

## ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (this “Agreement”) is made and entered into as of May 16, 2018 (the “Effective Date”), by and among KBJR Television, Inc., a Minnesota corporation (“KBJR Television”) and KBJR License, LLC, a Missouri limited liability company (“KBJR Licenses,” and collectively with KBJR Television, “Buyer”), SagamoreHill of Duluth, LLC, a Delaware limited liability company (“Sagamore”) and SagamoreHill of Duluth Licenses, LLC, a Delaware limited liability company (“SH Licenses,” and collectively with Sagamore, “Seller”).

### WITNESSETH

**WHEREAS**, SH Licenses is the Federal Communications Commission (“FCC”) licensee of television station KDLH(TV), Duluth, Minnesota, FCC Facility ID 4691 (the “Station”) and Sagamore is the owner of other assets used or held for use in the operation of the Station;

**WHEREAS**, Seller and KBJR Television or its parent entity are parties to an Amended and Restated Shared Services Agreement dated as of July 27, 2015 (the “SSA”), a Joint Sales Agreement dated as of August 1, 2016 (“JSA”), and a Letter Agreement dated July 27, 2015 (the “Letter Agreement”), each as amended in accordance therewith from time to time; and

**WHEREAS**, subject to the terms and conditions set forth herein, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, the FCC licenses and other tangible and intangible assets and properties used or held for use in the business and operation of the Station;

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

**1. Sale of Assets.** Subject to the provisions of this Agreement, Seller agrees to convey, transfer, assign and deliver to Buyer, and Buyer agrees to acquire and accept from Seller, all of the assets, properties and rights of every nature, kind and description, whether tangible or intangible, real, personal or mixed, accrued or contingent (including goodwill), wherever located and whether now-existing or hereafter acquired prior to the Closing Date (as defined in Section 2(a) below), related to, used or held for use by Seller in connection with the Station, as described below (and collectively referred to as the “Station Assets”), but not the Excluded Assets (as defined in Section 2(b)(ii)) and subject to the prior consent of the FCC (the consummation of which purchase is hereinafter referred to as the “Closing”):

(a) All of the licenses, construction permits and other authorizations issued to SH Licenses by the FCC for the operation of the Station, including any renewals, extensions or modifications thereof and additions thereto between the Effective Date and the Closing Date (collectively, the “FCC Licenses”);

(b) All other assignable licenses, permits, construction permits, approvals, concessions, franchises, certificates, consents, qualifications, registrations, privileges and other authorizations and other rights, from any governmental authority to Seller used in connection with the Station, including any renewals, extensions or modifications thereof and additions thereto between the Effective Date and the Closing Date (collectively, the “Permits”);

(c) All of the tangible personal property owned by Seller as of the Effective Date or thereafter acquired by Seller and used or held for use in the operation of the Station;

(d) All of the intangible personal property, including but not limited to the Station's call sign, owned by Seller relating to or used in connection with the operation of the Station as of the Effective Date or thereafter acquired by Seller and used or held for use in the operation of the Station (collectively, the "Intangible Property");

(e) All of the contracts, leases and other agreements relating to the ownership and operation of the Station, specifically including, but not limited to, any network affiliation agreements and syndicated programming agreements (collectively, the "Station Contracts");

(f) All credits, cash reserves, prepaid expenses, advance payments, security deposits, escrows and other prepaid items of Seller arising from or related to the Station, excluding refunds of such amounts attributable to periods prior to the Closing;

(g) Subject to Schedule 2(a), all receivables (including accounts receivable, loans receivable and advances) arising from or related to the Station;

(h) All books, records, ledgers, files, literature, or other similar information of the Seller that relate primarily to the Station (in any form or medium), including all logs, programming information and studies, proprietary information, schematics, technical information and engineering data, news and advertising studies or consulting reports and sales correspondence, client lists, vendor lists, correspondence, mailing lists, revenue records, invoices, advertising materials, brochures, records of operation, standard forms of documents, manuals of operations or business procedures, photographs, research files and materials, data books, the FCC required logs, files, and records, including the Station's complete public inspection files (but excluding the organization documents, minute and stock record books and corporate seals of the Seller); and

(i) All goodwill and going concern value and other intangible assets, if any, arising from or related to the Station.

## **2. Purchase Price and Contemplated Transactions.**

(a) **Purchase Price.** The purchase price for the Station Assets shall be Seven Hundred Ninety-Two Thousand Five Hundred Seventy-Seven Dollars (\$792,577) (the "Purchase Price"). The Purchase Price shall be subject to adjustment as set forth in Schedule 2(a) attached hereto. At the Closing, and pursuant to the terms and subject to the conditions set forth in this Agreement, Buyer shall pay to Seller the Purchase Price by federal wire transfer of same-day funds pursuant to wire instructions delivered to Buyer by Seller on the date on which such Closing is to occur (the "Closing Date") (or such other method of funds transfer as may be agreed upon by Buyer and Seller).

### **(b) Purchase of Station Assets.**

(i) **Transfer of Station Assets.** Seller shall, at the Closing, sell, assign, transfer, convey and deliver to Buyer all right, title and interest of Seller in and to the

Station Assets free and clear of liens, claims and encumbrances (“Liens”), except for Assumed Obligations (defined below), liens for taxes not yet due and payable and any other liens expressly identified and agreed to by the parties in writing (collectively, “Permitted Liens”).

(ii) **Excluded Assets.** Notwithstanding anything to the contrary contained herein, the Station Assets shall not include the following assets or any rights, title and interest therein (the “Excluded Assets”): (A) all cash and cash equivalents of Seller, including without limitation certificates of deposit, commercial paper, treasury bills, marketable securities, money market accounts and all such similar accounts or investments; (B) Seller’s corporate names, charter documents and books and records relating to the organization, existence or ownership of Seller, duplicate copies of the records of the Station, and all records not relating to the operation of the Station; (C) all contracts of insurance, all coverages and proceeds thereunder and all rights in connection therewith, including without limitation rights arising from any refunds due with respect to insurance premium payments to the extent related to such insurance policies; (D) all pension, profit sharing plans and trusts and the assets thereof and any other employee benefit plan or arrangement and the assets thereof, if any, maintained by Seller; (E) all rights and claims of Seller against third parties with respect to the Station and the Station Assets, to the extent arising during or attributable to any period prior to the Closing; and (F) all assets used or held for use in the operation of any other station owned or operated by affiliates of Seller. The Excluded Assets shall remain the property of Seller. For the avoidance of doubt, the Station’s network affiliation agreement(s) with the CW or the CW Plus or any other network shall not be included within the Excluded Assets.

