

**MERGER AGREEMENT
BY AND AMONG
HOAK MEDIA LLC,
KNOE ACQUISITION LLC,
NOE CORP. L.L.C.
AND
THE UNITHOLDERS OF NOE CORP. L.L.C.
DATED AS OF JUNE 12, 2007**

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MERGER AGREEMENT

This **MERGER AGREEMENT** (this “Agreement”), dated as of June 12, 2007, is by and among Hoak Media LLC, a Delaware limited liability company (“Purchaser”), KNOE Acquisition LLC, a Louisiana limited liability company and wholly owned subsidiary of Purchaser (“Merger Sub”), Noe Corp. L.L.C., a Louisiana limited liability company (the “Company”), the Betty S. Noe Grantor Retained Annuity Trust, a Louisiana trust (the “Trust”), the succession of James Albert Noe, Jr. (the “Estate”), Claire Lee Noe Koch, James Albert Noe, III, Mary Elisa Noe Deane, Jane Erin Noe May and George McRae Noe (collectively, with the Trust and the Estate, “Sellers”).

RECITALS

WHEREAS, the respective manager or managers of Purchaser, Merger Sub and the Company believes it is in its members’ best interests that Purchaser acquire the Company through the statutory merger of Merger Sub with and into the Company (the “Merger”) and, in furtherance thereof, have approved the Merger;

WHEREAS, pursuant to the Merger all of the Company’s issued and outstanding membership units (the “Units”) will be converted into the right to receive cash;

WHEREAS, Purchaser will place a portion of the cash consideration into escrow, the release of which will be contingent upon certain events and conditions; and

WHEREAS, the parties desire to make certain representations and warranties and other agreements in connection with the Merger.

NOW, THEREFORE, the parties hereby agree as follows:

ARTICLE 1 **DEFINITIONS**

1.1 Certain Definitions. For all purposes of this Agreement, the following terms shall have the respective meanings set forth below:

“Accounts Receivable” shall mean, as of any particular date, all accounts receivable, billed and unbilled, with respect to the Business, including all rights to receive payments under any notes, bonds and other evidences of indebtedness and all other rights to receive cash payments with respect to the Business, including the sale of any advertising broadcast by the Station or the provision of production services.

“Action” means any claim, charge, complaint, action, suit or proceeding (legal or administrative), arbitral action, governmental investigation or criminal prosecution.

“Adjusted Working Capital” means, as of any particular date, the difference between (a) the sum of the book value of the Business’ (i) Accounts Receivable, less an allowance for doubtful accounts calculated consistent with past practices in accordance with the Business’ accounting policy for establishing its provision for doubtful accounts, (ii) employee/other receivables, (iii) syndicated program inventory, (iv) prepaid insurance and expenses and (v) other current assets, less (b) the sum of the book value of the Business’ (i) notes payable – syndicated programming, (ii) accounts payable and accrued expenses and (iii) deferred rent receivable; provided that (A) each of the above-referenced items of current assets and current liabilities shall, unless otherwise agreed upon in writing by Purchaser and Sellers’ Representative, be calculated in a manner consistent with the calculation of Target Adjusted Working Capital as set forth on Schedule 1.1; (B) notwithstanding anything to the contrary herein, the current assets of the Business shall not be deemed to include cash, cash equivalents or any Retained Asset and the current liabilities of the Business shall not be deemed to include any current maturities of long-term debt or Retained Liabilities; and (C) “Adjusted Working Capital” shall exclude any increases or decreases in Taxes or other accruals that may result from the consummation of the transactions contemplated by Article 2.

“Affiliate” means any “affiliate” as defined in Rule 144(a) promulgated under the Securities Act.

“Aggregate Indemnity Obligation” has the meaning ascribed in Section 10.3(a).

“Assumed Employees” has the meaning ascribed in Section 6.7(a).

“Base Purchase Price” means \$47,000,000.00 minus Net Indebtedness minus the Tower Rent Credit, as adjusted pursuant to Sections 2.6, 2.8 and 2.9.

“Benefit Plans” means any employment, bonus, incentive compensation, deferred compensation, pension, profit sharing, retirement, stock purchase, stock option, stock ownership, stock appreciation rights, phantom stock, equity (or equity-based), leave of absence, layoff, vacation, cafeteria, life, health, medical, accident, disability, workmen’s compensation or other insurance, severance, separation, termination, change of control or other benefit plan, agreement (including any collective bargaining agreement), practice, policy or arrangement, whether written or oral, and whether or not subject to ERISA (including any “employee benefit plan” within the meaning of Section 3(3) of ERISA), which the Company sponsors or maintains or to which it contributes.

“Business” means the business and operations of the Station.

“Business Contracts” means all Contracts which relate to operating the Business.

“Business Day” means any weekday other than days on which commercial banks in New York, New York are obligated by Law or executive order to be closed.

“Business Employee” means any employee set forth in Schedule 4.10 hereto who is employed by the Company in the operation of the Business on the date hereof (whether actively or inactively), and each additional employee who is hired by the Company to work solely in the Business following the date hereof (to the extent permitted by Section 6.1 hereof) and who is

employed by the Company solely in the operation of the Business immediately prior to the Closing (whether actively or inactive), but excluding the Excluded Employees.

“Business Licenses” means Licenses owned or possessed by the Company that are necessary to, or that are used or held for use in connection with, the conduct of the Business, other than the FCC Licenses.

“CBS Affiliation Agreement” means the CBS Affiliation Agreement, by and between the Company and CBS Inc., dated as of February 18, 1997, as amended by a letter agreement dated March 7, 2007, regarding the affiliation of the Station with the CBS Television Network.

“Certificate of Merger” has the meaning ascribed in Section 3.1.

“CIT” means CIT Lending Services Corporation, a Delaware corporation.

“CIT Loan” means the extension of credit by CIT to the Company under the Amended and Restated Loan Agreement, dated March 31, 2006, by and between CIT and the Company.

“Closing” and “Closing Date” have the meanings ascribed in Section 3.1.

“COBRA” means Part 6 of Subtitle B of Title I of ERISA, Section 4980B of the Internal Revenue Code, and any similar state Law.

“Code” means the Internal Revenue Code of 1986, as amended, any successor statute thereto, and the rules and regulations promulgated thereunder.

“Communications Laws” means the Communications Act of 1934, as amended, any successor statute thereto, and all rules, and written policies and decisions of the FCC promulgated or rendered thereunder.

“Contract” means any legally binding contract, agreement, commitment or other arrangement.

“Deposit Escrow Agreement” means the Deposit Escrow Agreement entered into as of the date hereof by and among Purchaser, the Company, the Escrow Agent and Sellers’ Representative, pursuant to which Purchaser has deposited the Purchase Price Deposit Amount with the Escrow Agent.

“Deposit Escrow Amount” means, as of any specified date, the Purchase Price Deposit Amount plus any interest and other earnings that have accrued thereon in accordance with the Deposit Escrow Agreement.

“DMA” means the Designated Market Area of Monroe, Louisiana – El Dorado, Arkansas (as defined by A.C. Nielsen & Co.) in which the Station is authorized to provide television broadcasting services under its FCC Licenses.

“Effective Time” means the time and date of the filing of the Certificate of Merger with the Secretary of State of the State of Louisiana, or such later time as is specified in the Certificate of Merger and is agreed to by Purchaser and the Company.

“Encumbrance” means any claim, security interest, pledge, mortgage, lien, charge, condition, adverse claim of ownership or use, option to purchase, restriction on transfer (such as a right of first refusal or other similar right), defect of title, or other encumbrance of any kind or character, excluding, when such term is used in reference to securities, any restrictions on transfer arising under the securities laws.

“Enforceability Exceptions” has the meaning ascribed in Section 4.2(e).

“Environmental Claim” means any and all Actions relating to any Hazardous Material, or any actual or alleged violation of or liability under any Environmental Law, or any permit or approval issued thereunder.

“Environmental Law” means any Law pertaining to land use, air, soil, surface water, groundwater (including the protection, cleanup, removal, remediation or damage thereto), wetlands, public or employee health or safety or any other environmental matter, including: (i) Clean Air Act (42 U.S.C. § 7401, et seq.); (ii) Clean Water Act (33 U.S.C. § 1251, et seq.); (iii) Resource Conservation and Recovery Act (42 U.S.C. § 6901, et seq.); (iv) Comprehensive Environmental Resource Compensation and Liability Act (42 U.S.C. § 9601, et seq.); (v) Safe Drinking Water Act (42 U.S.C. § 300f, et seq.); (vi) Toxic Substances Control Act (15 U.S.C. § 2601, et seq.); (vii) Occupational Safety and Health Act (29 U.S.C. § 651, et seq.); (viii) Hazardous Material Transportation Act (49 U.S.C. § 1801, et seq.); and (ix) any other Laws relating to Hazardous Materials.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended, any successor statute thereto, and the rules and regulations promulgated thereunder, and “ERISA Plans” means all employee benefit, pension benefit or welfare benefit plans within the meaning of Section 3 of ERISA.

