

**STOCK PURCHASE AGREEMENT**

**for the sale of  
all of the capital stock of**

**KPLR, Inc.**

**by and between**

**Sinclair Television Group, Inc.**

**and**

**Meredith Corporation**

**April 24, 2018**

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## STOCK PURCHASE AGREEMENT

This **STOCK PURCHASE AGREEMENT**, dated as of April 24, 2018 (this “Agreement”), by and between Sinclair Television Group, Inc., a Maryland corporation (“Sinclair”), and Meredith Corporation, an Iowa corporation (“Buyer”).

### RECITALS

**WHEREAS**, on May 8, 2017, Tribune Media Company, a Delaware corporation (“Tribune”), Sinclair Broadcast Group, Inc., a parent entity of Sinclair and a Maryland corporation (“Sinclair Parent”), and Samson Merger Sub Inc., a Delaware corporation (“Merger Sub”) and a subsidiary of Sinclair Parent, entered into that certain Agreement and Plan of Merger (as amended, restated, modified or supplemented from time to time, the “Merger Agreement”);

**WHEREAS**, pursuant to the Merger Agreement, Merger Sub will be merged (the “Merger”) with and into Tribune, and Tribune will become an indirect, wholly owned subsidiary of Sinclair Parent;

**WHEREAS**, it is anticipated that, immediately after the consummation of the Merger (the “Tribune Closing”), Tribune will be merged with and into Sinclair, with Sinclair continuing as the surviving corporation;

**WHEREAS**, as of the date of this Agreement (i) Tribune, through its wholly owned Subsidiary, Tribune Broadcasting Company, LLC, owns all of the issued and outstanding shares of capital stock of KPLR, Inc., a Missouri corporation (the “Company”); (ii) the Company owns and operates the television broadcast station KPLR-TV (the “Station”), pursuant to certain authorizations issued by the FCC (as defined below); and (iii) the Station is part of a duopoly with its sister station KTVI which is also owned by Subsidiaries of Tribune and operates in the Market (the “KTVI Station”);

**WHEREAS**, immediately prior to the Closing, Sinclair will effect the Restructuring Transactions (as defined below); and

**WHEREAS**, Buyer desires to purchase, and Sinclair desires to cause to be sold, all of the issued and outstanding shares of capital stock of the Company (the “Shares”), on the terms and subject to the conditions hereinafter set forth substantially simultaneously with, or following, the Tribune Closing.

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), it is hereby agreed among the parties as follows:

### ARTICLE I DEFINITIONS

Section 1.01 Definitions. As used in this Agreement, the following terms shall have the following meanings:

“Accounting Firm” means (a) an independent certified public accounting firm in the United States of national recognition mutually acceptable to Sinclair and Buyer or (b) if Sinclair and Buyer are unable to agree upon such a firm, then the regular independent auditors for Sinclair and Buyer shall mutually agree upon a third independent certified public accounting firm, in which event, “Accounting Firm” shall mean such third firm.

“Accounts Receivable” means all accounts receivable (other than 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, arising out of sales occurring in the operation of the Station(s) prior to the Effective Time for services performed (*e.g.*, the actual broadcast of commercials sold) or delivered by the Station(s) prior to the Effective Time.

“Active Employees” has the meaning set forth in Section 8.01(a).

“Affiliate” means, with respect to any Person, any other Person that directly or indirectly controls or is controlled by, or is under common control with, such Person. The term “control” (including its correlative meanings “controlled” and “under common control with”) shall mean possession, directly or indirectly, of power to direct or cause the direction of management or policies of a Person (whether through ownership of such Person’s securities or partnership or other ownership interests, or by Contract or otherwise). For purposes of this Agreement, the Company and the Station shall each be deemed to be an Affiliate of (a) Tribune prior to the Tribune Closing; (b) Sinclair, following the Tribune Closing, immediately prior to the Closing; and (c) Buyer from and after the Closing.

“Affiliated Group” means an affiliated group as defined in Section 1504 of the Code (or any analogous combined, consolidated or unitary group defined under state, local or foreign income Tax Law) of which the Company is or has been a member.

“Aging Report” has the meaning set forth in Section 6.02(a).

“Agreement” has the meaning set forth in the Preamble.

“Ancillary Agreements” means any certificate, agreement, document or other instrument to be executed and delivered in connection with the transactions contemplated by this 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, state and foreign, if any, 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.

“AR Account” has the meaning set forth in Section 6.02(a).

“AR Statement” has the meaning set forth in Section 6.02(a).

“Assumed Contracts” has the meaning set forth in Section 2.01(a)(iii).

“Assumed Liabilities” has the meaning set forth in Section 2.03.

“Bargaining Agreements” has the meaning set forth in Section 3.12(a).

“Business” means the business and operation of the Station exclusive of services provided by corporate or through hubs (and shall not include the Other Stations or any of the other businesses or assets of Tribune or Sinclair or any of their respective Affiliates). For the avoidance of doubt, “Business” shall mean the ownership and operation of and the business related to the Purchased Assets and Assumed Liabilities, and shall not include any of the Excluded Assets or Excluded Liabilities or any other television broadcast station, including the KTVI Station, that Tribune or Sinclair or any of their respective Affiliates owns, operates, or controls (including pursuant to any local marketing agreement, time brokerage agreement, joint sales agreement, shared services, or other similar agreement), as of the date hereof, in the same Market as the Station.

“Business Day” means any day that is not a Saturday, a Sunday or other day on which commercial banks in the City of New York are authorized or required by Law or to be closed.

“Buyer’s 401(k) Plan” has the meaning set forth in Section 8.02.

“Buyer” has the meaning set forth in the Preamble.

“Buyer FSA Plan” has the meaning set forth in Section 8.06.

“Buyer Indemnified Parties” has the meaning set forth in Section 12.03.

“Buyer Material Adverse Effect” means any effect, change, condition, fact, development, occurrence or event that, individually or in combination with any other effect, change, condition, fact, development, occurrence or event, does or would reasonably be expected to prevent or materially delay, interfere with, impair or hinder Buyer from consummating the transactions contemplated hereby.

“Buyer Prorated Amount” has the meaning set forth in Section 2.08(a).

“Cash and Cash Equivalents” means those items which would be required by GAAP to be included as “cash” or “cash equivalents”.

“Closing” has the meaning set forth in Section 2.07(a).

“Closing Date” has the meaning set forth in Section 2.07(a).

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



“Collection Period” has the meaning set forth in Section 6.02(a).

“Communications Act” means, collectively, the Communications Act of 1934, as amended, the Telecommunications Act of 1996, and the Children’s Television Act of 1990 (including FCC Rules and any other rules and regulations promulgated under each of the foregoing), in each case, as in effect from time to time.

“Communications Laws” means the Communications Act, and any similar or successor federal statute, together with all published rules, regulations, policies, orders and decisions of the FCC promulgated thereunder.

“Confidentiality Agreement” means that certain confidentiality agreement among Sinclair, Tribune and Buyer, dated as of July 19, 2017.

“Contracts” means any agreement, contract, instrument, note, bond, mortgage, indenture, deed of trust, lease, license or other binding instrument or obligation, whether written or unwritten.

“Disclosure Schedules” means the disclosure schedule of even date herewith delivered by Sinclair in connection with the execution and delivery of this Agreement.

“DOJ” means the United States Department of Justice.

“DOJ Consent” has the meaning set forth in Section 3.04.

“Effective Time” means 5:01 a.m., local time, on the Closing Date.

“Electing Party” has the meaning set forth in Section 13.06(b).

“Employee(s)” means, individually or collectively, the full-time, part-time and per diem persons employed by Sinclair or Tribune or any of their respective Subsidiaries, as applicable, immediately prior to the Closing who are then engaged in the operation of the Station and who are listed on Section 3.12(b) of the Disclosure Schedules, other than those individuals who are Excluded Employees.

“Employee Plan” means each “employee benefit plan” within the meaning of ERISA Section 3(3), whether or not subject to ERISA, including, but not limited to, all equity or equity-based, change in control, bonus or other incentive compensation, disability, salary continuation, employment, consulting, indemnification, severance, retention, retirement, pension, profit sharing, savings or thrift, deferred compensation, health or life insurance, welfare employee discount or free product, vacation, sick pay or paid time off agreements, arrangements, programs, plans or policies, and each other material benefit or compensation plan, program, policy, Contract, agreement or arrangement, whether written or unwritten.

“Employee Retention Amount” means an amount in cash equal to \$500,000.

“Employment Commencement Date” has the meaning set forth in Section 8.01(a).

“Enforceability Exceptions” has the meaning set forth in Section 3.02(b).

“Environmental Laws” means any Law concerning the protection of the environment, pollution, contamination, natural resources, or human health or safety relating to exposure to Hazardous Substances.

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

“ERISA Affiliate” of any entity means each Person that at any relevant time would be treated as a single employer with such entity for the purposes of Section 4001(b)(1) of ERISA or Section 414(b), (c), (m), or (o) of the Code.

“Estimated Adjustment” means, with respect to the Estimated Settlement Statement, an amount equal to the Buyer Prorated Amount minus the Seller Prorated Amount, which amount shall be expressed as a positive or negative number.

“Estimated Settlement Statement” has the meaning set forth in Section 2.08(c).

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“Excluded Assets” has the meaning set forth in Section 2.02.

“Excluded Contracts” has the meaning set forth in Section 2.02(k).

“Excluded Duopoly Owned Real Property” has the meaning set forth in Section 3.08(b).

“Excluded Duopoly Tangible Personal Property” has the meaning set forth in Section 3.07(a).

“Excluded Duopoly Real Property Leases” has the meaning set forth in Section 3.08(b).

“Excluded Employee(s)” means (i) any employee of Sinclair, Tribune or any of their respective Affiliates, as applicable, whose principal work location is not the Station or whose employment responsibilities relate substantially to the corporate operations of Sinclair or Tribune or of any Other Station, in each case as of immediately prior to the Closing, and (ii) the individuals denoted on Section 3.12(b) of the Disclosure Schedules as “Excluded Employees.”