(iii) **Assumption of Obligations.** In connection with the purchase and sale of the Station Assets, at the Closing, Buyer shall assume and undertake to pay, discharge and perform the following obligations of Seller related to the Station (the “Assumed Obligations”):

(A) all liabilities of the Seller as holder of the Permits and the FCC Licenses to be performed on or after, or in respect of periods following, the Closing Date, including all obligations to make all required FCC filings with respect thereto;

(B) all liabilities of the Seller under the Station Contracts to be performed on or after, or in respect of periods following, the Closing Date; and

(C) all liabilities of the Seller as owner of the Intangible Property to be performed on or after, or in respect of periods following, the Closing Date.

(iv) **Excluded Obligations.** Except for the Assumed Obligations or as set forth this Agreement (including without limitation in Sections 2(b)(vi) or 12), and except as provided in the SSA, JSA and Letter Agreement, Buyer shall not assume or be obligated to pay, perform or otherwise discharge, and will not be deemed by reason of the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby, to have assumed or to have agreed to pay, perform or otherwise discharge (and Seller shall retain, pay, perform or otherwise discharge without recourse to Buyer): any liabilities, obligations or commitments of Seller or the Station of any kind, character or description whatsoever, whether direct or indirect,

known or unknown, absolute or contingent, matured or unmatured, and currently existing or hereinafter arising (the “Excluded Liabilities”).

(v) **Allocation.** Buyer and Seller will allocate the Purchase Price in accordance with the respective fair market values of the Station Assets and the goodwill being purchased and sold in accordance with the requirements of Section 1060 of the Internal Revenue Code of 1986, as amended. The allocation shall be determined by mutual agreement of the parties. Buyer and Seller agree to file their federal income tax returns and their other tax returns reflecting such allocation and to use such allocation for accounting and financial reporting purposes.

(vi) **Transfer Taxes.** Buyer shall pay, when due, all sales and other taxes imposed upon the assignment, conveyance, delivery, sale and transfer of the Station Assets pursuant to this Agreement or otherwise relating to the transactions contemplated by this Agreement, except any tax payable on the income of Seller.

(c) **Closing.** The Closing shall take place no later than ten (10) business days after the satisfaction or, to the extent permissible by law, the waiver (by the party for whose benefit the closing condition is imposed) of, the conditions specified in Sections 7 and 8. Alternatively, the Closing may take place at such other place, time or date as the parties may mutually agree upon in writing.

(d) **Termination of Certain Other Agreements.** At and as of the Closing, the SSA, the JSA, and the Letter Agreement shall automatically terminate.

**3. Representations and Warranties of Seller.** Seller represents and warrants to Buyer as follows; provided, however, that Seller does not make any representation or warranty as to any action, event, occurrence or circumstance that was or shall be caused by Buyer or that arose, or shall arise from any act or omission by Buyer to perform its obligations under the SSA or JSA:

(a) Seller is a limited liability company duly formed, validly existing and in good standing under the laws of the State of Delaware.

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

(c) Seller has good and marketable title to the Station Assets free and clear of all liens other than Permitted Liens and Liens that will be discharged at or prior to the Closing.

(d) SH Licenses is the holder of the FCC Licenses and such FCC Licenses are valid and in full force and effect. The Station is being operated in all material respects in accordance with the FCC Licenses and in compliance in all material respects with the Communications Act of 1934, as amended (the “Communications Act”) and the rules and

published policies of the FCC (“FCC Rules”). Seller has filed all material reports that Seller is required to file with the FCC with respect to the Station.

(e) To Seller’s knowledge, there is no action, suit or proceeding pending or threatened in writing against Seller seeking to enjoin the transactions contemplated by this Agreement. To Seller’s knowledge, there are no governmental claims or investigations pending or threatened against Seller in respect of the Station (except those affecting the broadcasting industry generally).

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

(g) Seller owns, free and clear of any and all Liens other than Permitted Liens and Liens that will be discharged at or prior to the Closing, all Intangible Property, except for Intangible Property that is licensed to Seller by a third party licensor pursuant to a written license agreement that remains in effect.

(h) Neither Seller nor, to Seller’s knowledge, any other party, is in material breach or default under any Station Contract. Each Station Contract is in full force and effect and constitutes a legal, valid, and binding obligation of Seller and, to Seller’s knowledge, of each other party thereto (except to the extent that the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or other applicable laws from time to time in effect relating to creditors’ rights and remedies generally and general principles of equity).

(i) Seller is in compliance in all material respects with all laws which are applicable to the Station Assets, the Station or the Assumed Obligations.

(j) Seller has timely filed or caused to be timely filed all Tax returns which are required to be filed by it or has properly filed for extension of time with respect thereto, and all Taxes owed by Seller (whether or not shown or required to be shown on any Tax return) which have become due and payable have been paid.

**4. Representations and Warranties of Buyer.** Buyer represents and warrants to Seller as follows:

(a) KBJR License is a limited liability company duly formed, validly existing and in good standing under the laws of the State of Missouri. KBJR Television is a corporation duly formed, validly existing and in good standing under the laws of the State of Minnesota.

(b) Buyer has the power and authority and full legal capacity to enter into and to perform its obligations under this Agreement.

(c) The execution, delivery and performance of this Agreement by Buyer has been duly authorized and this Agreement constitutes a valid and binding obligation of Buyer enforceable against it in accordance with its terms, except as may be limited by bankruptcy,

insolvency or other similar laws affecting creditors' rights in general and subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

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

(e) To Buyer's knowledge, there is no action, suit or proceeding pending or threatened in writing against Buyer seeking to enjoin the transactions contemplated by this Agreement.

(f) As of the Effective Date and at the Closing, Buyer is and shall be legally, financially and otherwise qualified to be the licensee of, acquire, own and operate the Station under the Communications Act and the rules, regulations and policies of the FCC, and no waiver of or exemption from any FCC rule or policy shall be necessary for the FCC Consent (defined below) to be obtained except for the Waiver Request (defined below). There are no facts related to Buyer that would, under existing law and the existing rules, regulations, policies and procedures of the FCC, disqualify Buyer as an assignee of the FCC Licenses or as the owner and operator of the Station. There are no matters related to Buyer which might reasonably be expected to result in the FCC's denial or delay of approval of the FCC Applications (defined below).

