

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this “Agreement”) is made as of the 30th day of November, 2011, by and among (i) Newport Television LLC, a Delaware limited liability company (“Newport USA”) and Newport Television Limited (“Newport Canada” and together with Newport USA, “Seller”), (ii) OTA Broadcasting (SEA), LLC, a Delaware limited liability company (“Buyer”) and, (iii) for purposes of Section 11.15 only, OTA Broadcasting, LLC, a Delaware limited liability company (“Guarantor”).

Recitals

A. Seller owns and operates the following television broadcast station (the “Station”) pursuant to certain authorizations issued by the Federal Communications Commission (the “FCC”):

KVOS-TV, (Facility ID 35862), Bellingham, Washington

B. Pursuant to the terms and subject to the conditions set forth in this Agreement, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, the Station Assets (defined below), and Seller desires to assign to Buyer, and Buyer desires to assume from Seller, the Assumed Obligations (defined below).

Agreement

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

ARTICLE I - PURCHASE OF ASSETS

1.1 Station Assets. On the terms and subject to the conditions set forth in this Agreement, at the Closing (as defined in Section 1.7), Seller shall sell, assign, transfer, convey and deliver to Buyer, and Buyer shall purchase and acquire from Seller, all right, title and interest of Seller in and to the Station Assets. “Station Assets” means all of the tangible and intangible assets, rights and properties owned, leased or held by Seller and located at the Station’s transmitter site or in the Station’s studios and offices or otherwise, in each case, that are primarily used or primarily held for use in the ownership and operation of the Station, including without limitation, each of the following assets and properties of Seller, other than any such asset or property that is described in Section 1.2:

(a) all licenses, permits and other authorizations issued to Seller with respect to the Station by the FCC (the “FCC Licenses”), by the Federal Aviation Administration or any other federal, state or local governmental authority with jurisdiction over the Station, including, without limitation, those described on *Schedule 1.1(a)*, as well as any pending applications, construction permits, renewals or modifications thereof between the date hereof and the Closing (collectively the “Licenses”);

(b) all equipment, transmitters, antennas, cables, towers, furniture, fixtures, spare parts, inventory and other tangible personal property of every kind and description that are primarily used or primarily held for use in the operation of the Station including, without limitation, those set forth on *Schedule 1.1(b)* (except for any retirements or dispositions thereof made between the date hereof and the Closing in compliance with Section 4.1) (collectively, the “Tangible Personal Property”);

(c) all right, title and interest of Seller in and to the real property which is currently used for the Station’s studio and office building, including without limitation, the real property listed on *Schedule 1.1(c)* and all appurtenant easements and all buildings, towers, other structures, fixtures and other improvements located thereon (the “Owned Real Property”);

(d) the following contracts, agreements and leases to which Seller is party (collectively, the “Station Contracts”) and all rights thereunder: (i) all contracts, agreements and leases listed on *Schedule 1.1(d)*, and (ii) all other contracts, agreements and leases that relate primarily to the operation of the Station or the ownership of the Station Assets entered into between the date hereof and the Closing Date in compliance with Section 4.1;

(e) all the Seller’s rights in Station’s call letters and in any trademarks, trade names, service marks, patents, patent applications, internet domain names and associated websites, copyrights, programs and programming material (including program rights), jingles, slogans, logos, and other intangible property, in each case, that are owned or held by Seller and exclusively used or held for use in the operation of the Station, including without limitation those listed on *Schedule 1.1(e)*, and all goodwill associated with the foregoing (collectively, the “Intangible Property”);

(f) all of Seller’s rights in any management and other systems (including computers and peripheral equipment), databases, computer software (including operating systems) and compilations, computer disks and similar assets, and all licenses and related rights, in each case, that are exclusively used or exclusively held for use in the operation of the Station;

(g) all current assets (including deposits and prepaid expenses) of Seller (and rights arising therefrom or related thereto) to the extent relating exclusively to the operation of the Station or to the Station Assets and included in the calculation of the Final Proration Amount (as defined in Section 1.5(d));

(h) all files, documents, records, and books of account (or copies thereof) that relate exclusively to the Station Assets or the operation of the Station (“Station Documents”), including the Station’s local public files, programming information and studies, engineering data, advertising studies, marketing and demographic data, sales correspondence, lists of advertisers, credit and sales reports, logs, user manuals and training documents;

(i) copies of all personnel files related to Transferred Employees (as defined in Section 5.7(a));

(j) all claims against third parties to the extent they relate primarily to the Station or Station Assets, including associated manufacturer and vendor warranties; and

(l) all goodwill associated with the operation of the Station and the Station Assets.

The Station Assets shall be transferred to Buyer free and clear of Liens (as defined in Section 11.6), except for Assumed Obligations and Permitted Liens (as defined in Section 11.6).

Seller, by written notice to Buyer, may update *Schedule 1.1(d)* at any time before the Closing to (a) add any contract, agreement or lease entered into by Seller after the date of this Agreement and before the Closing, in compliance with Section 4.1, that would have qualified as a Station Contract if it had been in effect on the date of this Agreement and (b) remove any Station Contract that is described in Section 1.2(c). All such contracts, agreements and leases that are so added to *Schedule 1.1(d)* in accordance with this paragraph shall, for all purposes of this Agreement, be deemed to be Station Contracts and included in the Station Assets. All Station Contracts that are so removed from *Schedule 1.1(d)* in accordance with the terms and conditions of this Agreement shall, for all purposes of this Agreement, thereafter be deemed to not be Station Contracts and not included in the Station Assets. Updates to *Schedule 1.1(d)* in accordance with this paragraph will not in any manner affect any condition to the obligations of Buyer to consummate the Closing or the satisfaction thereof.

1.2 Excluded Assets. Notwithstanding anything to the contrary contained herein, the Station Assets shall not include the following assets or any right, title or interest therein (the “Excluded Assets”):

(a) all accounts receivable, cash and cash equivalents, including without limitation certificates of deposit, commercial paper, treasury bills, marketable securities, bank accounts, money market accounts, other depository accounts and all such similar accounts or investments;

(b) all tangible and intangible personal property retired or disposed of in compliance with Section 4.1 between the date of this Agreement and the Closing;

(c) all Station Contracts that are terminated in compliance with Section 4.1 or expire prior to Closing;

(d) all of Seller’s rights, title and interest in and to (i) Seller’s corporate name, service names and trade names (including the names “Newport Television”, “TV Acquisition LLC”, “Television Holdings LLC”, “Newport Television Holdings LLC” and “Newport Television Licenses LLC”, and any variation or derivation thereof), (ii) all corporate and trade names not exclusively used or exclusively held for use in the operation of the Station, and (iii) all URLs and internet domain names consisting of or containing any of the foregoing;

(e) all intangible property other than the Intangible Property, including, without limitation, all of Seller’s right, title and interest in and to any call letters, trademarks, intellectual property, and other intangible rights not exclusively used or exclusively held for use in the operation of the Station (including, without limitation, any call letters used in connection with any other station or business unit of Seller other than the Station,) and all goodwill arising from any of the foregoing;

(f) (i) Seller's charter documents, minute books and all books and records relating to the organization, existence or ownership of Seller, (ii) all records, documents, plans and financial records related to the transactions contemplated by this Agreement, (iii) duplicate copies of all Station Documents, (iv) all records relating to other Excluded Assets, (v) all personnel files for employees who do not become Transferred Employees and (vi) all files, documents, records, Tax Returns (as defined in Section 11.6), books of account and other materials not relating exclusively to the Station Assets or the operation of the Station;

(g) all contracts of insurance (including but not limited to title insurance policies), all coverages and proceeds thereunder and all rights in connection therewith, including without limitation all rights to any refunds of insurance premium payments and all rights with respect to claims made thereunder;

(h) all pension and profit sharing plans, all trusts related thereto and all other employee compensation and benefit plans or arrangements maintained by Seller (other than employment agreement and individual compensation agreements that are Station Contracts), if any, and all assets of or relating to any of the foregoing;

(i) all rights and claims of Seller, whether mature, contingent or otherwise, against third parties that do not relate to Station Assets, to the extent arising during or attributable to any period prior to the Closing Date (as defined in Section 1.8);

(j) all current assets (including accounts receivable, deposits and prepaid expenses) of Seller (and rights arising therefrom or related thereto) to the extent not relating exclusively to the operation of the Station or to the Station Assets or not included in the Final Proration Amount calculation;

(k) except as set forth in *Schedule 1.1(b)*, all tangible and intangible assets of Seller and its Affiliates (as defined in Section 11.6), including without limitation all management and other systems (including, without limitation, computers and peripheral equipment), databases, computer software (including, without limitation, operating systems), computer disks and similar assets, and all licenses and related rights that are owned, used or held for use in the operation of stations or other business units other than the Station (including, without limitation, (i) any such assets located in the Seattle-Tacoma, Washington DMA or Vancouver, Canada which are set forth in *Schedule 1.2(k)* and used both in the operation of the Station and for the operation of stations or other business units that are not the Station and (ii) all assets, whether or not used in the operation of the Station, located at Seller's Tulsa, Oklahoma operating center) (the "Excluded Share Assets");

(l) all studio, tower and other assets (whether real or personal, tangible or intangible, or otherwise) primarily used or held for use in the operation of any other television station other than the Station;

(m) all real property or real property leases identified on *Schedule 1.2(m)*, if any, whether owned or leased, together with all towers on such sites and any income-producing leases providing for use of such sites by others;¹

(n) all capital stock of Seller or subsidiaries of Seller or its Affiliates and all other equity interests in any entity that are owned beneficially or of record by Seller or its Affiliates;

(o) all intercompany debts, obligations and other contracts, leases, agreements and arrangements among Seller and its Affiliates that are not listed on *Schedule 1.1(d)*;

(p) all claims for refund of Taxes (as defined in Section 11.6) of whatever nature;

(q) all rights of Seller under this Agreement, including without limitation the right to receive the Purchase Price (as defined in Section 1.5(a)), under any agreement, certificate, instrument or other document executed and delivered in connection with this Agreement or the transactions contemplated hereby and under any side agreement between Seller and Buyer entered into on or after the date of this Agreement;

(r) any non-transferable shrinkwrapped or clickwrapped computer software and any other non-transferable computer licenses that are not material to the operation of the Station; and

(s) all other assets listed on *Schedule 1.2(s)* (if any).

1.3 Assumption of Obligations. On the Closing Date, Seller shall assign to Buyer, and Buyer shall assume from Seller (and Buyer shall thereafter pay, perform, discharge or otherwise satisfy in accordance with their respective terms) (a) the obligations of Seller arising out of, or attributable to, any period of time on or after the Closing Date under the Station Contracts, (b) the obligations of Buyer described in Section 5.7, (c) all current liabilities (as defined by United States generally accepted accounting principles (“GAAP”)) of Seller as of the Closing Date to the extent relating to the Station and included in the Final Proration Amount calculation (but excluding any current liabilities relating to employees except to the extent assumed by Buyer pursuant to Section 5.7 or included in the Final Proration Amount calculation), (d) sales commissions related to the sale of advertisements broadcast on the Station after Closing where the revenue from the sale of such advertisements is credited to Buyer as a Proration Asset or received by Buyer after Closing, (e) current and long-term program rights liabilities arising out of, or attributable to, any period of time on or after the Closing Date, (f) any and all Taxes with respect to Station Assets for all periods beginning on or after the Closing Date and (g) all other liabilities of Seller listed on *Schedule 1.3* (collectively, the “Assumed Obligations”). Except for the Assumed Obligations, Buyer does not assume or agree to pay or discharge, and will not be deemed by the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby to have assumed or agreed to pay or discharge any other debts, liabilities or obligations of Seller arising out of, or attributable to the

¹ The Seattle office lease will be listed on *Schedule 1.2(m)*.

ownership or operation of the Station or Station Assets prior to Closing, or any and all liabilities and obligations of or on behalf of Seller for Taxes in respect of taxable periods (or portions thereof) ending on or before the Closing Date (the “Retained Obligations”). Seller shall timely perform and discharge in accordance with their respective terms all Retained Obligations.