“ERISA Affiliate” means any entity which is (or at any relevant time was) a member of a “controlled group of corporations” with, under “common control” with, or a member of an “affiliated service group” with, the Company as defined in Section 414(b), (c), (m) or (o) of the Code.

“Escrow Agent” means the escrow agent named in the Deposit Escrow Agreement.

“Escrow Agreements” means the Deposit Escrow Agreement and the Indemnity Escrow Agreement, referred to collectively.

“Estate Loan” means indebtedness owed by the Company to the Estate and Betty Jane Schlesinger Noe under 13 separate promissory notes made between 1986 and 1991 by the Company’s predecessor corporation payable to James A. Noe, Jr., as described further in the notes to the audited financial statements referenced in Section 4.12(a).

“Estimated Adjusted Working Capital” has the meaning ascribed in Section 2.8(a).

“Excluded Employees” means those employees of the Business, listed on Schedule 4.10(B), whose employment with the Company shall be terminated on or prior to the Closing.

“FCC” means the United States Federal Communications Commission, and any successor agency thereto.

“FCC Consent” means the consent of the FCC or its delegated staff granting consent to the transfer of control of the FCC Licenses in connection with the transactions contemplated by this Agreement.

“FCC Licenses” means those licenses, permits and authorizations issued by the FCC to the Company in connection with the Business (including any renewals, extensions, modifications, additions or deletions thereto as permitted by and subject to the terms of this Agreement between the date hereof and the Closing Date).

“Final Closing Statement” and “Final Determination Date” have the meanings ascribed in Section 2.8(f).

“Final Order” shall mean an action by the FCC (including any action duly taken by the FCC’s staff acting pursuant to delegated authority) which shall not have been reversed, stayed, enjoined, set aside, annulled or suspended and with respect to which no timely request for stay, petition for rehearing, review, appeal, certiorari or sua sponte action of the FCC with comparable effect shall have been filed and as to which the time for filing any such petition, appeal, certiorari or for the taking of any such sua sponte action by the FCC shall have expired or otherwise terminated, or in the event of any such stay, petition for rehearing, review, appeal, certiorari or sua sponte action of the FCC, the period provided by the Communications Laws for further stay, petition for rehearing, review, appeal, certiorari or sua sponte action has expired.

“GAAP” means generally accepted accounting principles in the United States.

“Governmental Approvals” means any approvals, authorizations or consents (other than the FCC Consent) from any Governmental Authority required under any Law in connection with the transactions contemplated hereby.

“Governmental Authority” means any government, any governmental entity, department, commission, board, agency or instrumentality, and any court, tribunal, or judicial body, in each case whether federal, state, county, provincial, local or foreign.

“Governmental Order” means any order, judgment, injunction, decree or stipulation issued, promulgated or entered by any Governmental Authority of competent jurisdiction.

“Hazardous Material” means any radioactive, toxic, hazardous, or dangerous material or substance that is prohibited or regulated by, or subject to imposition of liability under, any Environmental Law or that has been designated by any Governmental Authority to be radioactive, toxic, hazardous or otherwise a danger to health or the environment, including asbestos, petroleum and petroleum byproducts, radon gas, radioactive matter, PCBs, oils and hydrocarbons.

“Indebtedness” means, without duplication, (i) any obligations with respect to indebtedness for borrowed money (including all obligations for principal, interest, premiums, penalties, fees and expenses thereunder), (ii) any obligation evidenced by any note, bond, debenture or other debt security, (iii) any commitment by which a Person assures another Person against loss (including contingent reimbursement obligations with respect to letters of credit), (iv) any indebtedness pursuant to a guarantee, (v) any obligations under capitalized leases (as determined in accordance with GAAP) or with respect to which a Person is liable, contingently or otherwise, as obligor, guarantor or otherwise, or with respect to which obligations a Person assures a creditor against loss, (vi) all obligations for the deferred and unpaid purchase price of previously delivered property or services (other than trade payables) and (vii) any monetary obligation secured by a lien on a Person’s assets.

“Indemnity Escrow Agent” means Capital One, N.A.

“Indemnity Escrow Agreement” shall mean the Indemnity Escrow Agreement, to be dated as of the Closing Date, to be duly executed and delivered as of such date by the parties hereto and the Indemnity Escrow Agent in the form of *Exhibit A*.

“Indemnity Escrow Deposit” shall mean \$8,225,000, which shall be deposited with the Indemnity Escrow Agent on the Closing Date to secure Sellers’ indemnification obligations under this Agreement, with such deposit, together, with all interest and earnings thereon, if any, being held by the Indemnity Escrow Agent in accordance with the Indemnity Escrow Agreement.

“Intellectual Property” means (i) any United States and foreign patents, patent applications, and improvements thereto, together with all reissues, continuations, continuations-in-part, revisions, divisionals, extensions, and reexaminations thereof, (ii) United States and foreign trademarks, service marks, trade dress, logos, trade names, domain names, and corporate names, and the registrations, applications for registration and renewals thereof (collectively, “Marks”), (iii) United States and foreign copyrights, and the registrations, applications for registration and renewals thereof and (iv) television broadcasting station call signs.

“IRS” means the Internal Revenue Service.

“Knowledge of Sellers or the Company” and phrases of similar import refer to the actual knowledge, after due inquiry, of George M. Noe, Roy A. Frostenson, Ronald Shelby, Edward Denis Baker, Jr. and Gerald L. Harkins.

“Law” means any federal, state, county, local or foreign statute, law, ordinance, regulation, rule or code.

“Letter Agreement” means the letter agreement dated the date hereof among Purchaser, the Company and Sellers relating to the Assumed Employees.

“Liability” means any debt, obligation or liability of any kind or nature, whether accrued or fixed, absolute or contingent, determined or determinable, matured or unmatured, and whether due or to become due, asserted or unasserted, or known or unknown.

“License” means any franchise, approval, operating permit, construction permit, order, authorization, consent, license, variance and any other similar right issued by any Governmental Authority, including the Federal Aviation Administration or the FCC.

“Losses” means any and all actions, suits, claims, interest, penalties, proceedings, investigations, audits, demands, losses, liabilities, damages, assessments, fines, judgments, costs and expenses (including reasonable attorneys’ fees).

“Material Adverse Effect” means any change or effect that is materially adverse to (i) the assets, properties, operations, business, financial condition or results of operations of the Business, taken as a whole, or (ii) the ability of the Company to perform its obligations under this Agreement, except to the extent any such changes or effects result directly or indirectly, either alone or in the aggregate, from (A) the pendency of or consummation of the transactions contemplated by this Agreement or the taking of any action contemplated by or required by this Agreement, (B) the announcement or other disclosure of the transactions contemplated by this Agreement, including any loss of Business Employees resulting therefrom, (C) changes in regulatory, industry or other conditions generally applicable to the television broadcasting industry except to the extent the Business taken as a whole is affected in a disproportionate manner as compared to other television broadcast companies, (D) changes in general economic conditions nationally (including financial and capital markets) or in the DMA (other than resulting from hurricanes or other similar natural disasters or acts of terrorism impacting the DMA), or (E) any breach of this Agreement by Purchaser.

“MVPD” has the meaning specified in Section 4.24(a).

“Net Indebtedness” means, as of the Closing Date, the sum of all Indebtedness and other obligations of the Company under the CIT Loan, all Indebtedness and other obligations of the Company under the Estate Loan or any other Indebtedness or other obligations for borrowed funds under any other loan agreements, promissory notes or similar instruments.

“Organizational Documents” means, with respect to any Person (other than an individual), the articles or certificate of incorporation, bylaws, certificate of limited partnership, partnership agreement, certificate of formation, limited liability company operating agreement, and all other organizational documents of such Person.

“Oliver Road Property” means that certain 4.073 acres located at 1400 Oliver Road, Monroe, Louisiana (which is excess real estate adjacent to the Station’s principal offices).

“Permitted Encumbrances” means (i) liens for taxes not yet due and payable as of the date in question; (ii) mechanics liens and similar liens for labor, materials or supplies that were created in the ordinary course of business and which will not, individually or in the aggregate, materially impair the operation of the Business in the ordinary course, consistent with past practice; (iii) zoning or building restrictions relating to the use or occupancy of Real Property which are not violated by the current use or occupancy of such Real Property; and (iv) easements, covenants, conditions, restrictions and other similar matters of record affecting title to Real Property which do not or would not, individually or in the aggregate, materially impair the

use or occupancy of such Real Property in the operation of the Business in the ordinary course, consistent with past practice.

“Person” means any individual, general, limited or limited liability partnership, firm, corporation, limited liability company, association, trust, estate, joint venture, or other entity.

“Program License Agreements” means program licenses and other Business Contracts under which the Company is authorized to broadcast film or other product or programs on the Station.

