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SHARE EXCHANGE AGREEMENT

by and between

CBS CORPORATION

and

LIBERTY MEDIA CORPORATION

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Dated as of February 12, 2007

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## SHARE EXCHANGE AGREEMENT

This SHARE EXCHANGE AGREEMENT, dated as of February 12, 2007 (this “Agreement”), is entered into by and between CBS CORPORATION (“CBS”), a Delaware corporation, and LIBERTY MEDIA CORPORATION, a Delaware corporation (“Liberty”; and together with CBS, the “Parties” and each, a “Party”).

### WITNESSETH:

WHEREAS, CBS indirectly through the CBS Entities currently owns, conducts and operates, among other things, the Business;

WHEREAS, on or prior to the Closing, the CBS Entities will complete the Contribution and the Distributions, pursuant to which the Business, as a going concern, and the Cash Amount will be transferred, whether by contribution or otherwise, to a newly organized Delaware corporation (the “Company”), wholly owned indirectly (and, following the Distributions, directly) by CBS, in accordance with the terms of this Agreement;

WHEREAS, upon the terms and subject to the conditions set forth in this Agreement, (a) CBS desires to exchange the Company Shares for the Liberty CBS Shares, and (b) Liberty desires to cause the Liberty Subsidiary to exchange the Liberty CBS Shares for the Company Shares;

WHEREAS, the Parties hereto intend the transactions undertaken in connection with the Contribution will qualify as a tax-free reorganization within the meaning of Section 368(a) of the Code, and that the Distributions and the Exchange will each qualify as a tax-free transaction under Section 355(a) of the Code; and

WHEREAS, CBS has determined that it is in its best interests to complete the Exchange because, among other reasons, (i) it furthers and is consistent with the \$1.5 billion stock repurchase plan announced in November, 2006, (ii) it furthers CBS’ objective to focus on its broadcasting assets in major markets, (iii) it enables CBS to dispose of a non-core asset on a tax-efficient basis, (iv) under applicable FCC rules and regulations, it, together with other announced dispositions of broadcast properties provides an enhanced opportunity to acquire broadcast properties in major markets and (v) it eliminates the significant minority stake held by Liberty.

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement, and intending to be legally bound, the Parties hereto agree as follows:

### ARTICLE I

#### DEFINITIONS

SECTION 1.1. Certain Definitions. As used in this Agreement and the schedules hereto, the following terms have the respective meanings set forth below.

“Accounting Firm” means (a) an independent certified public accounting firm in the United States of national recognition (other than a firm that then serves as the independent auditor for the CBS Parties, Liberty or any of their respective Affiliates) mutually acceptable to CBS and Liberty or (b) if CBS and Liberty are unable to agree upon such a firm, then the regular independent auditors for the CBS Parties and Liberty shall mutually agree upon a third independent certified public accounting firm, in which event “Accounting Firm” shall mean such third firm.

“Accounts Payable” means, with respect to a Station, the accrued or outstanding cash accounts payable, including unpaid commissions due to employees and national sales representatives of a CBS Entity arising out of such Station’s Business relating to the time period prior to the Closing Date (whether or not invoiced as of the Closing Date).

“Accounts Receivable” means all accounts receivable (other than non-cash accounts receivable relating to Tradeout Agreements or film and program barter agreements), and all rights to receive payments under any notes, bonds and other evidences of indebtedness and all other rights to receive payments, in each case, as to a Station, arising out of sales occurring in the conduct of such Station prior to the Closing Date for services performed or delivered by such Station prior to the Closing Date.

“Affiliate” means, with respect to any Person, any other Person that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. The term “control” means the possession, directly or indirectly, 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, including the ability to elect the members of the board of directors or other governing body of a Person, and the terms “controlled” and “controlling” have correlative meanings; provided, however, that with respect to CBS, “Affiliate” means any other Person that, directly or indirectly, through one or more intermediaries is controlled by CBS. For purposes of this Agreement, Liberty shall be deemed not to be an “Affiliate” of CBS or any of its Subsidiaries and CBS or any of its Subsidiaries shall be deemed not to be an “Affiliate” of Liberty; provided, however, that following the Closing, the Company shall be an “Affiliate” of Liberty and shall not be an “Affiliate” of CBS.

“Ancillary Agreements” means, collectively, the Station Affiliation Agreement and the Transition Services Agreement.

“Antitrust Laws” means the Sherman Act, as amended, the Clayton Act, as amended, the HSR Act, the Federal Trade Commission Act, as amended, and all other federal and state Laws that are designed or intended to prohibit, restrict or regulate actions having the purpose or effect of monopolization or restraint of trade or lessening of competition through merger or acquisition.

“Applicable Percentage” means, (a) 27%, if the Closing shall occur on or prior to May 16, 2007 or (b) 35%, if the Closing shall occur after May 16, 2007.

“Assignment Applications” means the appropriate applications, any related amendments, responses to oral and written inquiries from the FCC and answers to pleadings from the FCC that are required pursuant to the Communications Act to assign the FCC Licenses from CBS or a Subsidiary of CBS to the Company, and for the change of control of the Company in the Exchange, including a request for continued waiver of the FCC’s main studio rule with respect to WJMN-TV.

“Assumed Liabilities” means any and all Liabilities of the CBS Parties (i) that arise under the Business Contracts or the FCC Licenses in accordance with the terms thereof, except those Business Contracts included in the Excluded Assets, and except for any Liabilities listed on Schedule D; (ii) that arise from the acts and omissions of any Transferred Employees from and after the Closing; and (iii) listed on Schedule A; and in all events, expressly excluding Employment Costs or Employment Liabilities relating to any Business Employee terminated prior to the Closing.

“Basket Breaches” means the failure of any representation or warranty contained in this Agreement and made by CBS (other than those representations and warranties contained in Sections 3.1, 3.2(a), 3.2(b), 3.2(d), 3.2(e) and 3.3) to be true and correct when made or deemed made.

“Basket Exception Breach” means the failure of any representation or warranty contained in Sections 3.1, 3.2(a), 3.2(b), 3.2(d), 3.2(e) and 3.3 of this Agreement to be true and correct when made or deemed made.

“Business” means the conduct and operation of the Stations.

“Business Assets” means all the right, title and interest of the CBS Parties, or any of them, in, to and under the Business Contracts, the Business Intellectual Property and all other assets, properties (tangible or intangible), rights and other interests to the extent used exclusively or primarily in the operation of the Business, other than the Excluded Assets and including those listed on Schedule B.

“Business Contract” means (a) all right and interest to those Contracts required to be set forth on Schedule 3.13(a) of the CBS Disclosure Schedule, (b) those Contracts relating exclusively or primarily to the Business and/or other Business Assets entered into after the date hereof in full compliance with Section 5.2, and (c) all rights under all Contracts relating exclusively or primarily to the Business and/or to other Business Assets entered into in the Ordinary Course of Business on or before the date hereof that are not required by Section 3.13(a) to be listed on Schedule 3.13(a) of the CBS Disclosure Schedule; provided, however, that (x) any Group Contract that is attributable in part to the Business and in part to any business or businesses of the CBS Parties other than the Business and (y) any Related Party Contract shall in no event constitute a Business Contract unless (and then, only to the extent) such Contract is identified as a Business Contract on Schedule 3.13(a).

“Business Copyrights” means, as to a Station, (i) all copyrights, copyright applications, registrations and similar rights held by a CBS Party for use by such Station

exclusively in connection with the Business (other than those included in the Excluded Assets), including those registered copyrights and copyright applications identified on Schedule B(6) of the CBS Disclosure Schedule, and (ii) all works of authorship created by a Station, or by any one or more employees or contractors of a Station in connection with such employment, and all copyrights and similar rights therein, in each case used primarily in connection with the Business and in the possession of the relevant Station.

“Business Day” means a day except a Saturday, a Sunday or other day on which the SEC or banks in the City of New York are authorized or required by Law to be closed.

“Business Employee” means, as to a Station, the full-time, part-time and per-diem employees employed by CBS or its Subsidiaries exclusively or primarily in connection with the conduct and operation of such Station as of the date hereof, other than any such individuals who cease employment with CBS or its Subsidiaries prior to the Closing, but including any such individual hired after the date hereof and prior to the Closing in full compliance with Section 5.2(p)(iii).

“Business Intellectual Property” means: (a) the Business Copyrights; (b) the Business Patents; (c) the Business Trademarks, including all of the rights, if any, of the CBS Parties in and to the Stations’ call letters and any derivative thereof; (d) the trade secrets held by the CBS Parties for use by the Stations exclusively in connection with the Business (other than those included in the Excluded Assets); (e) all domain names used exclusively by the Stations, including www.wfrv.com and www.wjmntv.com; and (f) all goodwill, if any, associated therewith.

“Business Material Adverse Effect” means, with respect to the Business, any change, event, occurrence or effect which (i) has a material adverse effect on the results of operations, financial condition, operations or assets of the Business taken as a whole, other than changes, events, occurrences or effects (A) generally affecting the television programming services industry generally or the television broadcast industry generally (including regulatory or legislative matters), or (B) arising out of, resulting from or attributable to (1) general economic conditions, including any downturn caused by acts of war or terrorism or a natural disaster, such as an earthquake or hurricane or (2) changes in Law or in GAAP or in accounting standards, or changes in general legal, regulatory or political conditions, or (3) any action taken by CBS or its Subsidiaries as expressly contemplated or permitted by this Agreement or with Liberty’s consent, other than in the case of subsections (A), (B)(1) and (B)(2), those that affect the Business in a materially disproportionate manner (as compared to businesses of similar size and operating in the same industry as the Business operates), to the extent the Business is so disproportionately affected, or (ii) prevents, materially delays or impairs or is reasonably likely to prevent, materially delay or impair the ability of the CBS Parties and the Company to consummate the Transactions or the ability of the CBS Parties and the Company, as applicable, to perform their obligations under this Agreement or any Ancillary Agreement.

“Business Patents” means, as to a Station, all Patents held by a CBS Party for use by such Station exclusively in connection with the Business, including those patents, patent registrations and patent applications identified on Schedule B(6) of the CBS Disclosure Schedule.

“Business Trademarks” means, as to a Station, all of those trade names and Trademarks (other than those included in Excluded Assets) held by the CBS Entities exclusively for such Station as set forth on Schedule B(6) of the CBS Disclosure Schedule and the goodwill appurtenant thereto.

“Cash Amount” means the excess of (x) Total Company Value over (y) Closing Business Value.

“CBS Disclosure Schedule” means the disclosure schedule that CBS has delivered to Liberty on the date hereof and attached as Attachment A.

“CBS Class B Common Stock” means the Class B Common Stock, \$0.01 par value per share, of CBS.

“CBS Entities” means each Subsidiary of CBS (other than the Company) (i) that is engaged in the operation or conduct of the Business or (ii) that has record title or beneficial ownership of any asset that constitutes a Business Asset or (iii) that is subject to any Liability that constitutes an Assumed Liability or (iv) that is a party (for the benefit of the Stations) to any Business Contract or (v) that holds (for the benefit of the Stations) any Permit, in each case, as of the date hereof or at any time prior to the Closing; including, unless the context otherwise requires, each of the Stations, to the extent that such Station is deemed for any purpose to constitute a juridical person or to hold or be subject or a party to any Business Assets, Assumed Liabilities, Business Contract or Permit.

“CBS Parties” means CBS and the CBS Entities.

“CBS Stock Price” shall be an amount equal to the volume-weighted average price per share of CBS Class B Common Stock on the New York Stock Exchange (as reported by The Wall Street Journal (Northeast edition), or, if not reported thereby, any other authoritative source) calculated for each trade during the ten (10) trading days ending with and including the third trading day immediately preceding the Closing Date.

“CBS Tax Opinion” means the opinion of Weil, Gotshal & Manges LLP to be received by CBS to the effect that the Contribution, Distributions and the Exchange should be Tax-Free.

“CBS Tax Opinion Representations” means the representations set forth in the letter, which shall be executed by CBS on the Closing Date and dated and effective as of the Closing Date, to be made by CBS to Weil, Gotshal & Manges LLP and Baker Botts L.L.P. as a condition to, and in connection with, the issuance of the CBS Tax Opinion and the Liberty Tax Opinion, substantially in form and substance as set forth on

Exhibit II (amended as necessary to reflect changes in relevant facts occurring after the date hereof and on or before the Closing Date).

“CERCLA” means The Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. §§ 9601 et seq.

“Code” means the United States Internal Revenue Code of 1986, as amended.

“Communications Act” means collectively, the Communications Act of 1934, as amended, the Telecommunications Act of 1996, the Children’s Television Act, and the rules and regulations, orders and policies promulgated under the foregoing, in each case, as in effect from time to time.

“Company Common Stock” means, as of the Closing Date, the common stock, par value \$0.01 per share, of the Company, which shall constitute all of the outstanding stock of the Company.

“Company Shares” means, as of the Closing Date, all of the issued and outstanding shares of Company Common Stock, which shall constitute all of the outstanding stock of the Company.

“Confidential Business Information” shall mean all information that qualifies as Evaluation Material under the Confidentiality Agreement.

“Confidentiality Agreement” means the letter agreement dated September 6, 2006, between Liberty and CBS.

“Contract” means any contract, agreement, indenture, credit agreement, deed of trust, license, note, bond, mortgage, lease, guarantee and any similar understanding or arrangement, whether written or oral.

“DOJ” means the United States Department of Justice.

“Effective Time” means 12:01 a.m., New York City time, on the Closing Date.

“Employee Benefit Plans” means any (i) employee benefit plan, arrangement or policy subject to ERISA, including any retirement, pension, deferred compensation, severance, profit sharing, savings, group health, dental, life insurance, disability or cafeteria plan, policy or arrangement, (ii) any stock option, stock purchase or equity-based compensation plan, (iii) any bonus or incentive arrangement and (iv) any severance or termination agreements, policies or arrangements that are not covered by ERISA, in each case maintained or contributed to by CBS or any of its Affiliates for the benefit of any current or former Business Employee.

“Employment Costs” means, for any Business Employee: (i) all amounts payable or paid to or in respect of the employment of such Business Employee (including

salary, wages, tax and social security contributions, employer's pension contributions, bonuses, insurance premiums, claims, adjustments, retentions or allowances, other costs pursuant to Employee Benefit Plans, or any other consideration for employment), and (ii) the costs of providing any noncash benefits which the employer is required to provide, by law or contract, or customarily provides, in connection with the employment of such Business Employee (including, but not limited to, those provided under Employee Benefit Plans).

"Employment Liabilities" means any and all Losses arising out of or connected with employment or the employment relationship, or the initiation or termination of employment (including all Losses in connection with any claim, award, judgment or agreement for severance pay, or damages or compensation for unfair or wrongful dismissal or breach of contract or discrimination).

"Environmental Laws" means any Law in effect on the date hereof or the Closing Date, as applicable, whether local, state, or federal relating to: (a) Releases or threatened Releases of Hazardous Materials into the environment; (b) the use, treatment, storage, disposal, handling, discharging or shipment of Hazardous Material; (c) the regulation of storage tanks; or (d) otherwise relating to pollution or protection of human health, occupational safety and the environment.

"Equipment" means all machinery, equipment, computers, motor vehicles, furniture, fixtures, furnishings, tools, toolings, parts, blank films and tapes and other items of tangible personal property (other than those included in the Excluded Assets) owned or leased by the CBS Parties and used primarily in or held for use primarily in the Business, including those items listed on Schedule 3.19 of the CBS Disclosure Schedule (other than such items that are no longer in use at the Stations as a result of obsolescence or having been replaced by other property, in each case in the Ordinary Course of Business).

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"Excluded Assets" means all the right, title and interest of any Person in, to and under the assets, properties (tangible or intangible), rights, Contracts and other interests that (i) are identified on Schedule C, or (ii) relate exclusively or primarily to the business and operations of the CBS Parties and their Affiliates, collectively, other than the Business and the Business Assets.

"Excluded Liabilities" means any and all Liabilities of CBS and its Affiliates (including for this purpose the Company, with respect to any Liability arising, or relating to any event or circumstance occurring or existing, prior to the Closing) that are not Assumed Liabilities, including: (i) any and all Liabilities listed on Schedule D, (ii) any and all Employment Costs and Employment Liabilities relating to any Business Employee terminated prior to the Closing or who otherwise does not become a Transferred Employee, and (iii) any and all Liabilities arising from or relating to any Employee Benefit Plans.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

“ERISA Affiliate” means any trade or business (whether or not incorporated) under common control or treated as a single employer with an entity within the meaning of Section 414(b), (c), (m) or (o) of the Code.

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

“FCC Consent” means the FCC’s grant of its consent to the transfer of control of the FCC Licenses from CBS to Liberty pursuant to the Assignment Applications.

“FCC Licenses” means the licenses, permits and authorizations issued or granted by the FCC for the operation of, or used in, or held for use in, the Business (and any renewals, extensions, amendments or modifications thereof) now held by a CBS Party or hereafter obtained by a CBS Party between the date hereof and the Closing Date, and all applications filed by a CBS Party with the FCC with respect to the Business, all of which are required by Section 3.9(a) of this Agreement to be identified on Schedule 3.9(a)(i) of the CBS Disclosure Schedule.

“Final Determination” means (i) any final determination of liability in respect of a Tax that, under applicable Law, is not subject to further appeal, review or modification through proceedings or otherwise (including the expiration of a statute of limitations or a period for the filing of claims for refunds, amended Tax Returns or appeals from adverse determinations), including a “determination” as defined in Section 1313(a) of the Code or execution of an IRS Form 870AD or (ii) the payment of Tax by CBS, Liberty or any of their respective Affiliates, whichever is responsible for payment of such Tax under applicable Law, with respect to any item disallowed or adjusted by a Taxing Authority, provided that such responsible Party determines that no action should be taken to recoup such payment and the other Party agrees.

“Final Order” means an action by the FCC (i) that has not been vacated, reversed, stayed, enjoined, set aside, annulled or suspended, (ii) 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 (iii) 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.

“FTC” means the United States Federal Trade Commission.

“GAAP” means United States generally accepted accounting principles.

“Governmental Authority” means any federal, state or local governmental entity or any subdivision, agency, instrumentality, authority, department, commission, board, bureau, official or other regulatory, administrative or judicial authority thereof or

any federal, state or local, tribunal or arbitrator or any self regulatory organization, agency or commission.

“Governmental Order” means any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority.

“Group Contract” means any Contract related to the Business which relates to or contemplates the provision of any products and services to another business of CBS or the CBS Entities in addition to one or more of the Stations.

“Hazardous Material” means hazardous or toxic wastes, chemicals, substances, constituents, pollutants or related material, whether solids, liquids, or gases, defined or regulated under § 101(14) of CERCLA; the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901 et seq.; the Toxic Substances Control Act, 15 U.S.C. §§ 2601 et seq.; the Safe Drinking Water Act, 42 U.S.C. §§ 300(f) et seq.; the Clean Air Act, as amended, 42 U.S.C. §§ 7401 et seq.; the Federal Water Pollution Control Act, 33 U.S.C. §§ 1251 et seq.; the Emergency Planning and Community Right-to-Know Act of 1986, 42 U.S.C. §§ 11001 et seq.; the Occupational Safety and Health Act of 1970, 29 U.S.C. §§ 651 et seq. or any similar applicable federal, state or local Environmental Laws.

“HSR Act” means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended and the rules and regulations promulgated thereunder.

“Income Taxes” means any and all U.S. federal, state, local and foreign income and franchise taxes, and any and all other similar Taxes primarily based upon, measured by, or calculated with respect to gross income, net income, gross receipts, net receipts, capital or profits (including any capital gains Taxes and minimum Taxes), and in each case including any interest, penalty or addition thereto, whether disputed or not.

“Indebtedness” of any Person means, without duplication: (i) all obligations of such Person for money borrowed; (ii) all obligations of such Person evidenced by notes, debentures, bonds or other similar instruments for the payment of which such Person is responsible or liable; (iii) all obligations of such Person issued or assumed for deferred purchase price payments associated with acquisitions, divestments or other transactions; (iv) all obligations of such Person under leases required to be capitalized in accordance with GAAP, as consistently applied by such Person; and (v) all obligations of such Person for the reimbursement of any obligor on any letter of credit, banker’s acceptance, guarantees or similar credit transaction, excluding in all cases in clauses (i) through (v) any current Accounts Payable, trade payables and accrued liabilities incurred in the Ordinary Course of Business, to the extent of the amount of credit received by Liberty for such payable or accrual under Section 2.6 at Closing.

“Insurance Policies” means each insurance policy (other than relating to Employee Benefit Plans), which, as of the date hereof or hereinafter until the Closing, is

maintained by or on behalf of or provides coverage primarily to (a) CBS or its Subsidiaries with respect to the Business, or (b) the Business.

“Intellectual Property” means all of the following: (a) patents, patent applications, and patent disclosures, together with all reissuances, continuations, continuations-in-part, revisions, extensions, and reexaminations thereof (collectively, “Patents”), (b) trademarks, service marks, trade dress, logos, slogans, jingles, trade names, corporate names, Internet domain names, and rights in telephone numbers, including all goodwill associated therewith, and all applications, registrations, and renewals in connection therewith (collectively, “Trademarks”), (c) copyrights, copyright applications, registrations, renewals and similar rights (collectively, “Copyrights”), (d) trade secrets and confidential business information (including know-how, technical data, designs, drawings, specifications, customer and supplier lists, pricing and cost information, and business and marketing plans and proposals), and (e) all other proprietary rights of like nature.

“IRS” means the Internal Revenue Service.

“Knowledge of CBS” means, as to a Station, the actual knowledge, after reasonable inquiry, of the general manager of such Station, and Thomas Kane, President and CEO of CBS Television Stations; Anton W. Guitano, Executive Vice President, Operations and Chief Financial Officer, CBS Television Stations; Michael Wittman, Vice President, Finance, CBS Television Stations; Jeffrey Birch, Vice President, Engineering, CBS Television Stations; and Martin P. Messinger, Senior Vice President, Deputy General Counsel, CBS Television Stations. As used in this definition, “reasonable inquiry” means that the applicable persons have made inquiries of their highest ranking subordinates responsible for the applicable subject matter.

“Knowledge of Liberty” means the actual knowledge, after reasonable inquiry, of an executive officer of Liberty. As used in this definition, “reasonable inquiry” means that the executive officer has made inquiries of its highest ranking subordinates responsible for the applicable subject matter.

“Laws” means all laws, statutes, ordinances, codes, rules, regulations, decrees and orders of Governmental Authorities.