“Excluded Liabilities” has the meaning set forth in Section 2.04.

“FCC” means the Federal Communications Commission.

“FCC Application” has the meaning set forth in Section 7.01(b).

“FCC-Approved Costs” has the meaning set forth in Section 3.05(f).

“FCC Consent” means the FCC’s initial consent to the transfer of control of the Company, as the holder of the FCC Licenses identified on Section 3.05(a) of the Disclosure Schedules, from Sinclair, Tribune or any of their respective Affiliates to Buyer or any of its Affiliates.

“FCC Licenses” means the FCC licenses, permits and other authorizations, together with any renewals, extensions or modifications thereof, issued with respect to the Station.

“FCC Rules” means the rules, regulations, orders and promulgated and published policy statements of the FCC.

“Final Adjustment” means, with respect to the Final Settlement Statement, an amount equal to the Buyer Prorated Amount minus the Seller Prorated Amount, which amount shall be expressed as a positive or negative number.

“Final Settlement Statement” has the meaning set forth in Section 2.08(f).

“Financial Statements” has the meaning set forth in Section 3.16.

“Fund Administrator” has the meaning set forth in Section 3.05(f).

“GAAP” means United States generally accepted accounting principles as in effect on the Interim Financials Date, consistently applied.

“Governmental Authority” means any nation or government, any state or other political subdivision thereof, any entity, authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, any court, tribunal or arbitrator and any self-regulatory organization.

“Governmental Authorizations” means any licenses, franchises, approvals, clearances, permits, certificates, waivers, consents, exemptions, variances, expirations and terminations of any waiting period requirements, and notices, filings, registrations, qualifications, declarations and designations with, and other similar authorizations and approvals issued by or obtained from a Governmental Authority.

“Hazardous Substance” means any substance, material or waste listed, defined, regulated or classified as a “pollutant” or “contaminant” or words of similar meaning or effect, or for which liability or standards of conduct may be imposed under any Environmental Law, including petroleum.

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

“Inactive Offered Employees” has the meaning set forth in Section 8.01(a).

“Indebtedness” means, with regard to any Person, any liability or obligation, whether or not contingent, (a) in respect of borrowed money or evidenced by bonds, monies, debentures, or

similar instruments or upon which interest payments are normally made, (b) for the payment of any deferred purchase price of any property, assets or services (including pursuant to capital leases) but excluding trade payables and Program Rights Obligations, (c) guaranties, direct or indirect, in any manner, of all or any part of any Indebtedness of any Person, (d) all obligations under acceptance, standby letters of credit or similar facilities, (e) all matured obligations to purchase, redeem, retire, defease or otherwise make any payment in respect of any membership interests, shares of capital stock or other ownership or profit interest or any warrants, rights or options to acquire such membership interests, shares or such other ownership or profit interest, (f) all accrued interest of all obligations referred to in (a) – (e) and (g) all obligations referred to in (a) – (f) of a third party secured by any Lien on property or assets.

“Indemnified Party” has the meaning set forth in Section 12.04(a).

“Indemnifying Party” has the meaning set forth in Section 12.04(a).

“Intellectual Property” means any and all intellectual property rights throughout the world, whether registered or not, including all (a) patents (including all reissues, divisionals, provisionals, continuations and continuations-in-part, re-examinations, renewals and extensions thereof), (b) copyrights and rights in copyrightable subject matter in published and unpublished works of authorship, (c) trade names, trademarks and service marks, logos, corporate names, domain names and other Internet addresses or identifiers, trade dress and similar rights, and all goodwill associated therewith (collectively, “Marks”), (d) registrations and applications for each of the foregoing, (e) rights, title and interests in all trade secrets and trade secret rights arising under common law, state law, federal law or laws of foreign countries, in each case to the extent any of the foregoing derives economic value (actual or potential) from not being generally known to other Persons who can obtain economic value from its disclosure or use (collectively, “Trade Secrets”), and (f) moral rights, publicity rights and any other intellectual property rights or other rights similar, corresponding or equivalent to any of the foregoing of any kind or nature.

“Interim Financials Date” has the meaning set forth in Section 3.16.

“IRS” means the United States Internal Revenue Service.

“Knowledge of the Selling Parties” means the actual personal knowledge of the general manager of the Station, the CEO of Tribune, the CFO of Tribune and the General Counsel of Tribune.

“KTVI Station” has the meaning set forth in the Recitals.

“Law” means any United States, federal, state or local or any foreign law (in each case, statutory, common or otherwise), ordinance, code, rule, statute, regulation or other similar requirement or Order enacted, issued, adopted, promulgated, entered into or applied by a Governmental Authority.

“Lien” means, with respect to any property or asset, any mortgage, lien, pledge, charge, easement, right of way, restrictive covenant, encroachment, security interest or encumbrance of

any kind whatsoever, whether voluntarily incurred or arising by operation of Law or otherwise, in respect of such property or asset.

“Like-Kind Exchange” has the meaning set forth in Section 13.06(b).

“Losses” has the meaning set forth in Section 12.02.

“Market” means the “Designated Market Area” including St. Louis, Missouri, as determined by The Nielsen Company.

“Marks” has the meaning set forth in the definition of “Intellectual Property”.

“Material Adverse Effect” means any effect, change, condition, fact, development, occurrence or event that, individually or in the aggregate, has a material adverse effect on the financial condition, business, assets or results of operations of the Business, excluding any effect, change, condition, fact, development, occurrence or event resulting from or arising out of (a) general economic or political conditions in the United States or any foreign jurisdiction or in securities, credit or financial markets, including changes in interest rates and changes in exchange rates, (b) changes or conditions generally affecting the industries, markets or geographical areas in which the Business operates, (c) outbreak or escalation of hostilities, acts of war (whether or not declared), terrorism or sabotage, or other changes in geopolitical conditions, including any material worsening of such conditions threatened or existing as of the date hereof, (d) any epidemics, natural disasters (including hurricanes, tornadoes, floods or earthquakes) or other force majeure events, (e) any failure by the Business to meet any internal or published (including analyst) projections, expectations, forecasts or predictions in respect of the revenue, earnings or other financial performance or results of operations of the Business, or any failure by the Business to meet internal budgets, plans or forecasts of its revenue, earnings or other financial performance or results of operations (provided, that the underlying effect, change, condition, fact, development, occurrence or event giving rise to or contributing to such failure may be considered), (f) changes in GAAP or the interpretation thereof or the adoption, implementation, promulgation, repeal, modification, amendment, reinterpretation, change or proposal of any Law applicable to the operation of the Business, (g) the taking of any action by Sinclair, Tribune or their respective Affiliates expressly required by, or their failure to take any action expressly prohibited by, this Agreement, or the taking of any action at the written request of Buyer, and (h) other than with respect to the representations and warranties set forth in Section 3.04 and the conditions set forth in Section 10.03(a) to the extent relating to such representations and warranties, the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby, or the public announcement or pendency of this Agreement or the transaction contemplated hereby, including any resulting loss or departure of Employees, or the termination or reduction (or potential reduction) or any other resulting negative development in the Business’ relationships, contractual or otherwise, with any of its advertisers, customers, suppliers, distributors, licensees, licensors, lenders, business partners, employees or regulators, including the FCC; provided, that in the cases of clauses (a), (b), (c), (d) and (f), any effect, change, condition, fact, development, occurrence or event may be considered solely to the extent it disproportionately affects the Business relative to the other participants in the industries in which Sinclair, Tribune and their respective Affiliates operate.

“Material Contracts” has the meaning set forth in Section 3.09(a).

“Merger” has the meaning set forth in the Recitals.

“Merger Sub” has the meaning set forth in the Recitals.

“Merger Agreement” has the meaning set forth in the Recitals.

“Multiemployer Plan” means a multiemployer pension plan, within the meaning of Sections 3(37) or 4001(a)(3) of ERISA, to which Sinclair, Tribune or any of their respective Affiliates, as applicable, contribute or are required to contribute to, as it relates to a Station, or under which Sinclair, Tribune or any of their respective Affiliates, as applicable, have or may have any liability or obligation under, on behalf of current or former employees of Sinclair, Tribune or any of their respective Affiliates, as applicable, as it relates to the Station.

“Multi-Station Contract” has the meaning set forth in Section 2.09(a).

“MVPD” means any multi-channel video programmer distributor, as defined under the rules of the FCC.

“New Benefit Plans” has the meaning set forth in Section 8.01(d).

“Notice of Disagreement” has the meaning set forth in Section 2.08(f).

“Order” means any order, writ, injunction, decree, consent decree, judgment, award, injunction, settlement or stipulation issued, promulgated, made, rendered or entered into by or with any Governmental Authority (in each case, whether temporary, preliminary or permanent).

“Other Stations” means any broadcast station or business unit of Sinclair, Tribune or any of their respective Affiliates, including the KTVI Station, other than the Station.