1.4 Purchase Price; Deposit.

(a) Purchase Price. In consideration for the sale of the Station Assets to Buyer, Buyer shall, at Closing, (i) pay Seller, by wire transfer of immediately available funds, an amount (the “Closing Purchase Price”) equal to Two Million, Nine Hundred Thousand Dollars (\$2,900,000), minus the Deposit (as defined in Section 1.4(b)) (the “Base Purchase Price”), increased by an amount by which the Proration Amount (as defined in Section 1.5(a)) is a positive number or decreased by an amount by which the Proration Amount is a negative number, and (ii) assume the Assumed Obligations (such consideration, collectively and as adjusted pursuant to Section 1.5(f), the “Purchase Price”).

(b) Deposit. On the date hereof, Buyer shall make a cash deposit in immediately available funds in an amount equal to One Hundred Forty Five Thousand Dollars (\$145,000) (the “Deposit”) with JP Morgan Chase Bank (the “Escrow Agent”) pursuant to the Escrow Agreement in the form of *Exhibit B* hereto (the “Escrow Agreement”) among Buyer, Seller and the Escrow Agent. At Closing, the Deposit shall be disbursed to Seller and applied to the Purchase Price (and any interest accrued thereon shall be disbursed to Buyer).

1.5 Proration Adjustment.

(a) Definition of Proration Amount. The “Proration Amount” means an amount equal to the aggregate value of the current assets (other than the value of “Program Rights”) that are included in the Station Assets (which will exclude the value of accounts receivable, cash, cash equivalents and other Excluded Assets) (“Proration Assets”) minus the aggregate value of the current liabilities that are included in the Assumed Obligations (“Proration Liabilities”), in each case calculated in accordance with GAAP, applied consistently with Seller’s past accounting practices with respect to the Station; provided, however, that in calculating the “Proration Amount,” (i) all proper reserves and accruals with respect to Proration Assets and Proration Liabilities will be recorded, (ii) all accounting entries (including all liabilities and accruals) will be taken into account, in each case regardless of their amount, and all errors and omissions will be corrected and all proper adjustments made and (iii) any imbalance in the value of rights and obligations under trade, barter or similar agreements for the exchange of advertising time for goods or services will be disregarded. All calculations of the Proration Amount contemplated by this Section 1.5 shall be made in a manner consistent with the terms of this Section 1.5.

(b) Estimated Proration Amount. On or prior to the Closing Date, Seller shall deliver to Buyer a statement (the “Estimated Proration Statement”) setting forth Seller’s good faith estimate of the Proration Amount as of the Closing Date (the “Estimated Proration Amount”) and providing reasonable detail with respect to the various components thereof. The Estimated Proration Amount shall be determined in accordance with GAAP, consistent with

Seller's past accounting practices with respect to the Station, to the extent possible given the estimated nature of the statement.

(c) Post-Closing Reconciliation. Within sixty (60) days after the Closing Date, Seller will prepare and deliver to Buyer a statement (the "Reconciled Proration Statement") setting forth Seller's determination of the Proration Amount as of the Closing Date (the "Reconciled Proration Amount") and providing reasonable detail with respect to the various components thereof. The Reconciled Proration Amount shall be determined in accordance with GAAP, consistent with Seller's past accounting practices with respect to the Station and consistent with the manner of determining the Estimated Proration Amount. Buyer may object to the Reconciled Proration Statement within thirty (30) days after its receipt thereof by delivering to Seller a response to the Reconciled Proration Statement setting forth each line item of Proration Assets and Proration Liabilities that are disputed by Buyer, the particular elements comprising such line item that is disputed by Buyer and Buyer's good faith determination of the correct amount of each such line item and element. Buyer will provide reasonable detail with respect to the nature of its dispute with each disputed line item and element and the manner of its determination of the amount(s) thereof.

(d) Final Determination of Proration Amount.

(i) If Buyer does not deliver an objection to the Reconciled Proration Statement within the thirty-day period provided in Section 1.5(c), the Reconciled Proration Amount shown on the Reconciled Proration Statement shall be deemed to be the amount of the "Final Proration Amount" for purposes of making any adjustment required pursuant to Section 1.5(f).

(ii) If Buyer delivers an objection to the Reconciled Proration Statement within the thirty-day period provided in Section 1.5(c) and, following good faith negotiation of the disputed items, Buyer and Seller reach agreement on the amount of the Reconciled Proration Amount (whether by resolving each disputed item to their mutual satisfaction or compromising any or all disputed items), then the amount of Reconciled Proration Amount so agreed by them shall be deemed to be the amount of the "Final Proration Amount" for purposes of making any adjustment required pursuant to Section 1.5(f).

(iii) If Buyer delivers an objection to the Reconciled Proration Statement within the thirty-day period provided in Section 1.5(c) and, following good faith negotiation of the disputed items, the difference in the amount of Reconciled Proration Amount determined by Buyer and the amount of Reconciled Proration Amount determined by Seller (after reflecting the resolution of any disputed items by the parties) is less than or equal to \$15,000, then the arithmetic mean between such two amounts shall be deemed to be the amount of the "Final Proration Amount" for purposes of making any adjustment required pursuant to Section 1.5(f).

(iv) If Buyer delivers an objection to the Reconciled Proration Statement within the thirty-day period provided in Section 1.5(c) and, following good faith negotiation of the disputed items, the difference in the amount of Reconciled Proration Amount determined by Buyer and the amount of Reconciled Proration Amount determined by Seller

(after reflecting the resolution of any disputed items by the parties) is greater than \$15,000, then the amount of the “Final Proration Amount” for purposes of making any adjustment required pursuant to Section 1.5(f) shall be determined in accordance with Section 1.5(e).

(e) Resolution of Disputes.

(i) In accordance with Section 1.5(d)(iv), Buyer and Seller shall promptly refer all remaining disputes concerning the Reconciled Proration Amount to an independent accounting firm reasonably acceptable to Buyer and Seller (the “Independent Accounting Firm”), together with a statement of the amount of Reconciled Proration Amount asserted by each party. The Independent Accounting Firm shall be instructed to resolve such disputes within sixty (60) days of the referral.

(ii) Buyer and Seller will make available to the Independent Accounting Firm, at reasonable times and upon reasonable notice at any time during the pendency of any dispute under this Section 1.5(e), the work papers and back-up materials used in preparing the Reconciled Proration Statement and Buyer’s objections to the Reconciled Proration Statement, and the books and records of Seller relating to the Reconciled Proration Amount. Buyer and Seller shall have the right to meet jointly with the Independent Accounting Firm during this period and to present their respective positions. The Independent Accounting Firm’s decision shall be based solely on the presentations by Buyer and Seller and not by independent review. The Independent Accounting Firm shall address only those matters in dispute and may not allow a value greater than the greatest value for such item claimed by either party or smaller than the smallest value for such item claimed by either party. The amount of the Reconciled Proration Amount determined by the Independent Accounting Firm pursuant to this Section 1.5(e) will be the amount of the “Final Proration Amount” for purposes of making any adjustment required pursuant to Section 1.5(f). The resolution of disputes by the Independent Accounting Firm and its determination of the Final Proration Amount will be set forth in writing and will be conclusive and binding upon Buyer and Seller. The determination of the Final Proration Amount by the Independent Accounting Firm will become final and binding upon the date of such determination.

(iii) Buyer and Seller will each pay their own fees and expenses (including without limitation any fees and expenses of their accountants and other representatives) in connection with the resolution of disputes pursuant to this Section 1.5(e). Notwithstanding the foregoing, the fees and expenses of the Independent Accounting Firm incurred in connection with the resolution of disputes arising under this Section 1.5 will be paid by Buyer and Seller in proportion to the difference between the Final Proration Amount determined by the Independent Accounting Firm and the respective amounts of Reconciled Proration Amount asserted by each such party at the time of the initial referral of the Reconciled Proration Statement disputes to the Independent Accounting Firm.

(f) Adjustments to Estimated Proration Amount. The amount, if any, by which the Final Proration Amount exceeds the Estimated Proration Amount, shall be paid by Buyer to Seller. The amount, if any, by which the Estimated Proration Amount exceeds the Final Proration Amount shall be paid by Seller to Buyer. Any payment pursuant to this Section 1.5(f) will be (i) paid in immediately available funds by check or by wire transfer to such

account as the recipient may specify to the payor(s) at least two (2) business days prior to the date of such payment, (ii) due and payable five (5) business days following the determination of Final Proration Amount pursuant to Section 1.5(d) (and if necessary Section 1.5(e)) and (iii) deemed to be an adjustment to the Purchase Price.

1.6 Tax Matters.

(a) Allocation of Taxes and Fees. All real property Taxes, personal property Taxes, or ad valorem obligations and similar recurring Taxes and fees on or with respect to Station Assets for taxable periods beginning on or before, and ending after, the Closing Date, shall be prorated on a per diem basis between the Seller and the Buyer, with the Seller being responsible for all such Taxes and fees during any period up to (but not including) the Closing Date, and the Buyer responsible for all such Taxes and fees accruing during any period on or after the Closing Date. The Seller and the Buyer will cooperate in good faith to determine the amounts owing to each other pursuant to this Section 1.6(a) and shall pay over the net amount owing to the other party within 15 days after such determination; provided, however, that each payment required of a party shall be reduced if and to the extent such party bears the costs of such Taxes and fees pursuant to the Proration Adjustment mechanism.

(b) Purchase Price Allocation. Not later than thirty (30) days after the Closing Date, the Seller shall prepare and deliver to the Buyer a copy of Form 8594 and any required exhibits thereto (the "Asset Acquisition Statement") allocating the Purchase Price among the various categories of Station Assets. Buyer shall have thirty (30) days within which to object to such allocation by written notice to the Seller, and the parties shall thereafter negotiate in good faith to agree upon an allocation. If the parties are unable to agree upon an allocation within thirty (30) days of the delivery of written notice to Seller, such dispute shall be referred to an Independent Accounting Firm in accordance with Section 1.5(e) above for resolution. The Seller shall prepare and deliver to Buyer from time to time revised copies of the Asset Acquisition Statement (the "Revised Statements") so as to report any matters on the Asset Acquisition Statement that need updating (including purchase price adjustments, if any). The Purchase Price paid by the Buyer for the Station Assets shall be allocated in accordance with the Asset Acquisition Statement or, if applicable, the last Revised Statements, and all income Tax Returns and reports filed by the Buyer and the Seller shall be prepared consistently with such allocation.

1.7 Closing. Subject to any prior termination of this Agreement pursuant to Section 10.1, the consummation of the sale and purchase of the Station Assets pursuant to this Agreement and the assumption of the Assumed Obligations (the "Closing") shall take place at the offices of Weil, Gotshal & Manges LLP at 100 Federal Street, Floor 34, Boston, Massachusetts 02110 on the date no later than five (5) business days after (i) the date that the FCC Consent (defined below) becomes a Final Order (defined below), or (ii) at Buyer's option, a date mutually agreed upon by Buyer and Seller, which date shall occur subsequent to the date that the FCC Consent is granted, in any case subject to the satisfaction or waiver of the last of the conditions required to be satisfied or waived pursuant to Articles 6 or 7 below (other than those requiring a delivery of a certificate or other document, or the taking of other action, at the Closing). The date on which the Closing is to occur is referred to herein as the "Closing Date."