**5. Covenants of Seller.** From the Effective Date until the Closing, and subject to the SSA and the JSA and the performance by Buyer (or its affiliate) of its obligations thereunder, Seller covenants to:

(a) Maintain adequate insurance on the Station Assets and with respect to the operation of the Station;

(b) Operate the Station in all material respects in accordance with the terms of the FCC Licenses, the Communications Act and FCC Rules and all other applicable statutes, ordinances, rules and regulations of governmental authorities;

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

(d) File all material reports that Seller is required to file with the FCC with respect to the Station;

(e) Other than with respect to the loan(s) from CB&T, a division of Synovus Bank, in effect as of the Effective Date or as may be amended, modified or replaced from time to time, not mortgage, pledge, subject to any Lien or otherwise encumber (or cause any of the foregoing to occur) any of the Station Assets except for Permitted Liens and Liens that will be discharged at or prior to the Closing;

(f) Not sell, lease or otherwise dispose of any of the Station Assets in a manner that is inconsistent with this Agreement, except for properties and assets sold or replaced with others of substantially like kind and value in the ordinary course of business consistent with past practices;

(g) Use commercially reasonable efforts to maintain the Station's multi-channel video programming distributor ("MVPD") carriage in the Station's Designated Market Area (as determined by The Nielsen Company) ("DMA") in all material respects; and

(h) Not take, or fail to take, any action or that would cause, or would be reasonably likely to cause, any representation or warranty made by Seller in this Agreement to be untrue or inaccurate in any material respect at or prior to the Closing Date.

**6. Covenants with Respect to Station Employees.** The parties covenant and agree that, at the Closing, the following actions shall be taken with respect to employees of Seller who work for the Station as of the date immediately prior to the Closing Date (each a "Station Employee" and, collectively, the "Station Employees"):

(a) Seller shall, prior to or simultaneously with the Closing, but not earlier than the day prior to the Closing Date, terminate all Station Employees and shall be responsible for all obligations or liabilities relating to the Station Employees arising prior to their termination by Seller, including, but not limited to compensation, severance and accrued vacation and sick days. As of the Closing Date, Buyer may hire any of the Station Employees on such terms and conditions satisfactory to Buyer in its sole and absolute discretion.

(b) In accordance with applicable law, Seller shall, upon the Buyer's request, transfer to Buyer that distinct and severable portion of any unemployment insurance account that relates solely to those Station Employees whom Buyer decides, in the exercise of its discretion, to hire as of the Closing Date.

(c) Seller shall be solely responsible for and shall pay all salaries and all other compensation (including, but not limited to, any deferred or incentive compensation and any severance pay) relating to any Station Employees for services rendered by such Station Employee prior to the Closing Date.

(d) Any Station Employees hired by Buyer shall enter into a new employment relationship with Buyer subject to terms and conditions established by Buyer, and Buyer shall have no liabilities of any kind in connection with any such employees arising from their employment by Seller.

(e) Buyer does not assume any obligations or liability under any collective bargaining agreement currently in existence or which may come into existence prior to the Closing.

(f) In connection with Seller's obligation to terminate the Station Employees as set forth in Section 6(a) above, any notification required by any federal, state, or local law governing mass layoffs or terminations, including without limitation the federal Worker

Adjustment and Retraining Notification Act of 1988, shall be given by Seller. Compliance with such laws shall be solely Seller's responsibility and liability. Seller shall indemnify, defend, and hold Buyer harmless from and against all liabilities, claims, and causes of action (including, without limitation, reasonable attorney fees and other legal costs and expenses) arising out of the violation, or alleged violation, of any such laws.

**7. Seller Closing Conditions.** The obligations of Seller hereunder to consummate the Closing are subject to satisfaction or waiver, at or prior to the Closing, of each of the following conditions:

(a) **Representations, Warranties and Covenants.** The representations and warranties of Buyer made in this Agreement shall be true and correct in all material respects at and as of the Closing Date except for changes permitted or contemplated by the terms of this Agreement, and the covenants and agreements to be complied with and performed by Buyer at or prior to the Closing shall have been complied with or performed in all material respects. Seller shall have received a certificate dated as of the Closing Date from Buyer, executed by an authorized officer of Buyer, to the effect that the conditions set forth in this Section 7(a) have been satisfied.

(b) **FCC Consent.** The FCC Consent (as defined in Section 23 below) shall have been obtained and be in effect and no court or governmental order prohibiting the Closing shall be in effect.

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

(d) **Receipt of Closing Deliveries.** Seller shall have received the deliverables set forth in Section 9(b).

**8. Buyer Closing Conditions.** The obligations of Buyer hereunder to consummate the Closing are subject to satisfaction or waiver, at or prior to the Closing, of each of the following conditions:

(a) **Representations, Warranties and Covenants.** The representations and warranties of Seller made in this Agreement shall be true and correct in all material respects at and as of the Closing Date except for changes permitted or contemplated by the terms of this Agreement, and the covenants and agreements to be complied with and performed by Seller at or prior to the Closing shall have been complied with or performed in all material respects. Buyer shall have received a certificate dated as of the Closing Date from Seller, executed by an authorized officer or manager of Seller to the effect that the conditions set forth in this Section 8(a) have been satisfied. Notwithstanding anything in this Agreement to the contrary, Seller shall not be deemed to have breached any of its representations or warranties or failed to comply with any of its covenants or agreements contained in this Agreement to the extent such breach or failure results from Buyer's (or its affiliates') performance of its obligations under the JSA, SSA or Letter Agreement.



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

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

(d) **Receipt of Closing Deliveries.** Buyer shall have received the deliverables set forth in Section 9(a).

(e) **Required Consents.** Consents of any applicable network to the assignment of the Station's network affiliation agreement(s) to Buyer (consents to assignment of any other Station Contracts to Buyer shall not be conditions to the Closing).

## **9. Closing Deliveries.**

(a) **Seller Documents.** Subject to the terms and conditions of this Agreement, at the Closing Seller shall deliver or cause to be delivered to Buyer:

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

(ii) the certificate described in Section 8(a);

(iii) executed counterparts of the Assignment and Assumption Agreement in the form attached hereto as Exhibit A;

(iv) executed counterparts of the Assignment and Assumption Agreement FCC Licenses in the form attached hereto as Exhibit B (and Attachment A thereto);

(v) executed counterparts of the Assignment and Assumption Agreement Intangible Property in the form attached hereto as Exhibit C (and Attachment A thereto);

(vi) executed Bill of Sale in the form attached hereto as Exhibit D;

(vii) delivery of any third-party consents obtained by Seller with respect to assignment of the Station Contracts to Buyer;

(viii) copies of any payoff letters and lien releases with respect to the Station Assets; and

(ix) such other bills of sale, assignments and other instruments of conveyance, assignment and transfer as may be necessary to convey, transfer and assign to Buyer the Station Assets, free and clear of Liens, except for Permitted Liens.

