

STOCK PURCHASE AGREEMENT

THIS STOCK PURCHASE AGREEMENT (this “Agreement”) is made as of the ____ day of _____ 2013 (the “Effective Date”), by and among David D. Smith, a Maryland resident having a home address of 1511 Ivy Hill Road, Cockeysville, Maryland 21030 (“DDS”); J. Duncan Smith, a Maryland resident having a home address of 1345 Ivy Hill Road, Cockeysville, Maryland 21030 (“JDS”); Robert E. Smith, a Maryland resident having a home address of 3600 Butler Road, Glyndon, Maryland 21071 (“RES”); and Frederick G. Smith, a Maryland resident having a home address of 7 Timberpark Court, Lutherville, Maryland 21093 (“FGS” and together with DDS, JDS, and RES, “Sellers”); and Michael E. Anderson, a New Jersey resident having a home address of 65 Essex Road, Summit, New Jersey 07901 (“Buyer”). Sellers and Buyer shall sometimes be referred to individually as a “Party” and collectively as the “Parties”.

Recitals

WHEREAS, pursuant to that certain Inter Vivos Declaration of Trust dated January 6, 2006, as amended (the “Carolyn C. Smith Cunningham Trust”) and that certain Beneficiaries’ Waiver, Receipt, Release, and Indemnification, dated February ____ 2013 (the “Waiver” and together with the Carolyn C. Smith Cunningham Trust, the “Trust Documents”), the Carolyn C. Smith Cunningham Trust shall transfer to Sellers a total of seven (7) shares of voting common stock (the “Voting Shares”) in Cunningham Broadcasting Corporation, a Maryland corporation (the “Corporation”) and Sixty-Three (63) shares of non-voting common stock (the “Non-Voting Shares” and together with the Voting Shares, the “Shares”) in the Corporation so that, as of the Effective Date, each of the Sellers shall become the owner of one and three quarters (1.75) shares of voting common stock in the Corporation, and, as of the date of the Waiver, each of the Sellers shall become the owner of fifteen and three quarters (15.75) shares of non-voting common stock in the Corporation.

WHEREAS, pursuant to the terms of this Agreement, Sellers desire to sell to Buyer, and Buyer desires to purchase from Sellers, the Voting Shares so that each of the Sellers shall sell to Buyer pursuant to the terms of this Agreement a total of one and three quarters (1.75) shares of voting common stock in the Corporation.

WHEREAS, it is the intent of the parties that Sellers will never actually exercise control over the Voting Shares for any appreciable time, but shall merely serve as an intermediary and instantaneous pass through for purposes of winding up the Carolyn C. Smith Cunningham Trust.

WHEREAS, upon receipt of the Shares as set forth above, the ownership of the Voting Shares will be represented by the following stock certificates owned as indicated and issued for the amount of shares indicated:

Certificate Number	Owner	Number of Voting Shares
V-7	DDS	1.75
V-8	JDS	1.75
V-9	RES	1.75
V-10	FGS	1.75

WHEREAS, upon the consummation of the transactions contemplated by this Agreement, the ownership of the Voting Shares shall be represented by the following stock certificate owned as indicated and issued for the amount of shares indicated:

Certificate Number	Owner	Number of Voting Shares
V-11	MEA	7

WHEREAS, Buyer has had an opportunity to review the value of the Voting Shares and consents to the Purchase Price, as defined in Section 3 of this Agreement.

WHEREAS, simultaneously with the execution of this Agreement (and as conditions precedent to the closing under this Agreement), the Parties desire that each of the Sellers enter into four (4) separate Option Agreements (collectively, the “Option Agreements”) of even date herewith with Buyer and the Corporation and pursuant to which each of the Sellers shall have the option to purchase those Voting Shares each such Seller is selling to Buyer pursuant to the terms of this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants, agreements, representations, and warranties set forth herein, the Parties agree as follows:

1. **Purchase of Stock.** Subject to the terms and conditions of this Agreement including, without limitation, the prior approval of the Federal Communications Commission (“FCC”), Buyer shall purchase from each of the Sellers one and three quarters (1.75) shares of voting common stock in the Corporation.