“Permitted Liens” means, as to any Purchased Asset, (a) Liens for Taxes, assessments, governmental levies, fees or charges not yet due and payable or which are being contested in good faith and by appropriate proceedings and with respect to which adequate reserves have been established on the Financial Statements in accordance with GAAP, (b) mechanics’, carriers’, workers’, repairers’ and similar statutory Liens arising or incurred in the ordinary course of business with respect to amounts not yet due and payable or which are being contested in good faith and by appropriate proceedings, (c) zoning, entitlement, building codes and other land use regulations, ordinances or legal requirements imposed by any Governmental Authority having jurisdiction over real property, (d) all rights relating to the construction and maintenance in connection with any public utility of wires, poles, pipes, conduits and appurtenances thereto, on, under or above real property, (e) all matters disclosed as a “Permitted Lien” in Section 1.01(a) of the Disclosure Schedules, (f) any state of facts which an accurate survey or inspection of real property would disclose and which, individually or in the aggregate, do not materially impair the value or continued use of such real property for the purposes for which it is used by such Person, (g) title exceptions disclosed by any title insurance commitment or title insurance policy for any

such real property issued by a title company and delivered or otherwise made available to Buyer as applicable, prior to the date hereof, (h) statutory Liens in favor of lessors arising in connection with any real property subject to the Real Property Leases, (i) other defects, irregularities or imperfections of title, encroachments, easements, servitudes, permits, rights of way, flowage rights, restrictions, leases, licenses, covenants, sidetrack agreements and oil, gas, mineral and mining reservations, rights, licenses and leases, which, in each case, do not materially impair the continued use of real property for the purposes for which it is used by such Person, (j) grants of non-exclusive licenses or other non-exclusive rights with respect to Intellectual Property that do not secure indebtedness, and (k) non-monetary Liens that, individually or in the aggregate, do not, and would not reasonably be expected to, materially detract from the value of any of the Purchased Assets, or materially interfere with the use thereof as currently used in connection with the Business.

“Person” means an individual, group (within the meaning of Section 13(d)(3) of the Exchange Act), corporation, partnership, limited liability company, association, trust or other entity or organization, including a Governmental Authority.

“Post-Closing Tax Period” means any taxable period (or portion thereof) beginning after the Closing Date.

“Pre-Closing Tax Period” means any taxable period (or portion thereof) ending on or prior to the Closing Date.

“Pre-Closing Taxes” means any (i) Taxes of the Company for any Pre-Closing Tax Period, (ii) any Taxes payable by the Company in any period by reason of the Company being a member of an Affiliated Group on or prior to the Closing Date and any Taxes payable in any period by the Company by reason of the Company being liable for the Tax of any Person (x) pursuant to Treasury Regulation Section 1.1502-6 or any analogous foreign, state or local applicable Law in any Pre-Closing Tax Period, or (y) as a transferee or successor, by Contract, by operation of applicable Law or otherwise, which Taxes relate to an action or transaction occurring on or before the Closing Date, (iii) any Taxes, including any Transfer Taxes, resulting from the Restructuring Transactions, (iv) any Transfer Taxes for which Sinclair is liable pursuant to Section 9.01 (v) any employer-level employment or payroll Taxes with respect to any bonuses or other compensatory payments made solely by reason of the Closing or the Tribune Closing, whether payable by Buyer or the Company (other than any such Taxes with respect to any payments under the sales commission plans applicable to the Transferred Employees with respect to 2018, if any, which Taxes shall be pro-rated between the Pre-Closing Tax Period and Post-Closing Tax Period based on the relative number of days in each period) and (vi) all Taxes, whenever incurred, on current assets (as determined by GAAP) held by the Company immediately after the Closing; provided, however, that Pre-Closing Taxes shall not include (y) Taxes resulting from any action taken by Buyer, the Company or any Affiliate thereof after the Closing on the Closing Date outside of the ordinary course of business (other than such Taxes resulting from any action taken pursuant to this Agreement) and (z) Taxes arising out of a breach of any provision of Article IX of this Agreement by Buyer, the Company or any Affiliate thereof.

“Proceeding” means any suit, action, claim, proceeding, arbitration, mediation, audit or hearing (in each case, whether civil, criminal or administrative) commenced, brought, conducted or heard by or before, or otherwise involving, any Governmental Authority.

“Proceeds” has the meaning set forth in Section 12.05(a).

“Program Rights” means all rights of the Station to broadcast television programs or shows as part of the Station’s programming, including all film and program barter agreements, sports rights agreements, news rights or service agreements, affiliation agreements and syndication agreements.

“Program Rights Obligations” means all obligations in respect of the purchase, use, licenses or acquisition of programs, programming materials, films and similar assets used in the ordinary course of the operation of the Station consistent with past practice which relate to the utilization of the Program Rights.

“Prorated Assumed Liabilities” has the meaning set forth in Section 2.08(a).

“Prorated Purchased Assets” has the meaning set forth in Section 2.08(a).

“Purchased Assets” has the meaning set forth in Section 2.01(a).

“Purchased Intellectual Property” has the meaning set forth in Section 2.01(a)(vi).

“Purchase Price” has the meaning set forth in Section 2.06.

“Real Property Leases” has the meaning set forth in the Section 3.08(a).

“Reimbursement Invoice” has the meaning set forth in Section 3.05(f).

“Remitted Payment(s)” has the meaning set forth in Section 6.02(b).

“Replacement Hire Employee” means any individual who is hired as an ordinary course replacement for any Employee (other than an Excluded Employee) whose employment is terminated on or following the date of this Agreement but prior to the Closing Date, which such Replacement Hire Employee must have a substantially similar role, title, duties, responsibilities, and level of compensation to such Employee as of the date of his or her termination.

“Representatives” means, with respect to any Person, its Affiliates and its and their officers, directors, agents, control persons, employees, consultants and other professional advisers.

“Restructuring Transactions” has the meaning set forth in Section 2.01(a).

“Retained Names and Marks” means all (a) Marks containing or incorporating the term “Sinclair” or “Tribune,” (b) other Marks owned by any of Sinclair, Tribune or any of their respective Affiliates (other than Marks included in the Purchased Intellectual Property), (c)



variations or acronyms of any of the foregoing, and (d) Marks confusingly similar to or dilutive of any of the foregoing.

“Return Deadline” has the meaning set forth in Section 8.01(a).

“Seller Employees” has the meaning set forth in Section 6.06.

“Seller FSA Plan” has the meaning set forth in Section 8.06.

“Seller Indemnified Parties” has the meaning set forth in Section 12.02.

“Seller Prorated Amount” has the meaning set forth in Section 2.08(a).

“Settlement Statement” has the meaning set forth in Section 2.08(d).

“Shares” has the meaning set forth in the Recitals.

“Sharing Agreement” has the meaning set forth in Section 3.05(d).

“Sinclair” has the meaning set forth in the Recitals.

“Sinclair Parent” has the meaning set forth in the Recitals.

“Solvent” has the meaning set forth in Section 4.11.

“Specified Payment(s)” has the meaning set forth in Section 6.02(a).

“Straddle Period” means any taxable period beginning on or prior to the Closing Date and ending after the Closing Date.

“Station” has the meaning set forth in the Recitals.

“Subsidiary” means, with respect to any Person, any other Person (other than a natural Person) of which securities or other ownership interests (a) having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions or (b) representing more than 50% such securities or ownership interests are at the time directly or indirectly owned by such Person.

“Surveys” has the meaning set forth in Section 6.05.

“Tangible Personal Property” has the meaning set forth in Section 3.07(a).

“Tax” or “Taxes” means any U.S. federal, state, local or non-U.S. tax, including income, gross receipts, profits, sales, use, occupation, value added, ad valorem, transfer, franchise, withholding, payroll, employment, capital, goods and services, gross income, business, environmental, severance, service, service use, unemployment, social security (or similar),

national insurance, stamp, custom, excise or real or personal property, alternative or add-on minimum or estimated taxes, or other like assessment or charge, together with any interest, penalty, addition to tax or additional amount imposed with respect thereto, whether disputed or not.

"Tax Authority" means any Governmental Authority responsible for the imposition, administration, assessment, and/or collection of any Tax.

"Tax Claim" has the meaning set forth in Section 9.05(a).

"Tax Proceeding" means any audit, hearing, proposed adjustment, arbitration, deficiency, assessment, suit, dispute, claim, proceeding or other Proceedings commenced, filed or otherwise initiated or convened to investigate or resolve the existence and extent of a liability for Taxes or that relates to any Tax Return.

"Tax Return" means any report, return, declaration or statement with respect to Taxes, including information returns, and in all cases including any schedule or attachment thereto or amendment thereof.

"Termination Date" means the date that is the nine (9) month anniversary of the date of this Agreement; provided that if any other Contract for the acquisition of a television broadcast station owned by Tribune, Sinclair Parent, or their respective Affiliates in connection with the Merger uses a number of months that is less than nine (9) months from the date of execution of such Contract to calculate the termination date, drop dead or similar date, such number of months as reflected in such Contract.

"Title Commitments" has the meaning set forth in Section 6.05.

"Tradeout Agreement" means any Contract, other than film and program barter agreements, pursuant to which Sinclair, Tribune or any of their respective Affiliates has agreed to sell or trade commercial air time or commercial production services of any Station in consideration for any property or service in lieu of or in addition to cash.

"Trade Secrets" has the meaning set forth in the definition of "Intellectual Property".

"Transfer Taxes" means all excise, sales, use, value added, registration stamp, recording, documentary, conveying, franchise, property, transfer, gains and similar Taxes, levies, charges and fees arising out of or in connection with the transactions contemplated by this Agreement or the Restructuring Transactions.

"Transferred Employees" has the meaning set forth in Section 8.01(a).

"Tribune" has the meaning set forth in the Recitals.

"Tribune 401(k) Plan" means a tax-qualified defined contribution plan established or designated by Tribune or any of its Affiliates.

“Tribune Closing” has the meaning set forth in the Recitals.

“Tribune Plan” means each material Employee Plan that Tribune or any of its Affiliates sponsors, maintains or contributes to, or is required to maintain or contribute to, for the benefit of any Employee or under or with respect to which Tribune or any of its Affiliates has any current or contingent material liability or obligation with respect to any Employee, but excluding any Multiemployer Plan.

“VDR” has the meaning set forth in Section 5.03.

“WARN Act” has the meaning set forth in Section 8.08.

#### Section 1.02 Terms Generally.

(a) The words “hereof,” “herein” and “hereunder” and words of like import used in this Agreement shall refer to this Agreement as a whole and not to any particular provision 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,” whether or not they are in fact followed by those words or words of like import. “Writing,” “written” and comparable terms refer to printing, typing and other means of reproducing words (including electronic media) in a visible form. References to any Contract are to that Contract as amended, modified or supplemented (including by waiver or consent) from time to time in accordance with the terms hereof and thereof. References to any Person include the successors and permitted assigns of that Person.