“Legal Proceeding” means any judicial, administrative or arbitral actions, suits, mediation, investigation, inquiry, proceeding or claim (including counterclaims) by or before a Governmental Authority.

“Liabilities” means any and all Indebtedness, liabilities, commitments and obligations, whether or not fixed, contingent or absolute, matured or unmatured, direct or indirect, liquidated or unliquidated, accrued or unaccrued, known or unknown, whether or not required by GAAP to be reflected in financial statements or disclosed in the notes thereto.

“Liberty CBS Shares” means the 7,591,249 shares of CBS Class B Common Stock owned by the Liberty Subsidiary as of the date hereof, and all CBS

securities received (A) as of a result of any stock dividend, stock split, reverse stock split, share combination, reclassification or similar transaction, in each case of or with respect to the CBS Class B Common Stock or (B) in replacement of such shares in a recapitalization, merger, reorganization or other transaction.

“Liberty Material Adverse Effect” means any change, event, occurrence or effect which prevents, materially delays or impairs or is reasonably likely to prevent, materially delay or impair the ability of Liberty to consummate the Transactions or to perform its obligations under this Agreement or any Ancillary Agreement.

“Liberty Subsidiary” means LMC BET Holdings, LLC.

“Liberty Tax Opinion” means the opinion of Baker Botts L.L.P. to be received by Liberty to the effect that the Exchange should be Tax-Free.

“Liberty Tax Opinion Representations” means the representations set forth in the letter, which shall be executed by Liberty on the Closing Date and dated and effective as of the Closing Date, to be made by Liberty to Baker Botts L.L.P. and Weil, Gotshal & Manges LLP as a condition to, and in connection with, the issuance of the Liberty Tax Opinion and the CBS Tax Opinion, substantially in form and substance as set forth on Exhibit III (amended as necessary to reflect changes in relevant facts occurring after the date hereof and on or before the Closing Date).

“License” means any license, ordinance, authorization, permit, certificate, right, easement, variance, exemption, consent, franchise or approval from any Governmental Authority.

“Licensed Intellectual Property” means any Intellectual Property (other than Owned Business Intellectual Property, and other than any Intellectual Property that constitutes an Excluded Asset) that is licensed or sublicensed to the CBS Entities from others (or that the CBS Entities otherwise have the right to use) and is used in the operation of the Business.

“Liens” means any lien, pledge, mortgage, deed of trust, security interest, claim, lease, charge, option, right of first refusal, easement, servitude, proxy, voting trust or agreement, transfer restriction under any joint venture, limited liability company, shareholder or similar agreement, encumbrance or any other restriction or limitation whatsoever.

“Losses” means the amount of any and all losses, liabilities, claims, obligations, deficiencies, demands, judgments, damages, interest, fines, penalties, claims, suits, actions, causes of action, assessments, awards, costs and expenses (including reasonable costs of investigation and defense and reasonable attorneys’ and other professionals’ fees), whether or not involving a third party claim.

“MVPDs” means cable systems and DBS systems.

“Ordinary Course of Business” means, with respect to the Business, actions that (a) are generally consistent with the past practices within the preceding twenty-four (24) months, or (b) are similar in nature, style and magnitude to actions customarily taken in the ordinary course of the normal day-to-day operations.

“Packers Contract” means the Preseason Television Agreement, dated February 16, 2006 by and between Green Bay Packers, Inc. and WFRV-TV.

“Permitted Liens” means, as to any property or asset or as to a Station, (a) the Assumed Liabilities, (b) liens for Taxes, assessments and governmental charges not yet due and payable, (c) zoning laws and ordinances and similar Laws that are not violated by any existing improvement or that do not prohibit the use of the Real Property as currently used in the operation of such Stations; (d) any right reserved to any Governmental Authority to regulate the affected property (including restrictions stated in the Permits); (e) 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 and (ii) any statutory Lien for amounts that are not yet due and payable or are being contested in good faith; (f) in the case of any easement, the rights of the grantor of such easement or any Lien granted by such grantor on the property to which such easement relates; (g) the rights of any lessee or licensee under a lease or license agreement with CBS or a CBS Entity that is included in the Business Contracts; (h) easements, rights of way, restrictive covenants, encroachments or other similar matters, provided same does not render title unmarketable or prevent the Real Property from being utilized in substantially the same manner currently used; (h) inchoate materialmen's, mechanics', workmen's, repairmen's or other like Liens arising in the ordinary course of business, to the extent securing Assumed Liabilities; (i) Liens that will be discharged prior to the Closing; and (j) any state of facts an accurate survey would show, provided same does not render title unmarketable or prevent the Real Property being utilized in substantially the same manner currently used.

“Person” means an individual, a corporation, a limited liability company, a partnership, an association, a trust or any other entity, including a Governmental Authority.

“Post-Closing Tax Period” means any taxable period beginning after the Closing Date and, with respect to a Straddle Period, the portion of such Straddle Period beginning after the Closing Date.

“Pre-Closing Tax Period” means any taxable period ending on or before the Closing Date and, with respect to a Straddle Period, the portion of such Straddle Period ending on the Closing Date.

“Pre-Closing Tax Return” means any Tax Return that is required to be filed with respect to the Company or the Business for a taxable period ending on or before the Closing Date.

“Program Rights” means, as to a Station, all rights of CBS or its Affiliates presently existing or obtained after the date hereof in accordance with the terms of this

Agreement, to broadcast television programs or shows as part of such Station's programming, including all film and program barter agreements, sports rights agreements, news rights or service agreements and syndication agreements.

"Real Property" means the real property owned, leased, subleased or licensed by any CBS Party and used primarily in the conduct of the Business, including the property described on Schedule 3.14 of the CBS Disclosure Schedule, together with the CBS Parties' right, title and interest in all buildings, towers, improvements, fixtures and structures located thereon.

"Real Property Leases" means those leases, licenses or other occupancy agreements (including any and all assignments, amendments and other modifications of such leases, license or occupancy agreements) pertaining to Real Property, as listed on Schedule 3.13(a)(xiii) of the CBS Disclosure Schedule.

"Related Party Contract" means any Contract (other than a Group Contract) related to the Business which relates to or contemplates the provision of any products or services (i) by the Business to a CBS Party or (ii) by a CBS Party to the Business, or any other transaction between the Business and any CBS Party.

"Release" means any release, spill, emission, leaking, pumping, poring, injection, deposit, dumping, emptying, disposal, discharge, dispersal, leaching or migration into the indoor or outdoor environment, or into or out of any property.

"Required Consents" means the consents and actions listed on Exhibit IV.

"Retained Business" means any business conducted by CBS and its Affiliates other than the Business.

"SEC" means the United States Securities and Exchange Commission.

"Securities Act" means the United States Securities Act of 1933, as amended.

"Station Affiliation Agreement" means, that certain Station Affiliation Agreement to be entered into between CBS Affiliate Relations, a unit of CBS Broadcasting Inc., and the Company as of the Closing Date, substantially in the form of Annex A.

"Stations" means WFRV-TV and WJMN-TV.

"Straddle Period" means a taxable period beginning on or before and ending after the Closing Date.

"Straddle Return" means an Income Tax Return that is required to be filed with respect to the Company or the Business for a Straddle Period.

“Subsidiary” when used with respect to any Person, means (i)(A) a corporation a majority in voting power of whose share capital or capital stock with voting power, under ordinary circumstances, to elect directors is at the time, directly or indirectly, owned by such Person, by a Subsidiary of such first Person, or by such first Person and one or more Subsidiaries of such first Person, whether or not such power is subject to a voting agreement or similar Lien, (B) a partnership or limited liability company in which such first Person or a Subsidiary of such first Person is, at the date of determination, (1) in the case of a partnership, a general partner of such partnership with the power affirmatively to direct the policies and management of such partnership or (2) in the case of a limited liability company, the managing member or, in the absence of a managing member, a member with the power affirmatively to direct the policies and management of such limited liability company, or (C) any other Person (other than a corporation) in which such first Person, a Subsidiary of such first Person or such first Person and one or more Subsidiaries of such first Person, directly or indirectly, at the date of determination thereof, has (1) the power to elect or direct the election of a majority of the members of the governing body of such other Person, whether or not such power is subject to a voting agreement or similar Lien, or (2) in the absence of such a governing body, at least a majority ownership interest or (ii) any other Person of which an aggregate of 50% or more of the equity interests are, at the time, directly or indirectly, owned by such first Person and/or one or more Subsidiaries of such Person. For the purposes of the foregoing, the Company (and any Subsidiary of the Company) will be treated as a Subsidiary of CBS until the Closing is completed and as a Subsidiary of Liberty after the Closing, and neither IAC/InterActive Corp nor Expedia, Inc. nor any of their respective subsidiaries will be treated as Subsidiaries of Liberty.

“Tax” means any United States federal, state, local or foreign taxes, including but not limited to any income, gross receipts, payroll, employment, excise, severance, stamp, business, premium, windfall profits, environmental (including taxes under section 59A of the Code), capital stock, franchise, profits, withholding, social security (or similar), unemployment, disability, real property, personal property, sales, use, service, service use, lease, lease use, transfer, registration, value added tax, or similar tax, any alternative or add-on minimum tax, and any estimated tax, in each case, including any interest, penalty, or addition thereto, whether disputed or not.

“Tax-Free” (x) means with respect to Liberty and the Liberty Tax Opinion that the Exchange qualifies for non-recognition of income, gain and loss to Liberty under Section 355 of the Code and (y) with respect to CBS that the (i) Exchange qualifies for non-recognition by CBS of income, gain and loss under Section 355 of the Code, and (ii) that the Contribution and Distributions and each step thereof qualifies in whole, to CBS and its Affiliates, for non-recognition of income, gain and loss under Sections 351, 355, 361 or 368 of the Code.

“Tax Opinions” means the Liberty Tax Opinion and the CBS Tax Opinion.

“Tax Returns” means any return, report, claim for refund, estimate, information return or statement or other similar document relating to or required to be

filed with any Governmental Authority with respect to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

“Tax Sharing Agreements” means all existing agreements or arrangements (whether or not written) between or among CBS or any of its Affiliates, on the one hand, and any of the CBS Parties or the Company, on the other hand, including any such agreements or arrangements where a third party is also a party, that provide for the allocation, apportionment, sharing, assignment or indemnification of any Tax liability or benefit, or the transfer or assignment of income, revenues, receipts or gains for the purpose of determining any Person’s Tax liability, other than this Agreement or the Ancillary Agreements.

“Taxing Authority” means any Governmental Authority having jurisdiction over the assessment, determination, collection or imposition of Taxes.

“Termination Date” means July 31, 2007; provided, however, that the Termination Date shall be automatically extended to December 31, 2007 if all other conditions of the Closing set forth in Article VII are satisfied or capable of then being satisfied and the sole reason that the Closing has not been consummated is that the condition set forth in Section 7.1(b) has not been met by July 31, 2007.

“Third-Party TSAs” means all existing agreements or arrangements (whether or not written) between any of the CBS Parties or the Company, on the one hand, and any other Person, on the other hand, that provide for the allocation, apportionment, sharing, assignment or indemnification of any Tax liability or benefit, or the transfer or assignment of income, revenues, receipts or gains for the purpose of determining any Person’s Tax liability, other than this Agreement, the Ancillary Agreements or any Tax Sharing Agreements.

“Total Company Value” means an amount equal to the lesser of (A) the quotient obtained by dividing (x) the Closing Business Value by (y) the Applicable Percentage and (B) the product of the Liberty CBS Shares multiplied by the CBS Stock Price (the “Total Share Value”).

“Tradeout Agreement” means, as to a Station, any Contract, other than film and program barter agreements, pursuant to which a CBS Entity has agreed to sell or trade commercial air time or commercial production services of such Station in consideration for any property or service in lieu of or in addition to cash.

“Transition Services Agreement” means, that certain Transition Services Agreement to be entered into between CBS Corporation and the Company as of the Closing Date, substantially in the form of Annex B.

“Treasury Regulations” mean the regulations promulgated under the Code in effect on the date hereof and the corresponding sections of any regulations subsequently issued that amend or supersede such regulations.

“Valuation Firm” means Kane Reece or another nationally recognized professional firm experienced in business valuations engaged by the Parties.

“WJMN-TV” means the broadcast television station owned and operated by the CBS Entities in Escanaba, Michigan pursuant to licenses and other appropriate authorizations issued by the FCC.

“WFRV-TV” means the broadcast television station owned and operated by the CBS Entities in Green Bay-Appleton pursuant to licenses and other appropriate authorizations issued by the FCC.

SECTION 1.2. Terms Defined in Other Sections. The following terms are defined elsewhere in this Agreement in the following Sections:

Active Employees	Section 5.15(a)
Adjusted Liberty CBS Shares	Section 2.8(c)
Adjustment Event	Section 2.8(b)
Adjustment Transaction	Section 2.8(c)
Agreement	Preamble
A/R Reports	Section 5.22(a)
Bankruptcy and Equity Exception	Section 3.3(c)
Basket Amount	Section 9.2(b)
Business Records	Section 5.9
CBS	Preamble
CBS Closing Documents	Section 3.3(a)
CBS Indemnified Parties	Section 9.3(a)
CBS Group	Section 3.10(b)
CBS Prorated Amount	Section 2.6(a)
CBS Sports Personnel	Section 5.20(a)
Closing	Section 2.2
Closing Business Value	Section 2.8(a)
Closing Date	Section 2.2
Collection Period	Section 5.19
Company	Recitals
Company Prorated Amount	Section 2.6(a)
Consent	Section 3.3(d)
Contribution	Section 2.7(a)(i)
Controlled Group Liability	Section 3.11(c)
Copyrights	Section 1.1 (definition of Intellectual Property)
Damaged Asset	Section 5.5
Defined Contribution Plans	Section 3.11(d)
Distributions	Section 2.7(b)
Employment Commencement Date	Section 5.15(a)
Environmental Permits	Section 3.12(b)
Estimated Adjustment	Section 2.6(d)
Excess Cash Amount	Section 2.8(c)
Excess Liberty CBS Shares	Section 2.8(b)

Excess Value	Section 2.8(b)
Exchange	Section 2.1
FAA	Section 3.9(c)
Filing	Section 3.4
Final Adjustment	Section 2.6(h)
Final Settlement Statement	Section 2.6(g)
Inactive Employees	Section 5.15(a)
Indemnified Party	Section 9.4(a)
Indemnifying Party	Section 9.4(a)
Information	Section 4.8(a)
Liberty	Preamble
Liberty Closing Documents	Section 4.3(a)
Liberty Indemnified Parties	Section 9.2(a)
Liberty 401(k) Plan	Section 5.15(d)
Licensed Intangible Property	Section 3.16(a)
Maximum Amount	Section 9.2(b)
Notice of Disagreement	Section 2.6(g)
Owned Business Intellectual Property	Section 3.16(a)
Owned Real Property	Section 3.14
Parties	Preamble
Party	Preamble
Patents	Section 1.1 (definition of Intellectual Property)
Permits	Schedule B(8)
Prorated Assumed Liabilities	Section 2.6(a)
Prorated Contributed Assets	Section 2.6(a)
Records	Section 5.9
Reference Financial Statements	Section 3.5(a)
Restraints	Section 7.1(a)
Retransmission Agreements	Section 3.18
Settlement Statement	Section 2.6(e)
Tax Claim	Section 6.14
Total Share Value	Section 1.1 (definition of Total Company Value)
Trademarks	Section 1.1 (definition of Intellectual Property)
Transactions	Section 2.7
Transfer Taxes	Section 6.13
Transferred Employee	Section 5.15(a)
Transferred Employees	Section 5.15(a)
Valuation Opinion	Section 2.8(a)

### SECTION 1.3. Interpretation.

(a) When a reference is made in this Agreement to an Article, a Section, Exhibit or Schedule, such reference shall be to an Article of, a Section of, or an Exhibit or Schedule to, this Agreement unless otherwise indicated. The table of contents and headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. Whenever the words

“include”, “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation”. The words “hereof”, “herein” and “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The words “date hereof” shall refer to the date of this Agreement. The term “or” is not exclusive and means “and/or.” All terms defined in this Agreement shall have the defined meanings when used in any certificate or other document made or delivered pursuant hereto unless otherwise defined therein. The definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms and to the masculine as well as to the feminine and neuter genders of such term. Any agreement, instrument or statute defined or referred to herein or in any agreement or instrument that is referred to herein means such agreement, instrument or statute as from time to time amended, modified or supplemented, including (in the case of agreements or instruments) by waiver or consent and (in the case of statutes) by succession of comparable successor statutes and references to all attachments thereto and instruments incorporated therein. References to a Person are also to its permitted successors and assigns.

(b) The Parties hereto have participated jointly in the negotiation and drafting of this Agreement and the Ancillary Agreements and, in the event an ambiguity or question of intent or interpretation arises, this Agreement and the Ancillary Agreements shall be construed as jointly drafted by the Parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any provision of this Agreement or the Ancillary Agreements.

## ARTICLE II

### EXCHANGE OF STOCK; CLOSING; DISTRIBUTIONS; CONTRIBUTION; ADJUSTMENT

SECTION 2.1. Exchange of Stock. Upon the terms and subject to the conditions of this Agreement, at the Closing, (a) CBS shall assign, transfer, convey and deliver to the Liberty Subsidiary and the Liberty Subsidiary shall accept and acquire from CBS, all of the Company Shares (free and clear of all Liens, other than any Liens arising under this Agreement or any Ancillary Agreements, and any Liens arising under securities laws of general applicability and any Liens created by Liberty or any of its Affiliates) in exchange for the Liberty CBS Shares (or, if an Adjustment Event occurs, the Adjusted Liberty CBS Shares), and (b) the Liberty Subsidiary shall assign, transfer, convey and deliver to CBS, and CBS shall accept and acquire from the Liberty Subsidiary, the Liberty CBS Shares (or, if an Adjustment Event occurs, the Adjusted Liberty CBS Shares) (free and clear of all Liens, other than any Liens arising under this Agreement or any Ancillary Agreements, and any Liens arising under securities laws of general applicability and any Liens created by CBS or any of its Affiliates) in exchange for the Company Shares (collectively, the “Exchange”).

SECTION 2.2. Closing. The closing of the Exchange and the other transactions contemplated hereby (the “Closing”) shall take place at the offices of Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153 (or at such other place as the Parties may designate in writing) at 10:00 a.m. (New York City time) on the third Business Day

following the satisfaction or waiver of the conditions set forth in Article VII (other than those conditions contemplated to be satisfied at, or only capable of being satisfied at, the Closing, but subject to the satisfaction or waiver of those conditions at such time), or at such other time and place as is mutually agreed in writing by Liberty and CBS. The date of the Closing is referred to herein as the “Closing Date.”

SECTION 2.3. CBS Closing Deliveries. At the Closing, CBS shall deliver or cause to be delivered to Liberty the following:

- (a) one or more stock certificates, together with stock powers executed in blank with any required transfer stamps affixed thereto, representing the Company Shares;
- (b) evidence, reasonably satisfactory to Liberty, of the possession by the Company of the Cash Amount;
- (c) the stock books, stock ledgers and minute books of the Company;
- (d) the officers’ certificates required to be delivered pursuant to Sections 7.2(a) and 7.2(b);
- (e) the CBS Tax Opinion Representations;
- (f) letters of resignation, dated as of the Closing Date, from the directors and officers of the Company identified by Liberty to CBS at least three (3) Business Days prior to the Closing Date, resigning from any position held by such individual with the Company;
- (g) each of the Ancillary Agreements to which CBS or any of its Affiliates is required to be a party, duly executed by such Person;
- (h) (i) all books and records of or relating exclusively to the Business in the possession or control of the CBS Parties and (ii) all Tax records relating exclusively to the Business, and shall provide to Liberty (to the extent not previously provided) copies of (A) the separate Tax Returns of, or with respect to, the Business (if any), (B) other existing Tax records (or the relevant portions thereof) reasonably necessary to prepare and file any Tax Returns of, or with respect to, the Business, and (C) all Tax records related to Tax attributes of the Business and any and all communications or agreements with, or rulings by, any Taxing Authority with respect to the Business; and
- (i) such other documents as are reasonably required by Liberty to be delivered to effectuate the transactions contemplated hereby.

SECTION 2.4. Liberty Closing Deliveries. At the Closing, Liberty shall deliver or cause to be delivered to CBS the following:

- (a) one or more stock certificates, together with stock powers executed in blank, representing the Liberty CBS Shares (or, if an Adjustment Event occurs, the Adjusted Liberty CBS Shares);
- (b) the officers' certificates required to be delivered pursuant to Sections 7.3(a) and 7.3(b);
- (c) the Liberty Tax Opinion Representations;
- (d) each of the Ancillary Agreements to which Liberty or any of its Affiliates is required to be a party, duly executed by such Person; and
- (e) such other documents as are reasonably required by CBS to be delivered to effectuate the transactions contemplated hereby.

SECTION 2.5. Assignment of Contracts, Permits and Rights. Anything in this Agreement to the contrary notwithstanding, this Agreement shall not constitute an assignment of, or agreement to assign, any Contract or Permit or any claim or right or any benefit arising thereunder or resulting therefrom if such assignment or agreement to assign, without the consent of a third party or Governmental Authority, would constitute a breach or other contravention of such Contract or Permit or in any way adversely affect the rights of the CBS Parties or the Company thereunder. CBS shall and shall cause the CBS Entities to use commercially reasonable efforts to obtain such consents after the execution of this Agreement until such consents are obtained. If such consents are not obtained prior to the Closing Date, CBS shall and shall cause the CBS Entities to use commercially reasonable efforts to obtain such consents as soon as possible after the Closing Date. In the case of any such Contracts or Permits in connection with which the necessary consents are not obtained prior to Closing, Liberty, the Company and the CBS Parties shall cooperate in a mutually acceptable arrangement under which the Company would enjoy the benefits and bear the obligations thereunder in accordance with this Agreement, including sub-contracting, sub-licensing, or sub-leasing to the Company. Notwithstanding the foregoing, neither CBS nor any of its Affiliates shall be required to pay consideration to any third party to obtain any consent, and nothing herein shall be understood to limit any of the Closing conditions set forth in Article VII hereof.

SECTION 2.6. General Proration.