(b) **Buyer Documents.** Subject to the terms and conditions of this Agreement, at the Closing Buyer shall deliver or cause to be delivered to Seller:

(i) the certificate described in Section 7(a);

(ii) the Purchase Price;

(iii) executed counterparts of the Assignment and Assumption Agreement in the form attached hereto as Exhibit A;

(iv) executed counterparts of the Assignment and Assumption Agreement FCC Licenses in the form attached hereto as Exhibit B (and Attachment A thereto);

(v) executed counterparts of the Assignment and Assumption Agreement Intangible Property in the form attached hereto as Exhibit C (and Attachment A thereto);

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

(vii) such other documents and instruments of assumption as may be necessary to assume the Assumed Obligations.

## **10. Survival; Indemnification.**

(a) **Survival.** The representations and warranties in this Agreement shall survive the Closing for twelve (12) months after the Closing Date; provided, however, that:

(i) the representations and warranties set forth in Sections 3(a) and 4(a) relating to organization and existence, Sections 3(b) and 4(b) and (c) relating to authority, Section 3(c) relating to title to the Station Assets and Sections 3(f) and 4(d) relating to broker's fees and finder's fees (such Sections are collectively referred to herein as the "Fundamental Representations"), and any representation in the case of fraud, intentional misrepresentation or intentional breach, shall survive indefinitely; and

(ii) the representations and warranties set forth in Section 3(j) relating to taxes shall survive until the expiration of the applicable statute of limitations with respect to the tax liabilities in question (giving effect to any waiver, mitigation or extension thereof).

Neither Buyer nor Seller shall have any liability whatsoever with respect to any such

representations and warranties unless notice of a claim is given to the other party prior to the expiration of the survival period for such representation and warranty, in which case such representation and warranty shall survive as to such claim until such claim has been finally resolved, without the requirement of commencing any action or order to extend such survival period or preserve such claim. The covenants and obligations under this Agreement shall survive until performed.

**(b) Indemnification.**

(i) From and after the Closing, Seller shall defend, indemnify and hold harmless Buyer from and against any and all losses, costs, damages, claims, suits, actions, judgments, liabilities and expenses, including reasonable attorneys' fees and expenses ("Damages"), incurred by Buyer arising out of or resulting from (A) any material inaccuracy in or breach of any of the representations or warranties made by Seller in this Agreement, (B) any material default by Seller under this Agreement, or (C) the Excluded Liabilities. Notwithstanding anything in this Agreement to the contrary, Seller shall not be deemed to have breached any of its representations or warranties or failed to comply with any of its covenants or agreements contained in this Agreement to the extent such breach or failure results from Buyer's (or its affiliates') performance of its obligations under the JSA, SSA or Letter Agreement.

(ii) From and after the Closing, Buyer shall defend, indemnify and hold harmless Seller from and against any and all Damages incurred by Seller arising out of or resulting from (A) any material inaccuracy in or breach of any of the representations or warranties made by Buyer in this Agreement, (B) any material default by Buyer under this Agreement, or (C) the Assumed Obligations.

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

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

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

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

(vii) It is the intent of the parties that all direct claims by an Indemnified Party against a party not arising out of Third Party Claims shall be subject to and benefit from the terms of this Section 10(b). Any claim under this Section 10(b) by an Indemnified Party for indemnification other than indemnification against a Third Party Claim (a "Direct Claim") will be

asserted by giving the Indemnifying Party reasonably prompt written notice thereof, and the Indemnifying Party shall have a period of 20 days within which to satisfy such Direct Claim. If the Indemnifying Party does not so respond within such 20 day period, the Indemnifying Party shall be deemed to have rejected such claim, in which event the Indemnified Party shall be free to pursue such remedies as may be available to the Indemnified Party under this Section 10(b).

(viii) A failure by an Indemnified Party to give timely, complete, or accurate notice as provided in this Section 10(b) shall not affect the rights or obligations of either party hereunder except to the extent that, as a result of such failure, any party entitled to receive such notice was deprived of its right to recover any payment under its applicable insurance coverage or was otherwise materially adversely affected or damaged as a result of such failure to give timely, complete, and accurate notice.

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

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

(d) Notwithstanding anything to the contrary contained in this Agreement, the maximum aggregate amount of indemnifiable Damages which may be recovered from an Indemnifying Party arising out of or relating to the causes set forth in Section 10(b)(i)(A) or Section 10(b)(ii)(A), as the case may be, shall be an amount equal to the sum of Fifty Thousand Dollars (\$50,000), provided, that the foregoing shall not apply to Damages arising out of or relating to the inaccuracy or breach of any Fundamental Representation or to any representation or warranty in the event of fraud, willful misconduct or intentional misrepresentation or to any obligation under Schedule 2(a).

(e) The parties agree to treat any indemnification payment made pursuant to this Section 10 as an adjustment to the Purchase Price for all income tax purposes.

**11. Specific Performance.** Seller and Buyer acknowledge and agree that, due to the unique nature of the subject matter of this Agreement, Buyer would suffer irreparable damages in the event of breach of this Agreement, which damages could not adequately be compensated except by specific performance of this Agreement. Accordingly, without limiting any other remedy that may be available to Buyer at law or equity, in the event of a breach by Seller of this Agreement, it is agreed that Buyer shall be entitled to temporary and permanent injunctive relief,

including, but not limited to, specific performance hereof, without any showing of actual damage or inadequacy of legal remedy, in any proceeding before a court of law with proper jurisdiction to hear the matter, which may be brought to enforce this Agreement. Seller hereby waives any defense that there is an adequate remedy at law for such breach of this Agreement.

**12. Expenses.** Buyer agrees to reimburse Seller, within fifteen (15) days of invoicing that includes reasonable documentation, for its reasonable and customary fees, costs and out-of-pocket expenses, including filing fees and reasonable and customary attorneys' fees, which are incurred in connection with the performance of its covenants and obligations hereunder; provided, however, that, for the avoidance of doubt, Buyer shall have no reimbursement obligation with respect to claims, actions or proceedings brought by or on behalf of Seller against Buyer.

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

**14. Amendment and Modification.** This Agreement may be amended, modified or supplemented only by written agreement of Seller and Buyer.

