 [*Authorization*] and Section 4.7 [*Accuracy of Representations and Statements*] (collectively, the “Fundamental Representations”) shall each survive the Closing indefinitely, or, if shorter, until sixty (60) days following expiration of the applicable statute of limitations (including all applicable periods of extension). Any obligation of a Party to indemnify any other person or entity entitled to indemnification under this Article 11 in respect of any breach of any covenant or agreement shall survive until the earlier of performance of the covenant or agreement and the applicable statute of limitations, except as otherwise specified herein. Except as stated below, neither Seller nor Buyer shall have any liability whatsoever with respect to any covenant, representation, or warranty unless a claim is made hereunder or an action at law or in equity is commenced prior to expiration of the survival period for such representation or warranty. Notwithstanding the foregoing, a Party’s right to indemnification under this Article 11 shall continue to survive until the claim for indemnification has been satisfied or otherwise resolved as provided in this Article 11 if an Indemnification Certificate or Claim Notice (each as defined below) with respect to such claim shall have been given prior to the expiration of the applicable survival period under this Section 11.1. Buyer’s obligations under Section 11.2(c) with respect to any Real Property Lease for which Seller remains liable to the applicable landlord after Buyer’s assumption thereof, shall continue for two (2) years from the end of its term and Seller may commence an action at law or in equity any time within said two (2) year period, or such longer period as may be available under state law.

11.2 **General Agreement to Indemnify.**

(a) Seller on the one hand, and Buyer on the other hand, shall indemnify, defend and hold harmless each other and any employee, representative, agent, director, officer, affiliate or permitted assign of each other (each, an “Indemnified Party”) from and against and reimburse and compensate the Indemnified Parties for, any and all claims, actions, suits, proceedings,

liabilities, obligations, losses and damages, amounts paid in settlement, diminution of value, interest, costs and expenses (including reasonable attorneys' fees, court costs and other out-of-pocket expenses incurred in investigating, preparing or defending the foregoing) (collectively, "Losses") asserted against, incurred or suffered by any Indemnified Party as a result of, arising out of, or relating to: (i) the failure of any representation or warranty of the Indemnifying Party made in the Agreement to have been true and correct when made or as of the Closing Date as though such representation or warranty were made at and as of the Closing Date, (ii) the breach or nonfulfillment by the Indemnifying Party of any covenant or agreement of such Party contained in this Agreement or the Ancillary Agreements or any collateral agreement to the extent not waived by the other Party hereto or (iii) the Transfer Taxes and Apportioned Obligations allocated to such Party pursuant to Section 7.4. The term "Losses" is expressly limited to such Party's actual out-of-pocket costs and expenses and does not and shall not include consequential or punitive damages unless paid in satisfaction of a Third Party Claim. Purchase Price Adjustments made pursuant to Section 1.5(c) of this Agreement shall not be included in any calculation of Party's total "Losses" for purposes of meeting the Loss threshold provided in Section 11.4.

(b) Seller further agrees to indemnify and hold harmless Buyer and any other Indemnified Party of Buyer from and against any Losses asserted against, incurred or suffered by Buyer or any other Indemnified Party of Buyer arising out of, resulting from, or relating to (i) the operation of the Station and ownership of the Station Assets prior to Closing and (ii) the Excluded Assets.

(c) Buyer further agrees to indemnify and hold harmless Seller and any other Indemnified Party of Seller from and against any Losses asserted against, incurred or suffered by Seller or any other Indemnified Party of Seller arising out of, resulting from, or relating to (i) the operation of the Station and ownership of the Station Assets after Closing and (ii) the Assumed Liabilities after Closing.

11.3 General Procedures for Indemnification

(a) The Indemnified Party seeking indemnification under this Agreement shall promptly notify in writing the Party or Parties from whom indemnification is sought (the "Indemnifying Party") of the assertion and basis of any claim, or the commencement and basis of any action, suit or proceeding by any third party in respect of which indemnity may be sought hereunder (a "Third Party Claim") and will give the Indemnifying Party such information with respect thereto as the Indemnifying Party may reasonably request, provided that failure to give such notice shall not relieve the Indemnifying Party of any liability hereunder (except to the extent that the Indemnifying Party has suffered material prejudice by such failure). The Indemnifying Party shall have the right, but not the obligation, exercisable by written notice to the Indemnified Party within thirty (30) days of receipt of notice from the Indemnified Party of the commencement of a Third Party Claim, to assume the defense and control the settlement of such Third Party Claim that involves (and continues to involve) solely money damages; *provided, however*, that prior to assuming any claim defense, the Indemnifying Party must show the Indemnified Party that they have the financial ability to pay out any potential monetary claim before they are allowed to assume its defense. Failure by the Indemnifying Party to so notify the Indemnified Party shall be deemed a waiver by the Indemnifying Party of its right to assume the defense of such claim. The Indemnifying Party shall not be entitled to undertake the defense or opposition of a Third Party