- (a) All Business Assets that would be classified as current assets in accordance with GAAP and all Assumed Liabilities that would be classified as liabilities in accordance with GAAP shall be prorated between CBS and the Company as of the Effective Time, including by taking into account the elapsed time or consumption of an asset during the month in which the Effective Time occurs (respectively, the "Prorated Contributed Assets" and the "Prorated Assumed Liabilities"). Such Prorated Contributed Assets and Prorated Assumed Liabilities relating to the period prior to the Effective Time shall be for the account of CBS and those relating to the period on and after the Effective Time for the account of the Company and shall be prorated accordingly. In accordance

with this Section 2.6, (i) the Company shall be required to pay to CBS the amount of any Prorated Contributed Asset previously paid for by CBS, to the extent the Company will receive a current benefit on and after the Effective Time, provided that such amount should not have been recognized as an expense in accordance with GAAP prior to the Effective Time (the “Company Prorated Amount”); and (ii) CBS shall be required to pay to the Company the amount of any Prorated Assumed Liabilities to the extent they arise with respect to the operation of the Stations prior to the Effective Time (the “CBS Prorated Amount”).

(b) Such prorations shall include all ad valorem and other property Taxes, utility expenses, liabilities and obligations under Contracts, rents and similar prepaid and deferred items and all other expenses and obligations, such as deferred revenue and prepayments, attributable to the ownership and operation of the Stations that straddle the period before and after the Effective Time. If such amounts were prepaid by the CBS Parties prior to the Effective Time and the Company will receive a benefit after the Effective Time, then CBS shall receive a credit for such amounts. If the CBS Parties were entitled to receive a benefit prior to the Effective Time and such amounts will be paid by the Company after the Effective Time, the Company will receive a credit for such amounts. To the extent not known, real estate and personal property Taxes shall be apportioned on the basis of Taxes assessed for the preceding year, with a reapportionment as soon as the new tax rate and valuation can be ascertained even if such is ascertained after the Final Settlement Statement is so determined. Notwithstanding anything in this Section 2.6 to the contrary, there shall be no proration under this Section 2.6 for Tradeout Agreements or for Program Rights agreements.

(c) Accrued vacation liabilities and compensatory time off for Transferred Employees shall be included in the prorations, but there shall be no proration under this Section 2.6 for sick leave for Transferred Employees.

(d) At least five (5) Business Days prior to the Closing, CBS shall provide Liberty with a good faith estimate of the prorations contemplated by this Section 2.6. Any payment required to be made by either party pursuant to such preliminary estimate shall be made by the appropriate party at the Effective Time in accordance therewith, absent manifest error. At the Closing, (i) Liberty shall cause the Company to pay to CBS or such CBS Entities as CBS may designate the amount, if any, by which the estimated Prorated Contributed Assets exceeds the estimated Prorated Assumed Liabilities or (ii) CBS shall be required to pay, or cause the CBS Entities to pay, to the Company the amount, if any, by which the estimated Prorated Assumed Liabilities exceeds the estimated Prorated Contributed Assets. The amount paid by the Company to the CBS Parties, or by the CBS Parties to the Company, is referred to herein as the “Estimated Adjustment” and shall be represented as a positive number if paid by the Company to the CBS Parties and as a negative number if paid by the CBS Parties to the Company.

(e) Within thirty (30) days after the Effective Time, Liberty shall prepare and deliver to CBS a proposed proration of assets and liabilities in the manner provided for in this Agreement (the “Settlement Statement”) setting forth the CBS

Prorated Amount and the Company Prorated Amount, together with a schedule setting forth, in reasonable detail, the components thereof.

(f) During the thirty (30) day period following the receipt of the Settlement Statement (i) CBS and its independent auditors, if any, shall be permitted to review and make copies reasonably required of (A) the financial statements of the Company relating to the Settlement Statement, (B) the working papers of the Company and its independent auditors, if any, relating to the Settlement Statement, (C) the books and records of the Company relating to the Settlement Statement, and (D) any supporting schedules, analyses and other documentation relating to the Settlement Statement and (ii) Liberty shall and shall cause the Company to provide reasonable access to such employees of the Company and its independent auditors, if any, as the CBS Parties reasonably believe is necessary or desirable in connection with its review of the Settlement Statement.

(g) The Settlement Statement shall become final and binding (the “Final Settlement Statement”) upon the Parties on the forty-fifth (45th) day following delivery thereof, unless CBS gives written notice of its disagreement with the Settlement Statement (the “Notice of Disagreement”) to Liberty prior to such date. The Notice of Disagreement shall specify in reasonable detail the nature of any disagreement so asserted. If a Notice of Disagreement is given to Liberty in the period specified, then the Final Settlement Statement (as revised in accordance with clause (i) or (ii) below) shall become final and binding upon the Parties on the earlier of (i) the date Liberty and CBS resolve in writing any differences they have with respect to the matters specified in the Notice of Disagreement or (ii) the date any disputed matters are finally resolved in writing by the Accounting Firm.

(h) Within ten (10) Business Days after the Final Settlement Statement becomes final and binding upon the Parties, (i) Liberty shall cause the Company to pay to CBS or such CBS Entities as CBS may designate the amount, if any, by which (w) the Final Adjustment is greater than the Estimated Adjustment or (ii) CBS shall be required to pay, or cause the CBS Entities to pay, to the Company the amount, if any, by which (y) the Estimated Adjustment is greater than the Final Adjustment, as the case may be. All payments made pursuant to this Section 2.6(h) must be made via wire transfer in immediately available funds to an account or accounts designated by the recipient party, together with interest thereon at the prime rate (as reported by The Wall Street Journal or, if not reported thereby, by another authoritative source) as in effect from time to time from the Effective Time to the date of actual payment. “Final Adjustment” means the arithmetic result of (i) Prorated Contributed Assets, minus (ii) Prorated Assumed Liabilities, in each case, as such amount is set forth on the Final Settlement Statement at such time as the Final Settlement Statement becomes final and binding upon the Parties as provided in Section 2.6(h), and may be a positive number or a negative number, as the case may be.

(i) Notwithstanding the foregoing, in the event that CBS delivers a Notice of Disagreement and CBS or Liberty shall be required to make or cause to be made a payment of any undisputed amount to the other or its designee regardless of the

resolution of the items contained in the Notice of Disagreement, then CBS or Liberty, as applicable, shall within ten (10) Business Days of the receipt of the Notice of Disagreement make payment or cause to be made to the other or its designee by wire transfer in immediately available funds of such undisputed amount owed, pending resolution of the Notice of Disagreement together with interest thereon, calculated as described above.

(j) During the thirty (30) day period following the delivery of a Notice of Disagreement to Liberty that complies with the preceding paragraphs, Liberty and CBS shall seek in good faith to resolve in writing any differences they may have with respect to the matters specified in the Notice of Disagreement. During such period: (A) Liberty and its independent auditors, if any, at Liberty's sole cost and expense, shall be, and CBS and its independent auditors, if any, at CBS's sole cost and expense, shall be, in each case permitted to review and make copies reasonably required of: (i) the financial statements of CBS, in the case of Liberty, and the Company, in the case of CBS, relating to the Notice of Disagreement; (ii) the working papers of CBS, in the case of Liberty, and the Company, in the case of CBS, and such other party's auditors, if any, relating to the Notice of Disagreement; (iii) the books and records of CBS, in the case of Liberty, and the Company, in the case of CBS, relating to the Notice of Disagreement; and (iv) any supporting schedules, analyses and documentation relating to the Notice of Disagreement; and (B) CBS, in the case of Liberty, and Liberty, in the case of CBS, shall provide reasonable access, upon reasonable advance notice and during normal business hours, to such employees of such other party and such other party's independent auditors, if any, as such first party reasonably believes is necessary or desirable in connection with its review of the Notice of Disagreement.

(k) If, at the end of such thirty (30) day period, Liberty and CBS have not resolved such differences, Liberty and CBS shall submit to the Accounting Firm for review and resolution any and all matters that remain in dispute and that were properly included in the Notice of Disagreement. Within sixty (60) days after selection of the Accounting Firm, Liberty and CBS shall submit their respective positions to the Accounting Firm, in writing, together with any other materials relied upon in support of their respective positions. Liberty and CBS shall use commercially reasonable efforts to cause the Accounting Firm to render a decision resolving the matters in dispute within thirty (30) days following the submission of such materials to the Accounting Firm. Liberty and CBS agree that judgment may be entered upon the determination of the Accounting Firm in any court having jurisdiction over the party against which such determination is to be enforced. Except as specified in the following sentence, the cost of any arbitration (including the fees and expenses of the Accounting Firm) pursuant to this Section 2.6 shall be borne by Liberty and CBS in inverse proportion as they may prevail on matters resolved by the Accounting Firm, which proportional allocations shall also be determined by the Accounting Firm at the time the determination of the Accounting Firm is rendered on the matters submitted. The fees and expenses (if any) of Liberty's independent auditors and attorneys incurred in connection with the review of the Notice of Disagreement shall be borne by Liberty, and the fees and expenses (if any) of CBS's independent auditors and attorneys incurred in connection with their review of the Settlement Statement shall be borne by CBS.

SECTION 2.7. Contribution and Distributions.

(a) The Contribution.

(i) Transfer of Business Assets and Cash Amount. In consideration for the assumption by the Company of the Assumed Liabilities and the issuance of the Company Shares, CBS agrees that, prior to the Closing, CBS shall cause the CBS Entities to sell, assign, transfer, convey and deliver, or cause to be sold, assigned, transferred, conveyed and delivered, to the Company, the Business Assets and the Cash Amount (the “Contribution”).

(ii) Assumed Liabilities. In consideration for the Business Assets, the Company shall accept, assume and agree to pay, perform or otherwise discharge, in accordance with the respective terms and subject to the respective conditions thereof, all Assumed Liabilities.

(b) Distributions of the Company. CBS agrees, that, prior to the Closing, CBS shall cause the CBS Entities or its other Affiliates to dividend or otherwise transfer the Company Shares to CBS so that the Company is directly owned by CBS (the “Distributions”).

The Contribution, Distributions and the Exchange (collectively, the “Transactions”) shall be accomplished through the steps and transactions described and set forth on Exhibit I.

SECTION 2.8. Valuation; Adjustment.

(a) As promptly as practicable after the date hereof, the Parties shall hire the Valuation Firm. The Valuation Firm shall appraise the gross value of the Business Assets as a going concern as of a date that is as reasonably close to the Closing Date as practicable, but in no event later than a date that is three days prior to the Closing Date, and shall furnish a report with respect thereto (the “Valuation Opinion”). The Parties agree that the Valuation Firm’s appraisal shall be binding upon the Parties and shall be determinative of the closing date value of the Business (the “Closing Business Value”). The fees and disbursements of or related to the Valuation Firm shall be borne one-half by CBS and one-half by Liberty.

(b) If at the Closing, the Total Company Value is less than the Total Share Value (an “Adjustment Event”), then the number of Liberty CBS Shares assigned, transferred, conveyed and delivered by Liberty to CBS at the Closing in the Exchange shall be reduced by an amount (the “Excess Liberty CBS Shares”) equal to the quotient obtained by dividing (x) Total Share Value minus Total Company Value (such amount, the “Excess Value”) by (y) the CBS Stock Price (as so reduced, the “Adjusted Liberty CBS Shares”).

(c) If an Adjustment Event shall have occurred, at the Closing, Liberty shall assign, transfer, convey and deliver to CBS, and CBS shall accept and acquire from Liberty, the Excess Liberty CBS Shares (free and clear of all Liens) and as consideration therefor, CBS shall pay to Liberty an amount in cash (the “Excess Cash Amount”) equal

to the Excess Value (the “Adjustment Transaction”). At the closing of the Adjustment Transaction, (i) Liberty shall deliver or cause to be delivered to CBS one or more stock certificates, together with stock powers executed in blank, representing the Excess Liberty CBS Shares and (ii) CBS shall deliver or cause to be delivered to Liberty the Excess Cash Amount, by wire transfer to an account of Liberty.

### ARTICLE III

#### REPRESENTATIONS AND WARRANTIES OF CBS

CBS represents and warrants to Liberty that except as disclosed in the CBS Disclosure Schedule (it being understood that any matter disclosed in the CBS Disclosure Schedule shall be deemed disclosed with respect to any section of this Article III to which the matter relates, to the extent the relevance of such matter to such section is reasonably apparent):

SECTION 3.1. Organization, Standing and Corporate Power. Each of the CBS Parties and the Company is (or, with respect to the Company, will as of the Closing Date be) a corporation duly organized, validly existing and in good standing under the Laws of the state or other jurisdiction of its organization. Each of the CBS Parties and the Company has (or, with respect to the Company, will as of the Closing Date have) all requisite corporate power and authority necessary to own or lease their properties and assets related to the Business and to carry on the Business as it is now being conducted. Each of the CBS Parties and the Company is (or, with respect to the Company, will as of the Closing Date be) duly licensed or qualified to do business and is in good standing in each jurisdiction in which the properties and assets owned or leased for the Business or the nature of the Business or the character or location of the properties and assets owned or leased for the Business makes such licensing or qualification necessary, except where the failure to be so licensed, qualified or in good standing would not reasonably be expected to have a Business Material Adverse Effect.

#### SECTION 3.2. The Company.

(a) As of the Closing, the Company’s authorized capital stock will consist of one thousand shares of Company Common Stock. CBS will, as of the Closing, own all of the issued and outstanding shares of the Company beneficially and of record, free and clear of all Liens and will have the right to transfer the Company Shares. There will, as of the Closing, be no shares of capital stock of the Company issued or outstanding other than the Company Shares. Upon delivery to the Liberty Subsidiary of the certificates representing the Company Shares, at the Closing, the Liberty Subsidiary will acquire good and valid title to such shares, free and clear of all Liens other than Liens created by Liberty or any of its Subsidiaries.

(b) As of the Closing, all of the Company Shares shall be duly authorized, validly issued, fully paid and nonassessable, and not issued in violation of any preemptive or similar rights. As of the Closing, there shall be no outstanding subscriptions, options, warrants, puts, calls, agreements or other rights of any type or other securities (i) requiring the issuance, sale, transfer, repurchase, redemption or other acquisition of any shares of capital stock of the Company, (ii) restricting the transfer of

any shares of capital stock of the Company, or (iii) relating to the voting of any shares of capital stock of the Company. As of the Closing, there shall be no issued or outstanding bonds, debentures, notes or other indebtedness of the Company having the right to vote (or convertible into, or exchangeable for, securities having the right to vote), upon the happening of a certain event or otherwise, on any matters on which the equity holders of the Company may vote.

(c) As of the date of its formation, the Company will have no assets, other than the capital contribution with which it was incorporated, and no Liabilities. As of the Closing (and after giving effect to the Transactions), (i) the assets of the Company (on an unconsolidated basis) will consist solely of the Business Assets, the Cash Amount and any other assets arising under or in connection with this Agreement or any Ancillary Agreement to which the Company is or will be a party as contemplated hereby, and (ii) the Company will have no Liabilities other than (A) Liabilities arising under or in connection with this Agreement or any Ancillary Agreement to which the Company is or will be a party as contemplated hereby and (B) the Assumed Liabilities.

(d) As of the date of its formation and as of the Closing, the Company will not have engaged in any business activities, other than matters relating to its formation and the Transactions.

(e) As of the date of its formation and as of the Closing, the Company will not have any Subsidiaries.

(f) As of the date of its formation the Company will not have any employees and as of the Closing, the Company will have no employees other than the Active Employees.

### SECTION 3.3. Authority; Noncontravention.

(a) CBS has all necessary corporate power and authority to execute and deliver this Agreement and to perform its obligations hereunder and each of the CBS Parties and the Company will have all necessary corporate power and authority to consummate the transactions contemplated by this Agreement including the Transactions. Each of the CBS Parties has, and as of the Closing Date the Company will have, all necessary corporate power and authority to execute and deliver the Ancillary Agreements to which such Person will be a party and to perform their obligations under each applicable Ancillary Agreement and to consummate the transactions contemplated by each applicable Ancillary Agreement. Each of the CBS Parties that will execute any other documents in connection with the Closing as contemplated hereby including the CBS Tax Opinion Representations (collectively, the “CBS Closing Documents”) has, and as of the Closing Date the Company will have, all necessary corporate power and authority to execute and deliver the CBS Closing Documents to which such Person will be a party.

(b) The execution, delivery and performance of this Agreement by CBS and the consummation by each of the CBS Parties and the Company of the

transactions contemplated by this Agreement including the Transactions, has been duly authorized by all necessary action on the part of the CBS Parties and as of the Closing Date will have been duly authorized by all necessary action on the part of the Company, no other corporate or other legal action on the part of CBS is necessary to authorize the execution, delivery and performance by CBS of this Agreement and no other corporate or other legal action on the part of the CBS Parties or the Company is or with respect to the Company will be necessary to authorize the consummation by the CBS Parties or the Company of the transactions contemplated by this Agreement including the Transactions. As of the Closing Date, the execution, delivery and performance by each of the CBS Parties and the Company of the Ancillary Agreements to which such Person will be a party and the consummation by each of the CBS Parties and the Company of the transactions contemplated by the Ancillary Agreements to which such Person will be a party will have been duly authorized by all necessary action on the part of the CBS Parties and the Company and no other corporate or other legal action on the part of the CBS Parties or the Company will be necessary to authorize the execution, delivery and performance by the CBS Parties or the Company of the Ancillary Agreements to which such Person will be a party or the consummation by the CBS Parties or the Company of the transactions contemplated by the Ancillary Agreements to which such Person will be a party. The execution and delivery of the CBS Closing Documents by CBS and the CBS Entities as contemplated hereby has been duly authorized by all necessary corporate or other legal action.

(c) This Agreement, each Ancillary Agreement and each of the CBS Closing Documents when duly executed and delivered by the CBS Parties or the Company, as applicable, and, assuming due authorization, execution and delivery hereof and thereof by Liberty or the Liberty Subsidiary, as applicable, will constitute a legal, valid and binding obligation of each of the CBS Parties and the Company, enforceable against each of them in accordance with its terms, except that such enforceability (i) may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other similar laws of general application affecting or relating to the enforcement of creditors' rights generally and (ii) is subject to general principles of equity, whether considered in a proceeding at law or in equity (the "Bankruptcy and Equity Exception").

(d) The execution, delivery and performance of this Agreement and each Ancillary Agreement by the CBS Parties or the Company, as applicable, and the consummation by the CBS Parties and the Company of the transactions contemplated hereby and thereby, do not and will not (i) violate or conflict with the organizational documents of the CBS Parties or the Company, (ii) assuming compliance with the matters referred to in Section 3.4, conflict with or violate any Law or Governmental Order applicable to the CBS Parties, (iii) except as set forth on Schedule 3.3(d) of the CBS Disclosure Schedule, require any consent, approval, order, permit, license or authorization ("Consent") or other action by or notification to any Person under, constitute a default under, give to any Person any rights of termination, amendment, acceleration or cancellation of any right or obligation of the CBS Parties or the Company under, any provision of any Business Contract or (iv) result in the creation or imposition of any Lien on any of the Business Assets, except for Permitted Liens, and in the case of clauses (ii), (iii) and (iv), for any such violations, consents, actions, defaults, rights or

losses as would not, individually or in the aggregate, reasonably be expected to have a Business Material Adverse Effect.

SECTION 3.4. Governmental Approvals. The execution, delivery and performance by CBS of this Agreement and by the CBS Parties and the Company of each Ancillary Agreement to which such Person is a party and the consummation by the CBS Parties and the Company of the transactions contemplated hereby and thereby, as applicable, require no action by or in respect of, or filing with or notification, registration, qualification, declaration or other statement (“Filing”) with, any Governmental Authority other than (a) compliance with any applicable requirements and the expiration or early termination of the waiting period required by the HSR Act, (b) the Assignment Applications, and (c) any such action by or in respect of or filing with any other Governmental Authority as to which the failure to take, make or obtain would not individually or in the aggregate have a Business Material Adverse Effect.

SECTION 3.5. Financial Statements.

(a) True and complete copies of the balance sheets as of December 31, 2004, 2005 and 2006 for each Station and the related statements of operating income before depreciation and amortization for each of the years then-ended, prepared by or on behalf of the Stations are attached as Schedule 3.5(a) of the CBS Disclosure Schedule (such financial statements, collectively the “Reference Financial Statements”).

(b) As to each Station, the Reference Financial Statements for such Station (i) have been prepared in accordance with GAAP (it being understood that the Reference Financial Statements do not contain complete footnote disclosure and are subject to normal year-end adjustments), consistently applied, except as set forth on Schedule 3.5(b) of the CBS Disclosure Schedule, (ii) fairly present in all material respects the financial condition of such Station as at the dates indicated and the results of its operations for the periods then ended, and (iii) were derived from the books and records of each Station.

SECTION 3.6. Absence of Certain Changes or Events.

(a) Except as expressly contemplated by this Agreement (including with respect to the Contribution and the Distributions) and except as disclosed on Schedule 3.6(a) of the CBS Disclosure Schedule, since December 31, 2006 through the date hereof, the CBS Entities have operated each Station in the Ordinary Course of Business.

(b) Since December 31, 2006 through the date hereof and except as set forth on Schedule 3.6(b) of the CBS Disclosure Schedule or as contemplated by this Agreement, there has not been in connection with or related to the Business:

(i) any Business Material Adverse Effect;

- (ii) any damage, destruction or loss, whether or not covered by insurance, with respect to the property and assets of the Business having a replacement cost of more than \$50,000;
- (iii) any transaction or commitment made, or any Contract entered into or amended or modified, by the CBS Parties relating to the Business Assets (including the acquisition or disposition of any assets) or any relinquishment or waiver by the CBS Parties of any Contract or other right relating to the Business Assets, in either case, other than transactions or commitments in the Ordinary Course of Business and those contemplated by this Agreement;
- (iv) any change in any method of financial accounting principles or practice used by the CBS Parties in accounting for the Business, except for any such change required by reason of a concurrent change in GAAP;
- (v) any material change in the programming policies of the Business;
- (vi) the creation or other incurrence by the CBS Parties of any Lien, condition, limitation or restriction of any nature on any asset relating to the Business other than Permitted Liens;
- (vii) any (A) grant of any severance or termination pay to any officer or employee who is a Business Employee (other than pursuant to existing Contracts or Employee Benefit Plans), (B) increase or change to the rate or nature of the compensation (including wages, salaries and bonuses) payable to any Business Employee except in the Ordinary Course of Business, or (C) establishment, adoption or amendment of any collective bargaining, employment, severance, bonus, profit-sharing, thrift, pension, retirement, deferred compensation, compensation, stock option, restricted stock or other benefit plan or arrangement covering any Business Employee (other than any establishment or adoption of any such plan or arrangement that is, or any amendment of any such plan or arrangement that is, applicable to a substantial number of employees of CBS or its Subsidiaries who are not Business Employees) except in each case, as may be required by Law or existing Contracts or applicable collective bargaining agreements;
- (viii) any payment, discharge or satisfaction of any material claim, liability or obligation of the Business by CBS or any Subsidiary thereof, other than the payment, discharge or satisfaction in the Ordinary Course of Business of Liabilities reflected or reserved against in the Financial Statements or incurred since December 31, 2006 in the Ordinary Course of Business;
- (ix) any labor dispute, other than routine individual grievances, or any activity or proceeding by a labor union or representative thereof to organize any Business Employees, or any lockouts, strikes, slowdowns, work stoppages or threats thereof by or with respect to any Business Employees; and

(x) any sale of Real Property, or other transfer, conveyance or termination of leasehold rights in, such Real Property.