1.8 FCC Consent.

(a) Within five (5) business days of the date of this Agreement, Buyer and Seller shall file an application with the FCC (the “FCC Application”) requesting FCC consent to the assignment of the FCC Licenses to Buyer. FCC consent to the FCC Application without any material adverse conditions other than those of general applicability is referred to herein as the “FCC Consent.” Buyer and Seller shall diligently prosecute the FCC Application and otherwise use their commercially reasonable efforts to obtain the FCC Consent as soon as possible; provided, however, except as provided in the following sentence, neither Buyer nor Seller shall be required to pay consideration to any third party to obtain FCC Consent. Buyer and Seller shall each pay one half of the FCC filing fees relating to the transactions contemplated hereby, irrespective of whether the transactions contemplated by this Agreement are consummated. Buyer and Seller each shall oppose any petitions to deny or other objections filed with respect to the FCC Applications to the extent such petition or objection relates to such party. Neither Buyer nor Seller shall take any intentional action that would, or intentionally fail to take such action the failure of which to take would, reasonably be expected to have the effect of materially delaying the receipt of the FCC Consent. If the Closing shall not have occurred for any reason within the original effective period of the FCC Consent, and neither party shall have terminated this Agreement under Section 10.1, Buyer and Seller shall jointly request an extension of the effective period of the FCC Consent. No extension of the FCC Consent shall limit the right of either party to exercise its rights under Section 10.1.

(b) Buyer agrees to take promptly all commercially reasonable steps necessary to eliminate each and every impediment arising from Buyer's actions or status and obtain all consents under any communications or broadcast law, rule or regulation (including the FCC media ownership rules) that may be required by the FCC so as to enable the parties to close the transactions contemplated by this Agreement as promptly as practicable. Further, and for the avoidance of doubt, Buyer will take all commercially reasonable actions necessary in order to ensure that, with regard to matters arising from Buyer's actions or status, (x) no requirement for any non-action, consent or approval of the FCC or any authority enforcing applicable communications laws (y) no decree, judgment, injunction, temporary restraining order or any other order in any suit or proceeding, and (z) no other matter relating to any communications law would preclude consummation of the transactions contemplated by this Agreement on or before the Termination Date, as such date may be extended in accordance with Section 10.1(e).

(c) Buyer and Seller shall notify each other of all documents filed with or received from any governmental agency with respect to this Agreement or the transactions contemplated hereby. Buyer and Seller shall each provide the other party with the opportunity to review and comment on all documents to be filed by such party with any governmental agency and furnish the other party with such information and assistance as the other party may reasonably request in connection with their preparation of any governmental filing hereunder.

ARTICLE II - SELLER REPRESENTATIONS AND WARRANTIES

Seller makes the following representations and warranties to Buyer:

2.1 Organization. Seller is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and Newport USA is qualified to do business in the State of Washington. Seller has the requisite limited liability company power and authority to execute, deliver and perform this Agreement and all of the other agreements and instruments to be executed and delivered by Seller pursuant hereto (collectively, the “Seller Ancillary Agreements”) and to consummate the transactions contemplated hereby.

2.2 Authorization. The execution, delivery and performance of this Agreement and the Seller Ancillary Agreements by Seller, and the consummation by Seller of the transactions contemplated hereby, have been duly authorized and approved by all necessary actions of Seller and do not require any further authorization or consent of Seller. This Agreement has been duly and validly executed and delivered by Seller and, at the Closing, Seller Ancillary Agreement will be duly and validly executed and delivered by Seller. This Agreement is, and Seller Ancillary Agreement when executed and delivered by Seller and each other party thereto at the Closing will be, a legal, valid and binding agreement of Seller enforceable against Seller in accordance with their respective terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors’ rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

2.3 No Conflicts. Except for the FCC Consent and consents to the assignment of those Station Contracts which are subject to such consent as designated on *Schedule 2.3*, the execution, delivery and performance by Seller of this Agreement and the Seller Ancillary Agreements and the consummation by Seller of the transactions contemplated hereby does not (a) conflict with any organizational documents of Seller, (b) violate, conflict with, result in the loss of any benefit under, result in any breach of, cause a default under, result in the termination of or give rights of termination under any contract or agreement to which Seller is a party or by which it is bound, or (c) violate or conflict with any law, judgment, order, or decree to which Seller is subject, or require the consent or approval of, or a filing by Seller with, any governmental or regulatory authority or any third party, except, in any case described in such clauses (a) through (c), where such conflicts, violations, losses of benefits, breaches, defaults, terminations, rights of termination, failures to obtain such consents or approvals and/or failures to make such filings would not, individually or in the aggregate, have a Material Adverse Effect on the Business (as defined in Section 11.6).

2.4 Licenses.

(a) Except as set forth on *Schedule 2.4(a)*, Newport USA is the holder of the FCC Licenses described on *Schedule 1.1(a)*, which are all of the licenses, permits and authorizations required under the Communications Act of 1934, as amended (the “Communications Act”), for the present operation of the Station. The FCC Licenses are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired. There is not pending, or, to Seller’s knowledge, threatened, any action by or before the FCC to revoke, suspend, cancel, rescind or materially adversely modify any of the FCC Licenses (other than proceedings to amend FCC rules of general applicability). The operation of the Station is in material compliance with the Communications Act, the FCC’s rules

and policies and the terms of the FCC Licenses. There is not issued or outstanding, by or before the FCC, any order to show cause, notice of violation, notice of apparent liability, or order of forfeiture against the Station or Seller with respect to the Station that could result in any such action. All material reports filings required to be filed with any governmental authority by Seller with respect to the operation of the Station have been timely filed, and all such reports and filings are accurate and complete in all material respects. Newport USA maintains a public inspection file for the Station and such file complies with applicable FCC rules.

(b) Seller has all material Permits which are required for the operation of the Station as presently conducted. To the Knowledge of Seller, Seller is not in default or violation, and no event has occurred which, with notice or the lapse of time or both, would constitute default or violation, in any material respect of any term, condition or provision of any material Permit to which the Station is subject, except for immaterial defaults or violations.

2.5 Taxes. Seller, has in respect of the Business (as defined in Section 11.6), timely filed all material Tax Returns which are required to have been filed by it under applicable law, and all such Tax Returns are complete, true and correct in all material respects. Seller has fully and timely paid all material Taxes due and payable pursuant to such Tax Returns or pursuant to any assessments which have become payable, except for Taxes contested in good faith by appropriate proceedings for which adequate reserves have been established in accordance with GAAP.

2.6 Tangible Personal Property.

(a) Except as set forth on *Schedule 2.6(a)*, Seller has good and valid title to the Tangible Personal Property, free and clear of Liens, other than Assumed Obligations and Permitted Liens.

(b) Except as set forth on *Schedule 2.6(b)*, all material items of Tangible Personal Property are in good operating condition, ordinary wear and tear excepted and have been maintained consistent with good engineering practice. THE TANGIBLE PERSONAL PROPERTY IS BEING SOLD TO BUYER SUBJECT ONLY TO THE EXPRESS REPRESENTATIONS AND WARRANTIES PROVIDED IN THIS AGREEMENT AND SELLER HEREBY DISCLAIMS ANY AND ALL OTHER REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE FITNESS OR CONDITION OF THE TANGIBLE PERSONAL PROPERTY, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE OR USE.

2.7 Real Property.

(a) Except as set forth on *Schedule 2.7*, immediately prior to the Closing, Seller will have good and marketable fee simple title to the Owned Real Property free and clear of Liens, other than Assumed Obligations and Permitted Liens.

(b) The Seller is not obligated under, nor is a party to, any lease, sublease, license, option, right of first refusal or other contractual right to purchase, acquire, sell, lease, sublease, license, assign or dispose of any of the Owned Real Property or any portion thereof or

interest therein. Immediately prior to the Closing, Seller will have certificates of occupancy for each material improvement on the Owned Real Property and Seller will have complied in all material respects with all material conditions of such certificates of occupancy.

(c) To Seller's knowledge, the Owned Real Property is not subject to (or threatened in writing by) any suit for condemnation or other taking by any public authority. THE OWNED REAL PROPERTY IS BEING SOLD TO BUYER SUBJECT ONLY TO THE EXPRESS REPRESENTATIONS AND WARRANTIES PROVIDED IN THIS AGREEMENT AND SELLER HEREBY DISCLAIMS ANY AND ALL OTHER REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE REAL PROPERTY

(d) To Seller's knowledge, all improvements situated on the Owned Real Property and the Station's leased real property (the "Leased Real Property") included in the Station Assets, including buildings, fencing, walls, towers, antennas, guy wires and anchors, are located entirely within the confines and/or boundaries of the applicable Owned Real Property or Leased Real Property, except for immaterial encroachments.

2.8 Contracts. *Schedule 1.1(d)* sets forth a true and complete list of all contracts, agreements and leases that relate primarily to the operation of the Station or the ownership of the Station Assets (including, without limitation, all contracts for the sale of advertising time, programming and film contracts, syndication contracts, national sales representation contracts, employment contracts, retransmission (must carry) contracts, distribution contracts and network affiliation contracts, Real Property leases, income-producing leases and agreements), other than (a) contracts for the sale of time on Station which are for cash at rate card values consistent with prior practices for the periods in question and with not more than twelve (12) months remaining in their terms or (b) contracts which were entered into in the ordinary course of business and (i) which are terminable on thirty (30) days' notice or less without penalty or premium, or (ii) are not reasonably expected to impose monetary obligations on Seller in 2012, in excess of \$30,000 and which impose no material restrictions on the operation of the Station. Each of the Station Contracts (including without limitation each of the Real Property Leases) is in full force and effect and is binding upon Seller and, to Seller's knowledge, the other parties thereto (subject to bankruptcy, insolvency, reorganization or other similar laws relating to or affecting the enforcement of creditors' rights generally). Seller has performed its obligations under each of the Station Contracts in all material respects and is not in material default thereunder, and to Seller's knowledge, no other party to any of the Station Contracts is in default thereunder in any material respect.

2.9 Environmental. Except as set forth on *Schedule 2.9*, (a) no Hazardous Material regulated under any Environmental Law (as defined below) has been generated, stored, transported or released by or on behalf of Seller on, in, from or to the Real Property in violation of, or in a manner reasonably likely to result in the owner or operator of the Station incurring material liability under, any applicable Environmental Laws; (b) Seller has complied in all material respects with all Environmental Laws applicable to the Station and the Real Property, which compliance includes obtaining, maintaining and complying in all material respects with all permits, licenses or other authorizations required by Environmental Law for the operation of the Station; (c) no claims are pending or, to the knowledge of Seller, threatened against Seller, the Station or the Real Property alleging a violation of or liability under Environmental Laws; (d) to

the knowledge of Seller, no conditions exist at the Station or any Real Property that would reasonably be expected to result in the owner or operator of the Station or the Real Property incurring material liability under Environmental Laws; and (e) to the knowledge of Seller, Seller has made available to Buyer copies of all material environmental assessment, audits, investigations or other similar environmental reports relating to the Station or the Real Property that are in the possession, custody or control of Seller. For purposes of this Agreement, the following terms have the following meanings: (i) “Environmental Law” shall mean any applicable law, rule, regulation or other legal requirement, including common law, relating to the environment, natural resources, health or safety; and (ii) “Hazardous Materials” shall mean all materials, substances or wastes classified, characterized or regulated as “hazardous,” “toxic,” “pollutant” or “contaminant,” or words of similar meaning, under Environmental Laws. Seller has provided Buyer with copies of any environmental studies that Seller has in its possession for the Real Property.

2.10 Intangible Property.

(a) Seller is the owner of or has the right to use the material Intangible Property free and clear of Liens, other than Assumed Obligations and Permitted Liens.

(b) *Schedule 1.1(e)* contains a list of all Intangible Property that is registered or the subject of an application for registration with the U.S. Patent & Trademark Office (or any equivalent foreign offices). Except as set forth on *Schedule 2.10*, (i) to Seller’s knowledge, Seller’s use of the Intangible Property does not infringe upon any third party’s patents, copyrights, or trademarks in any material respect, (ii) no material Intangible Property is the subject of any pending or, to Seller’s knowledge, threatened legal proceedings claiming infringement of any third party’s patents, copyrights, or trademarks, (iii) in the past three (3) years, Seller has not received any written notice that its use of any material Intangible Property infringes upon or misappropriates the intellectual property rights of any other person and (iv) to Seller’s knowledge, no third party is infringing on or misappropriating, in any material respect, any material Intangible Property.