“Proprietary Rights” means any (i) Intellectual Property, (ii) trade secrets and confidential business information (including ideas, compositions, inventions (whether patentable or unpatentable and whether or not reduced to practice), know-how, techniques, methods, processes, research and development information, technical information and data, software, databases, drawings, specifications, designs, plans, proposals, technical data, copyrightable works and other works of authorship, financial, marketing and business data, pricing and cost information, business and marketing plans and customer and supplier lists and information and any goodwill associated with the Business or any of the foregoing), (iii) rights of privacy and publicity, including rights to use of the names, likenesses, voices, signatures and biographical information of natural persons and (iv) copies and tangible embodiments thereof (in whatever form or medium).

“Pro Rata Interest” means, with respect to each Seller, the percentage of the aggregate number of Units owned by such Seller, as reflected on Schedule 4.5 (subject to adjustment in connection with any transfers of Units after the date hereof).

“Purchase Price Deposit Amount” has the meaning ascribed in Section 2.10.

“Radio Stations” means the FM radio station KNOE-FM and the AM radio station KNOE AM 540, neither of which are a part of the Business.

“Real Property” means the Owned Real Property and the Leased Real Property.

“Reorganization Plan” has the meaning ascribed in Section 2.12.

“Representatives” means, with respect to any Person, the officers, directors, managers, employees, accountants, consultants, legal counsel, financial advisors, agents and other representatives of such Person.

“Retained Assets” has the meaning ascribed in Section 2.12.

“Retained Liabilities” means all liabilities and obligations of the Company related to or arising out of the Retained Assets.

“Schedules” means the disclosure schedules delivered to Purchaser by the Company in connection with the execution of this Agreement.

“Securities Act” means the Securities Act of 1933, as amended, and the rules and regulations of the U.S. Securities and Exchange Commission promulgated thereunder, as in effect from time to time.

“Sellers’ Representative” means Betty Jane Schlesinger Noe, Trustee of the Trust and Independent Executrix of the Estate, acting in her capacity as the representative of Sellers in accordance with Article 10.

“Station” means the broadcast television station KNOE-TV 8, KNOE-DTV AND KNOE-DTV2, which is authorized to provide television broadcasting services in the DMA.

“Station Assets” means all of the assets, properties and rights of the Company used, or held for use, in connection with the operation of the Station.

“Subsidiary” means, with respect to a Person, any other Person (i) in which such first-named Person has a direct or indirect equity or other ownership interest in excess of 50% or (ii) with respect to which such first-named Person, has the ability to elect or nominate a majority of the board of directors or similar governing body of such other Person.

“Tangible Personal Property” means tangible personal property such as machinery, equipment, inventory, vehicles, furniture, fixtures, transmitting towers, antennas, transmitters, satellite earth stations, film, film libraries, news archives, if any, all programs, programming material and inventories and production material of whatever form or nature (whether recorded on film, tape or any other substance or whether intended for live performance, television broadcast or any other medium, and whether completed or in production), office materials and supplies, spare parts and other tangible personal property.

“Target Adjusted Working Capital” means the amount of \$1,552,928, which represents the Adjusted Working Capital of the Business as of December 31, 2006 as derived substantially in accordance with the Year-End Balance Sheet of the Business and calculated in the manner set forth on Schedule 1.1.

“Tax” means any federal, state, county, provincial, local or foreign income, gross receipts, windfall profits, sales, use, license, ad valorem, employment, withholding, severance, transfer, gains, profits, capital, excise, franchise, property, production, capital stock, premium, minimum and alternative minimum or other taxes, fees, levies, duties, assessments or charges of any kind or nature whatsoever, whether computed on a separate or consolidated, unitary or combined basis or in any other manner, imposed by any Governmental Authority (whether payable directly or by withholding), together with any interest, penalties or additional amounts imposed by any Governmental Authority with respect thereto, whether disputed or not, including any obligation to indemnify or otherwise assume or succeed the Tax liability of any other Person, and any expenses incurred in connection with the determination, settlement or litigation of any Liability therefor.

“Tax Return” means any report, return, declaration, statement, estimated tax or other information required to be supplied to a Governmental Authority with respect to any Tax, including any schedule or attachment thereto, and including any amendments thereof.

“Third Party Consents” means any consents or approvals from any third party (other than a Governmental Authority) to the extent required by any Business Contract in connection with the transactions contemplated hereby.

“Tower Rent Credit” means the amount of \$412,500, which constitutes the portion of tower rent previously paid to the Company (under that certain lease agreement, dated June 28, 1997, between the Company and Louisiana Educational Television Authority related to the lease of tower space by the Company to the Louisiana Educational Television Authority) that Sellers agree to credit towards the purchase price in recognition of Purchaser’s assumption of the remaining term of such lease.

“Trade Agreements” means Contracts for the sale of advertising time on the Station in exchange for goods or services, other than Program License Agreements.

“Transaction Documents” means this Agreement, the Escrow Agreements, the Letter Agreement and the other documents, agreements, certificates and other instruments to be executed, delivered and performed by any of the parties hereto in connection with the transactions contemplated by this Agreement.

1.2 Other Terms. Other terms may be defined elsewhere in the preamble, recitals or text of this Agreement and, unless otherwise indicated, shall have such meaning throughout this Agreement.

1.3 Other Definitional Provisions. Unless the express context otherwise requires:

(a) the words “hereof,” “herein,” and “hereunder” and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement;

(b) terms defined in the singular have a comparable meaning when used in the plural, and vice versa;

(c) references herein to a specific Section, Subsection or Schedule shall refer, respectively, to Sections, Subsections or Schedules of this Agreement;

(d) wherever the word “include,” “includes,” or “including” is used in this Agreement, it shall be deemed to be followed by the words “without limitation”; and

(e) references herein to any gender include each other gender.

ARTICLE 2

THE MERGER

2.1 The Merger. Upon and subject to the terms and conditions stated in this Agreement and in accordance with the Louisiana Limited Liability Company Law (“LLLCL”), at the Effective Time, Merger Sub will be merged with and into the Company, Merger Sub’s separate corporate existence will cease, and the Company will continue as the surviving entity

and as a wholly-owned Subsidiary of Purchaser. The Company as the surviving entity after the Merger is sometimes referred to as the “Surviving Company.”

2.2 Effects of the Merger The Merger shall have the effects set forth in Section 1361 of the LLLCL. Without limiting the generality of the foregoing and subject thereto, at the Effective Time, all the property, rights, privileges, immunities, powers and franchises of the Company and Merger Sub shall vest in the Surviving Company and all debts liabilities and duties of the Company and Merger Sub shall become the debts, liabilities and duties of the Surviving Company.

2.3 Organizational Documents. At the Effective Time, the articles of organization of the Company in effect at the Effective Time shall be amended and restated to conform to the articles of organization of Merger Sub, subject to further amendment thereof in the future in accordance with their terms and applicable Law. At the Effective Time, the operating agreement of the Company in effect at the Effective Time shall be amended and restated to conform to the operating agreement of Merger Sub, subject to further amendment thereof in the future in accordance with its terms and applicable Law. Notwithstanding the foregoing, the Surviving Company shall maintain in effect, for a period of six years after the Closing Date, without any reduction in scope or coverage the respective exculpation and indemnification provisions in favor of current and former officers, directors and managers of the Company contained in the articles of organization and operating agreement of the Company in effect on the date hereof.

2.4 Directors and Officers The directors and officers of the Company immediately prior to the Effective Time shall submit their resignations to be effective as of the Effective Time. Immediately after the Effective Time, Purchaser shall take the necessary actions to cause the directors and officers of Merger Sub immediately prior to the Effective Time to be the directors and officers of the Surviving Company.

2.5 Effect on the Capital Stock. At the Effective Time, by virtue of the Merger and without any action on the part of Purchaser, Merger Sub, the Company or the holders of any of the following securities:

(a) Each membership interest of the Company issued and outstanding immediately prior to the Effective Time shall be converted into the right to receive a cash payment equal to (i) the Base Purchase Price (the “Aggregate Merger Consideration”), without interest, and subject to adjustment as set forth below, divided by (ii) 23,000. All such membership interests, when so converted, will no longer be outstanding and will automatically be cancelled and retired and will cease to exist. The holder of a certificate that immediately prior to the Effective Time represented outstanding Units will cease to have any rights with respect thereto, except the right to receive, upon the surrender of such certificate, the merger consideration.

(b) Each membership interest of Merger Sub issued and outstanding immediately prior to the Effective Time shall be converted into one membership interest of the Surviving Company.

2.6 Closing Date Adjustment to the Merger Consideration The Aggregate Merger Consideration to be paid by Purchaser to Sellers at the Effective Time shall be: (i) increased by the amount, if any, by which the Estimated Adjusted Working Capital exceeds the Target Adjusted Working Capital, (ii) reduced by the amount, if any, by which the Target Adjusted Working Capital exceeds the Estimated Adjusted Working Capital, (iii) reduced by the Deposit Escrow Amount if released to Sellers at Closing as required under Section 2.10, and (iv) reduced by the Indemnity Escrow Amount delivered to the Indemnity Escrow Agent at Closing. Purchaser shall pay the Aggregate Merger Consideration, as so adjusted, on the Closing Date by a wire transfer of immediately available funds to Sellers' Representative, who agrees to distribute such amount to Sellers in accordance with each Seller's Pro Rata Interest specified on Schedule 4.5.