SECTION 3.7. Legal Proceedings. As of the date hereof, there is no pending or, to the Knowledge of CBS, threatened, material Legal Proceeding against or affecting the Business or the Business Assets or relating to the Transactions, nor is there any Governmental Order imposed upon or affecting the Business or the Business Assets or relating to the Transactions, that in each case or any series of related cases would reasonably be expected to have a Business Material Adverse Effect.

SECTION 3.8. Compliance With Laws. Except with respect to Tax matters and environmental matters (which are addressed in Sections 3.10 and 3.12, respectively), each of the CBS Parties is and has been since January 1, 2004, and as of the Closing the Company will be, in compliance with all Laws applicable to the Business, except for such non-compliance as would not reasonably be expected to have, individually or in the aggregate, a Business Material Adverse Effect.

SECTION 3.9. FCC Licenses; Qualifications.

(a) Schedule 3.9(a)(i) of the CBS Disclosure Schedule contains a true and complete list of the FCC Licenses, including antenna structure registrations of towers owned by the CBS Parties and included in the Business Assets. CBS has made available true, correct and complete copies of the FCC Licenses to Liberty, including any and all amendments and modifications thereto. The FCC Licenses are validly held by the CBS Parties and are in full force and effect. The FCC Licenses have been issued for the full terms customarily issued to a broadcast television station in the state in which each Station's community of license is located, and the FCC Licenses are not subject to any condition except for those conditions appearing on the face of the FCC Licenses and conditions applicable to broadcast television licenses generally or otherwise disclosed on Schedule 3.9(a)(ii) of the CBS Disclosure Schedule.

(b) Except as set forth on Schedule 3.9(b) of the CBS Disclosure Schedule, no CBS Party has an application pending before the FCC relating to the Business.

(c) Except as set forth on Schedule 3.9(c)(i) of the CBS Disclosure Schedule, the CBS Parties have operated each Station, and each Station currently is, in compliance with the Communications Act and the FCC Licenses and, to the extent that the Business Assets include towers owned by any of the CBS Parties, the requirements of the Federal Aviation Administration (the "FAA") in all material respects and has paid all FCC regulatory fees in respect thereof, except in any case where the failure to do so would not, individually or in the aggregate, reasonably be expected to have a Business Material Adverse Effect. Except as set forth on Schedule 3.9(c)(ii) of the CBS Disclosure Schedule, to the Knowledge of CBS, there are no applications, petitions, complaints, notices of violations, proceedings, investigations or other actions pending or threatened before the FCC relating to the Business, and there has been no act or omission of the CBS Parties or any of their respective members, officers, directors, agents or

employees, that, in either case, would reasonably be expected to have, individually or in the aggregate, a Business Material Adverse Effect, other than proceedings affecting the broadcast television industry generally.

(d) The CBS Parties are qualified under the Communications Act to assign the FCC Licenses to the Company, and CBS is qualified under the Communications Act to transfer the Company Shares to the Liberty Subsidiary. To the Knowledge of CBS, there is no fact or circumstance relating to the Stations, the CBS Parties or the Company that would cause the FCC to deny the Assignment Applications. Except as set forth on Schedule 3.9(d) of the CBS Disclosure Schedule, to the Knowledge of CBS, there is no reason to believe that the Assignment Applications might be challenged or might not be granted by the FCC in the ordinary course due to any fact or circumstance relating to the Business.

SECTION 3.10. Tax Matters. Except as would not reasonably be expected to have a Business Material Adverse Effect:

(a) *Filing, Payment and Compliance*. (i) CBS has timely filed, or has caused to be timely filed (taking into account any extension of time within which to file), all Tax Returns of or with respect to the Business or the Business Assets that are required to have been filed, and all such filed Tax Returns are correct and complete in all material respects; (ii) CBS has paid timely, or has caused to be paid timely, all Taxes shown to be due and payable on such Tax Returns of or with respect to the Business or the Business Assets; (iii) no deficiency with respect to Taxes has been proposed, asserted or assessed against CBS or any of its Affiliates with respect to the Business or the Business Assets; (iv) no audit or other administrative or court proceedings are pending with any Governmental Authority with respect to Taxes of CBS or any of its Affiliates with respect to the Business or the Business Assets, and no written notice thereof has been received; and (v) CBS has withheld and paid or caused to be withheld and paid all material Taxes required to have been withheld and paid in connection with amounts paid or owing to any Business Employees.

(b) *Consolidation and Similar Arrangements; Tax Sharing Agreements*. Except as would not be binding on the Company from and following the Closing Date, the Company (i) has not been a member of an affiliated group (within the meaning of Section 1504 of the Code) filing a consolidated federal income Tax Return, other than an affiliated group the common parent of which is or was CBS, (ii) has not been a member of any affiliated, combined, consolidated, unitary or similar group for state, local or foreign Tax purposes other than a group (such group, a “CBS Group”) the common parent of which is or was a member of an affiliated group the common parent of which is or was CBS, (iii) is not a party to, or has any liability for any Tax under, any Tax Sharing Agreement or any Third-Party TSA or (iv) has no liability for the Taxes of any Person under Treasury Regulations Section 1.1502-6 (or any similar provision of state, local, or foreign Law) or as a transferee or successor, except for such liability arising from membership in a CBS Group.

(c) *Timing.* Except as would not be binding on the Company from and following the Closing Date, the Company will not be required to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing Date as a result of any (i) adjustment pursuant to Section 481(a) of the Code or any similar provision of state, local or foreign Law by reason of a change in accounting method occurring on or prior to the Closing Date, (ii) “closing agreement” as described in Section 7121 of the Code (or any corresponding or similar provision of state, local or foreign income Tax Law), or (iii) installment sale or open transaction occurring on or prior to the Closing Date.

(d) *Certain Reportable Transactions.* None of CBS, in so far as any asset of the Company could be affected, nor the Company has participated in a transaction described in Treasury Regulations Section 1.6011-4(b)(2), (3) or (4).

(e) *Certain Agreements and Rulings.* Except as would not be binding on the Company from and following the Closing Date, the Company is not a party to or bound by any advance pricing agreement, closing agreement or other agreement or ruling relating to Taxes with any Taxing Authority.

#### SECTION 3.11. Labor Matters; Employee Benefits

(a) Schedule 3.11(a) of the CBS Disclosure Schedule sets forth a true and complete list, dated as of the date set forth thereon, of all Business Employees, including the names, date of hire, current rate of compensation, employment status (i.e., active, disabled, on authorized leave and reason therefor), department, title, whether covered by a collective bargaining agreement and whether full-time, part-time or per-diem. None of the Business Employees are subject to or covered by a collective bargaining agreement as of the date hereof. There is no labor dispute (including pending material written grievances or arbitrations), strike or work stoppage, or, to the Knowledge of CBS, union organizational activity against or involving the Business pending or, to the Knowledge of CBS, threatened in writing which, individually or in the aggregate, would reasonably be expected to materially interfere with the Business. None of the employers of Business Employees or any of their respective representatives has committed any unfair labor practices in connection with the Business, and there is no charge filed with the National Labor Relations Board or complaint by the National Labor Relations Board pending or, to the Knowledge of CBS, threatened in writing with respect to the Business. To the Knowledge of CBS, there are no facts or circumstances that have resulted or would reasonably be expected to result in a claim for severance, unlawful discrimination, unpaid overtime or any other violation of applicable Laws relating to employment of individuals in the Business.

(b) Schedule 3.11(b) of the CBS Disclosure Schedule identifies each Employee Benefit Plan provided to Business Employees immediately prior to the date hereof. Summaries of all Employee Benefit Plans have been provided to Liberty. None of the employers of Business Employees have any commitments or obligations to establish or adopt any new or additional Employee Benefit Plans with respect to Business Employees or to increase the benefits under any existing Employee Benefit Plan with

respect to Business Employees. The Company has never been the “plan sponsor,” as defined in Section 3(16)(B) of ERISA, of any “employee benefit plan,” as defined in Section 3(3) of ERISA.

(c) No Controlled Group Liability has been incurred by the Company, and no Controlled Group Liability would reasonably be expected to be incurred by the Company following the Closing by reason of the Company having been an ERISA Affiliate of CBS prior to the Closing. For purposes of this Agreement, “Controlled Group Liability” means any and all liabilities (i) under Title IV of ERISA, other than for payment of premiums to the Pension Benefit Guaranty Corporation (which premiums have been paid when due), (ii) under Section 302 or 4068(a) of ERISA, and (iii) under Sections 412(n) or 4971 of the Code. The consummation of the transactions contemplated by this Agreement will not result in the occurrence of any reportable event within the meaning of Section 4043(c) of ERISA for which the notice requirement is not waived with respect to any pension plan maintained by CBS or an ERISA Affiliate.

(d) Each Employee Benefit Plan that is a defined contribution plan (“Defined Contribution Plan”) has been operated and administered in all material respects in accordance with its terms and applicable law, including but not limited to ERISA and the Code. There are no actions, suits or claims pending (other than routine claims for benefits) or threatened against, or with respect to, any Defined Contribution Plan or its assets which, individually or in the aggregate, would reasonably be expected to materially interfere with the Business. Other than routine filings, there is no matter pending or audit in progress with respect to any Defined Contribution Plan before or by any Governmental Authority. Each Defined Contribution Plan intended to be qualified, within the meaning of Section 401(a) of the Code, has received a favorable determination letter regarding the Defined Contribution Plan’s qualification from the IRS and, to the Knowledge of CBS, no circumstances exist which would justify the revocation of such determination letter.

(e) The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby will not (except as otherwise provided in this Agreement) (A) require the Company to make a larger contribution to, or pay greater benefits or provide other rights under, any employment agreement of an Active Employee than it otherwise would, whether or not some other subsequent action or event would be required to cause such payment or provision to be triggered or (B) create, give rise to or accelerate any additional benefits, vested rights or service credits under any employment agreement of an Active Employee. In connection with the consummation of the transactions contemplated by this Agreement, no payment of money or other property, acceleration of benefits or provision of other rights has been made under this Agreement, any Employee Benefit Plan, and Contract or otherwise that would be nondeductible for income Tax purposes by the Company by virtue of Section 280G of the Code.

SECTION 3.12. Environmental Matters. Except as would not reasonably be expected to have a Business Material Adverse Effect or as otherwise disclosed on Schedule 3.12 of the CBS Disclosure Schedule:

(a) no citation, written notice, request for information, order, complaint, filing of a lien or penalty has been received by the CBS Parties, and no Legal Proceeding has been brought by any Governmental Authority against the CBS Parties alleging a violation of, or liability under, any Environmental Law, in each case relating to the Business or the Business Assets and arising out of any Environmental Law, which have not been resolved, including any pending or threatened Liens;

(b) the CBS Entities hold all material environmental permits, licenses, registrations or other authorizations ("Environmental Permits") necessary for the operation of the Business to comply with applicable Environmental Laws and are and have been in compliance with the terms of such Environmental Permits, excluding any non-compliances that have been resolved to the satisfaction of the applicable Governmental Authority and any violations that would reasonably be expected, either individually or in the aggregate, to result in the Company incurring material liabilities under Environmental Laws;

(c) the CBS Parties with respect to the Business and the Business Assets are in and have been in compliance with all applicable Environmental Laws, including those relating to the generation, storage, treatment, recycling, removal, cleanup, transport or disposal of Hazardous Materials;

(d) to the Knowledge of CBS, there have been no Releases of Hazardous Materials at, from, to, on, or under any Real Property in violation of Environmental Laws that give rise to an affirmative reporting or clean up obligation of the Company under Environmental Laws, or that (individually or in the aggregate) would reasonably be expected to result in the Company incurring material liability under any Environmental Law;

(e) there are no, and to the Knowledge of CBS have never been any, underground storage tanks at the Owned Real Property, and to the Knowledge of CBS there are no underground storage tanks over which the Business has control at the Leased Real Property; and

(f) neither the execution and delivery of this Agreement or any Ancillary Agreement nor the consummation of the Transactions will trigger any requirement to notify, or obtain any material Consent of, any Governmental Authorities under any applicable Environmental Law or any consent decree, order or judgment pursuant to any applicable Environmental Law.

### SECTION 3.13. Contracts.

(a) Schedule 3.13(a) of the CBS Disclosure Schedule sets forth each of the following as of the date of this Agreement:

(i) each Contract with respect to the Business or the Business Assets, network affiliation agreements, syndicated programming agreements, time brokerage agreements, agency, commission, sales representation, talent development, revenue or profit sharing arrangements and understandings, or any

other Contract with respect to the Business or the Business Assets involving the payment or receipt of consideration in excess of \$50,000 (or \$100,000 in the case of Contracts for the sale of broadcast time on the Stations) over the term of the Contract (other than sales and trade agreements entered into in the Ordinary Course of Business);

- (ii) all Group Contracts that are Business Contracts;
- (iii) each Contract with respect to the Business or the Business Assets in which a CBS Party grants the other party thereto “most favored nation” terms;
- (iv) all Contracts with respect to the Business or the Business Assets with any Governmental Authority other than Contracts for the sale of broadcast time on the Stations in the Ordinary Course of Business;
- (v) all Contracts or arrangements with respect to the Business or the Business Assets that result in any Person holding a power of attorney from a CBS Party with respect to the Business or the Business Assets;
- (vi) any Contract with respect to the Business or the Business Assets for the sale of broadcast time for advertising or other purposes for cash that was not made in the Ordinary Course of Business;
- (vii) any Contract with respect to the Business or the Business Assets involving the purchase or sale of Real Property;
- (viii) any Contract with respect to the Business or the Business Assets involving construction, architecture, engineering or other agreements relating to uncompleted construction projects, in each case that involve payments in excess of \$50,000;
- (ix) any Contract for any mortgage, pledge or security agreement, deed of trust or other instrument granting a Lien (other than Permitted Liens) upon any property of such Station, in each case that may bind the Company, Liberty or any of its Affiliates upon or as a result of the consummation of the Transactions;
- (x) any Contract involving a material partnership, joint venture or similar agreement with another party, in each case that may bind the Company, Liberty or any of its Affiliates upon or as a result of the consummation of the Transactions;
- (xi) any Contract with respect to the Business or the Business Assets involving compensation to any employee, independent contractor, or consultant in excess of \$25,000;
- (xii) any Contract involving any labor agreement or collective bargaining agreement of either Station;

(xiii) all Real Property Leases;

(xiv) any Contract that (A) materially limits or will materially limit the Company, Liberty or any of its Affiliates from engaging in any business activity in any geographic area or line of business after giving effect to the Transactions or (B) materially limits or will materially limit the ability of the Company, Liberty or any of its Affiliates to compete with any Person after giving effect to the Transactions;

(xv) any Contract providing for the sale, lease or other disposition of any of the Business Assets other than in the Ordinary Course of Business; and

(xvi) any Contract under which a CBS Entity is licensed the right to use material Licensed Intellectual Property from an entity that is not a CBS Party or an Affiliate thereof.

(b) No material default (with the lapse of time or giving of a notice or both) on the part of the CBS Parties or, to the Knowledge of CBS, any other party thereto, exists under any Business Contract. The CBS Parties have not received any written notice of any claim of material default under any such Business Contract or that any party to any of the Business Contracts intends to cancel or terminate any such Business Contract.

(c) Each Business Contract is in full force and effect and constitutes the legal and binding obligation of, and is legally enforceable against, the CBS Parties in accordance with its terms and has not been amended or modified, other than any such amendments or modifications that are not, individually or in the aggregate, material.

(d) CBS has made available to Liberty prior to the date hereof true and complete copies of all written Business Contracts listed on Schedule 3.13(a) of the CBS Disclosure Schedule (except as noted thereon), including all amendments, modifications and supplements thereto, and any assignments thereof.

(e) Schedule 3.13(e) of the CBS Disclosure Schedule sets forth an accurate schedule of material programming payments and usage report in respect of Program Rights as of December 31, 2006.

(f) No agreement, arrangement or Contract between any CBS Party and any other Person contains any clause or provision that would bind or purport to bind Liberty or any of its Affiliates to any covenant not-to-compete or similarly restrictive provision.

(g) Except for any Ancillary Agreement, since its formation the Company has not been and as of the Closing Date will not be a party to, and except for this Agreement or any Ancillary Agreement neither the Company nor any of its property or assets has been and as of the Closing Date will be bound by, any Contract whatsoever, whether or not in writing.

SECTION 3.14. Real Property. The CBS Parties set forth on Schedule 3.14 of the CBS Disclosure Schedule have fee simple title to the owned Real Property identified on Schedule 3.14 of the CBS Disclosure Schedule (the “Owned Real Property”) free and clear of Liens other than Permitted Liens. Schedule 3.14 of the CBS Disclosure Schedule includes a list of each Real Property Lease. The CBS Parties have good and valid leasehold interest in the Real Property conveyed by the Real Property Leases or have a valid license to occupy the Real Property conveyed by the Real Property Leases as of the date hereof. The Owned Real Property includes, and the Real Property Leases provide, sufficient access to the Stations’ facilities. To the Knowledge of CBS, the Real Property is not subject to any suit for condemnation or other taking by any public authority. None of the CBS Parties have received a notice of default under or termination of any Real Property Leases. CBS has delivered to Liberty true and correct copies of the Real Property Leases together with all amendments thereto. Except as set forth on Schedule 3.14, none of the CBS Parties have granted any oral or written right to any Person (other than their Subsidiaries) to lease, sublease, license or otherwise occupy any of the Real Property.

SECTION 3.15. Sufficiency and Title to Business Assets. After giving effect to the transactions contemplated by this Agreement and the Ancillary Agreements, the Company shall have good title to the Business Assets, free and clear of all Liens other than Permitted Liens, and the Business Assets, together with the Ancillary Agreements will, at the Closing, constitute all the rights, assets and properties reasonably required to operate the Business in all material respects as it is currently conducted, other than (x) any Related Party Contract or Group Contract that is not a Business Contract, and (y) the Excluded Assets described in sections 1 through 11 of Schedule C.

SECTION 3.16. Intellectual Property.

(a) Except for the Excluded Assets, all material Business Intellectual Property owned by the CBS Parties that is the subject of an application or registration (the “Owned Business Intellectual Property”) is set forth on Schedule 3.16(a) of the CBS Disclosure Schedule.

(b) *Free Title and Liens*. Except as set forth on Schedule 3.16(b) of the CBS Disclosure Schedule:

(i) the CBS Parties own exclusively all Owned Business Intellectual Property; and

(ii) all Owned Business Intellectual Property and Licensed Intellectual Property is free and clear of all Liens, except (x) Permitted Liens, (y) Contracts set forth on Schedule 3.16(b)(ii) of the CBS Disclosure Schedule, or (z) Contracts entered into in the Ordinary Course of Business.

(c) *Protection*. Except as set forth on Schedule 3.16(c) of the CBS Disclosure Schedule:

(i) The CBS Parties have taken such actions that are reasonable and appropriate, consistent with industry standard, to secure the Business Intellectual

Property necessary or advisable to carry on the Business as presently conducted;  
and

(ii) the CBS Parties have not received any notice of any material claims, demands or proceedings pending by any third party challenging the CBS Entities' right to use any of the Business Intellectual Property or that any Business Intellectual Property or any services provided or process used by the CBS Entities conflict with, or infringe or otherwise violate the material Intellectual Property rights of third parties.

(d) *Intellectual Property Infringement.* Except as set forth on Schedule 3.16(d) of the CBS Disclosure Schedule:

(i) there are no claims or suits pending, no written notice provided, no legal proceedings or claims threatened:

(1) alleging that the Business and/or any Business Intellectual Property infringes upon, violates or otherwise constitutes an unauthorized use of any other Person's Intellectual Property; or

(2) challenging the CBS Parties' ownership of, right to use, or the validity or enforceability or effectiveness of any Business Intellectual Property.

(ii) To the Knowledge of CBS, the conduct of the Business, as presently conducted, does not infringe upon or otherwise misappropriate or violate, or has infringed upon, violate or otherwise constitute an unauthorized use of any other Person's Intellectual Property; and

(iii) The CBS Parties have not filed a claim against, provided notice to or taken any other action against any Person claiming the infringement, violation, or unauthorized use by any Person of any Business Intellectual Property.

(e) *Trade Secrets.* The CBS Parties have taken reasonable steps to protect and preserve the secrecy and confidentiality of all trade secrets of the Business.

(f) *Adequacy of Rights.* After giving effect to the transactions contemplated by this Agreement and the Ancillary Agreements, the rights and interests of the Company in and to the Owned Business Intellectual Property, together with the rights of the Company to Licensed Intellectual Property, and the rights of the Company under the Ancillary Agreements, will, at the Closing, constitute in the aggregate materially all the rights and interests in Intellectual Property required to operate the Business in all material respects as it is currently conducted, other than any Excluded Assets.

SECTION 3.17. Operations of the Company. As of the Closing (following the Contribution and the Distributions), the Company will be a direct, wholly owned Subsidiary of CBS, will own the Business Assets, will have assumed the Assumed Liabilities and will operate and conduct the Business.

SECTION 3.18. Cable and Satellite Matters. Schedule 3.18 of the CBS Disclosure Schedule contains a list of all retransmission consent or copyright indemnification agreements with MVPDs (the “Retransmission Agreements”) with respect to each Station, and CBS has previously made available to Liberty with true and correct copies of all such agreements. To the Knowledge of CBS, the Stations deliver a “good quality signal” to each MVPD that is party to a Retransmission Agreement.

SECTION 3.19. Equipment. Schedule 3.19 lists the principal items of Equipment included in the Business Assets. Except as otherwise set forth on Schedule 3.19, all items of Equipment are in good operating condition and repair (ordinary wear and tear excepted)

SECTION 3.20. Brokers and Other Advisors. No broker, investment banker, financial advisor or other Person is entitled to any broker’s, finder’s, financial advisor’s or other similar fee or commission, or the reimbursement of expenses, in connection with the transactions contemplated hereby based upon arrangements made by or on behalf of CBS or any of its Subsidiaries.