2. **Closing; Purchase and Sale.**

2.1. The closing of the transactions provided for in this Agreement (the “Closing”) shall be held at 10706 Beaver Dam Road, Cockeysville, Maryland 21030 on the Effective Date or at such other location as the parties mutually agree. The date the Closing occurs shall be referred to as the “Closing Date”.

2.2. The Shares shall be purchased by Buyer effective immediately upon receipt by Sellers of the Shares in accordance with the Trust Documents (but in no event later than ten (10) minutes thereafter), all in accordance with the provisions set forth in this Agreement. Each of the Sellers shall sell, assign, and transfer to Buyer one and three quarters (1.75) shares of voting common stock in the Corporation effective as of the execution in full of this Agreement on the Closing Date.

3. **Consideration.** The purchase price and other consideration for the purchase, sale, and transfer of the Voting Shares to Buyer shall be Four Hundred Five Thousand Six Hundred Forty Dollars and No Cents (\$405,640.00) (the “Purchase Price”), which shall be paid as follows:

3.1. One Hundred One Thousand Four Hundred Ten Dollars and No Cents (\$101,410.00) shall be paid by Buyer to DDS at Closing by wire transfer to an account designated by DDS or by certified check payable to DDS;

3.2. One Hundred One Thousand Four Hundred Ten Dollars and No Cents (\$101,410.00) shall be paid by Buyer to JDS at Closing by wire transfer to an account designated by JDS or by certified check payable to JDS;

3.3. One Hundred One Thousand Four Hundred Ten Dollars and No Cents (\$101,410.00) shall be paid by Buyer to RES at Closing by wire transfer to an account designated by RES or by certified check payable to RES;

3.4. One Hundred One Thousand Four Hundred Ten Dollars and No Cents (\$101,410.00) shall be paid by Buyer to FGS at Closing by wire transfer to an account designated by FGS or by certified check payable to FGS.

4. **Deliveries.** All actions on the Closing Date shall be deemed to occur simultaneously, and no document or payment shall be deemed to be delivered and made until all documents and payments are delivered and made to the reasonable satisfaction of the Parties and each such Party’s respective counsel.

4.1. ***Deliveries by Sellers.*** At Closing, Sellers shall:

4.1.1. Surrender, endorse over, and deliver to Buyer the Voting Shares to which Buyer is entitled pursuant to this Agreement.

4.1.2. Execute, seal and/or deliver to Buyer hereto such other documents as Buyer shall reasonably request to effect the purchase of the Voting Shares by the Buyer

contemplated by this Agreement..

5. **Representations and Warranties.**

5.1. ***Sellers.*** Sellers represent and warrant to Buyer effective on the Closing Date as follows:

5.1.1. ***Ownership.*** (a) As of the Closing Date, Sellers shall hold of record and own beneficially all of the Voting Shares free and clear of any lien, security interest, pledge, or encumbrance; (b) upon transfer of the Voting Shares to Buyer, Buyer will have legal and equitable title to such Voting Shares, free and clear of any lien, security interest, pledge, or encumbrance (other than any created by or on behalf of Buyer) including, inter alia, any estate tax or other tax lien that may have arisen or inured with respect to the Estate of Carolyn C. Smith or the Carolyn C. Smith Cunningham Trust; (c) Sellers have full power and authority to enter into this Agreement, and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action on the part of each of the Sellers; (d) this Agreement has been duly executed and delivered by Sellers and constitutes a legal, valid, and binding obligation of Sellers enforceable against Sellers in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium, and other laws affecting the rights of creditors generally and to the exercise of judicial discretion in accordance with general principles of equity, whether applied by a court of law or equity; (e) other than the Option Agreements, the Voting Shares are not subject to any option(s), warrant(s), voting trusts, outstanding proxies, registration rights agreement(s), or other agreements regarding voting rights; and (f) neither the execution and delivery of this Agreement by Sellers nor the consummation of the transactions contemplated hereby by Sellers will (i) violate any provision of applicable law, rule or regulation, which violation would prevent or interfere with Sellers' ability to perform their obligations hereunder, or (ii) conflict with or result in a breach of, or give rise to a right of termination of, or accelerate the performance required by the terms of any judgment, court order or consent decree, or any agreement, indenture, mortgage, or instrument to which each of the Sellers is a party or to which each of the Sellers' property is subject, or constitute a default hereunder, where such conflict, breach, right of termination, acceleration, or default would prevent or materially interfere with Sellers' ability to perform hereunder.