**15. Waiver of Compliance; Consents.** Except as otherwise provided in this Agreement, any failure of any of the parties to comply with any obligation, representation, warranty, covenant, agreement or condition herein may be waived by the party entitled to the benefits thereof only by a written instrument signed by the party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, representation, warranty, covenant, agreement or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure. Whenever this Agreement requires or permits consent by or on behalf of any party hereto, such consent shall be given in writing in a manner consistent with the requirements for a waiver of compliance as set forth in this Section 15.

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

**17. Assignment.** This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted

assigns, and, except as provided for herein, neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by Seller or Buyer without the prior written consent of the other party, which consent shall not be unreasonably withheld, delayed or conditioned. No assignment shall relieve a party of any obligations or liability under this Agreement.

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

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

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

**21. Publicity.** Neither Seller nor Buyer shall make or issue or cause to be made or issued, any announcement (written or oral) concerning this Agreement or the transactions contemplated hereby for dissemination to the general public without the prior consent of the other party. This provision shall not apply, however, to any announcement or written statement required to be made by law or the regulations of any federal or state governmental agency or any stock exchange, except that the party required to make such announcement shall provide a draft copy thereof to the other party hereto, and consult with such other party concerning the timing and content of such announcement, before such announcement is made.

**22. Public Inspection File; Confidentiality.** To the extent required by the Communications Act or the FCC Rules, each party shall place a copy of this Agreement in its public inspection file and/or file this Agreement with the FCC and shall consult with and agree upon the confidential and proprietary information herein that shall be redacted from such copy. Subject to the requirements of applicable law, all non-public information regarding the parties and their business and properties that is disclosed in connection with the negotiation, preparation or performance of this Agreement (including without limitation all financial information) shall be confidential and shall not be disclosed to any other person or entity, except the parties' representatives and lenders for the purpose of consummating the transaction contemplated by this Agreement. The foregoing confidentiality obligation shall survive any termination of this Agreement.

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

(b) As soon as reasonably practicable, but in no event later than seven (7) business days after the Effective Date, the parties shall file an application (the “Consent Application”) with the FCC requesting the FCC’s written consent to the assignment of the FCC Licenses from SH Licenses to KBJR License, including, as applicable, any waiver of such FCC Rules as Buyer may deem appropriate or desirable (a “Waiver Request”). In addition, in connection with foregoing, each party hereto covenants and agrees to (u) prepare, file and prosecute any reasonably required alternative application, petition, motion, request (including any Waiver Request) or other filing (including, upon the request of Buyer, any motion for leave to withdraw or dismiss any Consent Application or other reasonably required filing made by the parties in connection with the transactions contemplated by this Agreement) (collectively, the “Additional Applications” and, together with the Consent Application, the “FCC Applications”); (v) file any reasonably requested amendment or modification to the FCC Applications; (w) provide to the other party any information, documents or other materials reasonably requested in connection with the preparation of any such FCC Applications, including without limitation any Waiver Request; (x) prosecute the FCC Applications with commercially reasonable diligence and otherwise use its commercially reasonable efforts to obtain a grant of the FCC Applications; (y) otherwise take any other action with respect to the FCC Applications as may be reasonably necessary or reasonably requested by either party in connection with the transactions contemplated hereby; and (z) cooperate in good faith with the other party with respect to the foregoing covenants, all as may be reasonably necessary or appropriate or advisable in order to consummate the transactions contemplated hereby. Each party shall promptly provide the other with a copy of any pleading, order or other document served on it relating to the FCC Applications, shall furnish all information required by the FCC and shall be represented at all meetings or hearings scheduled to consider the FCC Applications. The FCC’s written consent to the assignment of the FCC Licenses contemplated hereby is referred to herein as the “FCC Consent.” The parties each agree to comply with any condition imposed on them by the FCC Consent, except that no party shall be required to comply with a condition if such condition requires such party to divest any of its direct or indirect assets. The parties shall oppose any petitions to deny or other objections filed with respect to the FCC Applications and any requests for reconsideration or review of the FCC Consent.

**24. FCC Compliance.** If after Closing the FCC Consent is reversed or otherwise set aside, and there is a Final Order of the FCC (or court of competent jurisdiction) requiring the re-assignment of the FCC Licenses to Seller, then the purchase and sale of the Station Assets shall be rescinded. In such event, Buyer shall reconvey to Seller the Station Assets free and clear of Liens other than Permitted Liens, and Seller shall repay to Buyer the Purchase Price and reassume the Station Contracts. Any such rescission shall be consummated on a mutually agreeable date within thirty days of such Final Order (or, if earlier, within the time required by such order). In connection therewith, Buyer and Seller shall each execute such documents (including execution by Buyer of instruments of conveyance of the Station Assets to Seller and execution by Seller of instruments of assumption of the Station Contracts) and make such payments (including repayment by Seller to Buyer of the Purchase Price) as are necessary to give effect to such rescission.

**25. No Partnership or Joint Venture.** This Agreement, either separately or together with the SSA, JSA, and Letter Agreement, is not intended to be, and shall not be construed as, an agreement to form a partnership or joint venture between the parties. Except as



specifically provided in this Agreement, or as otherwise agreed to in writing by the parties, no party shall be authorized to act as an agent of or otherwise to represent any other party hereto.

**26. Counterparts.** This Agreement may be executed in one (1) or more counterparts each of which shall be deemed to be an original, but all of which together shall constitute one (1) and the same instrument. Any such counterpart signature page may be delivered by electronic means, including by facsimile or email in PDF or other image form, and shall become binding on the delivering party upon receipt by the other party.


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

**28. Entire Agreement.** This Agreement, including the documents delivered pursuant to this Agreement, embodies the entire agreement and understanding of the parties hereto in respect of the transactions contemplated by this Agreement. The Schedule(s) and Exhibit(s) hereto are an integral part of this Agreement and are incorporated by reference herein. This Agreement supersedes all prior negotiations, agreements and understandings between the parties with respect to the transactions contemplated by this Agreement and all letters of intent and other writings executed prior to the date hereof relating to such negotiations, agreements and understandings. No party makes any representation or warranty to the other with respect to the transactions contemplated by this Agreement except as expressly set forth in this Agreement.