2.7 Payment of Indebtedness. Contemporaneously with and as a condition to the Merger, Purchaser shall deliver or cause to be delivered, on behalf of the Company and Sellers, to the holders of the Net Indebtedness, an amount of same-day funds sufficient to repay and satisfy all obligations in respect of the Net Indebtedness outstanding as of the Closing Date, which amount shall not exceed the Net Indebtedness, with the result that immediately following the Closing there will be no further monetary obligations of the Company or the Sellers with respect to any Net Indebtedness. Not later than three Business Days prior to the Closing Date, Sellers will provide Purchaser with customary pay-off letters from all holders of Net Indebtedness in form and substance reasonably satisfactory to Purchaser, and make arrangements reasonably satisfactory to Purchaser for such holders to provide to Purchaser, if applicable, recordable Encumbrance releases (including, but not limited to, canceled notes, intellectual property assignments and other documents reasonably requested by Purchaser) simultaneously with or promptly following the Closing.

2.8 Delivery of Estimated Closing Statement and Proposed Closing Statement.

(a) No less than three Business Days prior to the Closing Date, the Company shall deliver to Purchaser a statement (the "Estimated Closing Statement") setting forth a good faith estimate of the Adjusted Working Capital as of the Closing Date (the "Estimated Adjusted Working Capital").

(b) As promptly as practicable, but no later than 60 days after the Closing, Purchaser shall deliver to Sellers a statement setting forth a good faith definitive determination of the Adjusted Working Capital as of the Closing Date (the "Proposed Closing Statement"), together with reasonable supporting documentation.

(c) In the event Sellers dispute the correctness of the Proposed Closing Statement, Sellers' Representative shall notify Purchaser in writing of Sellers' objections within 20 days after receipt of the Proposed Closing Statement and shall set forth, in writing and in reasonable detail, the reasons for Sellers' objections (together with all reasonable supporting documentation) (a "Notice of Disagreement"). Sellers agree that any adjustments proposed in accordance with the foregoing will not involve changes in or challenges to the Company's accounting methodologies, policies or procedures applied in connection with the preparation of the Year-End Balance Sheet or Schedule 1.1.

(d) During the 30 days immediately following the delivery of any Notice of Disagreement, Purchaser and Sellers' Representative shall seek in good faith to resolve any differences that they may have with respect to any matter specified in such Notice of Disagreement. During such period, Purchaser and Sellers' Representative shall each have access to the other party's working papers and similar materials prepared in connection with the other party's preparation of the Proposed Closing Statement and the Notice of Disagreement, as the case may be. The matters set forth in any such written resolution executed by Purchaser and Sellers' Representative shall be final and binding on Purchaser and Sellers on the date of such written resolution.

(e) If, at the end of such 30-day period, Purchaser and Sellers' Representative have not been able to resolve, in writing, all differences that they may have with respect to any matter specified in such Notice of Disagreement, either Purchaser or Sellers' Representative may submit to a nationally recognized accounting firm to be agreed upon by the parties (the "Accounting Firm") for review and resolution all matters that remain in dispute. Each of Purchaser and Sellers' Representative shall furnish the Accounting Firm with its determination of the amount of Adjusted Working Capital at the Closing Date, together with reasonably detailed backup materials supporting its calculation of such amount. The Accounting Firm shall review all information provided to it to determine a resolution to the matters set forth in the Notice of Disagreement. The determination of the Accounting Firm shall be conclusive, final and binding on the parties hereto and shall not be subject to collateral attack for any reason (other than fraud) if such determination is: (i) in writing and signed by the Accounting Firm, (ii) furnished to Purchaser and Sellers' Representative not be more than 90 days after such referral, and (iii) made in accordance with this Agreement. All costs and expenses of Purchaser and Sellers (including the fees and expenses of the Accounting Firm) incurred in connection with the above-described dispute resolution procedure shall be borne by the parties in the manner determined by the Accounting Firm after considering the relative merits of the positions of the parties in the dispute.

(f) The Proposed Closing Statement shall become the "Final Closing Statement" (i) on the 21st day following the delivery of the Proposed Closing Statement if a Notice of Disagreement has not been delivered to Sellers' Representative, (ii) with such changes necessary to reflect matters resolved pursuant to any written resolution executed pursuant to Section 2.8(d), on the date such resolution is executed, or (iii) with such changes necessary to reflect the Accounting Firm's resolution of matters in dispute, on the date the Accounting Firm delivers its final, binding resolution pursuant to Section 2.8(e). The date on which the Proposed Closing Statement shall become the Final Closing Statement pursuant to the immediately foregoing sentence is referred to as the "Final Determination Date."

2.9 Payment of Purchase Price Adjustments. If the Adjusted Working Capital set forth in the Final Closing Statement is greater than the Estimated Adjusted Working Capital, Purchaser shall pay to Sellers' Representative the amount of such difference, within five Business Days of the Final Determination Date, by wire transfer of immediately available funds (and Sellers' Representative agrees to distribute such amount to Sellers in accordance with each Sellers' Pro Rata Interest). If the Estimated Adjusted Working Capital is greater than the Adjusted Working Capital set forth in the Final Closing Statement, Sellers shall pay to Purchaser

the amount of such difference, within five Business Days of the Final Determination Date, by wire transfer of immediately available funds.

2.10 Purchase Price Deposit. Concurrently with the execution and delivery of this Agreement, Purchaser shall pay the Escrow Agent a deposit in the amount of 5.0% of the Gross Purchase Price (the “Purchase Price Deposit Amount”), to be invested, held and disbursed in accordance with the terms and conditions of the Deposit Escrow Agreement. The Deposit Escrow Amount shall be credited against the amount to be paid by Purchaser to Sellers at Closing as set forth in Section 2.6 hereof. At the Closing, Purchaser and Sellers’ Representative shall, unless they otherwise mutually agree in writing to the contrary, deliver a joint written instruction, executed on behalf of Purchaser and Sellers, that directs the Escrow Agent to remit the Deposit Escrow Amount to Sellers’ Representative as a credit against the amount to be paid by Purchaser to Sellers at the Closing under Section 2.6.

2.11 Further Assurances. From and after the Closing, the parties hereto shall take any actions and execute any other documents that may be necessary or appropriate to and consummate the transactions contemplated by this Article 2 upon the reasonable request of any other party.

2.12 Retained Assets.

(a) Purchaser acknowledges that the Company has historically conducted operations and owned assets other than those relating to the Station or the Business (including those relating to ownership and operation of the Radio Stations), and that prior to Closing the Company intends to distribute to the Estate in partial satisfaction of the Estate Loan such operations and assets, all of which are reflected on Schedule 2.12 (the “Retained Assets”). Sellers shall effect such distribution substantially in accordance with the reorganization plan referenced in Schedule 2.12 (the “Reorganization Plan”). Sellers shall be responsible for all costs, taxes and other obligations related to the Reorganization Plan. Sellers assume and shall be liable for all costs, claims and liabilities arising out of or relating to the Retained Liabilities. Notwithstanding anything herein to the contrary, Purchaser acknowledges and agrees that the Merger shall not convey any rights or interests in respect of the Retained Assets set forth on Schedule 2.12, or any books and records that relate primarily or solely to such Retained Assets. Purchaser further acknowledges that prior to the Closing the Company will enter into agreements permitting KNOE-FM to be operated using space in the Station’s principal facility on a short-term basis and leasing space on the Station’s main television transmitter tower on a long-term basis, in each case on the terms and conditions specified on Schedule 2.12. Purchaser shall have the right to approve (i) the final terms of the agreements for KNOE-FM, (ii) the subdivision of the real estate and (iii) agreements implementing the Reorganization Plan; provided, however, that such approval shall not be withheld unreasonably.

(b) Purchaser and Sellers acknowledge that the Oliver Road Property is part of the Retained Assets. Sellers hereby covenant and agree that Sellers shall not sell the Oliver Road Property to any unaffiliated party without the prior written consent of Purchaser, which consent shall not be unreasonably withheld. In the event that Sellers sell, assign, transfer or otherwise convey title to the Oliver Road Property to an unaffiliated party, Sellers shall pay to

Purchaser 35% of the purchase price for the Oliver Road Property on the closing date of the transaction.