Claim if (i) such Third Party Claim seeks injunctive or other equitable relief from the Indemnified Party, (ii) such Third Party Claim has been brought by or on behalf of any governmental authority or in connection with taxes or any criminal or regulatory enforcement action, or (iii) such Third Party Claim is reasonably likely to result in a regulatory enforcement action by a governmental authority against the Indemnified Party. In the event the Indemnifying Party undertakes the defense or opposition to a Third Party Claim, the Indemnifying Party shall diligently defend or oppose such Third Party Claim and the attorneys' fees, other professionals' and experts' fees and court or arbitration costs incurred by the Indemnifying Party in connection with defending or opposing such Third Party Claim shall be payable by such Indemnifying Party. 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 Third Party Claim with counsel selected by it at the Indemnifying Party's cost.

(b) Whether or not the Indemnifying Party chooses to defend or prosecute any Third Party Claim, the Parties hereto shall cooperate in the defense or prosecution thereof, shall furnish such records, information and testimony, and attend such conferences, discovery proceedings, hearings, trials and appeals, as may be reasonably requested in connection therewith, and shall keep the other Party reasonably advised of the status of such Third Party Claim and the defense, opposition, compromise or settlement thereof. Neither Party will be required to furnish any such information which would (in the reasonable judgment of such Party upon advice of counsel) be reasonably likely to (1) waive any privileges, including the attorney-client privilege, held by such party or any of its affiliates or (2) breach any duty of confidentiality owed to any third party (whether such duty arises contractually, statutorily or otherwise) or any contract with any third party or violate any applicable law (provided, that such Party shall use reasonable best efforts to obtain any required consents and take such other reasonable action (such as the entry into a joint defense agreement or other arrangement to avoid loss of attorney-client privilege) to permit such access).

(c) The Indemnifying Party or the Indemnified Party, as the case may be, shall have the right to participate in (but not control), at its own expense, the defense of any Third Party Claim that the other is defending, as provided in this Agreement.

(d) The Indemnifying Party, if it has assumed the defense of any Third Party Claim as provided in this Agreement, shall not consent to, or enter into, any compromise or settlement of, or consent to the entry of any judgment arising from, any such Third Party Claim (which compromise, settlement, or judgment (i) commits the Indemnified Party to take, or to forbear to take, any action, (ii) includes any remedy other than the payment of money, or (iii) does not provide for a complete release by such third party of the Indemnified Party) without the Indemnified Party's prior written consent. If the conditions set forth in this Section 11.3(d) are met but the Indemnified Party refuses to settle any Third Party Claim, the Indemnifying Party may tender the settlement amount and be relieved of further liability.

(e) The Indemnifying Party shall not be entitled to require that any action be brought against any other person before action is brought against it hereunder by the Indemnified Party, but shall be subrogated to any right of action to the extent that it has paid or successfully defended against any Third Party Claim.

(f) In the event that the Indemnifying Party agrees to or is determined to have an obligation to reimburse the Indemnified Party for Losses as provided in this Article 11, the Indemnifying Party shall promptly (but, in any event, within thirty (30) days) pay such amount to the Indemnified Party by wire transfer of immediately available funds to the account specified in writing by the Indemnified Party.