(b) References to Articles, Sections, Exhibits and Schedules are to Articles, Sections, Exhibits and Schedules of this Agreement unless otherwise specified. All Exhibits and Schedules attached hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein. Any capitalized terms used in any Exhibit or Schedule but not otherwise defined therein, shall have the meaning as defined in this Agreement. References to any statute shall be deemed to refer to such statute and to any rules or regulations promulgated thereunder.

(c) Any singular term in this Agreement shall be deemed to include the plural, and any plural term the singular. The definitions contained in this Agreement are applicable to the masculine as well as to the feminine and neuter genders of such term.

(d) References herein to “\$” or dollars will refer to United States dollars, unless otherwise specified.

(e) References from or through any date mean, unless otherwise specified, from and including such date or through and including such date, respectively. References to any period of days will be deemed to be to the relevant number of calendar days unless otherwise specified. When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded. If the last day of such period is not a Business Day, the period in question shall end on the next succeeding Business Day.

(f) In the event an ambiguity or question of intent or interpretation arises, this Agreement will be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof will arise favoring or disfavoring any party hereto by virtue of the authorship of any of the provisions of this Agreement.

## **ARTICLE II**

### **PURCHASE AND SALE**

#### **Section 2.01 Purchase and Sale.**

(a) At the Closing, immediately prior to the purchase and sale of the Shares pursuant to Section 2.01(b), and pursuant to the terms and subject to the conditions of this Agreement, Sinclair shall cause to be conveyed, transferred, assigned and delivered to the Company (such actions, which are described on Section 2.01(a) of the Disclosure Schedule, the “Restructuring Transactions”), such that the Company shall own, free of all Liens other than Permitted Liens, and cause to be removed any Liens other than Permitted Liens on, all of the right, title, and interest of Sinclair, Tribune and their respective Affiliates in, to and under only the following assets, Contracts and properties (to the extent not owned or held by the Company free of all Liens other than Permitted Liens) other than the Excluded Assets, as the same shall exist on the date of this Agreement, and to the extent not disposed of in accordance with Section 5.01, including any of the following assets, Contracts and properties acquired by Sinclair, Tribune or any of their respective Affiliates between the date hereof and the Closing to the extent located at the Station or used exclusively in the Business (collectively, the “Purchased Assets”):

- (i) all Real Property Leases;
- (ii) all Tangible Personal Property, except for any retirements or dispositions thereof made between the date hereof and Closing in accordance with Section 5.01;
- (iii) all rights under all Contracts used in the Business to which Sinclair, Tribune or any of their respective Affiliates is a party that (1) are listed on Section 3.09(a) of the Disclosure Schedules, (2) are not required by the terms thereof to be listed on Section 3.09(a) of the Disclosure Schedules if used exclusively in connection with the Business, (3) are expressly referenced in other subsections of this Section 2.01(a), or (4) are entered into after the date hereof by Sinclair, Tribune or any of their respective Affiliates pursuant to the terms and subject to the conditions of Section 5.01 to the extent used exclusively in connection with the Business (collectively, the “Assumed Contracts”) with the understanding that Assumed Contracts shall in no event include Excluded Contracts;
- (iv) all prepaid expenses and deposits exclusively related to the Business to the extent that Sinclair receives an appropriate credit in the Buyer Prorated Amount;
- (v) all of the rights, claims, credits, causes of action or rights of set-off of Sinclair, Tribune or any of their respective Affiliates against third parties relating to the Purchased Assets, including unliquidated rights under manufacturers’ and vendors’ warranties, in each case only to the extent relating to Assumed Liabilities or relating to

the period after the Effective Time, except for any of the foregoing to the extent they arise under the Excluded Assets;

(vi) all Intellectual Property used exclusively in the Business (except for Excluded Assets, the “Purchased Intellectual Property”);

(vii) all Internet web sites and related agreements, content and databases and domain name registrations used exclusively in the Business, as set forth on Section 3.11 of the Disclosure Schedules;

(viii) the FCC Licenses, along with all material transferable Governmental Authorizations issued by any Governmental Authority (other than the FCC Licenses) used exclusively in the Business;

(ix) all prepayments under advertising sales contracts for committed air time for advertising on the Station that has not been aired prior to the Closing Date;

(x) to the extent relating exclusively to the Business, the information and data, sales and business records, books of account, files, invoices, inventory records, general financial and accounting records, personnel and employment records for Transferred Employees (to the extent permitted by Law) and the engineering information, sales and promotional literature, manuals and data, sales and purchase correspondence, lists of present and former suppliers and lists of present and former customers, quality control records and manuals, blueprints, litigation and regulatory files, and all other books, documents and records (including, without limitation, all electronic data relating to the Station, including current and historical electronic data relating to the Station’s traffic and historical financial information wherever that information is located);

(xi) all minute books and corporate records of the Company;

(xii) all management and other systems (including computers and peripheral equipment), databases, computer software, computer disks and similar assets, and all licenses and rights in relation thereto exclusively relating to the Business; and

(xiii) all other items listed on Section 2.01(a)(xiii) of the Disclosure Schedules.

(b) Pursuant to the terms and subject to the conditions of this Agreement, Buyer agrees to purchase, acquire and accept, and Sinclair agrees to cause to be sold, conveyed, transferred, assigned and delivered, to Buyer at the Closing, free of all Liens, all of the Shares.

**Section 2.02 Excluded Assets.** The following assets and properties of Sinclair, Tribune and/or their respective Affiliates (the “Excluded Assets”) shall not be owned or held by the Company as of the Closing (and as such not acquired by Buyer), shall be excluded from the Purchased Assets (and prior to the purchase and sale of the Shares pursuant to Section 2.01(b), as part of the Restructuring Transactions, and pursuant to the terms and subject to the conditions of this Agreement, Sinclair shall cause any such assets and properties owned or held by the Company to be conveyed, transferred, assigned and delivered from the Company or discontinued):

- (a) all of the Cash and Cash Equivalents of Sinclair, Tribune or any of their respective Affiliates (including the Company);
- (b) all bank and other depository accounts of Sinclair, Tribune or any of their respective Affiliates (including the Company);
- (c) insurance policies relating to the Station, and all claims, credits, causes of Proceeding or rights, including rights to insurance proceeds, thereunder;
- (d) any refunds of Taxes for Pre-Closing Tax Periods (whether received in cash or used to offset Taxes for a Post-Closing Tax Period) to the extent required to be paid to Sinclair or its Affiliates pursuant to Section 9.04(b);
- (e) any cause of action or claim relating to any event or occurrence prior to the Effective Time (other than as specified in Section 2.02(e) of the Disclosure Schedules);
- (f) Accounts Receivable;
- (g) intercompany accounts receivable and intercompany accounts payable of Sinclair, Tribune or any of their respective Affiliates (including the Company);
- (h) all (i) books, records, files and papers, whether in hard copy or computer format, relating to the preparation of this Agreement or the transactions contemplated hereby, (ii) all minute books and corporate records of Sinclair, Tribune or any of their respective Affiliates (other than the Company) and (iii) duplicate copies of records of the Station and of all minute books and company records of the Company;
- (i) all rights of Sinclair, Tribune or any of their respective Affiliates arising under this Agreement, the Ancillary Agreements or the transactions contemplated hereby and thereby;
- (j) any Purchased Asset sold or otherwise disposed of prior to Closing as permitted hereunder;
- (k) Contracts that are not Assumed Contracts (including, but not limited to, Contracts identified on Section 2.02(k) of the Disclosure Schedules) (collectively, the “Excluded Contracts”);
- (l) any Employee Plan and any assets of any Employee Plan sponsored by Sinclair, Tribune or any of their respective Affiliates;
- (m) all Excluded Duopoly Owned Real Property and Excluded Duopoly Real Property Leases;
- (n) all Excluded Duopoly Tangible Personal Property;
- (o) those assets which are listed on Section 2.02(o) of the Disclosure Schedules;

(p) each of Sinclair's, Tribune's and their respective Affiliates' right, title and interest in and to (i) the Retained Names and Marks, (ii) all URLs and internet domain names consisting of or containing any of the foregoing, and (iii) any variations or derivations of, or marks confusingly similar to, any of the foregoing;

(q) all real and personal, tangible and intangible assets of Sinclair, Tribune or any of their respective Affiliates that are used in connection with the operation of the Station but are neither located at nor used exclusively with respect to the Station;

(r) any rights under any non-transferable shrink-wrapped or click-wrapped licenses of computer software and any other non-transferable licenses of computer software used in the operation of the Station;

(s) all capital stock or other equity securities of Sinclair, Tribune or any of their respective Affiliates and all other equity interests in any entity that are owned beneficially or of record by Sinclair, Tribune or any of their respective Affiliates (other than the Shares); and

(t) all other assets of Sinclair, Tribune or any of their respective Affiliates to the extent not used exclusively in the Business.

Section 2.03 Assumed Liabilities. At the Closing, immediately prior to the purchase and sale of the Shares pursuant to Section 2.01(b), and pursuant to the terms and subject to the conditions of this Agreement, the Company shall assume the following liabilities of Sinclair, Tribune and their respective Affiliates, except to the extent any such liabilities constitute Excluded Liabilities (the "Assumed Liabilities");

(a) the liabilities and obligations arising with, or relating to, the Business, including the owning or holding of the Purchased Assets, to the extent attributable to the time period on and after the Effective Time;

(b) any liability or obligation to the extent of the amount of credit received by Buyer under Section 2.08 as finally determined pursuant to Section 2.08;

(c) all liabilities and obligations relating to the Business or the Purchased Assets arising out of Environmental Laws after the Closing, but only to the extent any such liabilities or obligations relate to any condition arising after the Closing or the operation of the Business or the Purchased Assets after the Closing; and

(d) all liabilities with respect to Transferred Employees arising on or after the Employment Commencement Date to the extent attributable to the time period after the commencement of employment with Buyer.