ARTICLE 3 THE CLOSING

3.1 The Closing. Subject to the satisfaction of the conditions to Closing set forth in Article 7 or waiver thereof (to the extent permissible under applicable Law) of any such condition by the Person entitled to the benefit thereof, the consummation of the transactions contemplated by Article 2 (the “Closing”) shall take place at 10:00 a.m., central time, on a Business Day designated in a notice by Purchaser, which date shall not be earlier than the third or later than the fifth Business Day following satisfaction or, if permissible, waiver of the conditions set forth in Sections 7.1(f) and 7.2(f), at the offices of Purchaser’s counsel, unless another time, date or place is mutually agreed upon in writing by Sellers’ Representative and Purchaser. The date on which the Closing occurs is the “Closing Date.” Subject to the terms and conditions hereof, at the Closing, the parties hereto shall cause the Merger to be consummated by filing a certificate of merger satisfying the applicable requirements of the LLLCL (the “Certificate of Merger”) with the Secretary of State of the State of Louisiana in such form as required by, and executed in accordance with, the relevant provisions of the LLLCL and shall make all other filings or recordings required under the LLLCL in connection with the Merger.

3.2 Closing Deliveries of Sellers. At the Closing, Sellers shall deliver, or cause to be delivered, to Purchaser the following instruments, certificates and other documents:

(a) Payoff or release letters from CIT and the Estate setting forth the payoff amounts contemplated under Section 2.7 and confirming the termination of all Encumbrances held by CIT on any of the Station Assets or the Units upon payment of the CIT Loan on the Closing Date;

(b) A good standing certificate for the Company issued by the Secretary of State of the State of Louisiana, dated as of a date no earlier than five Business Days prior to the Closing Date;

(c) Duly executed counterparts to instruct the Escrow Agent to take the actions described in Section 2.10 and duly executed counterparts to the Indemnity Escrow Agreement;

(d) The resignation, effective as of the Closing, of all officers and directors of the Company;

(e) Opinions of FCC counsel and special counsel to the Company, substantially in the forms attached as *Exhibits B-1 and B-2*, respectively; and

(f) Copies of all instruments evidencing the receipt of Governmental Approvals and Third Party Consents received by Sellers or the Company.

3.3 Closing Deliveries of Purchaser. At the Closing, Purchaser shall deliver, or cause to be delivered, to Sellers' Representative the following payments, instruments, certificates and other documents:

(a) Wire transfers of the amounts to be paid to Sellers' Representative pursuant to Section 2.6, and to CIT and the Estate pursuant to Section 2.7;

(b) Good standing certificates for Purchaser and Merger Sub issued by the Secretary of State of the State of Delaware and the Secretary of State of the State of Louisiana, respectively, dated as of a date no earlier than five Business Days prior to the Closing Date; and

(c) Duly executed counterparts to instruct the Escrow Agent to take the actions described in Section 2.10 and duly executed counterparts to the Indemnity Escrow Agreement.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF SELLERS

Except as set forth in the Schedules, Sellers and the Company hereby represent and warrant to Purchaser as of the date hereof, severally with respect to the representations and warranties contained in Section 4.2, and jointly and severally with respect to all other representations and warranties contained in this Article 4, that:

4.1 Organization. The Company is a limited liability company, duly formed, validly existing and in good standing under the laws of the State of Louisiana, and has all requisite limited liability company power and authority to own, operate or lease the assets and properties currently owned, operated or leased by it, and to conduct the Business in the ordinary course. The Company is duly authorized, qualified or licensed to do business as a foreign limited liability company, and is in good standing, under the laws of each jurisdiction in which the character of its properties owned, operated or leased, or the nature of its activities, makes such qualification necessary, except in those jurisdictions where the failure to be so qualified or in good standing would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. The Company is not in breach of any provision of its Organizational Documents. There is no pending or threatened Action for the dissolution, liquidation, insolvency, or rehabilitation of the Company.

4.2 Ownership and Authority.

(a) Each Seller is the lawful record and beneficial owner of the number of Units set forth opposite such Seller's name on Schedule 4.5 and each such Unit is owned by such Seller free and clear of any Encumbrance. No Seller is a party to any Contract that would require it to sell or transfer its Units to any Person. Upon the filing of the Certificate of Merger with the Secretary of State of the State of Louisiana, the Merger will be effective in accordance with the laws of the State of Louisiana.

(b) Betty Jane Schlesinger Noe, in her capacity as Independent Executrix of the Estate, has full legal power and authority under letters of independent administration to execute, deliver and perform this Agreement and all Transaction Documents to be delivered by

the Estate hereunder, and Betty Jane Schlesinger Noe, in her capacity as the trustee of the Trust, has full legal power and authority under the governing instruments of the Trust to execute, deliver and perform this Agreement and all Transaction Documents to be delivered by the Trust hereunder.

(c) Each Seller who is a natural person has full legal right, power, capacity and authority to execute, deliver and perform this Agreement and all Transaction Documents to be delivered by each of them hereunder.

(d) The Company has the relevant limited liability company power and authority necessary to execute, deliver and perform each Transaction Document to which it is a party. The Company has taken all action necessary to authorize the execution and delivery of each Transaction Document to which it is a party, the performance of the Company's obligations thereunder, and the consummation of the transactions. Each Transaction Document to which the Company is party has been duly authorized, executed, and delivered by, and is enforceable against, the Company.

(e) The Company and Sellers represent and warrant that this Agreement and each Transaction Document to which it is a party as of the date hereof have been duly executed and delivered by it and, assuming the due authorization, execution and delivery of this Agreement and each Transaction Document by Purchaser (to the extent Purchaser is a party thereto), this Agreement and each such Transaction Document constitute legal, valid and binding obligations of the Company or Sellers, enforceable against the Company or Sellers in accordance with their respective terms, except as such enforceability may be limited by (i) principles of public policy, (ii) the effect of any applicable Laws of general application relating to bankruptcy, reorganization, insolvency, moratorium or similar Laws affecting creditors' rights and relief of debtors generally, and (iii) the effect of rules of law and general principles of equity, including rules of law and general principles of equity governing specific performance, injunctive relief and other equitable remedies, regardless of whether such enforceability is considered in a proceeding in equity or at law (collectively, the "Enforceability Exceptions"). Upon the execution and delivery by the Company or Sellers of any other Transaction Documents to which it is to become a party after the date hereof (assuming the due authorization, execution and delivery of such other Transaction Documents by Purchaser (to the extent Purchaser is a party thereto)), each such other Transaction Document will constitute a legal, valid and binding obligation of the Company or Sellers enforceable against it in accordance with its terms, except as such enforceability may be limited by the Enforceability Exceptions.

4.3 Governmental Approvals. Other than obtaining the FCC Consent and filing the Certificate of Merger, no consent, approval, waiver, authorization, report, notice or filing is required to be obtained by Sellers or the Company from, or to be furnished by Sellers or the Company to, any Governmental Authority in connection with the execution, delivery and performance by Sellers of this Agreement and any Transaction Document to which Sellers are or will be a party, except for those consents, approvals, waivers, authorizations, reports, notices or filings the failure to obtain or furnish would not have a Material Adverse Effect.

4.4 Non-Contravention. The execution, delivery and performance by Sellers and the Company of this Agreement and the Transaction Documents to which they are a party do not and

will not (i) violate any provision of the Company's Organizational Documents or any trust or estate instruments governing the affairs of the Trust or the Estate and (ii) assuming the receipt of the FCC Consent and the receipt of the Third Party Consents and the making of the notices and filings listed in Schedule 4.4, (A) result in the breach of, or constitute a default under, or result in the termination, cancellation, modification or acceleration (whether after the filing of notice or the lapse of time or both) of any right or obligation of the Company under, or result in a loss of any benefit to which the Company is entitled under, any Business Contract, or result in the creation of any Encumbrance upon any of the assets or properties of Sellers or the Company (other than Permitted Encumbrances), or (B) violate or result in a breach of or constitute a default under any Law to which Sellers, the Company or any of their respective assets are subject, or under any Governmental Authorization.

4.5 Capitalization. The Company is authorized to issue membership units represented by a single class of 23,000 shares, all of which are issued and outstanding. Schedule 4.5 lists each Seller and his or her Pro Rata Interest in the Company's shares. The Units constitute all of the issued and outstanding membership interests of the Company. Other than the Units, there are no existing (a) membership units or interests or other voting or equity securities of the Company, (b) options, warrants, subscriptions or other rights, convertible securities, agreements or commitments of any character obligating the Company to issue, transfer or sell any equity interests in the Company or securities convertible into or exchangeable for such equity interests, (c) contractual obligations of the Company to repurchase, redeem or otherwise acquire any equity interests in the Company or (d) voting trusts or similar agreements to which the Company is a party with respect to the voting of equity interests in the Company. Each Unit is duly authorized, has been validly issued and is fully paid and nonassessable. The Company has no Subsidiaries.

4.6 Real and Personal Property.

(a) Schedule 4.6 sets forth (i) the address of all land, buildings, structures and improvements owned by the Company and used in the Business (the "Owned Real Property") and (ii) a true and complete list of all leases or subleases (the "Leases") pursuant to which the Company holds an interest in or the right to use or occupy any land, buildings, structures, improvements, fixtures or other real property that are used in the Business (the "Leased Real Property" and, collectively with the Owned Real Property, the "Real Property"), and all amendments, extensions and renewals with respect thereto, and the address of each Leased Real Property. The Real Property comprises all the real property used to operate the Business. No portion of Owned Real Property is leased except as otherwise set forth on Schedule 4.6.