[SIGNATURE PAGE FOLLOWS]

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

**BUYER:**  
**KBJR TELEVISION, INC.**  
**KBJR LICENSE, LLC**

By:   
Ralph M. Oakley  
President

**SELLER:**  
**SAGAMOREHILL OF DULUTH, LLC**  
**SAGAMOREHILL OF DULUTH**  
**LICENSES, LLC**

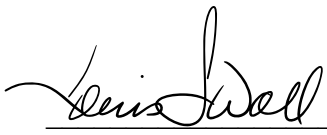
By: \_\_\_\_\_  
Louis Wall  
President

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

**BUYER:**  
**KBJR TELEVISION, INC.**  
**KBJR LICENSE, LLC**

By: \_\_\_\_\_  
Ralph M. Oakley  
President

**SELLER:**  
**SAGAMOREHILL OF DULUTH, LLC**  
**SAGAMOREHILL OF DULUTH**  
**LICENSES, LLC**

By:  \_\_\_\_\_  
Louis Wall  
President

## **Schedule 2(a)**

### **Purchase Price Adjustment**

#### **1. Working Capital Adjustment; Procedures**

At the Closing, the Purchase Price shall be adjusted by an amount equal to the Initial Working Capital Amount (as defined below). To the extent the calculation of such amount results in a negative number the Purchase Price shall be increased. To the extent the calculation of such amount results in a positive number the Purchase Price shall be decreased.

“Initial Working Capital Amount” as used herein means an amount equal to the net amount of Seller’s Current Assets (as defined below) less Seller’s current liabilities as of the Measurement Date. For purposes of the preceding sentence, “Current Assets” means cash and all rights to receive cash in its broadest sense whether by receivable, reimbursement or other right. Notwithstanding the foregoing, the Indebtedness at Closing and liability for Management Fees (as each is defined below) shall be excluded from the calculation of Initial Working Capital Amount.

At least three (3) days prior to Closing (the “Measurement Date”), Seller shall provide Buyer with a worksheet prepared in good faith, which shall be reasonably acceptable to Buyer and shall include a calculation of the Purchase Price at Closing and all items necessary to support the calculation of the Initial Working Capital Amount.

Subject to the terms of this Agreement, Buyer shall collect all cash payments received after Closing. To the extent there are any increases in Seller’s Current Assets after the Closing, such amounts shall be paid to Buyer. To the extent there are any increases in current liabilities or other liabilities (not already accrued) that are discovered after the Closing, Seller may notify Buyer of such amounts and Buyer shall pay to Seller sufficient cash to cover such liabilities.

If after the Closing any assets are discovered or any liabilities arise in connection with the operation of the Station by the Seller, the amount of assets shall be paid by Seller to the Buyer. Any bona fide liabilities of the Station shall be assumed by the Buyer. This paragraph shall not be applicable to Section 10(d) of the Agreement.

#### **2. Purchase Price Elements and Other Adjustment**

For the avoidance of doubt, the Purchase Price as set forth in Section 2(a) of the Agreement includes the following elements:

- i. All amounts owed by Seller to CB&T, a division of Synovus Bank, as of the Closing Date, plus all amounts owed by Seller pursuant to the SSA and JSA as of the Closing Date (collectively, the “Indebtedness at Closing”); and
- ii. The amount of management fees due and owing to Louis Wall through December 31, 2018 pursuant to the Management Services Agreement dated as of July 27, 2015 (“Management Services Agreement”) *plus* \$1,000 per month through the later of (i)

each month (or portion thereof) between the Closing Date and December 31, 2018 or (ii) the date three (3) months after the Closing Date (together, "Management Fees"). The \$1,000 per month portion of the Management Fees described in the previous sentence shall be paid to Lisa Brown.

The Indebtedness at Closing as estimated in good faith by the parties, based upon review of complete, correct, and current financial statements and based upon an August 1, 2018 Closing is \$805,641.00. However, because the Closing Date cannot be definitively known until the FCC Consent has been obtained, the parties acknowledge that the Indebtedness at Closing is, as of the date hereof, not capable of being reliably calculated. Accordingly, the Purchase Price shall be adjusted as of the Closing Date to properly reflect the actual Indebtedness at Closing.

As of the date hereof, the amount of Management Fees due and owing to Louis Wall through December 31, 2018, is \$136,250.00.

### **3. Effect of Purchase Price Adjustment**

Any upward or downward adjustment of the Purchase Price as set forth in this Schedule 2(a) shall be reflected in the allocations made pursuant to Section 2(b)(v) of the Agreement to the extent permitted by applicable law.

### **4. Incorporation**

The terms of this Schedule 2(a) are hereby incorporated by reference into the Agreement.

## Exhibit A -- Form of Assignment Agreement

### ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (this “Agreement”) is made as of \_\_\_\_\_ by and among SagamoreHill of Duluth, LLC, a Delaware limited liability company (“Assignor”), and KBJR Television, Inc., a Minnesota corporation (“Assignee”).

#### WITNESSETH:

WHEREAS, Assignor, an affiliate of Assignor, Assignee, and an affiliate of Assignee are parties to that certain Asset Purchase Agreement, dated as of \_\_\_\_\_, as amended from time to time (the “Purchase Agreement”); and

WHEREAS, Assignor desires to assign to Assignee all of Assignor’s right, title and interest in, to and under the Station Contracts, and Assignee is willing to accept assignment of such rights and assume such duties and obligations arising under or in connection with the Station Contracts, in each case pursuant to the terms and subject to the conditions of the Purchase Agreement and this Agreement (including Section 6 hereof).

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, Assignor and Assignee, intending to be legally bound, hereby agree as follows:

1. **Defined Terms; Interpretation.** Except as otherwise set forth herein, capitalized terms used herein have the meanings assigned to them in the Purchase Agreement.
2. **Assignment and Assumption.** Pursuant to the terms and subject to the conditions of the Purchase Agreement and effective as of the date hereof, (a) Assignor hereby conveys, assigns, and transfers to Assignee, its successors and assigns, all of Assignor’s right, title and interest in, to and under the Station Contracts, free and clear of any and all Liens (except Permitted Liens), and delegates to Assignee all of its duties and obligations to be performed, or arising on or after the date hereof in connection with or under the Station Contracts, and (b) Assignee hereby accepts the above assignment of rights and delegation of duties and obligations and agrees to be bound by and to assume such duties and obligations arising under or in connection with the Station Contracts to be performed or arising on or after the date hereof.
3. **Further Assurances.** Each party to this Agreement agrees to execute, acknowledge, deliver, file and record, and to cause to be executed, acknowledged, delivered, filed and recorded, such further certificates, instruments, and documents and to do, and cause to be done, all such other acts and things, as may be required by law, or as may, in the reasonable opinion of the other party hereto, be necessary or advisable to carry out the purposes of this Agreement.