11.4 **Limitations.** Neither Party shall be required to indemnify the other Party under this Article 11 unless (a) written notice of a claim under this Article 11 was received by an Indemnifying Party within two (2) years following Closing or with respect to any Real Property Lease for which Seller remains liable to the applicable landlord after Buyer's assumption thereof, within two (2) years from the end of the term of such Real Property Lease, as the case may be, *provided, however*, with respect to claims made under Fundamental Representations, such claim may be made at any time or, if shorter, until sixty (60) days following expiration of the applicable statute of limitations (including all applicable periods of extension) and (b) the aggregate claim for Losses exceeds Fifty Thousand Dollars (\$50,000), after which the Indemnified Party shall be able to claim the full amount of all Losses for recovery. Neither Party shall be required to indemnify the other Party under this Article 11 for Losses incurred, sustained, or accrued that exceed Three Hundred Twenty Thousand Dollars (\$320,000). In calculating the amount of Losses to Buyer or Seller under Section 11.2 above, such Losses shall be reduced by any recovery from any third party (including insurance proceeds) as a result of the facts or circumstances giving rise to the Losses. The limitations set forth in this Section shall not apply to Third Party Claims against a Party entitled to indemnification under Sections 11.2(b) or 11.2(c).

11.5 **Exclusive Remedy.** Except in the case of fraud, following Closing, the right to indemnification, defense, hold harmless, payment or reimbursement provided in this Article 11 will be the exclusive remedy of any Party with respect to any matter arising under or relating to this Agreement or the Ancillary Agreements or any of the transactions contemplated hereby or thereby; *provided, however*, that injunctive relief may be had for violations of the agreements set forth in Section 7.1. This Section 11.5 shall not affect either Party's ability to exercise any rights or remedies available to such party under any Ancillary Agreement with respect to Ancillary Agreements which have remedies that are not addressed specifically in this Agreement.

ARTICLE 12 TERMINATION

12.1 **Termination.** This Agreement may be terminated at any time by Buyer or by Seller prior to Closing, as set forth below:

- (a) by the mutual written consent of Buyer and Seller;
- (b) by written notice from Seller to Buyer if Buyer (i) breaches in any material respect any of Buyer's representations or warranties contained in this Agreement; or (ii) defaults in any material respect in the performance of any of Buyer's covenants or agreements under this Agreement; and in any of which events (i) or (ii) such breach or default is not cured in all material respects by Buyer within the Cure Period (as defined below), if applicable;

(c) by written notice of Buyer to Seller if Seller (i) breaches in any material respect any of Seller's representations or warranties; or (ii) defaults in any material respect in the performance of any of Seller's covenants or agreements under this Agreement; and in any of which events (i) or (ii) such breach or default is not cured in all material respects by Seller within the Cure Period, if applicable;

(d) by written notice of Buyer to Seller, or Seller to Buyer, if the initial FCC Consent related to the Assignment Application has not been granted within three (3) months of the filing date for the Assignment Application; and

(e) by written notice of Buyer to Seller if the Station does (y) not operate for a period of thirty (30) consecutive days or more without FCC consent or (z) not operate with its full, FCC-licensed facilities for a period of ninety (90) consecutive days between the Effective Date and Closing.

12.2 **Cure Period.** The term "Cure Period" as used herein means a period commencing with the date that Buyer or Seller receives from the other Party written notice of breach or default hereunder and continuing until fifteen (15) days thereafter; *provided, however*, that if the breach or default cannot reasonably be cured within such period but can be cured before the Closing Date, and if diligent efforts to cure promptly commence, then the Cure Period shall continue as long as such diligent efforts to cure continue, but not beyond the Closing Date. Except as set forth below, the termination of this Agreement with respect to the transaction contemplated hereunder shall not relieve the Buyer or Seller of any liability for breach or default under this Agreement prior to the date of such termination.

12.3 **Liability; Right to Terminate.** A termination of this Agreement shall not relieve any Party hereto of any liability for which it otherwise would be subject. Notwithstanding anything in this Agreement to the contrary, no Party that is in material breach of this Agreement shall be entitled to terminate this Agreement except with the written consent of the other Party.

12.4 **Treatment of Pre-Signing Escrow Amount.**

(a) **Other Termination.** Upon a termination of the Agreement by either Party pursuant to Section 12.1, Buyer shall be entitled to the return of any portion of the Pre-Signing Escrow Amount then remaining, if any.

(b) **Joint Written Instructions.** Each Party shall execute and deliver joint written instructions to the Escrow Agent as required to give effect to this Section 12.4.

12.5 **Withdrawal of Certain Filings.** As soon as practicable following a termination of this Agreement for any reason, but in no event more than thirty (30) days after such termination, Buyer or Seller shall, to the extent practicable, withdraw all filings, applications and other submissions relating to the transactions contemplated by this Agreement filed or submitted by or on behalf of such Party, to or with any governmental authority or other person or entity.