5.1.2. ***Tax Indemnity.*** Sellers agree, jointly and severally, to indemnify and hold Buyer harmless from and for any tax or other liability, claim or expense which Buyer may incur or be subject to by reason of the inclusion (if any) of the Shares in the Estate of Carolyn C. Smith for estate tax purposes, or any other tax liability, claim or expense arising from the distribution of the Shares to Sellers from the Carolyn C. Smith Cunningham Trust.

5.1.3. ***Brokers.*** No agent, broker, investment banker, firm, or other person acting on behalf of Sellers or under the authority of Sellers is or will be entitled to any broker's or finder's fee or any other commission or similar fee directly or indirectly from any of the Parties in connection with any of the transactions contemplated hereby.

5.2. ***Buyer.*** Buyer represents and warrants to Sellers effective on the Closing Date as follows:

5.2.1. *Review of Value of Voting Shares.* Buyer has had the opportunity to review the value of the Voting Shares and hereby consents to the Purchase Price as a fair representation of the value of the Voting Shares as of the Closing Date.

5.2.2. *Execution and Delivery.* Neither the execution and delivery by Buyer of this Agreement nor the performance of Buyer's obligations hereunder will (a) constitute or, with the giving of notice or the passage of time or both, would constitute a violation of or would conflict with or result in any breach of or default under any of the terms, conditions, or provisions of any judgment, law, regulation, contract, agreement, or instrument to which Buyer is a party or by which Buyer is bound; and (b) require on the part of Buyer any filing with, or any permit, authorization, consent or approval of, any court, arbitration tribunal, administrative agency or commission, or other governmental or regulatory authority or agency.

5.2.3. *Authorization and Enforceability.* Buyer has the full power and authority to enter into this Agreement, to consummate the transactions contemplated hereby, without the consent of or notice to any third-party not already obtained, and to comply with the terms, conditions, and provisions hereof. This Agreement has been duly executed, and delivered by Buyer, and is the legal, valid, and binding agreement of Buyer, enforceable against Buyer in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium, and other laws affecting the rights of creditors generally and to the exercise of judicial discretion in accordance with general principles of equity, whether applied by a court of law or equity. The execution, delivery, and performance of this Agreement, and the other agreements of Buyer contemplated hereby, do not require the consent of or notice to any third-party.

6. **Conditions to the Obligations of Sellers.** The obligations of Sellers to close the transactions contemplated by this Agreement are, at Sellers' option, subject to the fulfillment of the following conditions prior to or on the Closing Date:

6.1. ***Representations, Warranties, and Covenants.***

6.1.1. Each of the representations and warranties of Buyer contained in this Agreement shall be true and accurate in all material respects as of Closing.

6.1.2. Buyer shall have performed and complied in all material respects with each and every covenant and agreement of this Agreement to be performed or complied with by them prior to or on the Closing Date.

6.2. ***Proceedings.*** As of the Closing Date, (a) no action or proceeding shall have been instituted before any court or governmental body to restrain or prohibit, or to obtain substantial damages in respect of, the consummation of this Agreement that, in the reasonable opinion of Sellers, may reasonably be expected to result in a preliminary or permanent injunction against such consummation or, if the transactions contemplated hereby were consummated, an order to nullify or render ineffective this Agreement or such transactions or the recovery against Sellers of substantial damages; and (b) none of the Parties shall have received written notice from any governmental body of (i) its intention to institute any action or proceeding to restrain or enjoin or nullify this Agreement

or the transactions contemplated hereby, or to commence any investigation (other than a routine letter of inquiry) into the consummation of this Agreement, or (ii) the actual commencement of such an investigation.

6.3. ***Deliveries.*** Buyer shall be ready, willing, and able to deliver to Sellers such agreements, instruments, and other documents and such payments to be delivered by Buyer at the Closing as are contemplated by this Agreement.

7. **Conditions to the Obligations of Buyer.** The obligations of Buyer to close the transactions contemplated by this Agreement are, at Buyer's option, subject to the fulfillment of the following conditions prior to or on the Closing Date:

7.1. ***Representations, Warranties, and Covenants.***

7.1.1. Each of the representations and warranties of Sellers contained in this Agreement shall be true and accurate in all material respects as of the Closing Date.