4. **Binding Effect; Amendments.** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns. No modification, amendment or waiver of any provision of, or consent or approval required by, this Agreement, nor any consent to or approval of any departure herefrom, shall be effective unless it is in writing and signed by the party against whom enforcement of any such modification, amendment, waiver, consent or approval is sought.
5. **Governing Law.** The construction and performance of this Agreement shall be governed by the laws of the State of Delaware without giving effect to the choice of law provisions thereof.
6. **Purchase Agreement Controlling.** Notwithstanding any other provisions of this Agreement to the contrary, nothing contained herein shall in any way supersede, modify, replace, amend, change, rescind, waive, exceed, expand, enlarge or in any way affect the provisions, including warranties, covenants, agreements, conditions, representations or, in general, any of the rights and remedies, or any of the obligations, of Assignor or Assignee set forth in the Purchase Agreement. This Agreement is subject to and controlled by the terms of the Purchase Agreement.
7. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The delivery of an executed counterpart of this Agreement by facsimile or electronic transmission in PDF form will be deemed to be an original counterpart of this Agreement.
8. **Equitable Assignment.** To the extent that any Station Contract may not be assigned without the consent of any third party, and such consent is not obtained prior to the date hereof, this Agreement shall not constitute an assignment of such Station Contract; provided, however, with respect to each such Station Contract, Assignor and Assignee shall cooperate to the extent feasible in effecting a lawful and commercially reasonable arrangement under which Assignee shall receive the benefits under the Station Contract from and after the date hereof, and to the extent of the benefits received, Assignee shall pay and perform Assignor's obligations arising under the Station Contract from and after the date hereof in accordance with its terms.

[SIGNATURE PAGE FOLLOWS]

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

**ASSIGNOR:**  
**SAGAMOREHILL OF DULUTH, LLC**

By: \_\_\_\_\_  
Louis Wall  
President

**ASSIGNEE:**  
**KBJR TELEVISION, INC.**

By: \_\_\_\_\_  
Ralph M. Oakley  
President



## **Exhibit B -- Form of Assignment and Assumption Agreement FCC Licenses**

### **ASSIGNMENT AND ASSUMPTION AGREEMENT FCC LICENSES**

This Assignment and Assumption Agreement, dated as of \_\_\_\_\_ (this “Agreement”), is made, executed and delivered by and between SagamoreHill of Duluth Licenses, LLC, a Delaware limited liability company (“Assignor”), and KBJR License, LLC, a Missouri limited liability company (“Assignee”).

#### **WITNESSETH:**

WHEREAS, pursuant to that certain Asset Purchase Agreement, dated as of \_\_\_\_\_, as amended from time to time, by and among the Assignor, an affiliate of Assignor, Assignee, and an affiliate of Assignee (the “Purchase Agreement”), Assignor has agreed to convey and assign to Assignee, and Assignee has agreed to assume, subject to the consent of the Federal Communications Commission (the “FCC”), the FCC Licenses;

WHEREAS, the FCC has granted its consent to the assignment of the FCC Licenses from Assignor to Assignee; and

WHEREAS, Assignor desires to transfer and assign to Assignee all of Assignor’s right, title and interest in and to the FCC Licenses and Assignee desires to assume Assignee’s obligations with respect thereto;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor and Assignee, intending to be legally bound, hereby agree as follows:

1. Capitalized terms used herein but not defined herein shall have the meanings ascribed to such terms in the Purchase Agreement.
2. Assignor does hereby assign and deliver to Assignee all right, title and interest in and to the FCC Licenses. Assignor shall remain liable for all of the obligations and liabilities arising under the FCC Licenses insofar as such obligations and liabilities relate to the time period prior to the Closing Date.
3. Assignee hereby agrees that it shall assume and discharge and perform, insofar as they relate to the time period beginning on and after the Closing Date, all the obligations and liabilities of Assignor under the FCC Licenses. Assignee shall not assume any other obligations or liabilities of the Assignor pursuant to this Agreement.
4. Assignor and Assignee shall each execute and deliver such other documents and take such other actions as the other party hereto may reasonably request, at the FCC or otherwise, to confirm the assignment executed hereby and to vest title in and to the

FCC Licenses in Assignee, except that Assignee shall promptly execute and file a consummation notice at the FCC as required by FCC Rules, a copy of which shall be delivered to Assignor.

5. Notwithstanding any other provisions of this Agreement to the contrary, nothing contained herein shall in any way supersede, modify, replace, amend, change, rescind, waive, exceed, expand, enlarge or in any way affect the provisions, including warranties, covenants, agreements, conditions, representations or, in general, any of the rights and remedies, and any of the obligations, of Assignor or Assignee set forth in the Purchase Agreement, including, without limitation, any limits on indemnification specified therein. This Agreement is subject to and controlled by the terms of the Purchase Agreement.
6. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.
7. The construction and performance of this Agreement shall be governed by the laws of the State of Delaware without giving effect to the choice of law provisions thereof.
8. This Agreement cannot be amended, supplemented, or changed except by an agreement in writing that is signed by the parties hereto.
9. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The delivery of an executed counterpart of this Agreement by facsimile or electronic transmission in PDF form will be deemed to be an original counterpart of this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Assignor and Assignee have executed this Agreement as of the date first above written.

**ASSIGNOR:**  
**SAGAMOREHILL OF DULUTH**  
**LICENSES, LLC**

By: \_\_\_\_\_  
Louis Wall  
President

**ASSIGNEE:**  
**KBJR LICENSE, LLC**

By: \_\_\_\_\_  
Ralph M. Oakley  
President

## ATTACHMENT A

### FCC Licenses

#### *KDLH(TV), Duluth Minnesota*

<u>Call Sign</u>	<u>Licensee</u>	<u>Class of Station</u>	<u>Expiration Date</u>
KDLH(TV), Duluth, Minnesota (Facility ID 4691)	SagamoreHill of Duluth Licenses, LLC	DTV (Ch. 33) BRCDT-20131202ATD (Renewal) 0000007407 (Modification of DTV License)	April 1, 2022
KC26368	SagamoreHill of Duluth Licenses, LLC	TV Pickup	April 1, 2022

**Exhibit C -- Form of Assignment and Assumption Agreement Intangible Property**

**ASSIGNMENT AND ASSUMPTION AGREEMENT  
INTANGIBLE PROPERTY**

This Assignment and Assumption Agreement, dated as of \_\_\_\_\_ (this “Agreement”), is made, executed and delivered by and among SagamoreHill of Duluth, LLC, a Delaware limited liability company, and SagamoreHill of Duluth Licenses, LLC, a Delaware limited liability company (collectively, “Assignor”), KBJR Television, Inc., a Minnesota corporation, and KBJR License, LLC, a Missouri limited liability company (collectively, “Assignee”).