SECTION 3.21. No Other Representations or Warranties. Except for the representations and warranties made by CBS in this Article III and Section 6.1(a), neither CBS nor any other Person makes any representation or warranty with respect to CBS or any of its Subsidiaries or its businesses (including the Business), operations, assets, liabilities, condition (financial or otherwise) or prospects, notwithstanding the delivery or disclosure to Liberty or any of its Affiliates or representatives of any documentation, forecasts or other information with respect to any one or more of the foregoing.

## ARTICLE IV

### REPRESENTATIONS AND WARRANTIES OF LIBERTY

Liberty represents and warrants to CBS that:

SECTION 4.1. Organization and Standing. Liberty is a corporation duly organized, validly existing and in good standing under the Laws of the State of Delaware and the Liberty Subsidiary is a limited liability company duly organized, validly existing and in good standing under the Laws of the State of Delaware.

SECTION 4.2. Liberty CBS Shares. As of the date hereof, the Liberty Subsidiary owns a total of 7,591,249 shares of CBS Class B Common Stock. As of the Closing, the Liberty Subsidiary will have good and valid title to the Liberty CBS Shares, free and clear of all Liens. Upon delivery to CBS of the certificates representing the Liberty CBS Shares at the Closing, CBS will acquire good and valid title to such shares, free and clear of all Liens, other than Liens created by CBS or any of its Subsidiaries.

SECTION 4.3. Authority; Noncontravention.

(a) Liberty has all necessary corporate power and authority to execute and deliver this Agreement and to perform its obligations hereunder and Liberty and the Liberty Subsidiary have all necessary corporate or similar power and authority to

consummate the transactions contemplated by this Agreement including the Transactions. Each of Liberty and the Liberty Subsidiary has all necessary corporate or similar power and authority to execute and deliver the Ancillary Agreements to which such Person is a party and to perform their obligations under each applicable Ancillary Agreement and to consummate the transactions contemplated by each applicable Ancillary Agreement. Each of Liberty and the Liberty Subsidiary that will execute any other documents in connection with the Closing as contemplated hereby, including the Liberty Tax Opinion Representations (collectively, the “Liberty Closing Documents”) has all necessary corporate or similar power and authority to execute and deliver the Liberty Closing Documents to which such Person will be a party.

(b) The execution, delivery and performance of this Agreement by Liberty and the consummation by Liberty and the Liberty Subsidiary of the transactions contemplated by this Agreement including the Transactions has been duly authorized by all necessary action on the part of Liberty and the Liberty Subsidiary, no other corporate or other legal action on the part of Liberty is necessary to authorize the execution, delivery and performance by Liberty of this Agreement and no other corporate or other legal action on the part of Liberty or the Liberty Subsidiary is necessary to authorize the consummation by Liberty or the Liberty Subsidiary of the transactions contemplated by this Agreement including the Transactions. The execution, delivery and performance by Liberty and the Liberty Subsidiary of each Ancillary Agreement to which such Person is a Party and the consummation by Liberty and the Liberty Subsidiary of the transactions contemplated by the Ancillary Agreements has been duly authorized by all necessary action on the part of Liberty and the Liberty Subsidiary, no other corporate or other legal action on the part of Liberty or the Liberty Subsidiary is necessary to authorize the execution, delivery and performance by Liberty or the Liberty Subsidiary of any Ancillary Agreement to which such Person is a party and no other corporate or other legal action on the part of Liberty or the Liberty Subsidiary is necessary to authorize the consummation by Liberty or the Liberty Subsidiary of the transactions contemplated by the Ancillary Agreements to which such Person is a party. The execution and delivery of the Liberty Closing Documents by Liberty and the Liberty Subsidiary as contemplated hereby has been duly authorized by all necessary corporate or other legal action.

(c) This Agreement, each applicable Ancillary Agreement and each of the Liberty Closing Documents when duly executed and delivered by Liberty and the Liberty Subsidiary, as applicable, and, assuming due authorization, execution and delivery hereof and thereof by the CBS Parties will constitute a legal, valid and binding obligation of Liberty and the Liberty Subsidiary, enforceable against Liberty and the Liberty Subsidiary in accordance with its terms, except that such enforceability may be limited by the Bankruptcy and Equity Exception.

(d) The execution, delivery and performance of this Agreement and each Ancillary Agreement by Liberty or the Liberty Subsidiary, as applicable, and the consummation of the transactions contemplated hereby and thereby, do not and will not (i) violate or conflict with the organizational documents of Liberty or the Liberty Subsidiary, (ii) assuming compliance with the matters referred to in Section 4.4, conflict with or violate any Law or Governmental Order applicable to Liberty or the Liberty

Subsidiary, (iii) require any Consent or other action by or notification to any Person under, constitute a default under, give to any Person any rights of termination, amendment, acceleration or cancellation of any right or obligation of Liberty or the Liberty Subsidiary, as applicable, under, any provision of any Contract or (iv) result in the creation or imposition of any Lien on any assets of Liberty, except for Permitted Liens, except, in the case of clauses (ii), (iii) and (iv), for any such violations, consents, actions, defaults, rights or losses as would not reasonably be expected to have a Liberty Material Adverse Effect.

SECTION 4.4. Governmental Approvals. The execution, delivery and performance by Liberty of this Agreement and the execution, delivery and performance by Liberty and the Liberty Subsidiary of each Ancillary Agreement to which such Person is a party and the consummation of the transactions contemplated hereby and thereby require no action by or in respect of, or Filings with any Governmental Authority other than (a) compliance with any applicable requirements and the expiration or early termination of the waiting period required by the HSR Act, (b) the Assignment Applications, and (c) any such action by or in respect of or filing with any Governmental Authority as to which the failure to take, make or obtain would not individually or in the aggregate have a Liberty Material Adverse Effect.

SECTION 4.5. Legal Proceedings. As of the date hereof, there is no pending or, to the Knowledge of Liberty, threatened, material Legal Proceeding against Liberty, any of its Subsidiaries, or their respective businesses, nor is there any Governmental Order upon Liberty, any of its Subsidiaries, or their respective businesses, that in each case or any series of related cases would reasonably be expected to have a Liberty Material Adverse Effect.

SECTION 4.6. FCC Qualification. The Liberty Subsidiary is legally, financially and otherwise qualified under the Communications Act to acquire the FCC Licenses and own the Business Assets and operate the Business. There are no facts that would disqualify the Liberty Subsidiary as the transferee of the FCC Licenses or as the owner of the Business Assets and operator of the Business, and no waiver of the Communications Act (other than a waiver of the FCC's main studio rule with respect to WJMN-TV) is necessary for the FCC Consent to be obtained. Liberty has not received any notice that the FCC or any other party intends to challenge the Assignment Applications or the FCC Consent.

SECTION 4.7. Brokers and Other Advisors. Except for [JPMorgan], the fees and expenses of which will be paid by the Liberty, no broker, investment banker, financial advisor or other Person is entitled to any broker's, finder's, financial advisor's or other similar fee or commission, or the reimbursement of expenses, in connection with the transactions contemplated hereby based upon arrangements made by or on behalf of Liberty or any of its Subsidiaries.

SECTION 4.8. Investment Representation.

(a) Liberty acknowledges that (x)(i) CBS may be, and Liberty is proceeding on the assumption that CBS is, in possession of material, non-public information concerning CBS, its financial condition, results of operations, businesses, properties, assets, liabilities, management, projections, appraisals, and plans, proposals

and prospects (the “Information,” which term as used in this Section 4.8 excludes any such information to the extent relating to the Business); (ii) the Information is not or may not be known to Liberty and that CBS may not have disclosed the Information to Liberty; (iii) if Liberty was in possession of some or all of the Information, Liberty might not be willing to exchange the Liberty CBS Shares or might have a materially different view of the benefits of the transactions contemplated hereby; and (iv) except as otherwise expressly provided in this Agreement, CBS shall have no obligation to disclose any of the Information to Liberty in connection with the transactions contemplated hereby; and (y) except as otherwise expressly provided in this Agreement, neither (i) CBS nor any its directors, officers, employees, representatives nor any of their respective Affiliates has made, and Liberty disclaims the existence of or its reliance on, any representation or warranty made by any of them (whether expressed or implied) of any kind or character concerning CBS or the present or future value of the equity securities of CBS, and (ii) Liberty is not relying on any disclosure or non-disclosure made or not made with respect to CBS or such present or future equity value, or the completeness thereof, in connection with or arising out of the sale of the Liberty CBS Shares. Liberty agrees that CBS shall not have liability and Liberty, on its own behalf and on behalf of its Affiliates and its and their respective successors and assigns, irrevocably waives, renounces and releases any and all claims of any nature whatsoever Liberty may have or acquire against CBS, its directors, officers, employees, representatives, or any of their respective Affiliates and their respective heirs, successors and assigns, relating to, arising under or in connection with the Transactions, whether under applicable securities law or otherwise, based on CBS’s knowledge, possession or nondisclosure to Liberty of the Information. If any such claim may exist, Liberty, recognizing its disclaimer of reliance and CBS’s reliance on such disclaimer as a condition to entering into the Transactions, covenants and agrees not to assert it against CBS or any of CBS’s respective representatives, agents or Affiliates.

(b) Liberty is a sophisticated institutional investor and an accredited investor (as defined in Rule 501(a) of Regulation D of the Securities Act), with sufficient knowledge and experience in financial and business matters to evaluate the merits and risks of the Transactions.

(c) Liberty agrees that the Company Shares may not be sold, transferred, offered for sale, pledged, hypothecated or otherwise disposed of without registration under the Securities Act, except pursuant to an exemption from such registration available under the Securities Act.

**SECTION 4.9. No Other Representations or Warranties.** Except for the representations and warranties made by Liberty in this Article IV and Section 6.1(b), neither Liberty nor any other Person makes any representation or warranty with respect to Liberty or its Subsidiaries or their respective businesses, operations, assets, liabilities, condition (financial or otherwise) or prospects, notwithstanding the delivery or disclosure to CBS or any of its Affiliates or representatives of any documentation, forecasts or other information with respect to any one or more of the foregoing.

## ARTICLE V

### COVENANTS AND AGREEMENTS

#### SECTION 5.1. Access and Information.

(a) From the date hereof through the Closing, upon reasonable notice, CBS shall or shall cause the CBS Entities to (i) give Liberty, its counsel, financial advisors, auditors and other authorized representatives, including environmental consultants for the sole purpose of conducting Phase I Environmental Site Assessments, reasonable access during normal business hours to the offices, properties, books and records of the Business, (ii) furnish to Liberty, its counsel, financial advisors, auditors and other authorized representatives such financial and operating data and other information relating to the Business as such Persons may reasonably request and (iii) instruct the employees, counsel and financial advisors of the CBS Entities to cooperate with Liberty in its investigation of the Business; provided, however, that Liberty may not communicate with Business Employees other than each Station's general manager, chief engineer, chief financial officer and the person primarily responsible for employment and labor matters, in each case, without the CBS Parties' prior written consent, not to be unreasonably withheld or delayed. Any investigation pursuant to this Section 5.1 shall be conducted in such manner as not to unreasonably interfere with the conduct of the Business or any of the businesses or operations of CBS or any of its Affiliates.

(b) From and after the Closing, the CBS Parties will afford promptly to Liberty and its agents reasonable access to their books of account, financial and other records (including accountant's work papers), information, employees and auditors to the extent necessary for Liberty in connection with any audit, investigation, dispute or litigation or any other reasonable business purpose relating to the Stations; provided, however, that any such access by Liberty shall not unreasonably interfere with the conduct of the businesses or operations of CBS or any of its Affiliates.

(c) From and after the Closing Date, upon reasonable notice, Liberty shall cause the Company to afford promptly to CBS or CBS Entities or their respective counsel, financial advisors, auditors and other authorized representatives and agents reasonable access during normal business hours to the Company's properties, books, records, employees and auditors to the extent necessary to permit CBS or the CBS Entities to determine any matter relating to its rights and obligations (or those of its Affiliates) hereunder or to any period ending on or before the Closing Date; provided, that CBS and the CBS Entities will hold, and will cause its agents to hold, in confidence, all confidential or proprietary information to which it has had access to pursuant to this Section 5.1.

SECTION 5.2. Operations Pending Closing. Except as otherwise set forth in this Agreement or with the prior written consent of Liberty, which consent shall not be unreasonably withheld or delayed, and subject to the provisions of Section 5.6 regarding control of each Station, from and after the date hereof until the Closing, CBS shall or shall cause the CBS Entities to:

- (a) not make any material change in or amendments to the charter, bylaws, or other organizational documents applicable to the Company;
- (b) not issue, grant, sell or deliver any shares of capital stock or other equity interests or securities of the Company, or any securities convertible into, or options, warrants or rights of any kind to subscribe for or acquire, any shares of capital stock or other equity interests or securities of the Company, or any phantom shares, phantom equity interests or stock or equity appreciation rights of the Company, or enter into any Contract, commitment or arrangement with respect to any of the foregoing;
- (c) not split, combine or reclassify the outstanding shares of capital stock or other equity interests or securities of the Company or issue any capital stock or other equity interests or securities of the Company in exchange for any such shares or interests;
- (d) not redeem, purchase or otherwise acquire, directly or indirectly, any shares of capital stock or any other equity interests or securities of the Company;
- (e) not adopt or authorize any stock or equity appreciation rights, restricted stock or equity, stock or equity purchase, stock or equity bonus or similar plan, arrangement or agreement applicable to the Company or the Business except in the Ordinary Course of Business and pursuant to existing compensation and fringe benefit plans, practices and arrangements or as may be required by Law or Contract;
- (f) not make any other changes in the capital structure of the Company;
- (g) not declare, set aside, pay or make any dividend or other distribution or payment (whether in cash, property or securities) with respect to the capital stock or other equity interests or securities of the Company;
- (h) not sell or pledge any stock, equity or partnership interest of the Company or owned by the Company;
- (i) operate the Business in compliance in all material respects with the Communications Act, the FCC Licenses and regulations and all applicable Laws;
- (j) not cause or permit, or agree or commit to cause or permit, by act or failure to act, any of the FCC Licenses to expire or to be revoked, suspended or adversely modified, or take or fail to take any action that would cause the FCC or any other Governmental Authority to institute proceedings for the suspension, revocation or adverse modification of any of the FCC Licenses;

(k) not sell, lease, license or otherwise dispose of any Business Assets except (i) pursuant to existing contracts or commitments or (ii) in the Ordinary Course of Business;

(l) not grant any Lien on any Business Assets, other than Permitted Liens;

(m) not incur, assume, enter into or guarantee: (i) any operating lease with an annual lease payment exceeding (A) \$200,000 and containing a non-cancelable term less than one year or (B) \$50,000 and containing a non-cancelable term in excess of one year; (ii) any capitalized lease obligation or deferred purchase price obligation with an initial principal amount in excess of \$50,000; or (iii) any other Liabilities outside the Ordinary Course of Business (if, in any such case, such lease, obligation or other Liability would constitute Assumed Liabilities).

(n) except as set forth on Schedule 5.2(n) of the CBS Disclosure Schedule, operate the Business in the Ordinary Course of Business (except where such conduct would conflict with CBS's obligations under this Agreement) and use commercially reasonable efforts to preserve substantially intact the relationships of the Business with the customers, employees, suppliers, licensors, licensees, distributors and others with whom each Station deals;

(o) not make any change in any method of accounting or accounting practice utilized in the preparation of the Reference Financial Statements, except for any such change required by reason of a concurrent change in GAAP or as required by Law;

(p) not (i) establish or materially increase any insurance, deferred compensation, pension, retirement, profit sharing, incentive, stock option, equity, phantom equity or other employee benefit plan or arrangement with respect to any Business Employees (except in the Ordinary Course of Business pursuant to existing compensation and fringe benefit plans, practices and arrangements or as may be required by Law or Contract); (ii) increase or otherwise change the rate or nature of, or prepay, the compensation (including wages, salaries and bonuses) or severance that is paid or payable to any Business Employee, except in the Ordinary Course of Business pursuant to existing compensation and fringe benefit plans, practices and arrangements; (iii) hire any Person that would be a Business Employee with an annual base salary and bonus in excess of \$100,000 or, in the case of talent with an annual base salary in excess of \$200,000, or enter into, renew or allow the renewal of or entering into, any employment or consulting agreement or other contract or arrangement with respect to the performance of personal services for the Business that is not terminable at will; or (iv) agree or commit to do any of the foregoing;

(q) not enter into, or become obligated under, any Business Contract or other agreement or commitment on behalf of the Company or Business except for (i) Contracts for the sale of advertising for cash entered into in the Ordinary Course of Business; (ii) any individual Program Rights agreements with a term of one year or less or that involve payments or receipts of \$100,000 or less; provided, however, that in no

event may the CBS Parties enter into any Program Rights agreements that in the aggregate involve payments or receipts of \$300,000 or more; (iii) other agreements or commitments (in each case of a type other than the types provided for in clauses (i) and (ii) of this Section 5.2(o)) with a term of one year or less or that involve payments or receipts of \$100,000 or less; provided, however, that in no event may the CBS Parties enter into any such other agreements or commitments that in the aggregate involve payments or receipts of \$300,000 or more; and (iv) any exercise of a renewal option under a Real Property Lease with any unrelated third party that would otherwise terminate or expire, or where the deadline to exercise such renewal option would lapse, within one year of the anticipated date of the Closing;

(r) not enter into or agree or commit to enter into any new Tradeout Agreement with respect to the Business with a value in excess of \$20,000 individually, or \$100,000 in the aggregate, that will not be fully performed prior to the Closing;

(s) utilize the Program Rights only in the Ordinary Course of Business and not sell or otherwise dispose of any such Program Rights;

(t) promptly notify Liberty of any attempted or actual collective bargaining organizing activity with respect to Business Employees;

(u) not make or agree or commit to make any capital expenditure with respect to the Business greater than \$50,000 in connection with any particular project relating, or greater than \$200,000 in the aggregate; however, subject to the foregoing CBS shall cause the Stations and the CBS Entities to continue to perform necessary maintenance and repairs with respect to the Stations in the Ordinary Course of Business;

(v) keep in full force and effect insurance in respect to the Business and the Business Assets comparable in amount and scope of coverage to that now maintained;

(w) not enter into any written Related Party Contracts;

(x) not commence or settle any litigation or arbitration which (1) is other than in the Ordinary Course of Business and (2) could reasonably be expected to have a material impact on the Company;

(y) not permit or allow the Company to terminate any Business Contract, or amend, modify or change any Business Contract in any material respect, in each case other than in the Ordinary Course of Business (and further provided that any additional cost to the Company or the Business of any such amendment, modification or change shall not exceed \$100,000 for any one Business Contract or \$300,000 in the aggregate); and

(z) not agree or commit, whether in writing or otherwise, to take any of the actions specified in the foregoing clauses.

SECTION 5.3. Liberty Conduct of Business. Liberty covenants and agrees that, from and after the date hereof until the Closing, except as otherwise expressly contemplated by this Agreement, it shall not directly or indirectly sell, assign, transfer, dispose, distribute, donate, hypothecate or incur any Lien or otherwise dispose of the Liberty CBS Shares.

SECTION 5.4. Governmental Consents and Approvals; Certain Filings.

(a) The Parties agree to make appropriate filings pursuant to applicable Antitrust Laws, including a Notification and Report Form pursuant to the HSR Act with respect to the transactions contemplated hereby, within ten (10) Business Days after the date hereof and to supply as promptly as practicable any additional information and documentary material that may be requested pursuant to the HSR Act and otherwise to use commercially reasonable efforts to cause the expiration or termination of the applicable waiting periods under the HSR Act as soon as practicable. Any filing fees required to be paid by the Parties under the HSR Act shall be borne one-half by CBS and one-half by Liberty, irrespective of whether the transactions contemplated by this Agreement are consummated.

(b) Each Party shall prepare and file with the FCC as soon as practicable but in no event later than five (5) Business Days after the execution of this Agreement, the Assignment Applications and thereupon use commercially reasonable efforts to obtain the FCC Consent; provided, however, except as provided in the following sentence, neither Party shall be required to pay consideration to any third party to obtain the FCC Consent. Any FCC filing fees required to be paid by the Parties shall be borne one-half by CBS and one-half by Liberty, irrespective of whether the transactions contemplated by this Agreement are consummated. The Parties agree to use commercially reasonable efforts to oppose any petitions to deny or other objections filed with respect to the Assignment Applications to the extent such petition or objection relates to such Party. Subject to Section 10.10, Liberty shall not take any intentional action that would, or intentionally fail to take any 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 Article VIII, the Parties 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 Article VIII.

(c) In connection with the efforts referenced in Sections 5.4(a) and 5.4(b) to obtain (i) all requisite approvals and authorizations for the transactions contemplated by this Agreement under the HSR Act or any other Antitrust Law and (ii) the FCC Consent, the Parties shall use their respective commercially reasonable efforts to (A) cooperate in all respects with each other in connection with any filing or submission and in connection with any investigation or other inquiry, including any proceeding initiated by a private party, (B) keep the other party informed in all material respects of any material communication received by such party from, or given by such party to, the FTC, the Antitrust Division of the DOJ, the FCC or any other Governmental Authority and of any material communication received or given in connection with any proceeding

by a private party and (C) permit the other party to review any material communication given by it to, and consult with each other in advance of and be permitted to attend any meeting or conference with, the FTC, the DOJ, the FCC or any such other Governmental Authority or, in connection with any proceeding by a private party, with any other Person, in each case to the extent regarding any of the transactions contemplated by this Agreement and provided that this Section 5.4(c) shall not apply to any filings, submissions, communications, meetings, conferences or proceedings that relate primarily or exclusively to any other transaction or transactions.

(d) The Parties shall cooperate with one another (i) in determining whether any action by or in respect of, or filing with, any Governmental Authority is required, or any actions, consents, approvals or waivers are required to be obtained from parties to any material Business Contracts, in connection with the consummation of the transactions contemplated by this Agreement and (ii) in taking such actions or making any such filings, furnishing information required in connection therewith and seeking timely to obtain any such actions, consents, approvals or waivers; provided, however, that CBS shall not be required to pay consideration to obtain any such consent, approval or waiver.

(e) Notwithstanding anything to the contrary in this Agreement, neither Liberty nor any of its Subsidiaries (including, on a post-Closing basis, the Company) shall be required to take any action requiring, or enter into any settlement, undertaking, consent decree, stipulation or other agreement with a Governmental Authority, that requires Liberty or any of its Subsidiaries to (A) hold separate (in trust or otherwise), divest itself or otherwise rearrange the composition of any assets, businesses or interests of Liberty or any of its Affiliates or imposes any limitation on such Persons' freedom of action with respect to future acquisitions of assets or with respect to any existing or future business or activities or on the enjoyment of the full rights of ownership possession and use of any asset now owned or hereafter acquired by any such Person, (B) agree to any other conditions or requirements or to take any other actions that are materially adverse or burdensome or would reasonably be expected to adversely affect such Person in any material respect, in order to satisfy any objection of any Governmental Authority or (C) incur any material financial obligation to obtain any consent or approval to the Transactions of a Governmental Authority.