(b) The Company has good and marketable title to its Owned Real Property and has a valid leasehold interest in its Leased Real Property, in each case free and clear of any Encumbrances, except for Permitted Encumbrances.

(c) All guy wires, guy anchors, satellite dishes, associated transmission equipment, transmitter buildings, towers, and studio facilities owned or operated by the Business are located entirely on, and within the boundaries of, the Owned Real Property or Leased Real Property. No portion of the Owned Real Property is subject to any pending suit for condemnation or other taking by any public authority and, to the Knowledge of Sellers, no

portion of the Leased Real Property is subject to any such pending action. To the Knowledge of Sellers, no such action against any of the Real Property is presently threatened.

(d) With respect to each of the Leases: (i) such Lease is in full force and effect; (ii) the Company's possession and quiet enjoyment of the Leased Real Property held under such Lease is undisturbed as of the date hereof, and, to the Knowledge of Sellers, there are no disputes with respect to such Lease and (iii) the Company has not granted any Person the right to use or occupy such Leased Real Property or any portion thereof.

(e) All buildings, structures, improvements, fixtures and equipment, and all components thereof, including all telecommunications, computer, wiring and utility installations, included in the Real Property are in operating condition that is sufficient to permit the Business to operate in all material respects in accordance with the FCC Licenses and the Communications Laws.

(f) The Company has good, marketable, and indefeasible title to, or a valid leasehold interest in, all owned Tangible Personal Property (i) located on its premises, shown on the Year End Balance Sheet, or acquired after the Balance Sheet Date and (ii) necessary for the conduct of the Business as currently conducted, in each case free and clear of all Encumbrances (except for Permitted Encumbrances), except for properties and assets disposed of in the ordinary course of business since the Balance Sheet Date. Such Tangible Personal Property has been maintained in accordance with normal industry practice, is in good operating condition (subject to normal wear and tear), and is suitable for the purposes for which it is currently used.

(g) To the Knowledge of Sellers or the Company, no additional Licenses will be required, as a result of the transactions contemplated by this Agreement, to be issued after the date hereof in order to permit Purchaser, following the Closing, to continue to own or operate the Owned Real Property in the same manner as heretofore.

(h) Each parcel of Owned Real Property is assessed for real estate Tax purposes as a wholly independent tax lot, separate from any adjoining land, buildings, structures or other improvements.

4.7 Intellectual Property and Proprietary Rights.

(a) Schedule 4.7 hereto contains a true, correct and complete list, as of the date hereof, of all Intellectual Property owned by the Company and included in the Station Assets.

(b) The Company owns or has a valid license or other right to use all Proprietary Rights used or held for use in or necessary to conduct the Business in the ordinary course, consistent with past practice (collectively, the "Business Proprietary Rights"), free and clear of any Encumbrances, other than Permitted Encumbrances. To the Knowledge of Sellers or the Company, no Person is infringing upon or misappropriating any of the Business Proprietary Rights. There are no claims pending or, to the Knowledge of Sellers or the Company, threatened that contest the validity, use, ownership, or enforceability of any Business Proprietary Rights, or that allege that the conduct of the Business infringes upon or misappropriates with any Proprietary Rights of other Persons. To the Knowledge of Sellers or the Company, Company's

use of the Business Proprietary Rights in the Business does not infringe upon any rights any other person owns or holds.

(c) The call letters for the Station and all other Intellectual Property listed on Schedule 4.7 have been duly applied for or registered in, filed with or issued by, as applicable, the appropriate Governmental Authority, where such registration, filing or issuance is necessary to conduct the Business in the ordinary course, consistent with past practice. Any Intellectual Property registrations identified in Schedule 4.7 are valid, subsisting, enforceable and in good standing in all material respects (other than routine office actions that may be pending before the U.S. Patent and Trademark Office or its foreign equivalents). The Business Proprietary Rights are not subject to any outstanding Governmental Order restricting the use thereof.

4.8 Business Contracts.

(a) Schedule 4.8 hereto contains a true, correct and complete list of the Contracts (including all amendments thereto) of the following types to which the Company is a party or by which it or any of its assets is bound (each, a “Material Business Contract”) as of the date hereof: (i) Contracts not entered into in the ordinary course of business with respect to which the aggregate amount to be received or paid by the Company thereunder is reasonably expected to exceed \$10,000; (ii) Program License Agreements; (iii) Trade Agreements; (iv) retransmission consent agreements; (v) other Contracts with respect to which the aggregate amount to be received or paid by the Company thereunder is reasonably expected to exceed \$10,000 per year or \$50,000 in the aggregate; (vi) employment, severance, consulting, separation, collective bargaining or other labor agreements (other than for employment terminable at will with no payment other than salary or wages accrued at normal rates or as required by law); (vii) Contracts licensing the Company to use Business Proprietary Rights or permitting other Persons to use the Company’s Business Proprietary Rights (other than Contracts for software licensed in consumer retail stores or similar retail outlets and subject to “shrink wrap” or similar consumer license agreements); (viii) Contracts expressly restricting the operation of the Business in any geographical area or restricting the Company’s use of its Business Proprietary Rights; (ix) Contracts with any Seller; (x) Contracts relating to Indebtedness of the Company; (xi) Contracts under which a power of attorney is granted by or on behalf of the Company relating to the Business; and (xii) Contracts identified on Schedule 4.24 that relates to any MVPD headend serving (either alone or together with one or more other MVPD headends covered thereby or such other agreements with the operator thereof) at least 2,500 subscribers.

(b) Sellers have made available to Purchaser a true, correct and complete copy of each written Material Business Contract that is in effect as of the date hereof. Each Material Business Contract is in full force and effect and constitutes a valid, binding and enforceable obligation of the Company, and, to the Knowledge of Sellers or the Company, each other party thereto, in accordance with the respective terms thereof, except as such enforceability may be limited by the Enforceability Exceptions. Under each Material Business Contract there exists no material breach or default (or event that with notice or the lapse of time, or both, would constitute a material breach or default) on the part of the Company, or, to the Knowledge of Sellers or the Company (based upon receipt of written notice), on the part of any other party

thereto. The Company has not received any written notice of the intention of any party to terminate any Material Business Contract.

4.9 Business Licenses. Schedule 4.9 hereto contains a true, correct and complete list, as of the date hereof, of each Business License. The Company holds all Licenses that are necessary to, or that is used or held for use in connection with, the conduct of the Business in the ordinary course of business, consistent with past practice, except for such Licenses which the failure to obtain or possess would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. No loss or expiration of any Business License is pending or, to the Knowledge of Sellers or the Company, threatened, other than the expiration of any Business License in accordance with the terms thereof that is eligible to be renewed in the ordinary course of business.

4.10 Business Employees. Schedule 4.10 hereto contains a true, correct and complete list of (i) all Business Employees as of the date hereof, including any such employee who is an inactive employee on paid or unpaid leave of absence, and indicating the initial date of employment with the Business, current title and annual or hourly compensation of each such employee and (ii) the Excluded Employees.

4.11 Employee Benefit Plans.

(a) Schedule 4.11 hereto contains a true, correct and complete list, as of the date hereof, of all Benefit Plans under which the Company or any ERISA Affiliate has any obligation, whether actual or contingent, direct or indirect, to provide compensation or benefits to any current or former employee, consultant or director of the Company, or the spouses, beneficiaries or other dependents thereof. True and complete copies of each Benefit Plan, including, but not limited to, any trust instruments or insurance contracts, if any, forming a part thereof, all amendments thereto and the most recent determination letters issued by the IRS, the most recent summary plan descriptions (including any material modifications), the two most recent annual reports on Form 5500 (including all exhibits and attachments thereto), the two most recent actuarial reports and the two most recent audited financial reports for any funded Benefit Plan have been supplied or made available to Purchaser, as applicable. Neither the Company nor any ERISA Affiliate has made any plan or commitment to create any additional Benefit Plan or modify or change any existing Benefit Plan that would increase the compensation or benefits provided to any current or former employee, consultant or director of either the Company or any ERISA Affiliate or the spouses, beneficiaries or other dependents thereof.

(b) Each of such Benefit Plans: (i) if intended to qualify under Section 401(a) of the Code, such Benefit Plan has received a favorable determination letter from the IRS that has not been revoked and, to the Knowledge of the Sellers or the Company, no event or circumstance exists that has adversely affected or is likely to adversely affect such qualification or exemption; (ii) has been operated and administered in all material respects in compliance with its terms and all applicable laws and regulations (including but not limited to ERISA, the Code and any relevant regulations thereunder); (iii) there are no pending or, to the Knowledge of Sellers or the Company, threatened claims against, by or on behalf of any Benefit Plans or the assets, fiduciaries or administrators thereof (other than routine claims for benefits); (iv) no non-exempt prohibited transaction within the meaning of Section 406 of ERISA or Section 4975 of

the Code has occurred; (v) no Encumbrance has been imposed under the Code, ERISA or any comparable law; and (vi) all contributions (including all employer contributions and employee salary reduction contributions), premiums and expenses to or in respect of such Benefit Plan have been timely paid in full or, to the extent not yet due, have been adequately accrued on the Company's financial statements. The Company and its ERISA Affiliates have not failed to distribute any required reports or descriptions of Benefit Plans to any Benefit Plan participants (including without limitation any summary annual reports or summary plan descriptions), except for failures that would not have a Material Adverse Effect. With respect to each Benefit Plan, all tax, annual reporting and other governmental filings required by ERISA and the Code have been timely filed with the appropriate governmental entity, except for failures that would not have a Material Adverse Effect.