**W I T N E S S E T H:**

**WHEREAS**, Assignor and Assignee are parties to that certain Asset Purchase Agreement, dated as of dated as of \_\_\_\_\_, as amended from time to time (the “Purchase Agreement”); and

**WHEREAS**, Assignor desires to assign to Assignee all of Assignor’s right, title and interest in, to and under the Intangible Property, and Assignee is willing to accept assignment of such rights and assume such duties and obligations arising under or in connection with the Intangible Property, in each case pursuant to the terms and subject to the conditions of the Purchase Agreement and this Agreement (including Section 5 hereof).

**NOW, THEREFORE**, in consideration of the premises and the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor and Assignee, intending to be legally bound, hereby agree as follows:

1. **Defined Terms; Interpretation.** Capitalized terms used herein but not defined herein shall have the meanings ascribed to such terms in the Purchase Agreement.

2. **Assignment.** Assignor does hereby assign and deliver to Assignee all right, title and interest in and to the Intangible Property. Assignor shall remain liable for all of the obligations and liabilities arising under the Intangible Property insofar as such obligations and liabilities relate to the time period prior to the Closing Date.

3. **Assumption.** Assignee hereby agrees that it shall assume and discharge and perform, insofar as they relate to the time period beginning on and after the Closing Date, all the obligations and liabilities of Assignor under the Intangible Property. Assignee shall not assume any other obligations or liabilities of the Assignor pursuant to this Agreement.

4. **Further Assurances.** Assignor and Assignee shall each execute and deliver such other documents and take such other actions as the other party hereto may reasonably request to confirm the assignment executed hereby and to vest title in and to the Intangible Property in Assignee.

5. **Purchase Agreement Controlling.** Nothing contained herein shall in any way supersede, modify, replace, amend, change, rescind, waive, exceed, expand, enlarge or in any way affect the provisions, including warranties, covenants, agreements, conditions, representations or, in general, any of the rights and remedies, and any of the obligations, of Assignor or Assignee set forth in the Purchase Agreement, including, without limitation, any limits on indemnification specified therein. This Agreement is subject to and controlled by the terms of the Purchase Agreement.

6. **Binding Effect; Amendments.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. This Agreement cannot be amended, supplemented, or changed except by an agreement in writing that is signed by the parties hereto.

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

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

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Assignor and Assignee have executed this Agreement as of the date first above written.

**ASSIGNOR:**  
**SAGAMOREHILL OF DULUTH, LLC**  
**SAGAMOREHILL OF DULUTH**  
**LICENSES, LLC**

By: \_\_\_\_\_  
Louis Wall  
President

**ASSIGNEE:**  
**KBJR TELEVISION, INC.**  
**KBJR LICENSE, LLC**

By: \_\_\_\_\_  
Ralph M. Oakley  
President

## **ATTACHMENT A**

### **Intangible Property**

1. Call sign KDLH, KDLH(TV), KDLH(DT)
2. Website domains:
  - northlandcw.com



## **Exhibit D -- Form of Bill of Sale**

### **BILL OF SALE**

This Bill of Sale, dated as of \_\_\_\_\_ (this "Bill of Sale"), is made, executed and delivered by SagamoreHill of Duluth, LLC, a Delaware limited liability company (collectively, "Seller"), in favor of KBJR Television, Inc., a Minnesota corporation ("Buyer").

This Bill of Sale is made pursuant to that certain Asset Purchase Agreement dated as of \_\_\_\_\_, as amended from time to time (the "Purchase Agreement"), whereby Seller and an affiliate of Seller agreed to sell to Buyer and an affiliate of Buyer, and Buyer and an affiliate of Buyer agreed to purchase, certain of the assets used or held for use in the operation of KDLH(TV), Duluth, Minnesota. Capitalized terms used but not defined in this Bill of Sale shall have the meanings set forth in the Purchase Agreement.

**NOW, THEREFORE**, pursuant to the Purchase Agreement, and in consideration of the mutual covenants and agreements contained therein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller hereby sells, conveys, transfers, assigns, and delivers to Buyer all of Seller's right, title and interest in and to the Station Assets (except for FCC Licenses, Station Contracts, and Intangible Property, which are being conveyed to Buyer pursuant to separate assignments) free and clear of all Liens other than Permitted Liens.

To have and to hold the same unto Buyer, its successors and assigns forever. This Bill of Sale is intended to evidence the consummation of the transactions contemplated by the Purchase Agreement and is subject to the terms and conditions set forth in the Purchase Agreement.

This Bill of Sale shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. Nothing expressed or implied herein is intended to confer upon any person or entity, other than Buyer and Seller and their respective successors and permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Bill of Sale.

Nothing contained herein shall in any way supersede, modify, replace, amend, change, rescind, waive, exceed, expand, enlarge or in any way affect the provisions, including warranties, covenants, agreements, conditions, representations or, in general, any of the rights and remedies, and any of the obligations, of Buyer and Seller set forth in the Purchase Agreement, including, without limitation, any limits on indemnification specified therein. This Agreement is subject to and controlled by the terms of the Purchase Agreement.

The construction and performance of this Bill of Sale shall be governed by the laws of the State of Delaware without giving effect to the choice of law provisions thereof.

Delivery of an executed signature page of this Bill of Sale by facsimile or electronic transmission in pdf form will be deemed to be an original signature page of this Bill of Sale.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Seller has executed this Bill of Sale as of the date first above written.

**SELLER:**

**SAGAMOREHILL OF DULUTH, LLC**

By:\_\_\_\_\_

Louis Wall  
President

## **Exhibit E - Notices**

If to Buyer, to:

Quincy Media, Inc.  
130 South Fifth Street  
Quincy, IL 62301  
Attention: Ralph M. Oakley  
Phone: (217) 221-3404  
Fax: (217) 221-3402

*With a copy (which shall not constitute notice) to:*

Brooks Pierce McLendon Humphrey & Leonard, LLP  
Post Office Box 1800  
Raleigh, NC 27602  
Attention: Mark J. Prak  
Phone: 919-839-0300  
Fax: 919-839-0304

If to Seller to:

SagamoreHill of Duluth, LLC  
525 Blackburn Drive  
Augusta, GA 30907  
Attention: Louis Wall  
Phone: (706) 922-5644  
Fax:

*With a copy (which shall not constitute notice) to:*

Wiley Rein LLP  
1776 K Street, NW  
Washington, DC 20006  
Attention: Robert Benton  
Phone: (202) 719-7142  
Attention: Jessica Rosenthal  
Phone: (202) 719-7478  
Fax: (202) 719-7049