SECTION 5.5. Risk of Loss. The CBS Parties shall bear the risk of casualty loss or damage to any of the Business Assets prior to the Closing. In the event of any casualty loss or damage to the Business Assets prior to the Closing Date, the CBS Parties shall be responsible for repairing or replacing (as appropriate under the circumstances) any lost or damaged Business Asset (the "Damaged Asset") unless such Damaged Asset was obsolete and unnecessary for the continued operation of the Stations consistent with the CBS Parties' past practice. If on the day otherwise scheduled for the Closing Date, WFRV-TV (including any analog or digital facility thereof) is off the air or operating with a material reduction in coverage, signal quality or other broadcast operations, in each case as a result of any casualty loss or damage to Business Assets for which the CBS Parties are responsible for repairing or replacing pursuant to this Section 5.5, then, notwithstanding anything to the contrary in this Agreement, the Closing shall be delayed until the date that is five Business Days after WFRV-TV returns to

the air with no material reduction in coverage, signal quality and broadcast operations from those in effect prior to the occurrence of such casualty loss or damage. In all other cases where the CBS Parties are unable to replace or repair a Damaged Asset prior to the Closing, the CBS Parties shall reimburse the Company for all reasonable costs incurred by the Company in repairing or replacing such Damaged Asset after the Closing.

SECTION 5.6. Control Prior to the Closing. The Parties acknowledge and agree that, for the purposes of the Communications Act, this Agreement and, without limitation, the covenants in this Article V, are not intended to and shall not be construed to transfer control of either Station or to give Liberty any right to, directly or indirectly, control, supervise or direct, or attempt to control, supervise or direct, the programming, operations, or any other matter relating to either Station prior to the Closing Date, and the CBS Parties shall have complete control and supervision of the programming, operations, policies and all other matters relating to each Station up to the time of the Closing (in each case to the extent required by the Communications Act and the terms and conditions of the FCC Licenses).

SECTION 5.7. Public Announcements. The initial press release with respect to the execution of this Agreement shall be a joint press release to be reasonably agreed upon by CBS and Liberty. Thereafter, no Party shall issue or cause the publication of any press release or other public announcement (to the extent not previously issued or made in accordance with this Agreement) with respect to the transactions contemplated by this Agreement without the prior consent of the other Party (which consent shall not be unreasonably withheld or delayed), except as may be required by Law or by any applicable listing agreement with a national securities exchange as determined in the good faith judgment of the Party proposing to make such release (in which case such Party shall not issue or cause the publication of such press release or other public announcement without prior consultation with the other Party, to the extent such prior consultation is practical).

SECTION 5.8. Confidentiality.

(a) Liberty acknowledges that the information being provided to it by the CBS Parties in connection with the Transactions, to the extent that such information constitutes Confidential Business Information, is subject to the terms of the Confidentiality Agreement, the terms of which are incorporated herein by reference. Effective upon the Closing, the Confidentiality Agreement will terminate with respect to all information provided thereunder regarding the Business.

(b) From and after the Closing, the CBS Parties shall not use (or take any action to use) in any manner detrimental to the Company and shall hold in strict confidence, and shall cause its officers, directors, employees, representatives, consultants, advisors and agents, to not use (or take any action to use) in any manner detrimental to the Company and to hold, in strict confidence, unless compelled to disclose by judicial or administrative process or by other requirements of Law or regulation (including the Securities Act and Exchange Act), all confidential information relating to the Business, the Business Assets, the Assumed Liabilities and the Business Employees remaining in the possession of CBS or any of its Affiliates following the Closing, which information shall be considered proprietary information of Liberty following the Closing, except to

the extent that such confidential information has been or has become (i) generally available to the public other than as a result of disclosure by any Party hereunder or an officer, director, employee, representative, consultant, advisor or agent, of a Party hereunder, (ii) available to the public on a non-confidential basis from a source other than an officer, director, employee, representative, consultant, advisor or agent of a Person entitled to the protection offered hereby, (iii) except in the case of any documents and information relating to the Business, the Business Assets and the Business Liabilities, known to the Person receiving such confidential information before the date of disclosure of such confidential information to such Person. Nothing herein shall preclude Liberty, the Company, any CBS Party or any of their respective officers, directors, employees, representatives, consultants, advisors or agents, receiving confidential information from using and/or disclosing information rightfully received from a third party to the extent rightfully permitted by the third party. Nothing herein shall preclude the disclosure of confidential information, on the condition that it remains confidential, to auditors, attorneys, lenders, financial advisors and other officers, directors, employees, representatives, consultants, advisors and agents, nor shall it prevent Liberty' or the Company's disclosure after the Closing of any information (including confidential information) relating to the Business or which constitutes a Business Asset or CBS's disclosure of any information (including confidential information) relating to the Retained Business or which constitutes an Excluded Asset.

SECTION 5.9. Books and Records. CBS recognizes that, after the Closing, the CBS Parties may have documents, books, records, work papers and information, whether in written, magnetic, electronic or optical form (collectively, "Records") which relate to the Business with respect to the period or matters arising prior to the Closing, including Records pertaining to the Business Assets, the Assumed Liabilities and the Business Employees (the "Business Records") or other Records relating to the Business. CBS recognizes that Liberty or its Affiliates may need access to such Business Records and other Records after the Closing. Upon the reasonable request of Liberty, any of its Affiliates or any of their respective employees, representatives or agents, CBS shall or shall cause the CBS Entities to provide Liberty, any of its Affiliates or any of their respective employees, representatives or agents access to, and the right to photocopy (at the expense of Liberty or its Affiliates), during normal business hours on reasonable advance notice, such reasonably requested Records. CBS shall use commercially reasonable efforts to maintain all such Records for the same length of time that they maintain their own Records, or, at CBS's discretion (at CBS's expense) or (at any time) at the reasonable request of Liberty or its Affiliates (at the expense of Liberty or its Affiliates), transfer any such Records to Liberty or its Affiliates.

SECTION 5.10. Notification of Certain Matters. CBS shall give prompt notice to Liberty, and Liberty shall give prompt notice to CBS, of (i) any notice or other communication received by such Party from any Governmental Authority in connection with the transactions contemplated hereby or from any Person alleging that the consent of such Person is or may be required in connection with the transactions contemplated hereby, if the subject matter of such communication or the failure of such Party to obtain such consent could be material to the Business and (ii) any Legal Proceedings commenced or, to the Knowledge of Liberty or the Knowledge of CBS, as applicable, threatened against, relating to or involving or otherwise

affecting such Party or any of its Subsidiaries which relate to the transactions contemplated hereby.

SECTION 5.11. Insurance. CBS shall, and shall cause its Subsidiaries to, use their commercially reasonable efforts to maintain all Insurance Policies (or comparable policies providing substantially similar coverage with respect to the Business) in full force and effect at all times up to and including the Closing Date and shall pay all premiums, deductibles and retro-adjustment billings, if any, with respect thereto covering all periods, and ensuring coverage of the Business and the Business Assets, up to and including the Closing Date.

SECTION 5.12. Use of Name. From and after the Closing, neither Liberty nor, except to the extent provided in the Station Affiliation Agreement, the Company shall have any right to use the name of CBS or of any of its Affiliates; provided, however, that, subject to the Station Affiliation Agreement (i) for so long as WFRV-TV is an affiliate of the CBS Television Network pursuant to the Station Affiliation Agreement, as amended and/or restated from time to time, or any other affiliation or similar agreement, WFRV-TV shall have the licensed non-exclusive right to refer to itself electronically, in writing and otherwise for any and all licensed purposes as “CBS-5;” and (ii) for so long as WJMN-TV is an affiliate of the CBS Television Network pursuant to the Station Affiliation Agreement, as amended and/or restated from time to time, or any other affiliation or similar agreement, WJMN-TV shall have the right to refer to itself electronically, in writing and otherwise for any and all purposes as “CBS-3.”

SECTION 5.13. Certain Tax Matters. Subject to Section 10.10, each Party hereto shall use its respective commercially reasonable efforts to enable Liberty to receive the Liberty Tax Opinion and to enable CBS to receive the CBS Tax Opinion, including the delivery by CBS of the CBS Tax Opinion Representations and the delivery by Liberty of the Liberty Tax Opinion Representations to the firms rendering such opinions.

SECTION 5.14. Fees and Expenses. Except as otherwise provided in this Agreement, all fees and expenses incurred in connection with this Agreement and the Transactions shall be paid by the Party incurring such fees or expenses, whether or not the transactions contemplated hereby are consummated.

SECTION 5.15. Employee Matters.

(a) Prior to the Closing Date, CBS shall transfer the employment of each Business Employee listed on Schedule 5.15(a) to the CBS Disclosure Schedule who is not on authorized leave of absence, sick leave, short or long term disability leave, military leave or layoff with recall rights (“Active Employees”), and assign any such employee’s employment agreement, to the Company. In addition, for the period commencing on the Closing Date and ending six (6) months thereafter, or such later date as required under applicable Law, Liberty shall, or shall cause the Company to, offer employment to each Business Employee listed on Schedule 5.15(a) to the CBS Disclosure Schedule who is on authorized leave of absence, sick leave, short or long term disability leave, military leave or layoff with recall rights (“Inactive Employees”). The Active Employees who continue in employment with the Company shall be deemed “Transferred Employees” as of the Closing Date and each Inactive Employee who

accepts such offer of employment from Liberty or one of its Affiliates shall be deemed a “Transferred Employee” as of the date such employee commences active employment with Liberty or one of its Affiliates. For the purposes hereof, the “Employment Commencement Date” as referred to herein shall mean (i) the Closing Date with respect to Active Employees and (ii) the date an Inactive Employee commences active employment with Liberty or one of its Affiliates as described above.

(b) Liberty shall cause the Company to continue to employ, for a period of not less than ninety (90) days beginning as of the Closing Date, each Transferred Employee at monetary compensation (consisting of base salary and, as applicable, commission rate and normal bonus opportunity) and on terms and conditions that are at least as favorable as those provided by CBS and the Company immediately prior to the Closing Date; provided, however that this Section 5.15(b) shall not apply to (i) any Transferred Employees who are terminated by the Company for cause or (ii) any Transferred Employees whose employment agreement expires in the ninety (90) day period beginning on the Closing Date.

(c) Liberty shall or shall cause the Company to, for a period of twelve (12) months immediately following the Closing Date, provide the Transferred Employees employed by the Company with the employee benefit plans, programs, contracts and arrangements (excluding, for this purpose, pension, retiree medical, nonqualified deferred compensation plans or arrangements, and equity incentive plans or arrangements) that are at least as favorable, in the aggregate, as the Employee Benefit Plans provided to Transferred Employees immediately prior to the Closing. Notwithstanding any other provision contained herein, Liberty shall, for a period of not less than six (6) months beginning as of the Closing Date, provide severance benefits to the Transferred Employees on terms that are at least as favorable as those provided by the CBS Entities immediately prior to the Closing Date.

(d) Liberty shall cause one or more tax-qualified defined contribution plans to be established or maintained by Liberty or one of its Affiliates (“Liberty 401(k) Plan”) to accept rollover contributions from the Transferred Employees of any account balances distributed to them by CBS’s or the CBS Entities’ 401(k) plan or any 401(k) plan of CBS’s Affiliates. Following the Closing, Transferred Employees will be permitted to participate in the Liberty 401(k) Plan. Liberty shall allow any such Transferred Employee’s outstanding plan loan, if any, to be rolled into the Liberty 401(k) Plan. The distribution and rollover described herein shall comply with applicable Law, and each Party shall make all filings and take any actions required of such Party by applicable Law in connection therewith.

(e) With respect to each Transferred Employee: (A) the CBS Parties shall be responsible for: (x) claims for medical and dental benefits, disability benefits, life insurance benefits, other welfare insurance benefits, and workers compensation that are incurred prior to the Employment Commencement Date; and (y) claims related to “COBRA” coverage attributable to “qualifying events” occurring prior to the Employment Commencement Date, in each case with respect to any Transferred Employees and their beneficiaries and dependents; and (B) Liberty shall be solely

responsible for: (i) medical and dental benefits, disability benefits, life insurance benefits, other welfare insurance benefits, and workers compensation benefits for claims incurred from and after the Employment Commencement Date for Transferred Employees; and (ii) claims relating to “COBRA” coverage attributable to “qualifying events” occurring from and after the Employment Commencement Date, in each case with respect to any Transferred Employees and their beneficiaries and dependents. For purposes of the foregoing, a medical/ dental claim shall be considered incurred when the medical services are rendered or medical supplies are provided, and not when the condition arose. A life insurance or workers compensation claim shall be considered incurred prior to a particular date if the injury or condition giving rise to the claim occurs prior to such date. A disability claim shall be deemed to be incurred when the employee is declared disabled under the terms of the applicable disability plan. The Company shall cease to participate in the Employee Benefit Plans as of Closing, and the CBS Parties shall take all actions necessary such that following the Closing, Liberty and its Affiliates (including the Company) shall have no liabilities with respect to any Employee Benefit Plans or any other employee benefit plans, arrangements or agreements sponsored or contributed to by CBS, the CBS Entities or any ERISA Affiliate of CBS or the CBS Entities.

(f) Liberty shall cause the Company to (i) waive, or cause its insurance carriers to waive, all limitations as to pre-existing and at-work conditions, if any, with respect to participation and coverage requirements applicable to Transferred Employees under any welfare benefit plan (as defined in Section 3(1) of ERISA) which is made available to Transferred Employees following the Closing Date by Liberty or one of its Affiliates to the extent such limitations or conditions would have been satisfied or waived under the terms of the comparable Employee Benefit Plan prior to Closing, and (ii) provide credit to Transferred Employees for any co-payments, deductibles and out-of-pocket expenses paid by such employees under the corresponding Employee Benefit Plans during the portion of the relevant plan year including the Closing Date.

(g) Liberty shall cause the Company to assume all liabilities for unpaid vacation and compensatory time off of each Transferred Employee accrued during the current calendar year as set forth on Schedule 5.15(g) of the CBS Disclosure Schedule (as updated as of Closing) and shall permit Transferred Employees to use their unused vacation entitlement and compensatory time off accrued as of the Closing Date until, in the case of vacation, the end of the calendar year during which the Closing occurs and, in the case of compensatory time off, until the last day of the month of March of the year immediately following the calendar year during which the Closing occurs, on such terms and conditions and subject to such limitations as would be applicable to similarly situated Liberty employees except as otherwise required by law.

(h) Notwithstanding any other provision contained herein, Liberty shall recognize the service of Transferred Employees with CBS or its Affiliates (including the Company) prior to the Employment Commencement Date as service with Liberty and its Affiliates in connection with any employee benefit plans, programs, contracts and arrangements (including 401(k) plans, severance, vacation, sick leave and holiday policies) maintained by Liberty and its Affiliates which is made available

following the Closing Date by Liberty and its Affiliates for purposes of any waiting period, vesting, eligibility and benefit entitlement (but excluding benefit accruals).

(i) After the Closing Date, Liberty shall, and shall cause its Affiliates to, cooperate with CBS to provide such current information regarding the Transferred Employees or former employees of CBS on an ongoing basis as may be necessary to facilitate determinations of eligibility for, and payments of benefits to the Transferred Employees or former employees of CBS under the Employee Benefit Plans. Also after the Closing Date, CBS shall, and shall cause its Affiliates to, cooperate with Liberty on an ongoing basis as may be necessary to facilitate determinations of eligibility for, and payments of benefits to, the Transferred Employees under the applicable Liberty benefit plans.

(j) Notwithstanding the foregoing, nothing contained herein, whether express or implied, shall be treated as an amendment or other modification of any employee benefit plan or arrangement, or shall limit the right of Liberty, the Company or any of their Affiliates to amend, terminate or otherwise modify any employee benefit plan or arrangement sponsored by Liberty, the Company or any of their Affiliates following the Closing Date. In the event that (i) a party other than CBS makes a claim or takes other action to enforce any provision in this Agreement as an amendment to any employee benefit plan or arrangement sponsored by Liberty, the Company or any of their Affiliates, and (ii) such provision is deemed to be an amendment to such plan or arrangement even though not explicitly designated as such in this Agreement, then such provision shall lapse retroactively and shall have no amendatory effect. CBS acknowledges and agrees that all provisions contained in this Section 5.15 with respect to the Transferred Employees are included for the sole benefit of CBS, and that nothing in this Agreement, whether express or implied, shall create any third party beneficiary or other rights (i) in any other Person, including any employees, former employees, any participant in any employee benefit plan, or any dependent or beneficiary thereof, or (ii) to continued employment with Liberty, the Company or any of their respective Affiliates.

SECTION 5.16. Ancillary Agreements. Each of CBS and Liberty agree to execute or cause the applicable of their respective Subsidiaries to execute, concurrently with the Closing, each of the Ancillary Agreements to which it is to be a party in accordance herewith. During the period from the date hereof to and including the Closing Date, CBS agrees that it will not, and will not permit any of its Affiliates to, take any action (or fail to take any action) if the taking of such action or the failure to take any such action would be reasonably likely to result in any Affiliate of CBS which is to be a party to any such Ancillary Agreement being in breach of or default under such agreement immediately following the Closing or such Person being unable to perform its obligations thereunder as contemplated hereby.

SECTION 5.17. Inter-Company Accounts. At the Closing, except as otherwise provided on Schedule 5.17 to the CBS Disclosure Schedule, all inter-company accounts and notes between (i) the Company, the Business or either Station, on the one hand, and (ii) any other CBS Party, on the other hand, shall be cancelled.

SECTION 5.18. Delivery of Organizational Documents. As soon as practicable following the formation of the Company, CBS shall deliver to Liberty true, correct and complete copies of the certificate of incorporation and bylaws, or other comparable organizational and governing documents of the Company.

SECTION 5.19. Retransmission Agreements. From and following the Closing, Liberty will or will cause the Company to consent to carriage of the Stations pursuant to the Retransmission Agreements. Except as disclosed on Schedule 5.19 of the CBS Disclosure Schedule, neither Liberty nor its Affiliates will be entitled to any portion of consideration received by CBS or its Affiliates pursuant to the Retransmission Agreements.

SECTION 5.20. Packers Contract. Prior to the Closing, Liberty will and CBS will cause CBS Sports to use commercially reasonable efforts to negotiate, prepare, execute and deliver a contract pursuant to which:

(a) CBS Sports will continue to provide, for the duration of the Packers Contract and consistent with past practice, the services of six veteran CBS Sports production personnel (consisting of director, producer, assistant director, BA, graphics and video tape) ("CBS Sports Personnel"), to produce and direct each preseason game of the Green Bay Packers telecast by WFRV pursuant to the Packers Contract, in accordance with the high standards of production quality that characterize network telecasts; and

(b) Liberty will or will cause the Company to reimburse CBS Sports for its reasonable out of pocket expenses incurred as a direct result of the services described in Section 5.20(a) including travel expenses incurred by, and labor costs with respect to, the CBS Sports Personnel consistent with past practice.

If Liberty and CBS Sports are unable to enter into a contract as set forth in this Section 5.20, CBS will cause CBS Sports to continue to provide the services set forth in Section 5.20(a) on the basis provided in this Section 5.20, until such a contract is entered into.

SECTION 5.21. Rating Points. From the Closing Date until the date on which the Packers Contract ceases to be in effect, CBS will, without compensation, provide the Company, in each of the Chicago, Detroit and Minneapolis markets, 300 gross ratings points per year for promotional spots promoting the Lambeau Atrium as a tourist attraction.

SECTION 5.22. Accounts Receivable.

(a) At the Effective Time, CBS and the CBS Entities shall designate the Company as its agent solely for the purpose of collecting the Accounts Receivable and the Company will have the sole and exclusive right to collect the Accounts Receivable from customers whose principal place of business is in the Green Bay, Wisconsin area or the upper peninsula of Michigan. The CBS Entities shall deliver to Liberty and the Company, on or immediately after the Effective Time, a statement of the Accounts Receivable and shall deliver to Liberty and the Company, within two Business Days after each calendar month, an aging report for any Accounts Receivable then still

outstanding (the “A/R Reports”). Liberty shall cause the Company to use commercially reasonable efforts to collect the Accounts Receivable during the period (the “Collection Period”) beginning at the Effective Time and ending on the 120th day following the Effective Time consistent with the Business’s practices for collection of its accounts receivable. Any payment received by the Company (i) at any time following the Effective Time, (ii) from a customer of the Stations after the Effective Time that was also a customer of the Stations prior to the Effective Time and that is obligated with respect to any Accounts Receivable and (iii) that is not designated as a payment of a particular invoice or invoices or as a security deposit or other prepayment, shall be presumptively applied to the accounts receivable for such customer outstanding for the longest amount of time and, if such accounts receivable shall be Accounts Receivable, remitted to the CBS Entities in accordance with Section 5.22(b) or (c), as applicable; provided, however, that if, prior to the Effective Time, the CBS Entities or, after the Effective Time, the CBS Entities or the Company received or receives a written notice of dispute from a customer with respect to an Accounts Receivable that has not been resolved, then the Company shall apply any payments from such customer to such customer’s oldest, non-disputed accounts receivable, whether or not Accounts Receivable. The Company shall obtain the prior written approval of CBS before referring any of the Accounts Receivable to a collection agency or to an attorney for collection. The Company shall not be liable to the CBS Parties for any Account Receivable that is not shown as outstanding on the most recent A/R Report provided to Liberty pursuant to this Section 5.22(a).

(b) On or before the fifth Business Day following the end of each calendar month in the Collection Period, the Company shall deposit into an account identified by CBS an amount equal to the aggregate amounts collected during the preceding month of the Collection Period with respect to the Accounts Receivable, in immediately available funds by wire transfer, and shall furnish CBS with a list of the amounts collected during such calendar month with respect to the Accounts Receivable. Each Party shall be entitled during the 60-day period following the Collection Period at its own expense, and to the extent not prohibited by applicable Law, to inspect and/or audit the records maintained by (i) in the case of CBS, the Company, and (ii) in the case of Liberty, the CBS Entities pursuant to this Section 5.22, upon reasonable advance notice and during normal business hours.