2.11 Employees. Except as set forth on *Schedule 2.11*, (a) Seller has complied in all material respects with all labor and employment laws, rules and regulations applicable to the Station’s business, including without limitation those which relate to wages, hours, discrimination in employment and collective bargaining and (b) there is no unfair labor practice charge or complaint against Seller in respect of the Station’s business pending or, to Seller’s knowledge, threatened before the National Labor Relations Board, any state labor relations board or any court or tribunal, and there is no strike, dispute, request for representation, slowdown or stoppage pending or threatened in respect of the Station’s business. Seller is not party to any collective bargaining, union or similar agreement with respect to any of the Station’s employees, and to Seller’s knowledge, no union represents or claims to represent or is attempting to organize any such employees. Except as set forth on *Schedule 2.11*, none of the Station’s employees participate in a multiemployer pension plan (within the meaning of Section 4001(a)(3) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”)) that is covered by Title IV of ERISA (a “Multiemployer Plan”) as to which there would be any material withdrawal liability if Seller were to completely withdraw from such plan as of the Closing Date and disregarding contributions attributable to any other business retained by Seller and its Affiliates.

2.12 Insurance. Seller maintains insurance policies or other arrangements with respect to the Station and the Station Assets consistent with its practices for other stations, and will maintain such policies or arrangements until the Closing Date.

2.13 Compliance with Law. Except as set forth on *Schedule 2.13*, (a) Seller has complied in all material respects with all laws, rules and regulations (including without limitation all FCC and Federal Aviation Administration rules and regulations) that are applicable to the operation of the Station, and all decrees and orders of any court or governmental authority which are applicable to the operation of the Station, and (b) there are no governmental claims or investigations pending or to Seller's knowledge, threatened against Seller in respect of the Station except those affecting the industry generally.

2.14 Litigation. Except as set forth on *Schedule 2.14*, there is no action, suit or proceeding pending or, to Seller's knowledge, threatened against Seller (a) that would have a Material Adverse Effect on the Business or (b) that questions the legality or propriety of the transactions contemplated by this Agreement or that could adversely affect the ability of Seller to perform its obligations hereunder in any material respect. Seller is not operating under or subject to any order, writ, injunction or decree relating to the Station or the Station Assets of any court or governmental authority that would have a Material Adverse Effect on the Business.

2.15 No Finder. Except for Kalil & Co., Inc., whose fees shall be paid by Seller, 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 party acting on Seller's behalf.

2.16 Financial Statements. Seller has provided to Buyer copies of the following un-audited financial statements from the Seller's internal reporting system relating to the operation of the Stations (such financial statements, collectively, the "Financial Statements"): (a) the un-audited balance sheet as of the fiscal year ended December 31, 2010 (the "Most Recent Un-Audited Balance Sheet"), and (b) the un-audited statements of operations for the fiscal year ended December 31, 2010. The Financial Statements have been derived from the books and records of Seller relating to the Station and fairly present, in all material respects, the financial position and results of operations of the Stations as of the dates thereof and for the periods indicated therein in conformity with GAAP.

2.17 Absence of Certain Changes or Events. Since December 31, 2010, there have not been any events, changes or occurrences or state of facts that, individually or in the aggregate, have had or would reasonably be expected to have, a Material Adverse Effect on the Business. Since December 31, 2010, the Station has been operated in all material respects in the ordinary course of business consistent with past practice.

2.18 No Other Representations. Except for the representations and warranties contained in this Article 2 (as modified by the Disclosure Schedules hereto), neither Seller nor any other Person makes any other express or implied representation or warranty with respect to Seller, the Station, the Station Assets, the Assumed Obligations or the transactions contemplated by this Agreement, and Seller disclaims any other representations or warranties, whether made by Seller, any Affiliate of Seller or any of their respective officers, directors, employees, agents

or representatives. Except for the representations and warranties contained in Article 2 hereof (as modified by the Disclosure Schedules hereto as supplemented or amended), Seller (i) expressly disclaims any representation or warranty, expressed or implied, at common law, by statute, or otherwise, relating to the condition of the Station Assets (including any implied or expressed warranty of merchantability or fitness for a particular purpose, or of conformity to models or samples of materials) and (ii) hereby disclaims all liability and responsibility for any representation, warranty, projection, forecast, statement, or information made, communicated, or furnished (orally or in writing) to Buyer or its Affiliates or representatives (including any opinion, information, projection, or advice that may have been or may be provided to Buyer by any director, officer, employee, agent, consultant, or representative of Seller or any of its Affiliates). Seller makes no representations or warranties to Buyer regarding the probable success or profitability of the Station. The disclosure of any matter or item in any schedule hereto shall not be deemed to constitute an acknowledgment that any such matter is required to be disclosed.

2.19 Cable and Satellite Matters. *Schedule 2.19* hereto contains a list, including channel positions, for the Station showing the carriage (or non-carriage) of the Station by (i) the cable television systems serving its local television market (as defined in Section 76.55 of the FCC Rules), (ii) satellite carriers providing local-into-local television service (as defined in Section 76.66 of the FCC Rules), and (iii) other multi-channel video programming distributors serving its local television market. Timely must-carry elections have been made or retransmission consent agreements have been entered into with respect to each multi-channel video programming distributor serving all or any part of the television market (as defined by the FCC) of the Station and which is listed on *Schedule 2.19* as carrying the Station. No multi-channel video programming distributor has provided written notice to the Station of any signal quality issue or failed to respond to a request for carriage, or to the knowledge of Seller sought any form of relief from carriage of the Stations from the FCC. To the knowledge of Seller, the Station has not received written notice of any multi-channel video programming distributor's intention to delete the Station from carriage or to change the Station's channel position or to modify its market, including any modification of the geographic scope of its Nielsen Designated Market Area ("DMA"). To the knowledge of Seller, no other broadcaster is seeking any modification of the geographic scope of the DMA.

2.20 Sufficiency of Assets. The Tangible Personal Property included in the Station Assets along with the Excluded Assets described in Subsections 1.2(b) and 1.2(k)(i) constitute all of the material tangible personal property located in the Seattle-Tacoma, Washington DMA and Vancouver, Canada which is used in the operation of the Station by Seller.

ARTICLE III - BUYER REPRESENTATIONS AND WARRANTIES

Buyer hereby makes the following representations and warranties to Seller:

3.1 Organization. Buyer is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and at Closing will be qualified to do business in the State of Washington and the province of British Columbia. Buyer has the requisite corporate power and authority to execute, deliver and perform this Agreement and all of

the other agreements and instruments to be executed and delivered by Buyer pursuant hereto (collectively, the “Buyer Ancillary Agreements”) and to consummate the transactions contemplated hereby.

3.2 Authorization. The execution, delivery and performance of this Agreement and the Buyer Ancillary Agreements by Buyer, and the consummation by Buyer of the transactions contemplated hereby, have been duly authorized and approved by all necessary actions of Buyer and do not require any further authorization or consent of Buyer. This Agreement has been duly and validly executed and delivered by Buyer and, at the Closing, each Buyer Ancillary Agreement will be duly and validly executed and delivered by Buyer. This Agreement is, and each Buyer Ancillary Agreement when executed and delivered by Buyer and each other party thereto at the Closing will be, a legal, valid and binding agreement of Buyer enforceable against Buyer in accordance with their respective terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors’ rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

3.3 No Conflicts. Except for the FCC Consent, the execution, delivery and performance by Buyer of this Agreement and the Buyer Ancillary Agreements and the consummation by Buyer of the transactions contemplated hereby does not (a) conflict with any organizational documents of Buyer, (b) violate, conflict with, result in the loss of any benefit under, result in any breach of, cause a default under, result in the termination of or give rights of termination under any contract or agreement to which Buyer is a party or by which it is bound, or (c) violate or conflict with any law, judgment, order or decree to which Buyer is subject, or require the consent or approval of, or a filing by Buyer with, any governmental or regulatory authority or any third party.

3.4 Litigation. There is no action, suit or proceeding pending or, to Buyer’s knowledge, threatened against Buyer that questions the legality or propriety of the transactions contemplated by this Agreement or that could adversely affect the ability of Buyer to perform its obligations hereunder in any material respect.

3.5 Qualification. Buyer is 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. Buyer is in compliance with Section 310(b) of the Communications Act and the FCC’s rules governing alien ownership. There are no facts or circumstances that would, under the Communications Act 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. No waiver of or exemption from any provision of the Communications Act or the rules, regulations and policies of the FCC is necessary for the FCC Consent to be obtained. There are no facts or circumstances that might reasonably be expected to (a) result in the FCC’s refusal to grant the FCC Consent or otherwise disqualify Buyer, (b) materially delay obtaining the FCC Consent or (c) cause the FCC to impose a material condition or conditions on its granting of the FCC Consent.

3.6 Sufficient Funds. Buyer has, or will have prior to Closing, sufficient cash, available lines of credit or other sources of immediately available funds to enable it to pay the Purchase Price. Buyer acknowledges and agrees that the obligation of Buyer to consummate the transactions contemplated by this Agreement is not conditioned upon the closing of any third party financing.

3.7 Brokers. Except for Media Venture Partners, whose fees shall be paid by Buyer, all negotiations relative to this Agreement and the transactions contemplated hereby have been carried out by Buyer (or an Affiliate of Buyer) directly with Seller or Seller's broker (Kalil and Co.) without the intervention of any party on behalf of Buyer in such manner as to give rise to any valid claim by any party against Seller for a finder's fee, brokerage commission or similar payment.

3.8 Financing. Buyer has delivered correct and complete copies of an executed equity commitment letter addressed to Buyer (the "Commitment Letter") to provide financing in an aggregate amount sufficient to finance the Purchase Price (the "Financing").

3.9 Other Interests. Except for Television Station KFFV(TV), Seattle Washington, Buyer and its Affiliates hold no interest in any Person (as defined in Section 11.6) that operates a television station in the same language in the same geographic market (for purposes of Section 7 of the Clayton Antitrust Act of 1914 or any other applicable antitrust or competition law) with the business associated with the Station Assets.

ARTICLE IV - SELLER COVENANTS

4.1 Seller's Covenants. From the date hereof until Closing, except as otherwise permitted by this Agreement or with the prior written consent of Buyer, which shall not be unreasonably withheld, delayed or conditioned, Seller shall:

(a) operate the Station (i) in the ordinary course of business in a manner consistent with past practice, and (ii) in all material respects, and in a manner consistent with past practice, in accordance with FCC rules and regulations and with all other applicable laws, regulations, rules and orders;

(b) not materially adversely modify, and in all material respects maintain in full force and effect, the Licenses (including the FCC Licenses);

(c) not, other than in the ordinary course of business, sell, lease or dispose of or agree to sell, lease or dispose of any of the Station Assets (other than Intangible Property) unless replaced with similar items of substantially equal or greater value and utility, or create, assume or permit to exist any Liens upon the Station Assets, except for Assumed Obligations and Permitted Liens, and not dissolve, liquidate, merge or consolidate with any other entity;

(d) maintain the Tangible Personal Property and the Owned Real Property in the ordinary course of business and not pledge, subject to any Lien (other than Permitted Liens) or otherwise encumber the Tangible Personal Property or the Owned Real Property;

(e) maintain all material Intangible Property and not abandon or grant any license or sublicense of any rights under or with respect to any material Intangible Property other than in the ordinary course of business;

(f) at the reasonable request of Buyer, from time to time give Buyer access during normal business hours to the Station Assets, and provide Buyer all other information concerning the Station Assets and the affairs of the Station as Buyer may reasonably request. Any investigation or examination by Buyer shall not in any way diminish any representations or warranties of Seller made in this Agreement;

(g) except in the ordinary course of business or as otherwise required by law, and provided that any such agreement or plan is consistent with Section 5.7 and provides for the contingency of involuntary termination of employment with no more than six months severance, not (i) enter into any employment, labor, or union agreement or plan (or amendments of any such existing agreements or plan), that will be binding upon Buyer after Closing or (ii) increase the compensation payable to any employee of the Station;

(h) not enter into new Station Contracts that will be binding upon Buyer after Closing, except for (i) new time sales agreements and other Station Contracts made in the ordinary course of business that are terminable on ninety (90) days notice or less without penalty, and (ii) other Station Contracts made with Buyer's prior consent;

(i) use commercially reasonable efforts to maintain the Station's cable and DBS carriage existing as of the date of this Agreement, including making timely must carry elections or retransmission consents and negotiating new or extended retransmission consent agreements in the ordinary course of business, and use commercially reasonable efforts to extend any retransmission consents that are scheduled to expire prior to Closing;

(j) not amend any Station Contract in any material respect, except for such amendments made in the ordinary course of business with Buyer's prior written consent; and

(k) not agree, whether in writing or otherwise, to do any of the foregoing.