ARTICLE 13 MISCELLANEOUS

13.1 **Governing Law.** This Agreement shall be construed in accordance with and governed by the laws of the State of New York, excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction. Subject to Section 13.5, the Parties hereby irrevocably and unconditionally (a) consent to the exclusive jurisdiction of the courts of the State of New York and the United States District Court for the Southern District of New York (the “Chosen Courts”) for any action, suit or proceeding (other than appeals therefrom) arising out of or relating to this Agreement, and agree not to commence any action, suit or proceeding (other than appeals therefrom) related thereto except in such courts; and (b) waive any objection to the laying of venue of any action, suit or proceeding (other than appeals therefrom) arising out of or relating to this Agreement in the Chosen Courts, and hereby further irrevocably and unconditionally waive and agree not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum. BUYER AND SELLER HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING IN ANY WAY TO THIS AGREEMENT, INCLUDING ANY COUNTERCLAIM MADE IN SUCH ACTION OR PROCEEDING, AND AGREE THAT ANY SUCH ACTION OR PROCEEDING SHALL BE DECIDED SOLELY BY A JUDGE.

13.2 **Expenses.** Each Party hereto shall bear all of its expenses incurred in connection with the transaction contemplated by this Agreement, including without limitation, accounting, engineering and legal fees incurred in connection herewith; *provided, however*, that Seller, on the one hand, and Buyer, on the other hand, shall share equally (a) all filing fees, including but not limited to FCC filing fees required to be paid in connection with the Assignment Application as set forth in Section 2.1(a).

13.3 **Entire Agreement; Amendment; No Waiver.** This Agreement and the Ancillary Agreements, including the schedules and exhibits hereto and thereto, contain the entire agreement and understanding by and between the Parties, and no other representations, promises, agreements, or understanding, written or oral, not contained herein shall be of any force or effect. This Agreement may only be amended in a writing signed by all of the Parties. No oral agreement shall have any effect. No failure or delay in exercising any right hereunder shall be deemed or construed to be a waiver of such right, either prospectively or in the particular instance. This Agreement has been prepared by all of the Parties hereto, and no inference of ambiguity against the drafter of a document therefore applies against any Party hereto.

13.4 **Successors and Assigns.** Except as otherwise expressly provided herein, this Agreement shall be binding upon and inure to the benefit of the Parties hereto, and their respective representatives, successors and assigns. Seller may not assign this Agreement or any part hereof without the prior written consent of Buyer in Buyer’s sole discretion and any attempted assignment without such consent shall be void. Except as set forth in Schedule 13.4, Buyer may not assign this Agreement or any part hereof without the prior written consent of Seller, which consent shall not be withheld unreasonably, *provided, however*, that Buyer may assign its rights or obligations under this Agreement without Seller’s consent in whole or in part to a company

controlled by Buyer or its affiliates and *provided further*, that pursuant to Section 7.5, either Party may assign its right to payment or property under this Agreement for purposes of a 1031 exchange.

13.5 **Specific Performance**. Seller acknowledges that the Station is a unique asset not readily obtainable on the open market and that, in the event that Seller fails to perform its obligations to consummate the transactions contemplated hereby, money damages alone will not be adequate to compensate Buyer for its injury. Therefore, Seller agrees and acknowledges that Buyer shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement in any court of the United States or any state having jurisdiction, in addition to any other remedy to which Buyer is entitled at law or in equity. Seller hereby waives (a) any requirement that Buyer post a bond or other security as a condition for obtaining any such relief, and (b) any defenses in any action for specific performance, including the defense that a remedy at law would be adequate.

13.6 **Notices**. All notices, requests, demands and other communications required or permitted under this Agreement shall be in writing (which shall include notice by e-mail if an e-mail address for the Party is provided below) and shall be deemed to have been duly made and received when personally served, or when delivered by Federal Express or a similar overnight courier service, expenses prepaid, or when sent by e-mail (if receipt is confirmed), addressed as set forth below:

If to Seller, then to:

Ms. Linda Young
President & CEO
Western Broadcasting Corporation of Puerto Rico
2nd Floor
245 West 55th Street
New York, NY 10019
Phone: (646) 584-9311
Email: lyoung@duart.com

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

Nikos Buxeda, Esq.
DLA Piper
Edificio Ochoa, Suite 401
Calle de la Tanca #500
San Juan, PR 00901-1969
Phone: (787) 945-9114
Email: nikos.buxeda@dlapiper.com

If to Buyer, then to:

John Eck
Chief Local Media Officer
Univision Communications Inc.