Section 2.04 Excluded Liabilities. Notwithstanding any provision in this Agreement to the contrary, in connection with the Restructuring Transactions and the purchase of the Shares pursuant to Section 2.01(b), and at the Closing the Company shall be responsible for, only the Assumed Liabilities at the Closing and neither Buyer nor any of its Affiliates shall assume (and at the Closing the Company shall not be responsible for) any other liability or obligation of Sinclair, Tribune or any of their respective Affiliates of whatever nature, whether presently in existence or

arising hereafter. All such other liabilities and obligations shall be retained by and remain obligations and liabilities of Sinclair, Tribune or any of their respective their Affiliates (all such liabilities and obligations not being assumed being herein referred to as the “Excluded Liabilities”), and, notwithstanding anything to the contrary in Section 2.03, none of the following shall be Assumed Liabilities for the purposes of this Agreement:

(a) any liability or obligation under or with respect to any Assumed Contract, Governmental Authorization, Order, or Real Property Lease required by the terms thereof to be discharged prior to the Closing or as set forth on Section 2.04(a) of the Disclosure Schedules;

(b) any liability or obligation for which Sinclair, Tribune or any of their respective Affiliates has already received or will receive the partial or full benefit of the Purchased Asset to which such liability or obligation relates, but only to the extent of such benefit received;

(c) the liability for the Indebtedness of Sinclair, Tribune or any of their respective Affiliates;

(d) any liability or obligation relating to or arising out of any of the Excluded Assets;

(e) any liability with respect to Excluded Employees, whenever arising, including without limitation any liability for withdrawal from any pension plan in which an Excluded Employee was participating at any time pre-Closing;

(f) any liability to indemnify, reimburse or advance amounts or otherwise to any officer, member, Employee or agent of Sinclair, Tribune or any of their respective Affiliates, whenever arising including without limitation any transaction, stay or similar bonus compensatory payment payable to any employee solely by reason of the Tribune Closing or the Closing (other than any liability to any Transferred Employee arising on or after the applicable Employment Commencement Date to the extent attributable to the time period after commencement of employment with Buyer);

(g) the liabilities and obligations arising out of, or with respect to, the Business, including the owning or holding of the Purchased Assets, prior to the Closing (excluding any liability or obligation expressly assumed by Buyer pursuant to Section 2.03(b));

(h) except for any liability or obligation expressly assumed by Buyer pursuant to Section 2.03(c), any liabilities or obligations, whenever arising, arising out of Environmental Laws by reason of any condition presently existing; and

(i) any liability of Sinclair under this Agreement or any document executed in connection therewith, including the Ancillary Agreements.

Section 2.05 Assignment of Contracts and Rights. Notwithstanding anything to the contrary in this Agreement, neither this Agreement nor any of the transactions contemplated herein, including the Restructuring Transactions, shall constitute an agreement to assign any Purchased Asset or any claim or right or any benefit arising thereunder or resulting therefrom if such assignment, without the consent of a third party thereto, would constitute a breach or other



contravention of such Purchased Asset or in any way adversely affect the rights of Buyer, Sinclair, Tribune or any of their respective Affiliates thereunder. Buyer and Sinclair shall use their respective reasonable best efforts to obtain such consents after the execution of this Agreement until each such consent is obtained. If any such consent is not obtained prior to the Closing Date, Buyer and Sinclair shall use their respective reasonable best efforts to obtain such consent as soon as reasonably practicable after the Closing Date. Buyer and Sinclair shall cooperate in a mutually agreeable arrangement under which the Company shall obtain the benefits and assume the Assumed Liabilities thereunder in accordance with this Agreement, including sub-contracting, sub-licensing, occupancy and use agreements or sub-leasing to the Company or its Affiliates and enforcement by Sinclair or its Affiliates for the benefit of Buyer or its Affiliates (including the Company), as applicable, of any and all rights of Sinclair, Tribune and their respective Affiliates against a third party thereto. Notwithstanding the foregoing, none of Sinclair, Tribune, Buyer or any of their respective Affiliates shall be required to pay consideration to any third party to obtain any consent. Once such consent, or waiver thereof is obtained, Sinclair shall, or shall cause its Affiliates to, transfer, assign, convey or deliver to the Company the relevant Purchased Asset to which such consent or waiver relates for no additional consideration, and Sinclair or such Affiliates shall have no further liability or obligation for Assumed Liabilities thereunder (including, for the avoidance of doubt, any obligation to guarantee any of such party's obligations under such agreement).

Section 2.06 Purchase Price. In consideration for the sale of the Shares, Buyer shall, at the Closing, pay to Sinclair or its designee an aggregate amount equal to \$65,000,000 (the "Purchase Price"), by wire transfer of immediately available funds pursuant to wire instructions that Sinclair shall provide to Buyer no later than five (5) Business Days prior to the Closing Date. The Purchase Price payable at the Closing shall be subject to adjustment in accordance with the last sentence of Section 2.08(c).

Section 2.07 Closing.

(a) The consummation of the transactions contemplated by this Agreement (the "Closing") shall take place at 10:00 a.m., Eastern Standard Time, at the offices of Fried, Frank, Harris, Shriver & Jacobson LLP, One New York Plaza, New York, New York, 10004, on the first Business Day that all of the closing conditions set forth in Article X hereof shall be satisfied or waived (other than those required to be satisfied at Closing, but subject to the satisfaction or waiver of such conditions at Closing), unless another date, time or place is agreed to in writing by Sinclair and Buyer (such date, the "Closing Date").

(b) Subject to the terms and conditions set forth in this Agreement, the parties hereto shall consummate the following closing transactions at the Closing:

(i) Buyer shall deliver to Sinclair:

(1) the certificate described in Section 10.02(c); and

(2) the cash Purchase Price in accordance with Section 2.06, and any applicable Estimated Adjustment in accordance with Section 2.08(c), and the Employee Retention Amount by wire transfer of immediately available funds.

(ii) Sinclair shall deliver to Buyer an IRS Form W-9 or appropriate IRS Form W-8, as applicable, validly executed by the owner of the Shares (for U.S. federal income Tax purposes);

(iii) With respect to the Station, Sinclair shall deliver or shall cause to be delivered, to Buyer:

(1) the certificate described in Section 10.03(c);

(2) duly executed Bills of Sale (A) substantially in the form attached hereto as Exhibit A-1, between Sinclair, Tribune and/or an Affiliate, as the seller, and the Company, as the buyer, with respect to specific Purchased Assets not already owned or held by the Company for purposes of implementing Section 2.01(a); and (B) substantially in the form attached hereto as Exhibit A-2, between Sinclair, Tribune and/or an Affiliate thereof, as the buyer, and the Company, as the seller, with respect to specific Excluded Assets for purposes of implementing Section 2.02;

(3) a duly executed Transition Services Agreement, substantially in the form attached hereto as Exhibit F;

(4) duly executed (A) Assignment and Assumption of Purchased Intellectual Property, substantially in the form attached hereto as Exhibit B-1, between the Company, as the assignor, and Sinclair, Tribune and/or an Affiliate, as the assignee, with respect to Intellectual Property that are Excluded Assets, for purposes of implementing Section 2.02; (B) Assignment and Assumption of Purchased Intellectual Property, substantially in the form attached hereto as Exhibit B-2, between Sinclair, Tribune and/or an Affiliate, as the assignor, and the Company, as the assignee, with respect to specific Purchased Intellectual Property not already owned or held by the Company, for purposes of implementing Section 2.01(a); (C) Assignment and Assumption Agreement, substantially in the form attached hereto as Exhibit C-1, between Sinclair, Tribune and/or an Affiliate thereof, as the assignee, and the Company, as the assignor, with respect to specific Excluded Liabilities for purposes of implementing Section 2.04; (D) Assignment and Assumption Agreement, substantially in the form attached hereto as Exhibit C-2, between Sinclair, Tribune and/or an Affiliate thereof, as the assignor, and the Company, as the assignee, with respect to specific Assumed Liabilities to be assumed by the Company and Buyer for purposes of implementing Section 2.03; and (E) Assignment and Assumption Agreement for the Real Property Leases, as applicable, substantially in the form attached hereto as Exhibit D, between Sinclair, Tribune and/or an Affiliate thereof, as the assignor, and the Company, as the assignee, or, in the event that necessary consents to assignment have not been obtained prior to the Closing, appropriate subleases, occupancy or use agreements pursuant to Section 2.05 hereof;

(5) the stock certificates representing all of the Shares along with duly executed stock powers attached in proper form for transfer to Buyer;

(6) written resignation letters from each of the officers and directors of the Company effective as of the Closing;

(7) a certificate, validly executed by the Secretary of the Company, certifying (i) as to the terms and effectiveness of the Company's Articles of Incorporation and Bylaws, each as currently in effect, and (ii) as to the good standing of the Company along with a long form good standing certificate from the state of its incorporation, dated within 5 days prior to Closing with respect to the Company; and

(8) duly and validly executed copies of any agreements, instruments, certificates and other documents, in form and substance reasonably satisfactory to Buyer, that are necessary or appropriate to evidence the release of (i) Liens, if any, on the Shares, and (ii) and all Liens on the assets of the Company, other than Permitted Liens.