ARTICLE V - COVENANTS

Buyer and Seller hereby covenant and agree as follows:

5.1 Confidentiality. Seller and Buyer are parties to a nondisclosure agreement (the "NDA") with respect to the Station. Without limiting the terms of the NDA, subject to the requirements of applicable law, all non-public information regarding Buyer and Seller and their Affiliates and their business and properties disclosed in connection with the negotiation, preparation or performance of this Agreement (including without limitation all financial information provided by Seller or Buyer) shall be confidential and shall not be disclosed to any other person or entity, except Buyer's representatives for the purpose of consummating the transaction contemplated by this Agreement and as required by Buyer to operate the Station or utilize the Station Assets after Closing. Seller acknowledges that neither this Section 5.1 nor the NDA precludes Buyer from using information from Seller in Buyer's operation of the Station following consummation of the transaction contemplated by this Agreement.

5.2 Announcements. Prior to Closing, no party shall, without the prior written consent of the other, issue any press release or make any other public announcement concerning the transactions contemplated by this Agreement, except to the extent that such party is so obligated by law or any rule or regulation of any securities exchange upon which the securities of such party are listed or traded, in which case such party shall give advance notice to the other, and except that the parties shall cooperate to make a mutually agreeable announcement.

5.3 Control. Buyer shall not, directly or indirectly, control, supervise or direct the operation of the Station prior to Closing. Consistent with Communications Act and FCC rules, control, supervision and direction of the operation of the Station prior to Closing shall remain the responsibility of Seller as the holder of the FCC Licenses.

5.4 Risk of Loss.

(a) Seller shall bear the risk of any loss of or damage to any of the Station Assets from casualty or other cause at all times until the Closing Date, and Buyer shall bear the risk of any such loss or damage thereafter.

(b) If prior to the Closing Date any material item of Tangible Personal Property is damaged or destroyed or otherwise not in the condition described in Section 2.6, then:

(i) Seller shall use commercially reasonable efforts to either repair such item so that it is thereafter in the condition described in Section 2.6 or replace such item; and

(ii) if such repair or replacement is not completed prior to Closing, then the parties shall proceed to Closing (with Seller's representations and warranties deemed modified to take into account any such condition) and Seller shall promptly so repair or replace such item after Closing (and Buyer will provide Seller access and any other reasonable assistance requested by Seller with respect to such obligation), except that if such damage or destruction materially disrupts Station operations, then Buyer may postpone Closing until the date five (5) business days after operations are restored in all material respects, subject to Section 10.1.

5.5 Access to Information and Assets. Subject to the terms of the NDA and to the extent permitted by applicable law and contractual obligations binding on Seller, between the date of this Agreement and the Closing Date (or the date on which this Agreement is terminated pursuant to Section 10.1), Seller shall permit Buyer and its authorized agents, representatives and environmental consultants, upon reasonable notice, during normal business hours and in a manner that does not unduly disrupt the normal operations of the Station, to have reasonable access to the Station Assets and all of the relevant books, records and documents of or relating to the Station Assets, and shall furnish to Buyer such information and data, financial records and other documents in its possession relating to the Station Assets as Buyer may reasonably request. Buyer shall have the option to obtain, at Buyer's expense, Phase I environmental assessment reports regarding the Real Property (the "Phase I Reports"). If requested by Seller, Buyer shall provide copies of the Phase I Reports to Seller promptly after they are completed.

5.6 Consents.

(a) Seller shall use commercially reasonable efforts to obtain, and Buyer shall cooperate with Seller in obtaining any third party consents necessary for the assignment of any Station Contract and a customary estoppel certificate from the landlord of the Station's Tower Site.

(b) 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 Closing, this Agreement and any assignment executed pursuant to this Agreement shall not constitute an assignment of such Station Contract; provided, however, with respect to each such Station Contract, Seller and Buyer shall cooperate to the extent feasible in effecting a lawful and commercially reasonable arrangement under which Buyer shall receive the benefits under the Station Contract from and after Closing and Buyer shall pay and perform Seller's obligations arising under the Station Contract from and after Closing in accordance with its terms (if applicable, to the extent of the benefits received) and indemnify and hold harmless Seller and its Affiliates for any costs, expenses or liabilities (including reasonable legal fees and expenses) incurred by them in connection with the enforcement of such Station Contract.

5.7 Employees.

(a) Buyer shall offer employment to at least two of Seller's employees listed on *Schedule 5.7(a)* as of the Closing Date. Such offers of employment to the employees of Seller identified on *Schedule 5.7(a)* shall be made at least ten (10) business days prior to the Closing Date and must remain outstanding for at least five (5) business days but in no event later than the business day immediately preceding the Closing Date. Buyer shall employ each such employee who accepts Buyer's offer of employment prior to the Closing Date (collectively, the "Transferred Employees") as of the Closing Date. At the Closing, Buyer shall provide Seller with a list of the Transferred Employees.

(b) Buyer covenants and agrees that, with respect to each employee of Seller to whom the Buyer makes an offer of employment pursuant to Section 5.7(a) (other than such employees who are party to an employment agreement or other agreement that provides for severance), such offer will be for a position of employment where there is no reduction in such employee's base salary or scheduled hours as determined immediately prior to the Closing Date. Buyer shall grant credit to each Transferred Employee for all unused vacation and sick leave accrued as of the Closing Date as an employee of Seller, and to the extent not required by state law to be paid by Seller, Buyer shall assume and discharge Seller's obligation to provide such vacation and sick leave to such employees (such obligations being a part of the Assumed Obligations) to the extent included in the Final Proration Amount; provided that Buyer in its discretion may, consistent with its employee welfare benefits plan, effective as of the Closing Date, cancel any such then remaining accrued but unused vacation and sick leave upon a cash payment in lieu thereof at then prevailing pay rates, and before the Closing, Seller shall take any actions required to permit such assumption and cancellation.

(c) Without limiting Section 5.7(b), Buyer will provide each Transferred Employee who experiences a termination of employment without "cause" or other involuntary

termination (as reasonably defined under the existing severance or employment agreement or Buyer's severance plan) during the one-year period following the Effective Time ("Severance Period") with severance which is no less favorable than the terms provided to such Transferred Employee under Seller's severance plan and using such employee's salary and service (including past service) as of the date of termination. After the Severance Period, Transferred Employees terminated "without cause" shall become subject to Buyer's severance policies.

(d) Seller will not hire or offer employment (whether as consultant or employee) to any Transferred Employee for a period of one (1) year following the Closing Date.

5.8 Real Property Surveys and Title Commitments. Buyer shall have the right, but not the obligation, to obtain at its sole option and expense, (a) commitments for owner's and lender's title insurance policies on the Owned Real Property and commitments for lessee's and lender's title insurance policies for all Real Property that is leased pursuant to a Real Property Lease (collectively the "Title Commitments"), and (b) an ALTA survey on each parcel of Real Property (the "Surveys"); provided, however, that Seller shall provide Buyer with any existing Title Commitments and Surveys. The Title Commitments will evidence a commitment to issue an ALTA title insurance policy insuring good, marketable and indefeasible fee simple (or leasehold, if applicable) title to each parcel of the Real Property contemplated above for such amount as Buyer directs and will contain no exceptions except for Permitted Liens. Seller shall reasonably cooperate with Buyer in obtaining such Title Commitments and Surveys, provided that Seller shall not be required to incur any cost, expense or other liability in connection therewith. If the Title Commitments or Surveys reveal any Lien on the title other than Permitted Liens, Buyer shall notify Seller in writing of such objectionable matter as soon as Buyer becomes aware that such matter is not a Permitted Lien, and Seller agrees to use commercially reasonable efforts to remove such objectionable matter as required pursuant to the terms of this Agreement.

5.9 Actions. After Closing, Buyer shall reasonably cooperate with Seller in the investigation, defense or prosecution of any action which is pending or threatened against Seller or its Affiliates with respect to the Station, whether or not any party has notified the other of a claim for indemnification with respect to such matter. Without limiting the generality of the foregoing, Buyer shall make available its employees to give depositions or testimony and shall furnish all documentary or other evidence that Seller may reasonably request.

5.10 Notice of Developments. Prior to the Closing, Seller will notify Buyer as promptly as practicable and in writing if Seller becomes aware of any fact or condition that causes or constitutes a material breach of any of Seller's representations or warranties as of the date of this Agreement, or if Seller becomes aware of the occurrence after the date of this Agreement of any fact or condition that would (except as expressly contemplated by this Agreement) cause or constitute a material breach of any such representation or warranty had such representation or warranty been made as of the time of occurrence or discovery of such fact or condition. Should any such material breach require any change in the Disclosure Schedules if the Schedules were dated the date of the occurrence or discovery of any such fact or condition, Seller will promptly deliver to Buyer a supplement to the Disclosure Schedules specifying such change. During the same period, Seller will promptly notify Buyer of the occurrence of any material breach of any covenant of any Seller in this Agreement or of the occurrence of any

event that will make satisfaction of the conditions in Section 7.1 impossible or unlikely. The disclosure and supplements by Seller pursuant to this Section 5.10, to the extent that Seller notifies Buyer in writing simultaneous with the delivery of such disclosure or supplement to Buyer that the (i) breach or breaches that are the subject of such disclosure or supplement have made or are reasonably expected to make the satisfaction of the conditions in Section 7.1 impossible or unlikely and (ii) as a result of such breach or breaches, the Buyer has the right to not close the transactions contemplated by this Agreement (a “Material Disclosure/Supplement”), shall be deemed to amend or supplement the Disclosure Schedules attached hereto for purposes of post-Closing indemnification claims under Article 9 (but not for purposes of Sections 7.1(a) and (b)).

5.11 Financing. Buyer shall use commercially reasonable efforts to consummate the Financing contemplated by the Commitment Letter at Closing.

5.12 Fulfillment of Conditions. Seller will use commercially reasonable efforts to satisfy each of the conditions for Closing of Buyer set forth in Article 7, and Buyer will use commercially reasonable efforts to satisfy each of the conditions for Closing of Seller set forth in Article 6.

ARTICLE VI - SELLER CLOSING CONDITIONS

The obligation of Seller to consummate the Closing hereunder is subject to satisfaction, at or prior to Closing, of each of the following conditions (unless waived in writing by Seller):

6.1 Representations and Covenants.

(a) All representations and warranties of Buyer contained in this Agreement shall be true and correct as of the date of this Agreement and at and as of the Closing (other than any representation or warranty that is expressly made as of a specified date, which shall be true and correct as of such specified date only), except to the extent that the failure of the representations and warranties of Buyer contained in this Agreement to be so true and correct at and as of the Closing (or in respect of any representation or warranty that is expressly made as of a specified date, as of such date only) has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on Buyer.

(b) The covenants and agreements to be complied with and performed by Buyer at or prior to Closing shall have been complied with or performed in all material respects.

(c) 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 Sections 6.1(a) and (b) have been satisfied.