7.1.2. Sellers shall have performed and complied in all material respects with each and every covenant and agreement required by this Agreement to be performed or complied with by his prior to or at the Closing Date.

7.2. ***Proceedings.*** As of the Closing Date, (a) no action or proceeding shall have been instituted before any court or governmental body to restrain, or prohibit or to obtain substantial damages in respect of, the consummation of this Agreement that, in the reasonable opinion of Buyer, may reasonably be expected to result in a preliminary or permanent injunction against such consummation or, if the transactions contemplated hereby were consummated, an order to nullify or render ineffective this Agreement or such transactions or the recovery against Buyer of substantial damages; and (b) none of the Parties shall have received written notice from any governmental body of (i) its intention to institute any action or proceeding to restrain or enjoin or nullify this Agreement or the transactions contemplated hereby or to commence any investigation (other than a routine letter of inquiry) into the consummation of this Agreement, or (ii) the actual commencement of such an investigation.

7.3. ***Deliveries.*** Sellers shall be ready, willing, and able to deliver to Buyer such agreements, instruments, and other documents to be delivered by Sellers at the Closing as contemplated by this Agreement.

8. ***Other Related Agreements.*** Simultaneously with the Parties' entrance into this Agreement, and as a material inducement for Sellers and Buyer, to enter into this Agreement, the Parties have also entered into the Option Agreements. Conditions precedent to closing under this Agreement are the simultaneous closings under the Option Agreements.

9. **Conditions to Closing.**

9.1. The obligations of Sellers under this Agreement are conditioned upon: (i) the simultaneous execution and delivery of the Option Agreements, (ii) the grant of the FCC

Consent (as defined in Section 10.15 of this Agreement), and (iii) the execution of such other documentation from Buyer deemed by Sellers to be reasonably necessary or appropriate to evidence and affect the intent of this Agreement.

9.2. The obligations of Buyer under this Agreement are conditioned upon: (i) the simultaneous execution and delivery of the Option Agreements, (ii) the grant of the FCC Consent, and (iii) the execution of such other documentation from Sellers deemed by Buyer to be reasonably necessary or appropriate to evidence and affect the intent of this Agreement.

9.3. The occurrence of closing hereunder shall constitute conclusive evidence of the satisfaction of the conditions set forth in this Section 9.

9.4. The Closing shall take place immediately following the transfer of the Voting Shares to Sellers pursuant to the Trust Documents and in no event later than ten (10) minutes thereafter.

10. **Miscellaneous.**

10.1. **Notices.** Any notice, payment, demand, or communication required or permitted to be given by any provision of this Agreement shall be in writing and shall either be (a) delivered personally to the party to whom it is directed, in which case a signed receipt therefore shall be received; (b) sent by certified mail, return-receipt requested, postage prepaid; (c) sent by telecopy; or (d) sent to overnight courier addressed to the parties at the addresses set forth below their several signatures, or to such other address or addresses as may be designated from time to time in accordance with this Section 10.1. Any such notice shall be deemed to be delivered, given, and received for all purposes of this Agreement as of (i) the date noted on the signed receipt if delivered personally; (ii) the date deposited in a regularly maintained receptacle for the deposit of the United States mail, if sent by certified mail; (iii) the date telecopied with confirmed receipt if sent via facsimile; or (iv) the next day after sent by overnight courier:

If to Sellers:

David D. Smith
1511 Ivy Hill Road
Cockeysville, Maryland 21030
Facsimile: 410-568-1533

J. Duncan Smith
1345 Ivy Hill Road
Cockeysville, Maryland 21030
Facsimile: 410-568-1533

Robert E. Smith
3600 Butler Road
Glyndon, Maryland 21071
Facsimile: 410-568-1533

Frederick G. Smith
7 Timberpark Court
Lutherville, Maryland 21093
Facsimile: 410-568-1533

If to Buyer:

Michael Anderson
65 Essex Road, Summit
New Jersey 07901
Facsimile: _____

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

Lawrence F. Gilberti
Reed Smith LLP
One Liberty Place
1650 Market Street
Philadelphia, PA 19103
Facsimile: 215-851-1420 _____

If to the Corporation:

Cunningham Broadcasting Corporation
2000 West 41st Street
Baltimore, Maryland 21211
Facsimile: 410-662-0816

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

Steven A. Thomas
Thomas & Libowitz, P.A.
100 Light Street, Suite 1100
Baltimore, Maryland 21202
Facsimile: 410-752-2046

10.2. **Headings.** Section and other headings contained in this Agreement are for reference purposes only and are not intended to describe, interpret, define, or limit the scope, extent, or intent of this Agreement or any provision hereof.