(c) Following the expiration of the Collection Period, the Company shall have no further obligations under this Section 5.22, except that the Company shall pay over to CBS, within five Business Days after receipt of any A/R Report delivered to Liberty and the Company pursuant to Section 5.22(a), any amounts paid to the Company since the date of the preceding A/R Report with respect to any Accounts Receivable. Following the Collection Period, the CBS Entities may pursue collections of all the Accounts Receivable, and upon the reasonable request (and at the expense) of CBS, to the extent not prohibited by applicable Law Liberty shall cause the Company to deliver to CBS all files, records, notes and any other materials relating to the Accounts Receivable.

(d) Liberty acknowledges that the CBS Entities may maintain all established cash management lockbox arrangements in place at the Effective Time for remittance until such time as the CBS Entities deem appropriate to close such lockboxes;

provided, however, that all such lockbox arrangements used primarily or exclusively for the Stations shall be terminated prior to the end of the Collection Period. CBS agrees to update the A/R Reports to reflect all CBS Entities' lockbox receipts, and Liberty shall cause the Company to and CBS shall cause the CBS Entities to cooperate with one another to keep the A/R Reports current. In addition, CBS will cause the CBS Entities to, on or before the fifth Business Day following the end of the calendar month in which any of the Company's receivables are received by the CBS Entities through its lockbox, remit to the Company such receivable collections.

(e) If the Company fails to remit any amounts collected on Accounts Receivable pursuant to Section 5.22(b) or (c), or CBS fails to remit any amounts received by the CBS Entities through its lockbox on any receivables belonging to the Company pursuant to the last sentence of Section 5.22(d), such amount shall bear interest at the prime rate (as reported by The Wall Street Journal or, if not reported thereby, by another authoritative source) as in effect from time to time from the date such amount was due pursuant to Section 5.22(b) or (c) or the last sentence of Section 5.22(d) as applicable until the date of actual payment.

SECTION 5.23. Works of Authorship. From and after the Closing, the CBS Parties and their Affiliates shall retain a perpetual, irrevocable, fully-paid license to exploit works of authorship created prior to the Effective Time by a Station, or by one or more employees or contractors of a Station in connection with such employment, which works of authorship were distributed to such CBS Parties or Affiliates (for use in any television station or other business of the CBS Parties and their Affiliates other than the Business) prior to the Effective Time. Neither Liberty nor the Company nor any of their respective Subsidiaries shall object to such exploitation nor demand any compensation therefor.

SECTION 5.24. Digital Television Engineering and Legal Support. During the period from the date of this Agreement through the Closing Date, CBS shall, and shall cause the CBS Entities to, provide engineering, legal, administrative and other support to the Business in connection with the transition of the Stations to digital television, consistent with past practice, and CBS shall not, and shall not permit the CBS Entities to, discriminate against the Stations in connection with the allocation of such resources. Without limiting the generality of the foregoing, the CBS Parties shall use commercially reasonable efforts to file reply comments to the proposed Digital Television Table of Allotments published pursuant to the Seventh Further Notice of Proposed Rule Making, FCC 06-150, on or before the deadline for such reply comments (currently, February 26, 2007), asking the FCC to modify WFRV's certified digital facilities to match WFRV's authorized and constructed digital facilities, which operate at an effective radiated power of 1000 kW. The services provided by the CBS Parties to the Business pursuant to this Section 5.24 on or before the Closing Date shall be without charge to Liberty or any of its Affiliates (including without limitation the Company following the Closing Date).

## ARTICLE VI

### TAX MATTERS; TAX INDEMNITY

#### SECTION 6.1. Representations.

(a) Representations by CBS. CBS represents and warrants to Liberty that immediately following the Closing each of the Company and CBS will be treated as having been engaged in the active conduct of a trade or business within the meaning of Section 355(b) of the Code.

(b) Representations by Liberty. Liberty represents and warrants to CBS that (i) immediately prior to the Closing, Liberty will not directly, or indirectly through its Subsidiaries, own any equity interest in CBS other than the Liberty CBS Shares, and (ii) Liberty has not acquired by purchase (within the meaning of Section 355(d)(5) of the Code) 50% or more of the Liberty CBS Shares within the five (5) year period ending on the date hereof. For the purposes of clause (ii) of the previous sentence, the five (5) year period shall be calculated without taking into account any period during which Liberty's risk of loss with respect to such stock was substantially diminished (within the meaning of Section 355(d)(6)(B) of the Code).

#### SECTION 6.2. Covenants.

(a) Covenants of CBS. CBS will continue the active conduct of its trade or business (within the meaning of Section 355(b) of the Code) for a period of at least two years following the Closing Date.

(b) Covenants of Liberty. Liberty will cause the Company to continue the active conduct of its trade or business (within the meaning of Section 355(b) of the Code) for a period of at least two years following the Closing Date.

SECTION 6.3. Tax-Sharing Agreements. All Tax Sharing Agreements to which the Company is a party or may be subject and all obligations thereunder shall terminate as to the Company on or prior to the Closing, and after the Closing the Company shall not be bound by such Tax Sharing Agreements or have any liability or rights thereunder.

#### SECTION 6.4. Preparation of Tax Returns.

##### (a) *Pre-Closing Tax Returns.*

(i) Consolidated and Combined Returns for Pre-Closing Tax Periods. Where required or permitted by applicable Law, CBS shall include the Company and the Business in, or cause the Company and the Business to be included in, and shall prepare and file or cause to be prepared and filed, (A) the United States consolidated federal income Tax Returns of CBS for the taxable periods (or portions thereof) of the Company ending on or prior to the Closing Date and (B) all other consolidated, combined or unitary Tax Returns for the taxable periods (or portions thereof) of the Company ending on or prior to the Closing Date. CBS

shall pay any and all Taxes due with respect to the Tax Returns referred to in clause (A) or (B) of this Section 6.4(a)(i).

(ii) Separate Returns for Pre-Closing Tax Periods. In addition to the Tax Returns described in Section 6.4(a)(i), CBS shall prepare (or cause to be prepared) all Income Tax Returns required to be filed by the Company after the Closing Date (taking into account any applicable extensions) for a Pre-Closing Tax Period (other than a Pre-Closing Tax Period that is part of a Straddle Period). Liberty shall cause the Company to execute and timely file such Tax Returns and timely remit such Taxes; provided that the Company has received such Tax Returns from CBS not less than five (5) days prior to the due date for filing such Tax Returns (taking into account any applicable extensions) together with the amount of any and all Taxes shown as due thereon (subject to the provisions of this Article VI).

(iii) Provision of Tax Information. After the Closing, Liberty shall cause the Company to furnish Tax information to CBS as reasonably requested in order to permit CBS to prepare and timely file the Pre-Closing Tax Returns described in Section 6.4(a)(i) and (ii).

(b) *Other Tax Returns.* All Tax Returns of the Company other than those Tax Returns described in Section 6.4(a), shall be prepared and timely filed by Liberty. Liberty shall timely pay or cause to be paid all Taxes shown on such Tax Returns.

SECTION 6.5. Straddle Returns. With respect to any Straddle Return, Liberty shall deliver, at least 45 days prior to the due date for filing such Straddle Return (taking into account any applicable extensions), to CBS a statement setting forth the amount of Tax that CBS owes pursuant to clause (i) of Section 6.10(a), including the allocation of Taxes under Section 6.12, and copies of such Straddle Return and related work-papers. CBS shall have the right to review such Straddle Returns and related work-papers and liability for Taxes and to suggest to Liberty any reasonable changes to such Straddle Returns no later than ten (10) days prior to the date for the filing of such Straddle Returns. CBS and Liberty agree to consult and to attempt to resolve in good faith any issue arising as a result of the review of such Straddle Returns and related work-papers and allocation of liability for Taxes and mutually to consent to the filing as promptly as possible of such Straddle Returns. Not later than five (5) days before the due date for the payment of Taxes with respect to such Straddle Returns (taking into account any applicable extensions), CBS shall pay to Liberty an amount equal to the Taxes as agreed to by Liberty and CBS as being owed by CBS pursuant to clause (i) of Section 6.11(a). If Liberty and CBS cannot agree on the amount of Taxes owed by CBS with respect to a Straddle Return, CBS shall pay to Liberty the amount of Taxes reasonably determined using the mid-point of Liberty's and CBS's determination of the amount of Taxes to be owed by CBS in respect of such Straddle Return pursuant to clause (i) of Section 6.10(a). Within ten (10) days after such payment, CBS and Liberty shall refer the matter to an independent nationally recognized accounting firm agreed to by Liberty and CBS to arbitrate the dispute. CBS and Liberty shall equally share the fees and expenses of such accounting firm and its determination as to the amount owing by CBS pursuant to clause (i) of Section 6.10(a) with respect to a Straddle Return

shall be binding on both Parties. Within five days after the determination by such accounting firm, if necessary, the appropriate Party shall pay the other Party any amount which is determined by such accounting firm to be owed plus interest from the due date of such Straddle Return at the Interest Rate.

SECTION 6.6. Use of Consistent Tax Practices. All Tax Returns that include the Company, CBS, Liberty, or any of their respective Affiliates, or otherwise relate to the Business shall be prepared in a manner that is consistent with the Tax Opinions. To the extent that the items reported on any Tax Return of or with respect to the Company that is prepared by a Party or its Affiliates is likely to increase any Tax liability or Tax indemnity obligation under this Agreement of the other Party or its Affiliates, such Tax Return shall be prepared in accordance with Tax accounting and other practices used by the Company or CBS with respect to the relevant Tax Returns filed prior to the date hereof (unless such past practices are not permissible under applicable Law), and to the extent any items are not covered by past practices (or in the event such past practices are not permissible under applicable Law), in accordance with reasonable practices selected by the Party (or its Affiliate) responsible for filing such Tax Return hereunder with the consent, not to be unreasonably withheld or delayed, of the other Party. Unless otherwise required by applicable Law, neither Party nor any of its respective Affiliates will make, change or revoke (or cause to be made, changed, or revoked) any Tax election with respect to the Company that is likely to increase any Tax liability (or Tax indemnity obligation under this Agreement) of the other Party or its Affiliates without the consent, not to be unreasonably withheld or delayed, of the other Party.

SECTION 6.7. Refunds, Credits and Offsets.

(a) Except as otherwise contemplated by this Section 6.7, (i) any refunds, credits or offsets with respect to Taxes of the Company or that otherwise relate to the Business for a Pre-Closing Tax Period shall be for the account of CBS, and (ii) any refunds, credits or offsets with respect to Taxes of the Company or that otherwise relate to the Business for a Post-Closing Tax Period shall be for the account of the Liberty.

(b) Any such refunds, credits or offsets shall be allocated between the Pre-Closing Tax Period and the Post-Closing Tax Period in a manner consistent with the principles of Section 6.12. Liberty shall forward to CBS, or reimburse CBS, for any such refunds, credits or offsets, plus any interest received thereon, for the account of CBS within ten (10) days from receipt thereof by Liberty or any of its Affiliates. CBS shall forward to Liberty or reimburse Liberty for any refunds, credits or offsets, plus any interest received thereon, for the account of Liberty within ten (10) days from receipt thereof by CBS, or any of its respective Affiliates. Any refunds, credits or offsets, plus any interest received thereon, or reimbursements not forwarded or made within the 10 day period specified above shall bear interest from the date received by the refunding or reimbursing party (or its Affiliate) at the Interest Rate. If, subsequent to a Taxing Authority's allowance of a refund, credit or offset, such Taxing Authority reduces or eliminates such allowance, any refund, credit or offset, plus any interest received thereon, forwarded or reimbursed under this Section 6.7 shall be returned to the party who had forwarded or reimbursed such refund, credit or offset and interest upon the request of

such forwarding party in an amount equal to the applicable reduction, including any interest received thereon.

SECTION 6.8. Filing of Amended Returns.

(a) Any amended Tax Return or claim for Tax refund, credit or offset with respect to the Company or related to the Business may be made only by the Party (or its Affiliates) responsible for preparing the original Income Tax Return with respect to the Company and the Business pursuant to Section 6.4. Such Party (or its Affiliates) shall not, without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed, file, or cause to be filed, any such amended Tax Return or claim for Tax refund, credit or offset to the extent that such filing, if accepted, is likely to change the Tax liability of, or give rise to a payment under this Agreement by, such other Party (or any Affiliate of such other Party) for any taxable period (or portion thereof).

(b) To the extent permitted by Law, Liberty and its Affiliates shall waive the right to carryback any Tax attribute of the Company arising in a Post-Closing Tax Period to a Pre-Closing Tax Period. In addition, under no circumstances shall CBS or any of its Affiliates be obligated to amend any Pre-Closing Tax Return or to file a claim for Tax refund, credit or offset with respect to the Company or related to the Business.

SECTION 6.9. Assistance and Cooperation. CBS, Liberty and their respective Affiliates shall cooperate with each other and with each other's agents, including accounting firms and legal counsel, in connection with (a) Tax matters relating to the Company and its assets and operations including the Business, including (i) preparation and filing of Tax Returns, (ii) determining the liability and amount of any Taxes due, the right to and amount of any refund, credit or offset of Taxes and the amount of any Tax attributes allocable to the Company or the Business, (iii) obtaining any refund, credit or offset of Taxes, (iv) examinations of Tax Returns and (v) any administrative or judicial proceeding in respect of Taxes assessed or proposed to be assessed, and (b) the defense of any audit or other Tax controversy involving the Transactions. The Parties shall retain all Tax Returns, schedules and work papers, and all material records and other documents relating thereto, until the expiration of the applicable statute of limitations (including, to the extent notified by any party, any extensions thereof) of the taxable period to which such Tax Returns and other documents and information relate or until the Final Determination of any controversy with respect to such taxable period and until the Final Determination of any payments that may be required with respect to such taxable period under this Agreement. Each Party shall also make available to the other Party, as reasonably requested and available, personnel (including officers, directors, employees and agents) responsible for preparing, maintaining, and interpreting information and providing information or documents in connection with any administrative or judicial proceedings relating to Taxes.

SECTION 6.10. CBS Tax Payment Indemnity.

(a) CBS hereby indemnifies Liberty against and agrees to hold it harmless, from any and all (i) Taxes of the Company or relating to the Business for any

Pre-Closing Tax Period (consistent with the principles of Section 6.12), (ii) liabilities of the Company for Taxes of any Person as a result of the Company being, or having been, on or before the Closing Date, a member of an affiliated, consolidated, combined or unitary group, pursuant to Treasury Regulations Section 1.1502-6 or any other provision of federal, state, local or foreign Law, (iii) liabilities for Taxes of the Company under any Tax Sharing Agreement, (iv) liabilities for Taxes of any Person imposed on the Company as a result of its becoming, prior to the Closing, a transferee or successor to any other Person's liabilities, (v) Transfer Taxes allocated to CBS pursuant to Section 6.13, (vi) Losses resulting from or attributable to a breach of the representations, warranties and covenant contained in Sections 6.1(a) and 6.2(a); and (vii) reasonable out of pocket legal, accounting and other advisory and court fees incurred in connection with the items described in clauses (i) through (vi).

(b) To the extent indemnity is sought under Section 6.10(a) with respect to a particular Tax for a Pre-Closing Tax Period, (i) payments made by CBS or any of its Affiliates with respect to such Tax and (ii) estimated payments with respect to such Tax made by the Company prior to the Closing, or by CBS or any of its Affiliates on behalf of the Company, shall be credited, in each case, to any indemnity obligation in respect of such Tax for the Pre-Closing Tax Period.

SECTION 6.11. Liberty Tax Payment Indemnity. Liberty hereby indemnifies CBS against and agrees to hold it harmless, from any and all (i) Taxes of the Company for any Post-Closing Tax Period (consistent with the principles of Section 6.12), (ii) Transfer Taxes allocated to Liberty pursuant to Section 6.13, (iii) Losses resulting from or attributable to (A) a breach of the representations, warranties and covenant contained in Sections 6.1(b) and 6.2(b), (B) any action taken, or the failure to take any action which is within the power of Liberty to take or cause to be taken, by Liberty or any of its Affiliates following the Closing that causes the transactions described on Exhibit I to give rise to any Tax that would not otherwise have been incurred but for such action or inaction, and (C) one or more Persons acquiring, directly or indirectly, stock possessing fifty percent or more of the total combined voting power of all classes of stock of the Company entitled to vote or fifty percent or more of the total value of all classes of stock of the Company as part of a plan (or series of related transactions) that includes the transactions described on Exhibit I, all within the meaning of Section 355(e) of the Code; and (iv) reasonable out of pocket legal, accounting and other advisory and court fees incurred in connection with the items described in clauses (i), (ii) and (iii).

SECTION 6.12. Allocation of Taxes between Pre-Closing and Post-Closing Tax Periods. With respect to any Straddle Period, to the extent permitted by applicable Law, the Parties and their respective Affiliates shall use commercially reasonable efforts to elect to treat the Closing Date as the last day of the taxable period. If no such election is made, the Taxes of the Company and related to the Business shall be allocated between the Pre-Closing Tax Period and the Post-Closing Tax Period: (i) in the case of Income Taxes, on a closing of the books basis as of the close of business on the Closing Date; (ii) in the case of any real or personal property Taxes, Taxes based on capital, or flat minimum dollar amount Taxes, on the basis of the total amount of such Taxes for the Straddle Period multiplied by a fraction, the numerator of which is the number of days in such partial tax period and the denominator of which is the total number of days in such Straddle Period, and (iii) in the case of all other Taxes, on the basis of the actual

activities or attributes of the Company for such partial period as determined from its books and records. Notwithstanding the foregoing provisions of this Section 6.12 or Treasury Regulations Section 1.1502-76(b)(1)(ii)(B), Taxes attributable to any transaction or action taken by or with respect to the Company or the Business out of the ordinary course of business before the Closing on the Closing Date shall be allocated to the Pre-Closing Tax Period, and Taxes attributable to any transaction or action taken by or with respect to the Company or the Business out of the ordinary course of business after the Closing on the Closing Date shall be allocated to the Post-Closing Tax Period.

SECTION 6.13. Transfer Taxes. All sales, transfer, filing, recordation, registration and similar Taxes and fees (“Transfer Taxes”) arising from or associated with the Transactions, whether levied on CBS, Liberty, the Company or their respective Affiliates, shall be allocated one-half to Liberty and one-half to CBS. The party with primary responsibility under applicable Law for the payment of any particular Transfer Tax shall prepare and file the relevant Tax Return and notify the other party in writing of the Transfer Taxes shown on such Tax Return. Such other party shall pay an amount equal to one-half of the amount of such Transfer Taxes shown on such Tax Return in immediately available funds no later than the date that is the later of (a) five Business Days after the date of such notice or (b) two Business Days prior to the due date for such Transfer Taxes.

SECTION 6.14. Tax Claim Notices. Each Party shall promptly notify the other Party of the commencement of any demand, claim, audit, examination, action, investigation, suit, proceeding or other proposed change or adjustment by any Taxing Authority concerning any Tax, or any other adjustment or claim, (i) which could reasonably give rise to an indemnification liability or indemnification payment of the other Party pursuant to this Article VI (each a “Tax Claim”) or (ii) which could reasonably be expected to affect the Tax consequences of Transactions to either party; provided, however, that failure to give such notification shall not affect the indemnification provided hereunder except, and only to the extent that, the indemnifying party shall have been actually prejudiced as a result of such failure. Thereafter, the indemnified party shall deliver to the indemnifying party such additional information with respect to such Tax Claim in its possession that the indemnifying party may reasonably request.

SECTION 6.15. Indemnification Procedures.

(a) Except as provided in Section 6.15(b), in the case of a Tax Claim, the indemnifying party shall be entitled to (i) exercise full control of the defense, compromise or settlement of any Tax Claim and (ii) employ counsel of its choice at its expense. The indemnified party shall cooperate with the indemnifying party in any manner that the indemnifying party reasonably may request in connection with the defense, compromise or settlement thereof. The indemnifying party shall (i) keep the indemnified party reasonably informed and consult in good faith with the indemnified party with respect to any issue relating to such Tax Claim; (ii) provide the indemnified party with copies of all correspondence, notices and other written materials received from any Taxing Authorities and shall otherwise keep the indemnified party advised of significant developments in the audit or dispute and of significant communications involving representatives of the Taxing Authorities; and (iii) provide the indemnified party with a copy of any written submission to be sent to a Taxing Authority prior to the

submission thereof and shall give good faith consideration to any comments or suggested revisions that the indemnified party may have with respect thereto.

(b) Notwithstanding the foregoing, in the case of a Tax Claim relating to the qualification of the Exchange as Tax-Free, the party responsible for preparing the original Tax Return with respect to which the Tax Claim arises shall have the right to control the defense, compromise or settlement of any such Tax Claim; provided, however that the party controlling such Tax Claim shall (i) keep the non-controlling party reasonably informed and consult in good faith with the non-controlling party with respect to any issue relating to such Tax Claim; (ii) provide the non-controlling party with copies of all correspondence, notices and other written materials received from any Taxing Authorities and shall otherwise keep the non-controlling party advised of significant developments in the audit or dispute and of significant communications involving representatives of the Taxing Authorities; (iii) provide the non-controlling party with a copy of any written submission to be sent to a Taxing Authority prior to the submission thereof and shall give good faith consideration to any comments or suggested revisions that the non-controlling party may have with respect thereto; and (iv) conduct the defense of such Tax Claim diligently and in good faith, as if the Exchange were the only issue being contested in the demand, claim, audit, examination, action, investigation, suit, or other proceeding in which the Tax Claim arises and as if the controlling party were not entitled to indemnification under this Article VI.

SECTION 6.16. Payments. No indemnification payments made pursuant to this Agreement shall be adjusted to take account of any Tax cost to the indemnified party or any of its Affiliates arising from the receipt of the indemnity payment. The calculation of any indemnity payment to be made pursuant to this Article VI shall be determined: (i) without regard to whether any actual change (or the full amount of such change) in Tax will in fact be realized with respect to the Tax Return on which such indemnified item is reflected (as a result, for example, of losses, credits or other offsets against Tax); (ii) based on, in the case of any Income Tax, the highest marginal Tax rate, or in the case of any other Tax, the highest Tax rate, in each case applicable to such indemnified item with respect to the taxable period in which such item occurs; and (iii) by taking into account any actual increase in Tax comprising interest or penalties.

SECTION 6.17. Mutual Covenants for IRS Reporting.

(a) CBS will timely file the appropriate information and statements, as required by Treasury Regulations Section 1.355-5T, with the IRS to report the Transactions as Tax-Free and will retain the appropriate information relating to the Transactions as described in Section 1.355-5T.