6.2 Proceedings. Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

6.3 FCC Authorization. The FCC Consent shall have been obtained.

6.4 Deliveries. Buyer shall have complied with its obligations set forth in Section 8.2.

6.5 Consents. Seller shall have obtained the consents necessary for the assignment of each Station Contract listed on *Schedule 2.3* which is marked with an asterisk (collectively, the “Required Consents”).

ARTICLE VII - BUYER CLOSING CONDITIONS

The obligation of Buyer to consummate the Closing hereunder is subject to satisfaction, at or prior to Closing, of each of the following conditions (unless waived in writing by Buyer):

7.1 Representations and Covenants.

(a) All representations and warranties of Seller contained in this Agreement shall be true and correct as of the date of this Agreement and at and as of the Closing (other than any representation or warranty that is expressly made as of a specified date, which shall be true and correct as of such specified date only), except to the extent that the failure of the representations and warranties of Seller contained in this Agreement to be so true and correct at and as of the Closing (or in respect of any representation or warranty that is expressly made as of a specified date, as of such date only) has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on the Business.

(b) The covenants and agreements to be complied with and performed by Seller at or prior to Closing shall have been complied with or performed in all material respects.

(c) Buyer shall have received a certificate dated as of the Closing Date from Seller executed by an authorized officer of Seller to the effect that the conditions set forth in Sections 7.1(a) and (b) have been satisfied.

7.2 Proceedings. Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

7.3 FCC Authorization. The FCC Consent shall have been obtained and shall have become a Final Order.

7.4 Absence of Material Adverse Effect. Since the date of this Agreement, there have been no events that individually or in the aggregate have had or likely will have a Material Adverse Effect on the Business.

7.5 Deliveries. Seller shall have complied with its obligations set forth in Section 8.1.

7.6 Consents. The Required Consents shall have been obtained (if any).

ARTICLE VIII - CLOSING DELIVERIES

8.1 Seller Documents. At Closing, Seller shall deliver or cause to be delivered to Buyer:

(a) a certificate executed by Seller's secretary or assistant secretary evidencing authorization by Seller's board of directors or other governing body for the execution, delivery and performance of this Agreement, including the consummation of the transactions contemplated hereby;

(b) the certificate described in Section 7.1(c);

(c) an assignment of FCC authorizations assigning the Licenses (including the FCC Licenses) from Seller to Buyer;

(d) an assignment and assumption of contracts assigning the Station Contracts (including real property leases, if any) from Seller to Buyer;

(e) special warranty deeds conveying the Owned Real Property from Seller to Buyer;

(f) an assignment of marks assigning the Station's registered marks listed on *Schedule 1.1(e)* (if any) and all goodwill associated therewith from Seller to Buyer;

(g) domain name transfers assigning the Station's domain names listed on *Schedule 1.1(e)* (if any) from Seller to Buyer following customary procedures of the domain name administrator;

(h) an assignment of any copyrights and patents listed on *Schedule 1.1(e)* (if any) from Seller to Buyer;

(i) a bill of sale conveying the other Station Assets from Seller to Buyer;

(j) an assignment and assumption assigning the Assumed Obligations from Seller to Buyer;

(k) any other instruments of transfer that may be reasonably necessary to convey the Station Assets from Seller to Buyer free and clear of all Liens, except for Assumed Obligations and Permitted Liens;

(l) estoppel certificates from the lessor of any leased Real Property included in the Station Assets, in a form reasonably acceptable to Buyer;

(m) executed releases of any Liens (other than Permitted Liens) in suitable form for filing, in the Station Assets; and

(n) a Form W-9 for Seller along with a certificate in accordance with Section 1445(b)(2) of the Code and Treasury Regulations section 1.1445-2(b) certifying that Seller is not a “foreign person” and any required analogous state specific certifications.

8.2 Buyer Documents. At Closing, Buyer shall deliver or cause to be delivered to Seller:

- (a) the Closing Purchase Price in accordance with Section 1.4(a) hereof;
- (b) a certificate executed by Buyer’s secretary or assistant secretary evidencing authorization by Buyer’s board of directors or other governing body for the execution, delivery and performance of this Agreement, including the consummation of the transactions contemplated hereby;
- (c) the certificate described in Section 6.1(c);
- (d) an assignment of FCC authorizations assigning the FCC Licenses from Seller to Buyer;
- (e) an assignment and assumption of contracts assuming the Station Contracts (including the Real Property Leases, if any) from Seller;
- (f) an assignment of marks assuming the Station’s registered marks listed on *Schedule 1.1(e)* (if any) and all goodwill associated therewith from Seller;
- (g) domain name transfers assuming the Station’s domain names listed on *Schedules 1.1(e)* (if any) from Seller to Buyer following customary procedures of the domain name administrator;
- (h) an assignment of any copyrights and patents listed on *Schedule 1.1(e)* (if any) from Seller to Buyer;
- (i) an assignment and assumption assuming the Assumed Obligations from Seller;
- (j) copies of any documents and filings required in connection with the payment by Buyer of all governmental taxes, fees and charges applicable to the transfer of the Station Assets under this Agreement; and
- (k) any other instruments of conveyance, assumption and transfer that may be reasonably necessary to convey, transfer and assign the Station Assets and the Assumed Obligations from Seller to Buyer, free and clear of Liens, except for Assumed Obligations and Permitted Liens.

ARTICLE IX - SURVIVAL; INDEMNIFICATION

9.1 Survival. The representations and warranties in this Agreement shall survive Closing for a period of fourteen (14) months from the Closing Date whereupon they shall

expire and be of no further force or effect (the “Release Date”), provided, that if within such fourteen (14) month period the indemnified party gives the indemnifying party proper written notice of a claim for breach thereof describing in reasonable detail the nature and basis of such claim, then such claim shall survive (with respect to only the subject matter of such written notice) until the earlier of resolution of such claim or expiration of the applicable statute of limitations. The covenants and agreements in this Agreement shall survive Closing until performed and discharged in full.

9.2 Indemnification.

(a) Subject to Section 9.2(b), from and after Closing, Seller shall defend, indemnify and hold harmless Buyer and its Affiliates and their respective directors, officers, employees, stockholders, members, partners, agents, attorneys, representatives, successors and assigns (collectively, the “Buyer Indemnified Parties”) from and against any and all losses, costs, damages, liabilities, claims, obligations, deficiencies, demands, judgments, penalties, actions, causes of action, assessments, awards and expenses, including reasonable attorneys’ fees and expenses (“Damages”) incurred by a Buyer Indemnified Party arising out of or resulting from:

- (i) any breach by Seller of its representations and warranties made under this Agreement; or
- (ii) any breach by Seller of any covenant or agreement made under this Agreement;
- (iii) the Retained Obligations; or
- (iv) the ownership, business or operation of the Station before the Closing Date, except for the Assumed Obligations.

(b) Notwithstanding the foregoing or anything else herein to the contrary, after Closing, (i) Seller shall have no liability to the Buyer Indemnified Parties under Section 9.2(a)(i) until the Buyer Indemnified Parties’ aggregate Damages under Section 9.2(a)(i) exceed an amount equal to Thirty-Five Thousand Dollars (\$35,000) (the “Deductible”), after which Seller will be liable for Damages under Section 9.2(a)(i) only in excess of the Deductible, and (ii) the maximum aggregate liability of Seller under Section 9.2(a)(i) shall be an amount equal to Four Hundred Thousand Dollars (\$400,000) (the “Cap”).

(c) From and after Closing, Buyer shall defend, indemnify and hold harmless Seller and its Affiliates and their respective directors, officers, employees, stockholders, members, partners, agents, attorneys, representatives, successors and assigns (collectively, the “Seller Indemnified Parties”) from and against any and all Damages incurred by a Seller Indemnified Party arising out of or resulting from:

- (i) any breach by Buyer of its representations and warranties made under this Agreement;
- (ii) any breach by Buyer of any covenant or agreement made under this Agreement;

(iii) the Assumed Obligations and Transfer Taxes that the Buyer is responsible under Section 11.1; or

(iv) the ownership, business or operation of the Station after the Closing Date.

9.3 Procedures for Third Party Claims.

(a) The indemnified party shall give prompt written notice to the indemnifying party of any demand, suit, claim or assertion of liability by third parties that is subject to indemnification hereunder (a “Claim”), but a failure to give such notice or delaying such notice shall not affect the indemnified party’s rights or the indemnifying party’s obligations except to the extent the indemnifying party’s ability to remedy, contest, defend or settle with respect to such Claim is thereby prejudiced and provided that such notice is given within the time period described in Section 9.1.

(b) The indemnifying party shall have the right to undertake the defense or opposition to such Claim with counsel selected by it. In the event that the indemnifying party does not undertake such defense or opposition in a timely manner, the indemnified party may undertake the defense, opposition, compromise or settlement of such Claim with counsel selected by it at the indemnifying party’s cost (subject to the right of the indemnifying party to assume defense of or opposition to such Claim at any time prior to settlement, compromise or final determination thereof).

(c) Anything herein to the contrary notwithstanding:

(i) the indemnified party shall have the right, at its own cost and expense, to participate in the defense, opposition, compromise or settlement of the Claim;

(ii) the indemnifying party shall not, without the indemnified party’s written consent, settle or compromise any Claim or consent to entry of any judgment which does not include the giving by the claimant to the indemnified party of an unqualified release from all liability in respect of such Claim; and

(iii) in the event that the indemnifying party undertakes defense of or opposition to any Claim, the indemnified party, by counsel or other representative of its own choosing and at its sole cost and expense, shall have the right to consult with the indemnifying party and its counsel concerning such Claim, and the indemnifying party and the indemnified party and their respective counsel shall cooperate in good faith with respect to such Claim.

9.4 No Special Damages, Mitigation. No indemnifying party shall be liable to any indemnified party for indirect, consequential, incidental, punitive or special damages (but excluding punitive or special damages paid to a third party). Each party agrees to use its commercially reasonable efforts to mitigate any Damages in respect of any pending or threatened Claim.

9.5 Offset. The amount of any Damages indemnifiable by any indemnifying party to any indemnified party pursuant to this Article 9 will be reduced to reflect (a) the value of

any quantifiable net Tax benefit (whether monetary or otherwise and taking into account the Tax cost attributable to the receipt of the indemnity payments) if and when actually realized, directly or indirectly, by the indemnified party as a result of such Damages and (b) any amount actually recovered or recoverable by the indemnified party under insurance policies or otherwise with respect to such Damages. For purposes of this Agreement, an indemnified party shall be deemed to have “actually realized” a net Tax benefit in any taxable year to the extent that, during such taxable year, the amount of Taxes payable by such indemnified party for such taxable year is reduced below the amount of Taxes that such indemnified party would have been required to pay but for the incurrence or payment of such indemnified Damages. The amount of any Damages indemnifiable by any indemnifying party to any indemnified party pursuant to this Article 9 will be reduced to reflect the amount of any insurance proceeds received by such indemnified party in respect of such Damages.

9.6 Treatment of Indemnity Benefits. All payments made by Seller or Buyer, as the case may be, to or for the benefit of the other pursuant to any indemnification obligations under this Agreement shall be treated as adjustments to the Purchase Price for Tax purposes and such agreed treatment shall govern for purposes of this Agreement.

9.7 Environmental Liabilities. Notwithstanding anything herein to the contrary, with respect to any claim for indemnification regarding any breach of any representation or warranty under Section 2.9 or for any Retained Obligations relating to or arising under Environmental Laws, or hazardous or toxic substances or wastes regulated under Environmental Laws, Seller shall have no obligation to indemnify or hold harmless a Buyer Indemnified Party for any Damages that: (a) would not have arisen but for any intrusive investigation (including any soil, groundwater or surface water sampling) by Buyer or any of its agents or representatives, except to the extent such intrusive investigation was consented to by Seller pursuant to Section 5.5, was required by Environmental Laws (or permits thereunder) or a federal, state or local governmental authority or was necessary, in the reasonable opinion of Buyer, to address a significant risk to human health and safety; or (b) exceed the cost to meet or impose the least stringent, most cost-effective standard or remedy required by applicable Environmental Laws that is consistent with the commercial or industrial use of the site as of the Closing Date, as applicable (including any site-specific standards based on risk assessments and any remedies or standards that require or are limited to the imposition of deed restrictions, land use restrictions or monitored natural attenuation), provided that such remedy is acceptable to (i) the governmental authority with jurisdiction over the condition if the approval of such governmental authority is required therefor under applicable Environmental Laws and (ii) any landlord (with respect to conditions on leased real property) if the approval of such landlord is required therefor under the applicable lease. Notwithstanding the foregoing, Buyer may clean-up to more stringent standards, but the increased cost shall be borne by Buyer and not subject to indemnification by Seller.