10.3. **Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the Parties and the respective successors, assigns, heirs, executors, administrators, and personal representatives of each Party.

10.4. ***Survival.*** The representations, warranties, covenants, and agreements of the Parties and the other provisions of this Agreement shall be deemed to have been made on the Closing Date and shall survive the Closing Date regardless of any investigation or statement as to the results thereof made by or on behalf of any Party.

10.5. ***Execution of Documents.*** Each Party agrees to execute all documents and deliver all documents necessary to carry out the purpose of this Agreement and to cooperate with each other for the expeditious filing of any and all documents and the fulfillment of the terms of this Agreement.

10.6. ***Counterpart Execution.*** This Agreement may be executed in multiple counterparts, each of which may be deemed an original and shall become effective when the separate counterparts have been exchanged among the Parties.

10.7. ***Controlling Law.*** This Agreement has been entered into in the State of Maryland, and this Agreement, including any rights, remedies, or obligations provided for thereunder, shall be construed and enforced in accordance with the laws of the State of Maryland.

10.8. ***Severability.*** Whenever possible, each provision of this Agreement will be interpreted in such a manner as to be effective and valid under applicable law; but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision, to the extent of such prohibition or invalidity, shall not be deemed to be a part of this Agreement and shall not invalidate the remainder of such provision or the remaining provisions of this Agreement.

10.9. ***Incorporation by Reference.*** Every exhibit, Schedule, and other appendix attached to this Agreement and referred to herein is hereby incorporated in this Agreement by reference.

10.10. ***Entire Agreement.*** This Agreement and the Schedules hereto constitute the complete and exclusive statement of the agreement between the Parties hereto with respect to the subject matter hereof. There are no representations, agreements, arrangements, or understandings, oral and written, between the Parties relating to the subject matter of this Agreement that are not fully set forth herein or in the Schedules attached hereto.

10.11. ***Construction.*** The Parties acknowledge and agree that no rule of construction shall apply to this Agreement which construes any language, whether ambiguous, unclear or otherwise, in favor of or against any Party.

10.12. ***Variation of Provisions.*** All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, or neuter, singular or plural, as the identity of the person or persons may require.

10.13. ***Attorneys' Fees.*** In the event a Party breaches or threatens to breach this Agreement, such Party shall indemnify the other Party for such other Party's costs, expenses, and fees (including, without limitation, reasonable attorneys' fees) resulting from or incurred in

connection with such breach or threatened breach.

10.14. ***Amendments.*** Any amendment to this Agreement shall be in writing and executed by each Party hereto.

10.15. ***FCC Approval.*** Notwithstanding any provision to the contrary herein, each Party's rights and obligations under this Agreement are subject to the Communications Act of 1934, as amended and the rules and regulations of the FCC promulgated thereunder (the "FCC Rules"). The FCC's written consent to the transfer of the Voting Shares contemplated hereby (the "FCC Consent") is a condition precedent to the Closing hereunder, and the Parties each agree to comply with any condition imposed on them by the FCC Consent, except that (i) no party shall be required to comply with a condition if such condition requires such party to divest any of its direct or indirect assets and (ii) in the event that any one (1) of the Sellers reasonably objects to any condition imposed by the FCC Consent, then this entire Agreement shall be void, and the transactions contemplated herein shall not take place.

***[REST OF PAGE INTENTIONALLY LEFT BLANK --
SIGNATURES ON FOLLOWING PAGE]***

IN WITNESS WHEREOF, the parties hereunto have executed, sealed, and delivered this Agreement or caused this Agreement to be executed, sealed, and delivered on the day and year first hereinabove set forth.

WITNESS/ATTEST:

SELLERS:

David D. Smith (SEAL)

J. Duncan Smith (SEAL)

Robert E. Smith (SEAL)

Frederick G. Smith (SEAL)

BUYER:

Michael E. Anderson (SEAL)