#### Section 2.08 General Proration.

(a) All Purchased Assets that would be classified as current assets in accordance with GAAP, and all Assumed Liabilities that would be classified as current liabilities in accordance with GAAP, shall be prorated between the Company and Sinclair 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 Purchased Assets" and the "Prorated Assumed Liabilities"). Such Prorated Purchased Assets and Prorated Assumed Liabilities relating to the period prior to the Effective Time shall be for the account of Sinclair 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 2.08, (i) Buyer shall be required to pay to Sinclair the amount of any Prorated Purchased Asset previously paid for by Tribune, Sinclair or any of their respective Affiliates, to the extent the Company or Buyer will receive a current benefit on and after the Effective Time with the understanding that such amount should not have been recognized as an expense in accordance with GAAP prior to the Effective Time (the "Buyer Prorated Amount"); and (ii) Sinclair shall be required to pay to Buyer the amount of any Prorated Assumed Liabilities to the extent they arise with respect to the operation of the Station prior to the Effective Time and are not assumed or paid for by Sinclair, Tribune or their respective Affiliates in addition to all Pre-Closing Taxes that have accrued in accordance with GAAP on or before the Closing Date (the "Seller Prorated Amount"). Such payment by Buyer or Sinclair, as the case may be, shall be made within ten (10) Business Days after the Final Settlement Statement becomes final and binding upon the parties.

(b) The prorations contemplated by this Section 2.08 shall include all FCC regulatory fees, utility expenses, liabilities and obligations under Contracts (including Contracts relating to Program Rights), rents and similar prepaid and deferred items, reimbursable expenses and all other expenses and obligations, such as deferred revenue and prepayments and sales commissions and employee-related expenses and obligations relating to the Transferred Employees (including vacation, but excluding sick and personal leave, and including accrued salary and including payments under the sales compensation plans (which will be prorated based on the relative number of days in calendar year 2018 before and after the Closing) applicable to the Transferred Employees) attributable to the ownership and holding of the Purchased Assets or the operation of the Station that straddles the period before and after Effective Time. Notwithstanding anything in this Section 2.08, (i) there shall be no proration with respect to Tradeout Agreements for the sale of time for goods or services assumed by Buyer, (ii) there shall

be no proration for accrued sick leave or personal time, (iii) all Pre-Closing Taxes shall be borne by Sinclair and (iv) the proration with respect to Taxes attributable to a Straddle Period shall be governed exclusively by Section 9.03(c).

(c) At least two (2) Business Days prior to the Closing Date, Sinclair shall provide Buyer with a statement setting forth the Estimated Adjustment, together with a schedule setting forth, in reasonable detail, the components thereof, which shall be a good faith estimate of the prorations contemplated by this Section 2.08 (the “Estimated Settlement Statement”). At the Closing, (i) Buyer shall be required to pay to Sinclair (or its designee) the amount equal to the Estimated Adjustment if the Estimated Adjustment is a positive number or (ii) the Purchase Price to be paid by Buyer to Sinclair shall be reduced by the amount equal to the absolute value of the Estimated Adjustment if the Estimated Adjustment is a negative number.

(d) Within one hundred eighty (180) days after the Closing Date, Buyer shall prepare and deliver to Sinclair a statement setting forth the proposed proration of assets and liabilities in the manner described in this Section 2.08 (the “Settlement Statement”) setting forth the Seller Prorated Amount and the Buyer Prorated Amount, together with a schedule setting forth, in reasonable detail, the components thereof.

(e) During the ninety (90) day period following the receipt of the Settlement Statement, Sinclair’s or its Affiliates’ independent auditors shall be permitted to review and make copies reasonably required of (i) the financial statements relating to the Settlement Statement, (ii) the working papers relating to the Settlement Statement, (iii) the books and records relating to the Settlement Statement, and (iv) any supporting schedules, analyses and other documentation relating to the Settlement Statement. Without limitation of the foregoing, Buyer shall provide reasonable access to such employees, books, records, financial statements, and its independent auditors as Sinclair or its Affiliates reasonably believe is necessary or desirable in connection with its review of the Settlement Statement.

(f) Prior to the date that is ninety (90) days following the Buyer’s delivery of the Settlement Statement, Sinclair shall provide written notice to Buyer of its agreement or of its disagreement with the Settlement Statement (the “Notice of Disagreement”). If Sinclair delivers a notice of its agreement with the Settlement Statement delivered by the Buyer, the Settlement Statement shall become final and binding upon the parties (and thereby deemed to be the “Final Settlement Statement”). If Sinclair delivers a Notice of Disagreement, the Notice of Disagreement shall specify in reasonable detail the nature of any disagreement so asserted. If a Notice of Disagreement is delivered hereunder, then the Settlement Statement (as revised in accordance with the following clauses (i) or (ii) below) shall become the Final Settlement Statement on the earlier of (i) the date Buyer and Sinclair resolve in writing any differences they have with respect to the matters specified or (ii) the date any disputed matters are finally resolved in writing by the Accounting Firm as provided herein.

(g) During the thirty (30) day period following the delivery of a Notice of Disagreement to Buyer that complies with the preceding paragraphs, Buyer and Sinclair 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 (i) Buyer and its independent auditors, at Buyer’s sole cost and expense, shall be, and Sinclair and its independent auditors, at Sinclair’s

sole cost and expense, shall be, in each case permitted to review and make copies reasonably required of (w) the financial statements reflecting the operation of the Station relating to the Notice of Disagreement, (x) the working papers of Sinclair, in the case of Buyer, and Buyer, in the case of Sinclair, and such other party's auditors, if any, relating to the Notice of Disagreement, (y) the books and records of Sinclair, in the case of Buyer, and Buyer, in the case of Sinclair, relating to the Notice of Disagreement, and (z) any supporting schedules, analyses and documentation relating to the Notice of Disagreement; and (ii) Sinclair, in the case of Buyer, and Buyer, in the case of Sinclair, 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, as such first party reasonably believes is necessary or desirable in connection with its review of the Notice of Disagreement (it being understood and agreed that any such access will not unreasonably disrupt the normal business of the party providing such access).

(h) If, at the end of such thirty (30) day period, Buyer and Sinclair have not resolved such differences, Buyer and Sinclair 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, Buyer and Sinclair shall submit their respective positions to the Accounting Firm, in writing, together with any other materials relied upon in support of their respective positions. Buyer and Sinclair shall use reasonable best 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. In resolving the matters in dispute, the Accounting Firm's determination shall be no higher or lower than the respective amounts proposed by Buyer and Sinclair. The determination of the Accounting Firm, absent fraud or manifest error of the Accounting Firm, shall be final and binding on the parties and enforceable in any court of competent jurisdiction. 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 2.08 shall be borne by Buyer and Sinclair 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 it renders its determination. The fees and expenses (if any) of Buyer's independent auditors and attorneys incurred in connection with the review of the Notice of Disagreement shall be borne by Buyer, and the fees and expenses (if any) of Sinclair's independent auditors and attorneys incurred in connection with their review of the Settlement Statement shall be borne by Sinclair.

(i) Within ten (10) Business Days after the Settlement Statement becomes the Final Settlement Statement, (i) Buyer shall be required to pay to Sinclair (or its designee) the amount, if any, by which the Final Adjustment is higher than the Estimated Adjustment or (ii) Sinclair shall pay or cause to be paid to Buyer the amount, if any, by which the Estimated Adjustment is higher than the Final Adjustment, as the case may be. All payments made pursuant to this Section 2.08(i) must be made via wire transfer in immediately available funds to an account designated by the recipient party, together with interest thereon at the prime rate (as reported by *The Wall Street Journal* or, if not reported therein, by another mutually-agreeable source) as in effect from time to time from the Closing to the date of actual payment.

(j) Notwithstanding the foregoing, in the event that Sinclair delivers a Notice of Disagreement, Sinclair shall pay or cause to be paid to Buyer or Buyer shall pay to Sinclair, as applicable, within ten (10) Business Days of the receipt of the Notice of Disagreement, by wire

transfer in immediately available funds of such undisputed amount owed by Sinclair or Buyer to the other, as the case may be, together with interest thereon, calculated as described in Section 2.08(i).

Section 2.09 Multi-Station Contracts.

(a) In the event that one or more Other Stations is party to, or has rights or obligations with respect to, an Assumed Contract (a “Multi-Station Contract”), the rights and obligations under such Multi-Station Contract that are assigned to and assumed by the Company (and included in the Purchased Assets and Assumed Liabilities, as the case may be) shall include only those rights and obligations under such Multi-Station Contract that are applicable to the Station. The rights of each Other Station with respect to such Contract and the obligations of each Other Station to such Contract shall not be assigned to and assumed by the Company (and shall be Excluded Assets and Excluded Liabilities, as applicable). For purposes of determining the scope of the rights and obligations of the Multi-Station Contracts, the rights and obligations under each Multi-Station Contract shall be equitably allocated among (1) the Station, on the one hand, and (2) the Other Stations, on the other hand, in accordance with the following equitable allocation principles:

- (i) any allocation set forth in the Multi-Station Contract shall control;
- (ii) if there is no allocation in the Multi-Station Contract as described in clause (i) hereof, then any reasonable allocation previously made by Sinclair, Tribune or their respective Affiliates in the ordinary course of business and disclosed on Section 2.09(a)(ii) of the Disclosure Schedules shall control;
- (iii) if there is no reasonable allocation as described in clause (ii) hereof, then the quantifiable proportionate benefits and obligations to be received and performed, as the case may be, by Sinclair and Buyer and their respective Affiliates after the Effective Time (to be determined by mutual good faith agreement of Sinclair and Buyer) shall control; and
- (iv) if there are no quantifiable proportionate benefits and obligations as described in clause (iii) hereof, then reasonable accommodation (to be determined by mutual good faith agreement of Sinclair and Buyer) shall control.

(b) Subject to any applicable third-party consents, such allocation and assignment with respect to any Multi-Station Contract shall be effectuated, at the election of Sinclair, by termination of such Multi-Station Contract in its entirety with respect to the Station and the execution of new contracts with respect to the Station or by an assignment to and assumption by the Company of the related rights and obligations under such Multi-Station Contract. Buyer shall and shall cause the Company to, and Sinclair shall, use reasonable best efforts to obtain any such new contracts or assignments to, and assumptions by, Buyer in accordance with Section 2.05 and this Section 2.09; provided, that, completion of documentation of any such allocation under this Section 2.09 is not a condition to Closing.