9.8 Exclusive Remedy. The parties to this Agreement hereby acknowledge and agree that, except in the case of fraud, the sole and exclusive remedy of the Buyer Indemnified Parties and the Seller Indemnified Parties, as the case may be, from and after the Closing with respect to Damages and any and all claims for any breach or liability under this Agreement or otherwise relating to the subject matter of this Agreement (including any certificate delivered pursuant to Section 6.1(c) or Section 7.1(c)) or the transactions contemplated hereby shall be (a)

their respective rights to indemnification set forth in this Article 9 in accordance with this Article 9 and as such rights may be limited by the provisions of this Article 9 and (b) their respective rights to seek specific performance or other equitable remedies as provided by Section 10.4. In furtherance of the foregoing, each of Buyer and Seller hereby waive, to the fullest extent permitted under applicable law, except in the case of fraud, any and all rights, claims and causes of action it may have against the other arising under or based upon any federal, state or local law, rule or regulation (including (i) any such rights, claims or causes of action arising under or based upon common law, tort or otherwise and (ii) any and all claims for Damages or contribution arising under any Environmental Law) under this Agreement or otherwise relating to the subject matter of this Agreement (including any certificate delivered pursuant to Section 6.1(c) or Section 7.1(c)) or the transactions contemplated hereby.

9.9 Anti-sandbagging. The right to indemnification or any other remedy based on representations, warranties, covenants and agreements in this Agreement, any Seller Ancillary Agreement or Buyer Ancillary Agreement shall not be affected by any investigation conducted at any time, or any knowledge acquired (or capable of being acquired) at any time, whether before or after the execution and delivery of this Agreement, with respect to the accuracy or inaccuracy of or compliance with, any such representation, warranty, covenant or agreement, waiver of any condition based on the accuracy of any representation or warranty, or on the performance of or compliance with any such covenant or agreements, will not affect the right to indemnification or any other remedy based on such representations, warranties, covenants and agreements.

ARTICLE X - TERMINATION AND REMEDIES

10.1 Termination. Subject to Section 10.3, this Agreement may be terminated prior to Closing as follows:

- (a) by mutual written agreement of Buyer and Seller;
- (b) by written notice of Buyer to Seller if (i) Buyer is not in material breach of its obligations under this Agreement, (ii) Seller breaches its representations or warranties, or defaults in the performance of its covenants, contained in this Agreement and (iii) all such Seller breaches and defaults that are not cured within the Cure Period (as defined in Section 10.2) would prevent the conditions to the obligations of Buyer set forth in Section 7.1 from being satisfied;
- (c) by written notice of Seller to Buyer if (i) Seller is not in material breach of its obligations under this Agreement, (ii) Buyer breaches its representations or warranties, or defaults in the performance of its covenants, contained in this Agreement and (iii) all such Buyer breaches and defaults that are not cured within the Cure Period would prevent the conditions to the obligations of Seller set forth in Section 6.1 from being satisfied; provided, however, that no Cure Period shall apply to Buyer's obligations to make the Deposit on the date hereof and to pay the Closing Purchase Price at Closing;
- (d) by written notice of Buyer to Seller, or by Seller to Buyer, if the FCC denies the FCC Application; or

(e) by written notice of Buyer to Seller, or by Seller to Buyer, if the Closing does not occur by the date which is twelve (12) months after the date of this Agreement (the “Termination Date”).

10.2 Cure Period. Each party shall give the other party prompt written notice upon learning of any breach or default by the other party under this Agreement. The term “Cure Period” as used herein means a period commencing on the date Buyer or Seller receives from the other written notice of breach or default hereunder and continuing until the earlier of (a) twenty (20) calendar days thereafter or (b) the Closing Date determined under Section 1.8; provided, however, that if the breach or default is non-monetary and cannot reasonably be cured within such period but can be cured before the Closing Date determined under Section 1.8, and if diligent efforts to cure promptly commence, then the Cure Period shall continue as long as such diligent efforts to cure continue, but not beyond the Closing Date determined under Section 1.8.

10.3 Survival. In the event this Agreement is terminated pursuant to Section 10.1, there shall be no liability on the part of any party hereto after such termination except (a) pursuant to Section 1.4(b) (Deposit), Section 5.1 (Confidentiality), Section 5.2 (Announcements), Section 10.5 (Deposit; Liquidated Damages), Section 11.1 (Expenses) and Section 11.13 (Governing Law), which sections shall survive any termination of this Agreement and (b) for any liability that a party may have accrued prior to such termination for any willful breach of its representations, warranties, covenants or agreements set forth in this Agreement.

10.4 Specific Performance.

(a) Seller’s Right to Specific Performance. If Closing has occurred, in the event of a failure or threatened failure by Buyer to comply with the terms of this Agreement, then Seller shall be entitled to an injunction restraining such failure or threatened failure and to enforcement of this Agreement by a decree of specific performance requiring compliance with this Agreement.

(b) Buyer’s Right to Specific Performance. In the event of a failure or threatened failure by Seller to comply with the terms of this Agreement, then Buyer shall be entitled to an injunction restraining such failure or threatened failure and, subject to obtaining any necessary FCC consent, to enforcement of this Agreement by a decree of specific performance requiring compliance with this Agreement.

10.5 Deposit; Liquidated Damages. The Deposit and any interest accrued thereon (the “Escrowed Funds”) shall be disbursed to Seller as liquidated damages and the sole and exclusive remedy of Seller if either (i) this Agreement is terminated by Seller pursuant to Section 10.1(c) or (ii) this Agreement is terminated by either party pursuant to Section 10.1(d) or (e) and all of the conditions to the obligations of Buyer to consummate the transactions contemplated by this Agreement (other than conditions that are satisfied by action taken at the Closing) have been satisfied or waived except that the FCC Consent has not been obtained and such failure is not the result of matters related to Seller or the Station. Seller acknowledges and agrees that Seller’s recovery of such amount shall constitute payment of liquidated damages and not a penalty and that Seller’s liquidated damages amount is reasonable in light of the substantial but indeterminate harm anticipated to be caused by Buyer’s material breach or default under this

Agreement, the difficulty of proof of loss and damages, the inconvenience and non-feasibility of otherwise obtaining an adequate remedy, and the value of the transactions to be consummated hereunder. If this Agreement is terminated for any other reason, the Escrowed Funds shall be disbursed to Buyer. The parties shall each instruct the Escrow Agent to disburse the Escrowed Funds to the party or parties entitled thereto at the Closing or within three (3) business days of such termination, as applicable, and shall not, by any act or omission, delay or prevent any such disbursement.

ARTICLE XI - MISCELLANEOUS

11.1 Expenses. Each party shall be solely responsible for all costs and expenses (including legal, accounting and other professional fees and expenses) incurred by it in connection with the negotiation, preparation, execution and performance of and compliance with the terms of this Agreement. All other governmental fees and charges applicable to any requests for FCC Consent shall be paid by the party upon whom the applicable governmental authority imposes the fee or charge (or shall be shared equally if not imposed upon either party). Except for FCC application fees, which are subject to Section 1.8 hereof, Buyer shall be solely responsible for the payment of all governmental Taxes, fees and charges applicable to the transfer of the Station Assets under this Agreement (including sales, use and real property transfer taxes and the costs of recording or filing all applicable conveyance instruments) (collectively, "Transfer Taxes") and all title policy premiums and survey costs. At Buyer's expense, Seller will cooperate in Buyer's preparation, execution and filing of all Tax Returns regarding Transfer Taxes and in seeking or perfecting any available exemption from Transfer Taxes. Each party is responsible for any commission, brokerage fee, advisory fee or other similar payment that arises as a result of any agreement or action of it or any party acting on its behalf in connection with this Agreement or the transactions contemplated hereby.

11.2 Assignment. Neither party may assign this Agreement without the prior written consent of the other party hereto, provided, however, that Buyer may assign its rights hereunder to an Affiliate of Buyer upon written notice to, but without consent of, Seller, provided that any such assignment does not delay the processing of the FCC Application, or the grant of the FCC Consent. The terms of this Agreement shall bind and inure to the benefit of the parties' respective successors and any permitted assigns, and no assignment shall relieve any party of any obligation or liability under this Agreement.

11.3 Notices. Any notice pursuant to this Agreement shall be in writing and shall be deemed delivered on the date of personal delivery or confirmed facsimile transmission or confirmed delivery by a nationally recognized overnight courier service, and shall be addressed as follows (or to such other address as any party may request by written notice):

if to Seller: Newport Television LLC
460 Nichols Road, Suite 250
Kansas City, Missouri 64112
Attention: John Grossi
Fax: (816) 751-0250

with a copy (which shall not constitute notice) to: Weil, Gotshal & Manges LLP
50 Kennedy Plaza, 11th Floor
Providence, RI 02903
Attention: Joseph A. Kuzneski, Jr.
Fax: (401) 278-4701

if to Buyer: OTA Broadcasting (SEA), LLC
11710 Plaza America Drive
Suite 2000
Reston, VA 20190
Attention: Todd Lawyer
Fax: (800) 827-5078

with a copy (which shall not constitute notice) to: Wilkinson Barker Knauer, LLP
2300 N Street, NW Suite 700
Washington, DC 20037
Attention: F. Thomas Moran, Esq.
Fax: (202) 783-5851

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

11.5 Entire Agreement. This Agreement (including the Exhibits and Schedules hereto and the Escrow Agreement) constitutes the entire agreement and understanding among the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings with respect to the subject matter hereof, except the NDA and any other confidentiality agreement among the parties with respect to the Station, which shall, subject to Section 5.1, remain in full force and effect. The Exhibits and Schedules to this Agreement are hereby incorporated by reference into and made a part of this Agreement for all purposes. Any disclosure of a fact or item in any Schedule shall only be considered to be disclosed with respect to another Article or Section of the Agreement to the extent that the relevance of any such disclosure to such Article or Section is reasonably apparent from the text of such disclosures. No party makes any representation or warranty with respect to the transactions contemplated by this Agreement except as expressly set forth in this Agreement.

11.6 Certain Defined Terms. For purposes of this Agreement, the following initially capitalized terms shall have the corresponding meanings set forth below:

“Affiliate” shall mean, with respect to a specified Person, any Person or member of a group of Persons acting together that, directly or indirectly, through one or more intermediaries, controls, or is controlled by or is under common control with, the specified Person. As used in this definition, the term “control” (including the terms “controlling,” “controlled by” and “under common control with”) means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

“Business” means the business of operating the Station and the Station Assets, as currently conducted by Seller.

“Final Order” means an action by the FCC (including any action duly taken by the FCC’s staff acting pursuant to delegated authority) (a) that has not been vacated, reversed, stayed, enjoined, set aside, annulled or suspended, (b) with respect to which no request for stay, motion or petition for rehearing, reconsideration or review, or application or request for review or notice of appeal or sua sponte review by the FCC is pending and (c) as to which the time for filing any such request, motion, petition, application, appeal or notice, and for the entry of orders staying, reconsidering or reviewing on the FCC’s own motion has expired.

“Lien” means any security interest, pledge, mortgage, lien, deed of trust, hypothecation, charge, adverse claim of ownership or use, restriction on transfer (such as an option or right of first refusal or other similar right), defect of title, lease, easement, encroachment, right of way or other encumbrance of any kind or character.