605 Third Ave.
New York, NY 10158

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

Daniel W. Evans
VP/ Assistant General Counsel
Univision Communications Inc.
605 Third Avenue
New York, NY 10158

Any Party may change the address to which communications are to be sent by giving notice of such change of address in conformity with the provisions of this Section providing for the giving of notice.

13.7 **Severability.** Wherever possible, each provision hereof shall be interpreted in such manner as to be effective and valid under applicable law, but in case any provision contained herein, or its application to any particular circumstance shall, for any reason, be held to be invalid or unenforceable by a court of competent jurisdiction, such provision or such application shall be ineffective to the extent of such invalidity or unenforceability in such jurisdiction, without invalidating the remainder of such provision or any other provisions hereof, or its application in any other circumstance, unless such a construction would be unreasonable, and without invalidating such provision or its application in any other jurisdiction.

13.8 **Headings.** The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

13.9 **No Third Party Beneficiary.** Nothing in this Agreement expressed or implied is intended or shall be construed to give any rights to any person or entity other than the parties hereto, their respective successors and permitted assigns and the Indemnified Parties (to the extent of their respective rights under Article 11).

13.10 **Interpretation.** For purposes of this Agreement, (a) the words “include,” “includes” and “including” shall be deemed to be followed by the words “without limitation”; (b) except where the context otherwise requires, (i) the word “or” is not exclusive, (ii) wherever used, the singular includes the plural, and the plural the singular, and (iii) “extent” in the phrase “to the extent” means the degree to which a subject or other thing extends, and such phrase does not mean simply “if”; and (c) the words “herein,” “hereof,” “hereby,” “hereto” and “hereunder” refer to this Agreement as a whole. Unless the context otherwise requires, references herein: (x) to Articles, Sections, Schedules and Exhibits mean the Articles and Sections of, and Schedules and Exhibits attached to, this Agreement; (y) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof and (z) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. The Schedules and Exhibits referred to herein shall be construed with,

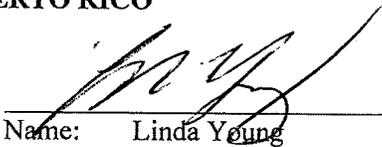
and as an integral part of, this Agreement to the same extent as if they were set forth verbatim herein. References in this Agreement to monetary amounts are denominated in United States Dollars.

13.11 **Execution in Counterparts.** This Agreement may be executed by facsimile or email transmission and in counterparts, each of which shall constitute an original but together will constitute a single document.

[remainder of this page intentionally left blank]

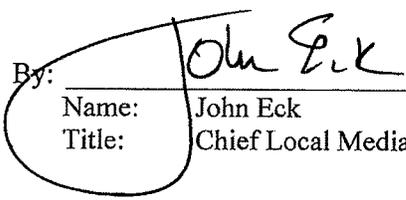
IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the date first above written.

**WESTERN BROADCASTING CORPORATION OF
PUERTO RICO**

By: 

Name: Linda Young
Title: President & CEO

UNIVISION OF PUERTO RICO INC.

By: 

Name: John Eck
Title: Chief Local Media Officer

EXHIBITS AND SCHEDULES

EXHIBITS

Exhibit A	Bill of Sale and Assignment and Assumption Agreement
Exhibit B	FCC Authorizations Assignment Agreement
Exhibit C	Form of Lease Assignment and Assumption Agreement
Exhibit D	Form of Deed
Exhibit E	Form of Unwind Agreement
Exhibit F	Form of Tower Escrow Agreement

SCHEDULES

1.1(a)	FCC and Other Governmental Authorizations
1.1(b)	Tangible Personal Property
1.1(c)	Intangible Property
1.1(d)	Leased Real Property and Real Property Leases
1.1(e)	Transferred Real Property
1.1(f)	Assumed Contracts
1.2(j)	Scheduled Excluded Assets
1.3(a)	Permitted Liens
3.2	Consents
3.4(c)	Qualifications to Real Property Lease Assignments
3.4(d)	Liens on Transferred Real Property
3.5	Condition of Tower Structures

- 3.7 FCC File Compliance
- 3.10 Litigation/Compliance with Laws
- 3.11 Required Consents
- 5.4 Pre-Approved Operations
- 13.4 Successors and Assigns