**ARTICLE III**  
**REPRESENTATIONS AND WARRANTIES OF SINCLAIR**

Except as set forth on the Disclosure Schedules (it being agreed that any disclosure of any item in any section or subsection of the schedules hereto shall be deemed to be disclosure with respect to all other sections or subsections of the schedules to which applicability of such disclosure is reasonably apparent on its face), Sinclair represents and warrants to Buyer as follows:

Section 3.01 Existence and Power.

(a) Each of Sinclair and Tribune is duly organized, validly existing and in good standing under the laws of the state of its organization. Each of Sinclair and Tribune is qualified to do business and is in good standing in each jurisdiction where such qualification is necessary, except where the failure to so qualify has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. Each of Sinclair, Tribune and their Affiliates, as applicable, has the requisite power and authority to own and hold the Purchased Assets and to directly or indirectly operate the Station as currently operated.

(b) The Company is duly organized, validly existing and in good standing under the laws of the state of its Missouri. The Company has the requisite power and authority to carry on its business and to own, lease and operate all of its properties and assets, as currently conducted, owned, leased or operated, including following the Restructuring Transactions. The Company is duly qualified to do business in each jurisdiction in which the nature of its business or the character or location of the properties and assets owned, leased or operated by it makes such qualification necessary, except to the extent that a failure to so qualify would not, individually or in the aggregate, be reasonably expected to result in a Material Adverse Effect.

Section 3.02 Authorization; Voting Requirements.

(a) The execution and delivery by Sinclair of this Agreement and the execution and delivery by Sinclair, Tribune or their respective Affiliates of the Ancillary Agreements (to which Sinclair, Tribune or such Affiliate is or will be a party), the performance by Sinclair, Tribune or such Affiliate of its obligations hereunder and thereunder (as applicable) and the consummation by Sinclair, Tribune or such Affiliate of the transactions contemplated hereby and thereby (as applicable) are within Sinclair's, Tribune's or such Affiliate's corporate or other organizational power and have been duly authorized and approved by all requisite corporate action by Sinclair, Tribune or such Affiliate, and no other organizational action on the part of Sinclair, Tribune or such Affiliate is necessary to authorize and approve the execution, delivery and performance by Sinclair, Tribune or such Affiliate, as the case may be, of this Agreement and the Ancillary Agreements (to which Sinclair, Tribune or such Affiliate is or will be a party) and the consummation by Sinclair, Tribune or such Affiliate of the transactions contemplated hereby and thereby.

(b) This Agreement has been duly executed and delivered by Sinclair, and the Ancillary Agreements (to which Sinclair, Tribune or such Affiliate is or will be a party) will be duly executed and delivered by Sinclair, Tribune or such Affiliate. This Agreement (assuming due authorization, execution and delivery by Buyer) constitutes, and each Ancillary Agreement

(to which Sinclair, Tribune or such Affiliate is or will be a party) will constitute when executed and delivered by Sinclair, Tribune or such Affiliate, the legal, valid and binding obligation of Sinclair, Tribune or such Affiliate, enforceable against Sinclair, Tribune or such Affiliate in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium, receivership or other similar Laws relating to or affecting creditors' rights generally and by general principles of equity (regardless of whether enforceability is considered in a proceeding in equity or at Law) ("Enforceability Exceptions").

### Section 3.03 Capital Structure.

(a) Section 3.03 of the Disclosure Schedules sets forth all of the authorized and outstanding equity securities of the Company and the legal name of the holder of such securities together with the number of such securities held by such Person. Tribune, through its wholly owned Subsidiary, Tribune Broadcasting Company, LLC, owns all of the Shares free and clear of all Liens. All of the issued and outstanding Shares have been duly authorized, are validly issued, fully paid and nonassessable (as applicable), are not subject to, nor were they issued in violation of, any preemptive rights and have been issued in compliance with all applicable Laws including federal and state securities Laws. Except for this Agreement and as may be set forth on Section 3.03 of the Disclosure Schedules, there are no outstanding or authorized options, warrants, rights, contracts, calls, puts, rights to subscribe, conversion rights or other agreements or commitments to which the Company is a party or which are binding upon the Company providing for the issuance, disposition or acquisition of any of such securities of the Company or any rights or interests exercisable therefor. There are no outstanding or authorized stock or equity appreciation, phantom stock or similar rights with respect to the Company. There are no declared or accrued but unpaid dividends with respect to the Shares.

(b) The Company does not have any Subsidiaries.

Section 3.04 Governmental Authorization; Non-Contravention. Except as set forth on Section 3.04 of the Disclosure Schedules, the execution, delivery and performance by Sinclair of this Agreement and by Sinclair, Tribune and their respective Affiliates of each Ancillary Agreement (to which Sinclair, Tribune or such Affiliate is or will be a party) and the consummation of the transactions contemplated hereby and thereby require no material action by or in respect of, or filing with or notification to, any Governmental Authority other than the FCC Consent and DOJ approval with respect to the transactions contemplated by the Merger Agreement (the "DOJ Consent"). Assuming the FCC Consent, the DOJ Consent and the authorizations, consents and approvals referred to in on Section 3.04 of the Disclosure Schedules are obtained, the execution, delivery and performance by Sinclair of this Agreement and by Sinclair, Tribune or such Affiliate of each Ancillary Agreement (to which it is or will be a party) do not (a) conflict with or breach any provision of the certificate of incorporation or bylaws of Sinclair, Tribune or such Affiliate, (b) conflict with or breach any provision of any Law or Order, (c) require any consent of or other action by any Person under, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, or cause or permit the termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit under, any provision of any Material Contract or any debt or other agreement to which Sinclair or Tribune or any of their Affiliates (including the Company) is a party or bound or any of the Purchased Assets



are subject or bound, or (d) result in the creation or imposition of any Lien, other than any Permitted Lien, on any property or asset used exclusively in conduct and operation of the Business, except, in the case of each of clauses (b), (c) and (d), as has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 3.05 FCC and Programming Distribution Matters.

(a) Section 3.05(a) of the Disclosure Schedules sets forth a true and complete list of the FCC Licenses and the holders thereof, which FCC Licenses constitute all of the FCC Licenses of the Station. Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, the FCC Licenses are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated, and have not expired. Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, and except as set forth on Section 3.05(a) of the Disclosure Schedules, the FCC Licenses (i) have been issued for the full terms customarily issued by the FCC for each class of station and (ii) are not subject to any condition, except for those conditions appearing on the face of the FCC Licenses and conditions generally applicable to each class of station.

(b) Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (i) since December 1, 2015, the Station is operated and has been operated in compliance with the Communications Act and the FCC Rules and the applicable FCC Licenses, (ii) all material registrations and reports required to have been filed with the FCC relating to the FCC Licenses have been filed (which registrations and reports were accurate in all material respects as of the time such registrations and reports were filed), (iii) all FCC regulatory fees due in respect of the Station have been paid and (iv) the construction of all facilities or changes contemplated by any of the FCC Licenses or construction permits issued to modify the FCC Licenses have been completed to the extent required to be completed as of the date hereof.

(c) Except as set forth on Section 3.05(c) of the Disclosure Schedules, Sinclair, Tribune or their respective Affiliates are qualified under the Communications Laws to (i) transfer, or cause to be transferred, to the Company any FCC Licenses not held already by the Company and (ii) transfer control of the Company to Buyer.

(d) Except as set forth on Section 3.05(d) of the Disclosure Schedules, the Company is not a party to any local marketing agreement, time brokerage agreement, joint sales agreement, shared services or other similar agreement (collectively, a "Sharing Agreement").

(e) Section 3.05(e) of the Disclosure Schedules contains, as of the date hereof, a list of all Station retransmission consent agreements with MVPDs that reported more than 25,000 paid U.S. subscribers to Tribune or its Affiliates with respect to the Station, in each case for January 2018. To the Knowledge of the Selling Parties, Tribune or its Affiliates have entered into retransmission consent agreements with respect to each MVPD with more than 50,000 paid U.S. pay television subscribers in the Market. Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, since December 1, 2015 and until the date hereof, (i) no such MVPD has provided written notice to Tribune or the

Company of any material signal quality issue or has failed to respond to a request for carriage or, to the Knowledge of the Selling Parties, sought any form of relief from carriage of the Station from the FCC, (ii) none of Tribune or the Company has received any written notice from any such MVPD of such MVPD's intention to delete the Station from carriage or to change the Station's channel position and (iii) none of Tribune or the Company has received written notice of a petition seeking FCC modification of the Market in which the Station is located.

(f) To the Knowledge of the Selling Parties, the FCC's TV Broadcaster Relocation Fund Administrator (the "Fund Administrator") has reviewed and approved the cost estimates of Tribune for the Station for the purpose of relocating the Station required to relocate to a different channel as part of the broadcast television repack (the "FCC-Approved Costs"). To the Knowledge of the Selling Parties, Section 3.05(f) of the Disclosure Schedules sets forth: (i) the FCC-Approved Costs for the Station and (ii) the amount received by Tribune or any of its Affiliates as of the date of this Agreement as reimbursement of FCC-Approved Costs. To the Knowledge of the Selling Parties, Tribune has retained and shall continue to retain, in accordance with its internal operational policies, all invoices and other evidence of the expenditure of funds related to the FCC-Approved Costs relating to the Station (the "Reimbursement Invoices") and (as permitted by Law) shall deliver all Reimbursement Invoices to the Company at the Closing.

#### Section 3.06 Taxes.

(a) All income and other material Tax Returns required to have been filed by the Company have been filed, all such Tax Returns are correct and complete in all material respects and were prepared in substantial compliance with all applicable Laws. All income and other material Taxes required to have been paid by the Company have been paid.

(b) There are no material Liens against the Purchased Assets in respect of any Taxes, other than Permitted Liens.