(c) No Benefit Plan is, and neither the Company nor any ERISA Affiliate thereof contributes to, has ever contributed to or has any liability or obligation, whether actual or contingent, with respect to any Benefit Plan that is (A) a "multiemployer plan" (within the meaning of Section 3(37) of ERISA), (B) a "multiple employer plan" (within the meaning of Section 413(c) of the Code), (C) a single employer plan or other pension plan subject to Title IV or Section 302 of ERISA or Section 412 of the Code, or (D) any foreign plan that provides defined benefits.

(d) The Company has no obligation or commitment to provide health, accident, disability, life insurance or death benefits with respect to any current or former employees, consultants or directors or any retirees of the Company, or the spouses, dependents or beneficiaries of any of the foregoing, following the termination of employment or service of any such employee, consultant, director or retiree, whether under a Benefit Plan or otherwise, other than as required under Section 4980B of the Code or other applicable law. The Company has complied in all material respects with the requirements of Section 4980B of the Code and the Health Insurance Portability and Accountability Act of 1996, as amended, and the regulations (including the proposed regulations) thereunder.

(e) No Benefit Plan provides severance benefits to current or former employees of the Business.

(f) Neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated hereby, will (i) entitle any current or former employee, consultant or director of the Company or any group of such employees, consultants or directors to any payment, other than those described on Schedule 4.11; (ii) increase the amount of compensation or benefits due to any such employee, consultant or director; or (iii) accelerate the vesting, funding or time of payment of any compensation, equity award or other benefit.

(g) Neither of the Company, any ERISA Affiliate with respect to any Benefit Plan nor any Benefit Plan is the subject of an audit or investigation by the IRS, the U.S. Department of Labor, the Pension Benefit Guaranty Corporation or any other federal or state governmental agency, nor is any such audit or investigation pending or, to the Knowledge of Sellers, threatened.

(h) The Company does not maintain any plan, program or arrangement and is not a party to any agreement that provides to any current or former employee, director or consultant any stock options, restricted stock or other benefits or payments based on or measured by the value of any equity security of, or interest in, the Company.

(i) The Disclosure Schedules sets forth any and all Indebtedness in excess of \$10,000 owed by any current or former employee, consultant or director of the Company to the Company.

4.12 Financial Information.

(a) The Company has furnished to Purchaser true, correct and complete copies of the audited balance sheet of the Company as of, and the audited statement of income of the Company for the fiscal years ended on, each of December 31, 2005 and December 31, 2006, and the unaudited balance sheet of the Company as of, and the unaudited statement of income of the Company for the three-month period ended on, March 31, 2007. Except as otherwise noted therein, these financial statements have been prepared in accordance with GAAP applied on a consistent basis throughout the periods covered thereby, are correct and complete, are consistent with the books and records of the Company and fairly present, in all material respects, the financial condition and results of operations of the Company, as of the respective dates thereof and for the respective periods identified therein; provided, however, that the unaudited financial statements are subject to normal adjustments (which are not material individually or in the aggregate) and lack footnotes and other presentation items.

(b) The Company has furnished to Purchaser true, correct and complete copies of the unaudited balance sheets of the Business as of December 31, 2006 and March 31, 2007 (collectively, the “Financial Statements”, with the former date and the former balance sheet being hereinafter referred to as the “Balance Sheet Date” and the “Year-End Balance Sheet”). Except as noted therein, the Financial Statements are correct and complete, are consistent with the books and records of the Company and fairly present, in all material respects, the financial condition and results of operations of the Business, as of the respective dates thereof and for the respective periods identified therein; it being understood, however, that the Financial Statements do not reflect the assets, liabilities or results of operations of the Retained Assets or the Retained Liabilities, and reflect the use of reasonable estimates and allocations necessary to cause the Financial Statements to materially reflect the assets and liabilities of the Business as of the dates set forth above.

4.13 Absence of Changes. Except for the execution and delivery of this Agreement, the transactions contemplated hereby, since December 31, 2006, (a) no event or events have occurred and no circumstance or circumstances have arisen that, individually or in the aggregate, have had or would be reasonably expected to have a Material Adverse Effect, and (b) the Company has not:

(i) amended or terminated any Material Business Contract, FCC License or Business License;

(ii) taken any action described in any of clauses (ii), (iii), (v), (vi), (xii) or (xiii) of Section 6.1(b); or

(iii) operated the Business other than in the ordinary course of business.

4.14 Undisclosed Liabilities. The Company has no Liabilities other than (i) the Liabilities quantified on the face of the Year-End Balance Sheet (rather than in any notes thereto), (ii) Liabilities arising after the Balance Sheet Date in the ordinary course of business which, individually or in the aggregate, are not material and are of the same character and nature as the Liabilities quantified on the face of the Year-End Balance Sheet (rather than any notes thereto), none of which relates to any claim for breach of contract, warranty, tort, fraud, criminal conduct or infringement, (iii) Liabilities reflected in the terms of Contracts disclosed to Purchaser prior to the date hereof and not resulting from any breach by any Seller of any such Contract or (iv) Liabilities disclosed on Schedule 4.14.

4.15 Litigation; Governmental Orders. There are no pending Actions or, to the Knowledge of Sellers or the Company, threatened Actions, by any Person or Governmental Authority against the Company, it being understood that nothing in this representation is intended to address Actions by the FCC, which are specifically addressed in Section 4.17. Neither the Company nor the Station is named party to or bound by any Governmental Order that specifically names it.

4.16 Compliance with Laws. Since January 1, 2000, the Company has complied in all material respects with all Laws and Governmental Orders applicable to it, and the Company has not received any written claim or notice that it is not in compliance, in all material respects, with any such Law or Governmental Order, it being understood that nothing in this representation is intended to address Taxes, Environmental Laws, Communications Laws, ERISA or any compliance issue that is specifically the subject of any other representation or warranty set forth in this Article 4.

4.17 FCC Matters.

(a) Schedule 4.17 hereto sets forth a list of the FCC Licenses as of the date hereof, together with the expiration date of each such licenses. The FCC Licenses are in full force and effect in accordance with their respective terms and not subject to any conditions other than those applicable to broadcast licenses generally or as otherwise disclosed on the face of the FCC Licenses. The FCC Licenses listed on Schedule 4.17 constitute all of the licenses and authorizations issued by the FCC and required under the Communications Laws for the conduct of the Station currently operated as of the date hereof, except for the absence of any licenses or authorizations that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Sellers have made available to Purchaser true and complete copies of the FCC Licenses, including any and all amendments or other modifications thereto. There are no pending applications or requests for special temporary authority with respect to the Station.

(b) The Company has not been formally served in writing and, to the Knowledge of Sellers or the Company, there is not now issued, outstanding, pending or threatened:

(i) any Action, order to show cause, notice of apparent liability or notice of forfeiture against the Company or the Station; or

(ii) any Action by or before the FCC to revoke, suspend, terminate, cancel, rescind or materially modify (including a reduction in coverage area) any FCC License (other than rulemaking proceedings and proceedings affecting the broadcast industry generally) or refuse to renew any of the FCC Licenses.

(c) The Station is being operated in all material respects in accordance with the specifications of the FCC Licenses and the Communications Laws. The Company is in compliance in all material respects with all requirements of the Federal Aviation Administration with respect to the construction and alteration of the Station's antenna structures. Except for such omissions, inaccuracies and failures as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, since January 1, 2001, all material reports, forms and documents required to be filed by the Company with the FCC with respect to the Station have been filed and were complete and accurate in all material respects as of the date of such filings.

(d) There are no facts or circumstances pertaining to the Company that would, under existing Law (including the Communications Laws), (a) disqualify the Estate as a transferor of the FCC Licenses or as the owner and operator of the Station or (b) cause the FCC to fail to approve in a timely fashion the application for the FCC Consent.

4.18 Taxes.

(a) Since January 1, 2000, the Company (i) has timely filed, will timely file or there has or will have been timely filed on its behalf, all material Tax Returns required to be filed by it for periods through and including the Closing Date (taking into account applicable extensions) and all such Tax Returns were (or will be) true, correct and complete in all material respects when filed, (ii) has timely paid all Taxes due and payable, and (iii) has accrued (in accordance with GAAP) all material Taxes that have accrued (or will accrue all material Taxes that will accrue) but are not yet due and payable through and including the Closing Date. The Company has withheld and paid all Taxes required to have been withheld and paid in connection with amounts paid or owing to any employee, independent contractor, creditor, member or other third party, and all Forms W-2 and 1099 required with respect thereto have been properly completed and timely filed.