(b) CBS will retain all information and timely file the appropriate information and statements, as required by Treasury Regulations Section 1.368-3T, with the IRS to report the Contribution as Tax-Free.

(c) Liberty will timely file the appropriate information and statements, as required by Treasury Regulations Section 1.355-5T, with the IRS to report the

Exchange as Tax-Free and will retain the appropriate information relating to the Exchange as described in Sections 1.368-3T and 1.355-5T.

## ARTICLE VII

### CONDITIONS TO CLOSING

SECTION 7.1. Mutual Conditions. The respective obligations of each Party hereto to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or, if legally permitted, waiver by each Party at or prior to the Closing of the following conditions:

(a) No Law, injunction, judgment or ruling enacted, promulgated, issued, entered, amended or enforced by any Governmental Authority (collectively, “Restraints”) shall be in effect enjoining, restraining, preventing or prohibiting consummation of the transactions contemplated by this Agreement.

(b) The FCC Consent shall have been granted; provided that the Parties understand and agree that the obligation of the Parties to consummate the transactions contemplated by this Agreement as to each Station is not subject to the condition that the FCC Consent shall have become a Final Order.

(c) Any waiting period (and any extension thereof) under the HSR Act applicable to the Exchange shall have expired or been terminated.

(d) Each of the Ancillary Agreements shall be executed and entered into by each of the parties thereto and such Ancillary Agreements shall be in full force and effect.

(e) The Parties shall have received the Valuation Opinion.

SECTION 7.2. Conditions to Liberty’s Obligations. The obligation of Liberty to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or waiver by Liberty prior to or at the Closing of each of the following conditions:

(a) The representations and warranties of CBS set forth in Article III and Section 6.1(a) of this Agreement or in any agreement or certificate delivered pursuant to the provisions hereof or in connection with transactions contemplated hereby shall be true and correct, disregarding all qualifiers and exceptions relating to materiality or Business Material Adverse Effect as of the Closing Date as though made on and as of the Closing Date (except to the extent such representations and warranties speak as of an earlier date, in which case such representations and warranties shall have been true and correct, disregarding all qualifiers and exceptions relating to materiality or Business Material Adverse Effect, as of such earlier date), except for (A) changes expressly contemplated by this Agreement, or permitted under Section 5.2, (B) with respect to any casualty losses or damages that the CBS Parties bear the risk of and are subject to Section 5.5, or (C) where the failures to be true and correct, individually or in the aggregate, have not resulted in and would not reasonably be expected to result in a Business Material

Adverse Effect. Liberty shall have received a certificate dated as of the Closing Date signed on behalf of CBS by an appropriate officer of CBS to such effect.

(b) CBS shall have performed in all material respects each obligation and agreement to be performed by it, and shall have complied in all material respects with each covenant required by this Agreement to be complied with by it at or prior to the Closing, and Liberty shall have received a certificate dated as of the Closing Date, signed on behalf of CBS by an appropriate officer of CBS to such effect.

(c) Prior to or at the Closing, CBS shall have delivered to Liberty the items to be delivered pursuant to Section 2.3.

(d) Prior to or at the Closing, the Contribution shall have been completed.

(e) Prior to or at the Closing and following the Contribution, the Distributions shall have been completed.

(f) Prior to or at the Closing the Required Consents shall have been obtained and shall be in full force and effect.

(g) Liberty shall have received the Liberty Tax Opinion.

SECTION 7.3. Conditions to CBS's Obligations. The obligations of CBS to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or waiver by CBS at or prior to the Closing of the following conditions:

(a) The representations and warranties of Liberty set forth in Article IV and Section 6.1(b) of this Agreement or in any agreement or certificate delivered pursuant to the provisions hereof or in connection with transactions contemplated hereby shall be true and correct, disregarding all qualifiers and exceptions relating to materiality or Liberty Material Adverse Effect, as of the Closing Date as though made on and as of the Closing Date (except to the extent such representations and warranties speak as of an earlier date, in which case such representations and warranties shall have been true and correct, disregarding all qualifiers and exceptions relating to materiality or Liberty Material Adverse Effect, as of such earlier date) except where the failures to be true and correct individually or in the aggregate, have not resulted in and would not result in a Liberty Material Adverse Effect. CBS shall have received a certificate, dated as of the Closing Date, signed on behalf of Liberty by an appropriate officer of Liberty to such effect.

(b) Liberty shall have performed in all material respects each obligation and agreement to be performed by it, and shall have complied in all material respects with each covenant required by this Agreement to be complied with by it at or prior to the Closing, and CBS shall have received a certificate, dated the Closing Date, signed on behalf of Liberty by an appropriate officer of Liberty to such effect.

(c) Prior to or at the Closing, Liberty shall have delivered to CBS the items to be delivered pursuant to Section 2.4.

(d) CBS shall have received the CBS Tax Opinion.

SECTION 7.4. Frustration of Closing Conditions. Subject to Section 10.10, neither of CBS or Liberty may rely on the failure of any condition set forth in this Article VII to be satisfied if such failure was caused by such Party's failure to use its commercially reasonable efforts to cause the Closing to occur.

## ARTICLE VIII

### TERMINATION

SECTION 8.1. Termination. This Agreement may be terminated at any time prior to the consummation of the Closing under the following circumstances:

(a) by mutual written consent of CBS and Liberty;

(b) by either Liberty or CBS:

(i) if the Closing shall not have been consummated on or before the Termination Date; provided, however, that the right to terminate this Agreement under this Section 8.1(b)(i) shall not be available to a Party if the failure of the Closing to have been occurred on or before the Termination Date was primarily due to the failure of such Party to perform any of its obligations under this Agreement;

(ii) if any Restraint having the effect set forth in Section 7.1(a) shall be in effect and shall have become final and nonappealable; or

(iii) if the FCC denies the Assignment Applications with respect to the transactions contemplated by this Agreement and such denial has become a Final Order; or

(c) by Liberty, if CBS is in material breach or default of this Agreement or does not perform in all material respects the obligations to be performed by it under this Agreement on the Closing Date such that the conditions set forth in Section 7.2(a) or Section 7.2(b) would not be satisfied and such breach or default has not been waived by Liberty; or

(d) by CBS, if Liberty is in material breach or default of this Agreement or does not perform in all material respects the obligations to be performed by it under this Agreement on the Closing Date such that the conditions set forth in Section 7.3(a) or Section 7.3(b) would not be satisfied and such breach or default has not been waived by CBS.

SECTION 8.2. Effect of Termination; Fees and Expenses. If this Agreement is terminated by CBS or Liberty pursuant to Section 8.1, then this Agreement shall become void and have no effect with no liability or obligation on the part of CBS or Liberty, except to the extent that such termination results from the breach by a Party of this Agreement; provided, however, that the obligations of the Parties set forth in this Section 8.2 and Sections 5.7 (Public Announcement), 5.8 (Confidentiality), 5.14 (Fees and Expenses) and Article X, each of which shall survive such termination.

## ARTICLE IX

### SURVIVAL OF REPRESENTATIONS AND WARRANTIES; INDEMNIFICATION

SECTION 9.1. Survival of Representations and Warranties. All of the representations and warranties contained in this Agreement shall survive the Closing until the first anniversary of the Closing; provided, however, that (a) the representations and warranties of CBS (i) set forth in Sections 3.1 (Organization; Standing and Corporate Power), 3.2(a) and (b) (The Company), 3.3 (Authority; Noncontravention) and 3.20 (Brokers and Other Advisors) shall survive indefinitely, (ii) set forth in Section 3.12 (Environmental Matters) shall survive the Closing until the second anniversary of the Closing, and (iii) set forth in Section 6.1(a) shall survive until sixty (60) days following the expiration of the applicable statute of limitations, and (b) the representations and warranties of Liberty (i) set forth in Sections 4.1 (Organization and Standing), 4.2 (Liberty CBS Shares), 4.3 (Authority; Noncontravention), 4.7 (Brokers and Other Advisors) and 4.8 (Investment Representation) shall survive indefinitely, and (ii) set forth in Section 6.1(b) shall survive until sixty (60) days following the expiration of the applicable statute of limitations.

#### SECTION 9.2. Indemnification by CBS.

(a) Subject to the limitations set forth in Sections 9.1 and 9.2(b) subsequent to the Closing, CBS shall indemnify, defend and hold harmless Liberty and its respective Subsidiaries (including, following the Closing, the Company) and Affiliates, and their respective officers, directors, employees, agents and representatives, and each of their heirs, executors, successors and assigns (collectively, the “Liberty Indemnified Parties”), against and in respect of any and all Losses based upon, attributable to or resulting from:

(i) the failure of any of the representations or warranties made by CBS in Article III to be true and correct in all respects at and as of the date hereof;

(ii) the breach of any covenant or other agreement made or to be performed by CBS under this Agreement; and

(iii) the Excluded Liabilities, the Excluded Assets, the Retained Business and any legal, administrative or arbitration proceeding, suit or action of any nature with respect thereto.

(b) Notwithstanding any other provision to the contrary, CBS shall not be required to indemnify and hold harmless any Liberty Indemnified Party pursuant to

Section 9.2(a)(i) (which shall be read disregarding all qualifiers with respect to Business Material Adverse Effect) unless such Liberty Indemnified Party has asserted a claim with respect to such matters within the applicable survival period set forth in Section 9.1. No indemnification by CBS shall be due and payable under Section 9.2(a)(i) with respect to Basket Breaches until the aggregate amount of the Liberty Indemnified Parties' Losses relating to Basket Breaches exceeds \$640,000 (the "Basket Amount"), and then only to the extent of such Losses in excess of such amount; provided, however, that the cumulative indemnification obligation of CBS relating to Basket Breaches shall in no event exceed \$16,000,000 (the "Maximum Amount"). The limitation on indemnification set forth in this Section 9.2(b) shall not be applicable to any Basket Exception Breach (and the Liberty Indemnified Parties will be entitled to indemnification with respect to any Basket Exception Breach without regard to the Basket Amount or the Maximum Amount) and (y) any claim based upon fraud or knowing misrepresentation. The provisions of Section 9.2(a) and this Section 9.2(b) will not be applicable to any of the matters for which indemnification is provided in Section 6.10(a).

### SECTION 9.3. Indemnification by Liberty.

(a) Subject to the limitations set forth in Sections 9.1 and 9.3, subsequent to the Closing, Liberty shall indemnify, defend and hold harmless CBS and its respective Subsidiaries and Affiliates, and their respective officers, directors, employees, agents and representatives, and each of their heirs, executors, successors and assigns (collectively, the "CBS Indemnified Parties"), against and in respect of any and all Losses based upon, attributable to or resulting from:

(i) the failure of any of the representations or warranties made in Article IV to be true and correct in all respects at and as of the date hereof;

(ii) the breach of any covenant or other agreement on the part of Liberty under this Agreement;

(iii) any Assumed Liability; and

(iv) Liberty's or the Company's operation of the Business after the Closing, but not to the extent resulting from CBS's or any its Affiliates' (including the Company) acts or omissions prior to the Closing.

(b) Notwithstanding any other provision to the contrary, Liberty shall not be required to indemnify and hold harmless any CBS Indemnified Party pursuant to Section 9.3(a)(i) unless such CBS Indemnified Party has asserted a claim with respect to such matters within the applicable survival period set forth in Section 9.1. The provisions of Section 9.3(a) and 9.3(b) will not be applicable to any of the matters for which indemnification is provided in Section 6.11.

### SECTION 9.4. Notification of Claims.

(a) A party entitled to be indemnified pursuant to Sections 9.2 or 9.3 (the "Indemnified Party") shall promptly notify the party liable for such indemnification

(the “Indemnifying Party”) in writing of any claim or demand that the Indemnified Party has determined has given or could give rise to a right of indemnification under this Agreement; provided, however, that a failure to give prompt notice or to include any specified information in any notice will not affect the rights or obligations of any party hereunder except and only to the extent that, as a result of such failure, any party that was entitled to receive such notice was damaged as a result of such failure. Subject to the Indemnifying Party’s right to defend in good faith third party claims as hereinafter provided, the Indemnifying Party shall satisfy its obligations under this Article IX within thirty (30) days after the receipt of written notice thereof from the Indemnified Party.

(b) If the Indemnified Party shall notify the Indemnifying Party of any claim or demand pursuant to Section 9.4(a), and if such claim or demand relates to a claim or demand asserted by a third party against the Indemnified Party that the Indemnifying Party acknowledges is a claim or demand for which it must indemnify or hold harmless the Indemnified Party under Section 9.2 or 9.3, the Indemnifying Party shall have the right to employ counsel reasonably acceptable to the Indemnified Party to defend any such claim or demand asserted against the Indemnified Party for so long as the Indemnifying Party shall continue in good faith to diligently defend against such action or claim. If the Indemnifying Party so assumes the defense of any such claim, investigation, action, suit or proceeding, the Indemnified Party shall have the right to employ separate counsel and to participate in (but not control) the defense, compromise or settlement thereof, but the fees and expenses of such counsel shall be the expense of such Indemnified Party unless (i) the Indemnifying Party has agreed to pay such fees and expenses, (ii) any relief other than the payment of money damages is sought against the Indemnified Party or (iii) such Indemnified Party shall have been advised by its regular outside counsel that there may be one or more legal defenses available to it that are different from or additional to those available to the Indemnifying Party or that a conflict of interest between the Indemnifying Party and the Indemnified Party in the conduct of the defense of such action would reasonably be expected (in which case the Indemnifying Party shall not have the right to control the defense, compromise or settlement of such action on behalf of the Indemnified Party), and in any such case described in clauses (i), (ii) or (iii) the reasonable fees and expenses of one such separate counsel, and one local counsel, if necessary, shall be borne by the Indemnifying Party. The Indemnifying Party shall notify the Indemnified Party in writing, as promptly as possible (but in any case five (5) Business Days before the due date for the answer or response to a claim) after the date of the notice of claim given by the Indemnified Party to the Indemnifying Party under Section 9.4(a) of its election to defend in good faith any such third party claim or demand. So long as the Indemnifying Party is defending in good faith any such claim or demand asserted by a third party against the Indemnified Party, the Indemnified Party shall not settle or compromise such claim or demand without the consent of the Indemnifying Party, which consent shall not be unreasonably withheld, and the Indemnified Party shall make available to the Indemnifying Party or its agents all records and other material in the Indemnified Party’s possession reasonably required by it for its use in contesting any third party claim or demand. Whether or not the Indemnifying Party elects to defend any such claim or demand, the Indemnified Party shall have no obligations to do so. In the event (x) the Indemnifying Party elects not to defend such claim or action, or (y) if the Indemnifying Party elects to defend such claim or action but

fails to diligently defend such claim or action in good faith, the Indemnified Party shall have the right to conduct the defense thereof and to settle or compromise such claim or action without the consent of the Indemnifying Party, except that with respect to the settlement or compromise of such a claim, demand or action, the Indemnified Party shall not settle or compromise any such claim or demand or action without the consent of the Indemnifying Party, unless the Indemnifying Party is given a full and completed release of any and all liability by all relevant parties relating thereto and has no obligation to pay any damages.

(c) Any calculation of Losses for purposes of this Article IX shall be net of any insurance recovery (net of any increase in insurance premiums to the indemnified party resulting from the Loss) made by an indemnified party (whether paid directly to such indemnified party or assigned by the indemnifying party to such indemnified party).

SECTION 9.5. No Consequential Damages. Neither Party shall have any liability to the other party under any circumstances for special, indirect, consequential, punitive or exemplary damages, lost profits or any damages based on any type of multiple. The Parties shall take and shall cause their respective Affiliates to take all reasonable steps to mitigate any Loss upon becoming aware of any event which would reasonably be expected to, or does, give rise thereto.

SECTION 9.6. Exclusive Remedies. The Parties acknowledge and agree that, if the Closing occurs, the indemnification provisions of this Article IX, Section 6.10 and 6.11 shall be the sole and exclusive remedies of the Parties for any breach of the representations or warranties or nonperformance of any covenants and agreements of the Parties contained in this Agreement, provided, however, that nothing contained in this Agreement shall relieve or limit the liability of either party from any liability or Losses arising out of or resulting from fraud in connection with the transactions contemplated in this Agreement or the Ancillary Agreements.

SECTION 9.7. Treatment of Indemnity Payments. Unless otherwise required by law, indemnity payments made by one party to another party under this Agreement shall be treated for all Tax and financial accounting purposes as nontaxable payments (dividend distributions or capital contributions, as the case may be) made immediately prior to the Exchange.

## ARTICLE X

### MISCELLANEOUS

SECTION 10.1. Amendment or Supplement. At any time prior to the Closing Date, this Agreement may be amended or supplemented in any and all respects by written agreement of the Parties.

SECTION 10.2. Extension of Time, Waiver, Etc. At any time prior to the Closing Date, any Party may, subject to applicable Law, (a) waive any inaccuracies in the representations and warranties of any other Party hereto, (b) extend the time for the performance

of any of the obligations or acts of any other Party hereto or (c) waive compliance by the any other Party with any of the agreements contained herein or, except as otherwise provided herein, waive any of such Party's conditions. Notwithstanding the foregoing, no failure or delay by Liberty or the CBS in exercising any right hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right hereunder. Any agreement on the part of a Party hereto to any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such Party.

SECTION 10.3. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective successors and permitted assigns. Other than by operation of Law, neither Party shall be permitted to assign its rights under this Agreement to any Person without the prior written consent of the other Party hereto. Nothing in this Agreement shall prevent any Party and its successors and permitted assigns from consolidating with or merging with or into or transferring, in one transaction or a series of related transactions, substantially all of its assets to, any Person or Persons; provided, however, that the purchaser of substantially all of the assets of the party or its successor or permitted assign shall agree with the other party to be bound by all of the transferring party's rights and obligations hereunder; provided further, however, that, subject to Section 5.3, Liberty may assign its rights and obligations hereunder to a wholly-owned Subsidiary of Liberty but no such assignment shall release Liberty from any liabilities hereunder.

SECTION 10.4. No Personal Recourse. Notwithstanding any of the terms or provisions of this Agreement, CBS, on the one hand, and Liberty, on the other hand, agree that neither it nor any Person acting on its behalf may assert any claims or cause of action against any employee, officer or director of the other party or stockholder of such other Party in connection with or arising out of this Agreement or the transactions contemplated hereby.

SECTION 10.5. Counterparts. This Agreement may be executed in counterparts (each of which shall be deemed to be an original but all of which taken together shall constitute one and the same agreement) and shall become effective when one or more counterparts have been signed by each of the Parties and delivered to the other Parties.

SECTION 10.6. Entire Agreement; No Third-Party Beneficiaries. This Agreement, the CBS Disclosure Schedule, the Ancillary Agreements, the Confidentiality Agreement and any other documents delivered pursuant hereto (a) constitute the entire agreement, and supersede all other prior agreements and understandings, both written and oral, among the Parties, or any of them, with respect to the subject matter hereof and thereof and (b) except for the provisions of Section 6.3, Article IX, and Section 10.4, are not intended to and shall not confer upon any Person other than the Parties any rights or remedies hereunder.

SECTION 10.7. Governing Law; Jurisdiction; Waiver of Jury Trial.

(a) This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, applicable to contracts executed in and to be performed entirely within that State.

(b) All actions and proceedings arising out of or relating to this Agreement shall be heard and determined in the courts of the State of New York or any federal court sitting in the City of New York, and the Parties hereby irrevocably submit to the exclusive jurisdiction of such courts in any such action or proceeding and irrevocably waive the defense of an inconvenient forum to the maintenance of any such action or proceeding. The Parties agree that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by applicable law.

(c) EACH OF THE PARTIES HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHTS TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT.

SECTION 10.8. Notices. All notices, requests and other communications to any Party hereunder shall be in writing and shall be deemed given if delivered personally, facsimiled (which is confirmed) or sent by overnight courier (providing proof of delivery) to the Parties at the following addresses:

If to CBS or to the Company, to:

CBS Corporation  
51 West 52nd Street  
New York, NY 10019  
Attention: Louis J. Briskman  
Facsimile: (212) 975-4215

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

Weil, Gotshal & Manges LLP  
767 Fifth Avenue  
New York, NY 10153  
Attention: Howard Chatzinoff, Esq.  
Facsimile: (212) 310-8007

If to Liberty, to:

Liberty Media Corporation  
12300 Liberty Boulevard  
Englewood, Colorado 80112  
Attention: General Counsel  
Fax: (720) 875-5382

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

Baker Botts L.L.P.  
30 Rockefeller Plaza  
New York, New York 10112  
Attention: Marc A. Leaf  
Fax: (212) 408-2501

or such other address or facsimile number as such Party may hereafter specify by like notice to the other Parties. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 P.M. in the place of receipt and such day is a Business Day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed not to have been received until the next succeeding Business Day in the place of receipt.

SECTION 10.9. Severability. If any term or other provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or incapable of being enforced by any rule of law or public policy, all other terms, provisions and conditions of this Agreement shall nevertheless remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible to the fullest extent permitted by applicable law in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the extent possible.

SECTION 10.10. Other Transactions.


(a) Notwithstanding anything contained herein to the contrary, nothing shall affect the ability of CBS or Liberty, prior to the Closing, to engage in discussions regarding, enter into a definitive agreement, memorandum of understanding or letter of intent with respect to, announce an intention to engage in, or consummate, an Other Transaction (as defined below), notwithstanding that such Other Transaction or the pendency thereof might delay the Closing Date or result in any condition to the Closing set forth in Article VII not being satisfied. For the avoidance of doubt, each of Liberty and CBS acknowledges and agrees that the other Party shall not be deemed to be in breach of this Agreement if it takes any such action and that its sole remedy in the event any such action by the other Party results in such a delay or failure of any such condition to be satisfied shall be to terminate this Agreement pursuant to Section 8.1(b)(i).

(b) For purposes of this Section 10.10, “Other Transaction” means a merger, acquisition, divestiture, recapitalization, reorganization or other transaction; provided that “Other Transaction” shall not include any such transaction (i) primarily involving the Business or assets or businesses primarily located or operating in the Green Bay, Wisconsin area or (ii) having a value of less than \$500 million.

*[signature page follows]*

IN WITNESS WHEREOF, the Parties have caused this Agreement to be  
duly executed and delivered as of the date first above written.

CBS CORPORATION

By:   
Name: JOSEPH IANNICELLO  
Title: SVP, FINANCE & TREASURER

LIBERTY MEDIA CORPORATION

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed and delivered as of the date first above written.

CBS CORPORATION

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

Name:

Title:

LIBERTY MEDIA CORPORATION

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

Name:

Title:

**David J.A. Flowers**  
**Senior Vice President &**  
**Treasurer**

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