“Material Adverse Effect on Buyer” means any event, state of facts, circumstance, development, change, effect or occurrence that is materially adverse to the business, financial condition or results of operations of Buyer, taken as a whole, or may reasonably be expected to prevent or materially delay or materially impair the ability of Buyer to consummate the transactions contemplated by this Agreement.

“Material Adverse Effect on the Business” means any event, state of facts, circumstance, development, change, effect or occurrence (an “Effect”) that, individually or in the aggregate with any other Effect, has had or would reasonably be expected to have a materially adverse effect on the business, properties, assets, financial condition or results of operations of the Business, taken as a whole, other than any Effect resulting from (a) changes in general economic conditions or the securities, credit or financial markets in general, in each case, generally affecting the broadcast television industry, (b) general changes or developments in the broadcast television industry, (c) the execution and delivery of this Agreement, the announcement of this Agreement and the transactions contemplated hereby, the consummation of the transactions contemplated hereby, the compliance with the terms of this Agreement or the taking of any action required by this Agreement or consented to by Buyer, (d) any acts of terrorism or war (other than any of the foregoing that causes any damage or destruction to or renders unusable any facility or property of Seller or any of its subsidiaries), or (e) changes in generally accepted accounting principles or the interpretation thereof.

“Permits” shall mean any approvals, authorizations, consents, licenses, permits or certificates issued by a governmental authority.

“Permitted Liens” shall mean (a) liens for taxes, assessments and governmental charges not yet due and payable or that are being contested in good faith; (b) zoning laws and ordinances and similar laws that are not materially violated by any existing improvement or that do not prohibit the use of the applicable Station Assets subject thereto as currently used in the operation of the Station Assets; (c) any right reserved to any governmental authority to regulate the affected property (including restrictions stated in any permits); (d) in the case of any leased asset, (i) the rights of any lessor under the applicable lease agreement or any Lien granted by any lessor or any Lien that the applicable lease is subject to, (ii) any statutory Lien for amounts that are not yet due and payable or that are being contested in good faith by appropriate proceedings and for which appropriate reserves have been created in accordance with GAAP and (iii) the rights of the grantor of any easement or any Lien granted by such grantor on such easement property; (e) statutory Liens of landlords and Liens of carriers, warehousemen, mechanics, material men and other Liens imposed by law arising or incurred in the ordinary course of business for amounts that are not yet due and payable or that are being contested in good faith by appropriate proceedings and for which appropriate reserves have been created in accordance with GAAP and that are not resulting from any breach, violation or default by Seller of any Station Contract or applicable law; (f) Liens created by or through Buyer or any of its Affiliates; (g) minor defects of title, easements, rights-of-way, restrictions and other Liens not materially interfering with the present use of the applicable Station Assets subject thereto; (h) state of facts an accurate survey or physical inspection would show, provided such facts do not materially interfere with the present use of the applicable real property; (i) Liens that will be released prior to or as of the Closing Date, including, without limitation, all mortgages and security interests securing indebtedness of Seller (j) licenses of Intangible Property granted in the ordinary course of business; (k) gaps in the chain-of-title for Intangible Property evident from the public records of the relevant federal, state, or foreign governmental agency or authority maintaining the applications or registrations therefor, as applicable; and (l) Liens set forth on *Schedule 11.6*.

“Person” shall mean any natural person or any corporation, limited liability company, partnership, joint venture, trust or other legal entity.

“Seller’s knowledge” and “knowledge of Seller” shall mean the actual knowledge of John Grossi, Sandy DiPasquale, Cambra Ward, the Station’s chief engineer or their successors.

“Tax” or “Taxes” shall mean any and all federal, state, local, county, provincial, national, foreign and other taxes, fees, levies, duties, tariffs, imposts, and other similar charges (together with any and all interest, penalties and additions to tax) imposed by any governmental or taxing authority including, without limitation, taxes or other charges on or with respect to income, franchises, windfall or other profits, gross receipts, property, sales, use, capital stock, payroll, employment, social security, workers’ compensation, unemployment compensation, or net worth taxes or other charges in the nature of excise, withholding, ad valorem, stamp, transfer, value added, or gains taxes, license, registration and documentation fees and similar charges.

“Tax Returns” shall mean any returns, reports, claims for refund, declarations of estimated Taxes and information statements, including any schedule or attachment thereto or any amendment thereof, with respect to Taxes required to be filed with any governmental or taxing authority, domestic or foreign, including consolidated, combined and unitary tax returns.

11.7 Acknowledgement of Buyer. Buyer acknowledges that it has (a) conducted to its satisfaction an independent investigation and verification of the financial condition, results of operations, assets, liabilities, properties and projected operations of Seller, and (b) relied on the results of its own independent investigation and verification and the representations and warranties of Seller expressly and specifically set forth in this Agreement, including the Schedules (and updated Schedules), in making its determination to proceed with the transactions contemplated by this Agreement. The representations and warranties of Seller expressly and specifically set forth in this Agreement, including the Schedules (and updated Schedules), constitute the sole and exclusive representations and warranties of Seller to Buyer in connection with the transactions contemplated hereby, and Buyer understands, acknowledges and agrees that all other representations and warranties of any kind or nature expressed or implied (including without limitation any relating to the future or historical financial condition, results of operations, assets or liabilities of the Station Assets, or the quality, quantity or condition of the Station Assets) are specifically disclaimed by Seller. Seller does not make or provide, and Buyer hereby waives, any warranty or representation, express or implied, as to the quality, merchantability, fitness as for a particular purpose, conformity to samples, or condition of the Station Assets or any part thereto, except as expressly set forth in Article 2. In connection with Buyer's investigation of the Station Assets, Buyer has received certain projections, including projected statements of operating revenues and income from operations of the Station Assets and certain business plan information. Buyer acknowledges that there are uncertainties inherent in attempting to make such estimates, projections and other forecasts and plans, that Buyer is familiar with such uncertainties and that Buyer is taking full responsibility and other forecasts and plans so furnished to it, including without limitation the reasonableness of the assumptions underlying such estimates, projections and forecasts. Accordingly, Buyer hereby acknowledges that Seller is not making any representation or warranty with respect to such estimates, projections and other forecasts and plans, including without limitation the reasonableness of the assumptions underlying such estimates, projections and forecasts.

11.8 Neutral Construction. The parties to this Agreement agree that this Agreement was negotiated fairly among them at arm's-length and that the final terms of this Agreement are the product of the parties' negotiations. Each party represents and warrants that it has sought and received legal counsel of its own choosing with regard to the contents of this Agreement and the rights and obligations affected hereby. The parties agree that this Agreement shall be deemed to have been jointly and equally drafted by them, and that the provisions of this Agreement therefore should not be construed against a party or parties on the grounds that the party or parties drafted or was more responsible for drafting the provision(s).

11.9 Section Headings; Construction. The headings of Sections in this Agreement are provided for convenience only and shall not affect its construction or interpretation. All references to "Article," "Section" or "Sections" refer to the corresponding Article, Section or Sections of this Agreement. All words used in this Agreement shall be construed to be of such gender or number as the circumstances require. Unless otherwise expressly provided, for all purposes of this Agreement, the terms "include", "includes" and "including" shall be deemed followed by the words "without limitation." The Exhibits attached hereto and the Schedules referred to herein and attached hereto are hereby incorporated herein and made a part hereof as if fully set forth herein.

11.10 Severability. If any court or governmental authority holds any provision in this Agreement invalid, illegal or unenforceable as applied to any party or to any circumstance under any applicable law, then, so long as no party is deprived of the benefits of this Agreement in any material respect, (a) such provision, as applied to such party or such circumstance, is hereby deemed modified to give effect to the original written intent of the parties to the greatest extent consistent with being valid and enforceable under applicable law, (b) the application of such provision to any other party or to any other circumstance will not be affected or impaired thereby and (c) the validity, legality and enforceability of the remaining provisions of this Agreement will remain in full force and effect.

11.11 No Beneficiaries. Nothing in this Agreement expressed or implied is intended or shall be construed to give any rights to any person or entity other than the parties hereto and their successors and permitted assigns.

11.12 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. All recording matters relating to the conveyance of each parcel of Owned Real Property will be conducted in conformity with the applicable requirements of local law governing the location of such parcel.

11.13 Counterparts. This Agreement may be executed in separate counterparts, each of which will be deemed an original and all of which together will constitute one and the same agreement. The exchange of copies of this Agreement and of counterpart signature pages by electronic or facsimile transmission shall constitute effective execution and delivery of this Agreement and may be used in lieu of the original Agreement for all purposes. Signatures of the parties transmitted electronically or by facsimile shall be deemed to be their original signatures for all purposes.

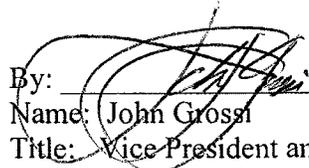
11.14 Non-Recourse. No past, present or future director, officer, employee, incorporator, member, partner, stockholder, Affiliate, agent, attorney or representative of Seller, Buyer or their Affiliates shall have any liability for any obligations or liabilities of Seller or Buyer under this Agreement or the Seller Ancillary Agreements or Buyer Ancillary Agreements of or for any claim based on, in respect of, or by reason of, the transactions contemplated hereby and thereby.

11.15 Guarantee by Guarantor. Guarantor hereby irrevocably and unconditionally guarantees to Seller the full and complete payment and performance by Buyer of its obligations under this Agreement (together with any costs or expenses (including reasonable attorney's fees and expenses) which Seller may incur in enforcing such performance of this guarantee) and shall be liable for any breach of any representation, warranty, covenant or obligation of Buyer under this Agreement and any agreement or certificate contemplated by this Agreement. This is a guarantee of payment and performance and not collectability. If any default shall occur by Buyer in its performance or satisfaction of any of its obligations hereunder, then Guarantor will itself perform or satisfy, or cause to be performed or satisfied, such obligations immediately upon notice from Seller specifying in summary form the default. Guarantor hereby waives diligence, presentment, demand of performance, filing of any claim, any right to require any proceeding first against Buyer, and all demands whatsoever in connection with the performance

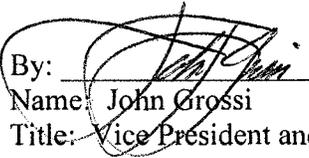
of its obligations set forth in this Section 11.15. Guarantor agrees that Seller may, without notice to, or further consent of, Guarantor and without in any way affecting Guarantor's liability under this guarantee, modify or release any or all of such obligations and refrain from exercising any right of Seller under this Agreement or provided by law. Notwithstanding anything contained in this Agreement to the contrary, Seller's right to receive the Escrowed Funds is Seller's sole remedy in the event (a) Buyer (i) breaches its representations and warranties or (ii) defaults in the performance of its covenants under this Agreement and (b) the Closing does not occur, and Seller shall have no additional recourse or remedy against Buyer, Guarantor or their Affiliates, equity investors, successors and assigns arising from this Agreement in connection with the failure of the Closing to occur.

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

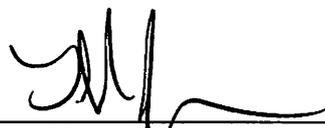
NEWPORT TELEVISION LLC

By: 
Name: John Grossi
Title: Vice President and Treasurer

NEWPORT TELEVISION LIMITED

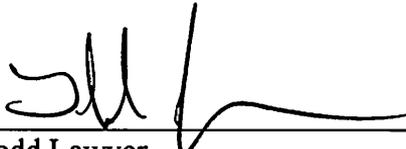
By: 
Name: John Grossi
Title: Vice President and Treasurer

OTA BROADCASTING (SEA), LLC

By: 
Name: Todd Lawyer
Title: President and Chief Executive Officer

For purposes of Section 11.15 only:

OTA BROADCASTING, LLC

By: 
Name: Todd Lawyer
Title: President and Chief Executive Officer