(b) There are no ongoing federal, state, local or foreign audits or examinations of any Tax Return of the Company. There are no outstanding written requests, agreements, consents or waivers to extend the statutory period of limitations applicable to the assessment of any material Taxes against the Company. There are no outstanding assessments against or proposed adjustments to Taxes of the Company.

(c) There are no liens for Taxes upon the assets of any of the Company, except for liens for Taxes not yet due and payable and liens for Taxes that are being contested in good faith.

(d) Schedule 4.18 lists (i) all federal, state and local income Tax returns filed with respect to the Company for taxable periods ended on or after January 1, 2000, (ii) all federal, state and local Tax returns filed with respect to the Company for taxable periods ended on or after January 1, 2000 that have been audited, and (iii) all such Tax returns that currently are the subject of an audit. Sellers have made available to Purchaser correct and complete copies of all federal income Tax Returns, examination reports, and statements of deficiencies assessed against or agreed to by Company since January 1, 2000.

(e) The Company has not been a United States real property holding corporation within the meaning of Code §897(c)(2) during the applicable period specified in Code §897(c)(1)(A)(ii). The Company is not a party to or bound by any tax allocation or sharing agreement. The Company (i) has not been a member of an affiliated group within the meaning of Internal Revenue Code §1504(a) or any similar group defined under a similar provision of state, local, or foreign law filing a consolidated federal income Tax Return (other than a group the common parent of which was the Company) or (ii) has no liability for the Taxes of any person (other than the Company) under Treas. Reg. §1.1502-6 (or any similar provision of state, local, or foreign law), as a transferee or successor, by contract, or otherwise.

(f) The Company will not be required to include in income any item of income, or exclude any item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing Date as a result of any (i) change in method of accounting for a taxable period ending on or prior to the Closing Date; (ii) “closing agreement” as described in Internal Revenue Code §7121 (or any corresponding or similar provision of state or local income Tax law) executed on or prior to the Closing Date; (iii) intercompany transactions or any excess loss account described in Treasury Regulations under Code §1502 (or any corresponding or similar provision of state or local Tax law); (iv) installment sale or open transaction disposition made on or prior to the Closing Date; or (v) prepaid amount received on or prior to the Closing Date.

(g) The Company has not distributed stock of another Person, or has had its membership interests distributed by another Person, in a transaction that was purported or intended to be governed in whole or in part by Code §355 or Code §361.

(h) Except as set forth in Schedule 4.18, the Company has not engaged in any “reportable transaction” within the meaning of Treas. Reg. §1.6011-4(b).

(i) For federal income Tax purposes, the deductions or losses that will be recognized by the Company on the repayment of the Estate Loan will exceed the gain and other income recognized by the Company on the distribution of the Retained Assets (including, for this purpose, KNOE AM Radio) pursuant to Section 2.12 by at least \$4,050,000.

4.19 Labor Matters. There is not pending or, to the Knowledge of Sellers or the Company, threatened against the Company any labor dispute, strike or work stoppage that affects or interferes with the operation of the Business, and, to the Knowledge of Sellers or the Company, as of the date hereof there is no organizational effort currently being made or threatened by or on behalf of any labor union with respect to the Business Employees. The Business has not experienced any strike, work stoppage or other similar significant labor

difficulties. The Company has not agreed to recognize any union or other collective bargaining unit with respect to any of the Business Employees and no labor organization has been certified as representing any of the Business Employees.

4.20 Environmental Matters. Since January 1, 1985, (i) the Company is and has been in compliance, in all material respects, with all Environmental Laws and all Licenses issued thereunder to the Company ("Environmental Permits"), and (ii) the Company has not received any written communication or notice from any Person (including any Governmental Authority) that alleges that the Company is not in such compliance or has any liability under any Environmental Law or any such Environmental Permit. The Company has obtained all material Environmental Permits necessary for it to hold in connection with the operation of the Business or the occupation of the Real Property, in each case in the ordinary course, consistent with past practice. There are no Environmental Claims pending or, to the Knowledge of Sellers or the Company, threatened that name the Company as a party or relate to any Real Property currently owned or operated by the Company, and, to the Knowledge of Sellers or the Company, there are no pending or threatened Environmental Claims that relate to any real property formerly owned or operated by the Company. Since January 1, 2000, there have been no releases of any Hazardous Materials by the Company that forms the basis for any Environmental Claim against the Company. Since January 1, 2000, no Hazardous Materials have been generated, stored, handled, or transported on or from any Real Property while owned or operated by the Company in a manner that violated, in any material respect, any applicable Environmental Law, and, to the Knowledge of Sellers or the Company, no such Real Property is contaminated by any such substance. The Company does not own or operate any Real Property that contains any of the following: (a) underground storage tanks used currently or in the past for the management of Hazardous Materials, (b) wetlands or (c) PCBs or asbestos-containing materials. Sellers have furnished to Purchaser all reports, assessments, audits and other documents possessed by the Company that materially bear on environmental, health or safety matters of the Company.

4.21 Insurance. Schedule 4.21 sets forth all policies of insurance covering the Company, the Station or the Station Assets. All such policies are in full force and effect and all premiums due thereunder have been paid. The Company has not received written notice of cancellation of any such insurance policies. There have been no material claims by the Company within the past 24 months under any of such policies as to which coverage has been denied by the underwriters of such policies. Since January 1, 2005, the Company has not suffered any involuntary cancellation of any existing insurance policy relating the Business.

4.22 Affiliate Transactions. Neither Sellers nor any Affiliate of Sellers currently provides or causes to be provided any products or services used in the Business or is a party to any arrangement or Contract with the Company.

4.23 No Broker. Other than for the fees and disbursements payable to RBC Daniels, L.P., whose fees shall be paid by Sellers, no investment banker, broker, finder or other intermediary has been retained by or is authorized to act on behalf of Sellers or the Company who might be entitled to any fee or commission in connection with the transactions contemplated by this Agreement.

4.24 Cable Television Matters. Schedule 4.24 sets forth:

(i) a list of all multichannel video programming distributors, including cable systems, SMA TV, open video systems, MMDS, MDS and DBS systems (hereinafter “MVPDs”), that carry the Station’s signal;

(ii) a list of all MVPDs operating in the DMA to which the Station has provided a must-carry notice or retransmission consent notice in accordance with the provisions of the Communications Laws; and

(iii) a list of all retransmission consent agreements entered into by the Company with any MVPD with respect to the Station as of the date of this Agreement and the dates of maturity of such retransmission consent agreements.

(b) The Station’s signal is carried on substantially all of the cable systems serving the DMA pursuant to the retransmission consent agreements set forth in Schedule 4.24.

4.25 CBS Affiliation Agreement. The Company has complied in all material respects with the CBS Affiliation Agreement and neither the Company nor, to the Knowledge of Sellers or the Company, CBS, Inc. is in default under the CBS Affiliation Agreement.

4.26 Digital Build-Out and Operation. The Station is currently broadcasting in digital on Channel 7 in accordance with the parameters set forth in its digital license, FCC File No. BLCDT-20050125AKZ. The Station has elected and intends to use, and has received a tentative channel designation on, Channel 8, the Station’s present analog channel, for its permanent digital television (“DTV”) operations upon completion of the DTV transition. The technical parameters proposed by the FCC in the *Seventh Notice of Proposed Rulemaking*, FCC 06-150, MB Docket 87-268 (rel. Oct. 20, 2006) will enable the Station to operate DTV facilities that are identical to the facilities certified by the Station on FCC Form 381 and predicted to at least replicate the area and population of the Station’s 1997 Grade B contour as set forth in Appendix B to the *Memorandum Opinion and Order on Reconsideration of the Sixth Report and Order*, 13 FCC Rcd 7418 (1998) and the Station’s current Grade B contour. Schedule 4.26 sets forth the Company’s estimate, based on assumptions made by and conditions known to it on the date of this Agreement, of the costs to the Station to complete construction of its permanent DTV facilities on Channel 8.

4.27 Accounts Receivable. All Accounts Receivable as of the Balance Sheet Date: (i) are reflected and properly recorded on the books and records of the Company; (ii) represent sales actually made in the ordinary course of business consistent with the Company’s past practices for goods or services delivered or rendered in *bona fide* arm’s-length transactions; (iii) constitute only valid claims; (iv) to the Knowledge of Sellers or the Company, are not subject to any pending assertions of set-off, reduction, counterclaim or dispute; (v) are current and have not been extended or rolled over in order to make them current; and (vi) are represented by one or more invoices, each of which has been generated, and requires payment to be made, in the name of the Company in accordance with past practice and the terms of such Accounts Receivable (and in any event within six months following the Closing Date).

4.28 Records. The copies of the Company’s Organizational Documents that were provided to Purchaser are accurate and complete and reflect all amendments made through the