(c) There is no material Tax Proceeding pending or, to the Knowledge of the Selling Parties, threatened in writing by any Governmental Authority relating to any Tax Return of the Company or any Taxes of the Company or with respect to the Purchased Assets. There is no unresolved Tax deficiency outstanding, assessed or proposed in writing against the Company

(d) None of Sinclair, Tribune or their respective Affiliates are currently the beneficiary of any extension of time within which to file any material Tax Return with respect to the Purchased Assets, and no extension of time within which to file any Tax Return, other than any such extension of no longer than six (6) months that was obtained in the ordinary course of business consistent with past practice, is in force with respect to any Tax Return required to be filed by the Company.

(e) To the Knowledge of the Selling Parties, there is no material dispute or claim concerning any Tax liability with respect to the Purchased Assets or the Company which has been claimed or raised by any Governmental Authority in writing.

(f) The Company is not currently, and has not been during the applicable period specified in section 897(c)(1)(A)(ii) of the Code, a United States real property holding corporation within the meaning of Section 897(c)(2) of the Code.

(g) Neither Buyer nor the Company will be required to include any item of income in, or exclude any item of deduction from, taxable income for any Post-Closing Tax Period as a result of any:

(i) change in method of accounting for a taxable period ending on or prior to the Closing Date;

(ii) use of an improper method of accounting for a taxable period ending on or prior to the Closing Date;

(iii) installment sale or open transaction disposition made on or prior to the Closing Date;

(iv) “closing agreement” as described in Section 7121 of the Code (or any corresponding or similar provision of state, local or non-U.S. Law) executed on or prior to the Closing;

(v) intercompany transaction completed on or prior to the Closing or excess loss account existing on or prior to the Closing;

(vi) deferred revenue or prepaid amount received on or prior to the Closing; or

(vii) election under Section 108(i) of the Code.

(h) Within the past three years, the Company has neither distributed stock of another Person nor had its stock distributed by another Person in a transaction that was purported or intended to be governed in whole or in part by Sections 355 or 361 of the Code.

(i) The Company is not subject to Tax in any country other than its country of incorporation or formation by virtue of having a permanent establishment or other place of business in that country.

(j) The Company is not a party to any agreement with any third party relating to allocating or sharing the payment of, or liability for, Taxes (other than any contract entered into in the ordinary course of business the primary purpose of which is unrelated to Taxes).

(k) The Company has never been a member of an Affiliated Group filing a U.S. federal income Tax Return (other than an Affiliated Group the common parent of which was Tribune or Sinclair). The Company has no liability for the Taxes of any Person: (i) under Treasury Regulation Section 1.1502-6 (or any similar provision of state, local, or foreign Law); (ii) as a transferee or successor; or (iii) otherwise by operation of Law.

(l) No written claim has ever been made by a Governmental Entity in a jurisdiction where the Company does not file a Tax Return that the Company may be subject to Taxes assessed by such jurisdiction.

(m) Notwithstanding anything in this Agreement to the contrary, no representation or warranty is made in this Agreement with respect to the amount, sufficiency or usability of any net operating loss, capital loss, Tax basis or other Tax attribute of the Company in any Post-Closing Tax Period.

### Section 3.07 Tangible Personal Property.

(a) Section 3.07(a)(i) of the Disclosure Schedules contains a list of all material items of equipment, transmitters, antennas, cables, towers, vehicles, furniture, fixtures, spare parts and other tangible personal property of every kind and description owned or held for use by Tribune and its Affiliates (including the Company) exclusively in connection with the Business, except for any retirements or dispositions thereof made between the date hereof and the Closing in accordance with Article V (the “Tangible Personal Property”). With respect to the Station and the KTVI Station, operating as a duopoly, Section 3.07(a)(ii) of the Disclosure Schedules contains a list of the material items of equipment, transmitters, antennas, cables, towers, vehicles, furniture, fixtures, spare parts and other tangible personal property of every kind and description owned or held by Tribune or its Affiliates (including the Company) for non-exclusive use in connection with the Station (the “Excluded Duopoly Tangible Personal Property”).

(b) Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, and subject to the completion of the Restructuring Transactions, Sinclair, Tribune or their respective Affiliates, in respect of the Tangible Personal Property (i) has valid title to all such properties, assets and other rights reflected in its books and records as owned by it free and clear of all Liens (other than Permitted Liens) and (ii) own, have valid leasehold interests in or valid contractual rights to use all of such properties, assets and other rights (in each case except for Permitted Liens).

### Section 3.08 Real Property.

(a) The Company does not own any real property. Section 3.08(a) of the Disclosure Schedules sets forth, as of the date of this Agreement, a list of the material leases, subleases or other occupancies to which Tribune or any of its Affiliates are a party as tenant for real property, in each case, exclusively for use in connection with the Business (the “Real Property Leases”). Complete and correct copies of each of the Real Property Leases as in effect on the date of this Agreement have been made available to Buyer.

(b) With respect to the Station and the KTVI Station, operating as a duopoly, Section 3.08(b) of the Disclosure Schedules sets forth, as of the date of this Agreement, (i) a list of all real properties (by name and location) owned by Tribune or its Affiliates that are used on a non-exclusive basis in connection with the Station (the “Excluded Duopoly Owned Real Property”) and (ii) a list of the material leases, subleases or other occupancies to which Tribune or its Affiliates is a party as tenant for real property, in each case, that are used on a non-exclusive basis in connection with the Station (the “Excluded Duopoly Real Property Leases”).

(c) Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (i) Sinclair, Tribune or their respective Affiliates have valid leasehold title to each real property subject to a Real Property Lease sufficient

to allow Sinclair, Tribune or their respective Affiliates to conduct the Business as currently conducted, (ii) each Real Property Lease under which Sinclair, Tribune or any of their respective Affiliates leases, subleases or otherwise occupies any real property is valid, binding and in full force and effect, subject to the Enforceability Exceptions and (iii) none of Sinclair, Tribune or their respective Affiliates, or to the Knowledge of the Selling Parties, any other party to such Real Property Lease has violated any provision of, or taken or failed to take any act which, with or without notice, lapse of time, or both, would constitute a default under the provisions of, such Real Property Lease.

### Section 3.09 Contracts.

(a) Section 3.09(a) of the Disclosure Schedules sets forth, as of the date hereof, a correct and complete list of the following Contracts related exclusively to the Business or that constitute Multi-Station Contracts, in each case, to which Sinclair, Tribune or any of their respective Affiliates is a party, which, for clarity, other than the Multi-Station Contracts, shall not include any Contracts that are related to the operations of any Other Station that are Excluded Assets or Excluded Contracts:

(i) any Contract (other than a category of Contract referenced in clauses (ii) through (ix) (inclusive) below) under which the aggregate payments or receipts for the past twelve (12) months exceeded, or for the following twelve (12) months is expected to exceed, \$250,000;

(ii) any Contract under which material payments by or material obligations of Sinclair, Tribune or such Affiliate, relating to the Business, will be increased, accelerated or vested by the occurrence (whether alone or in conjunction with any other event) of any of the transactions contemplated by this Agreement;

(iii) any Contract relating to Program Rights under which it would reasonably be expected that Sinclair, Tribune or their respective Affiliates would make annual payments in excess of \$250,000 per year;

(iv) any network affiliation Contract;

(v) any Contract relating to cable or satellite transmission or retransmission with MVPDs that reported more than 25,000 paid U.S. subscribers to Sinclair, Tribune or their respective Affiliates for January 2018 with respect to the Station;

(vi) any Contract relating to the Business, that relates to the guarantee (whether absolute or contingent) by Sinclair, Tribune or their respective Affiliates of (x) the performance of any other Person (other than their respective Affiliates) or (y) the whole or any part of the Indebtedness or liabilities of any other Person (other than their respective Affiliates) relating to Indebtedness for borrowed money in an amount in excess of \$500,000, individually;

(vii) each Contract that is an acquisition agreement or a divestiture agreement or agreement for the sale, lease or license of any business or properties or assets of the Business (by merger, purchase or sale of assets or stock) entered into since December 31, 2016 relating to the Business or pursuant to which, in respect of the Business, (x) Sinclair, Tribune or

their respective Affiliates have any outstanding obligation to pay after the date of this Agreement consideration in excess of \$500,000 or (y) any other Person has the right to acquire any assets of Sinclair, Tribune or their respective Affiliates after the date of this Agreement with a fair market value or purchase price of more than \$500,000, excluding, in each case, (I) any Contract relating to Program Rights and (II) acquisitions or dispositions of supplies, inventory or products in connection with the conduct of the Business or of supplies, inventory, products, equipment, properties or other assets that are obsolete, worn out, surplus or no longer used or useful in the conduct of the Business;

(viii) any Contract with on-air talent or involving compensation to any Employee, or any Contract with an independent contractor or consultant engaged to perform services to the Business in excess of \$250,000 per year (provided, however, that for purposes of this Section 3.09(a)(viii), the term Contract shall not include at-will Contracts that can be terminated by Sinclair, Tribune or one of their respective Affiliates with notice of 30 days or less without penalty or additional payment); and

(ix) any Contract that is a channel sharing agreement with a third party or parties with respect to the sharing of spectrum for the operation of two or more separately owned television stations.

The Contracts required to be disclosed pursuant to this Section 3.09(a) are collectively referred to herein as the “Material Contracts”.

(b) Except for any Material Contract that has terminated or expired in accordance with its terms and except as has not had, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, each Material Contract is valid and binding and in full force and effect and, to the Knowledge of the Selling Parties, enforceable against the other party or parties thereto in accordance with its terms, subject to the Enforceability Exceptions. Except for breaches, violations or defaults which have not had, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, none of Sinclair, Tribune or their respective Affiliates or, to the Knowledge of the Selling Parties, any other party to a Material Contract, is in violation of or in default under any provision of such Material Contract. Complete and correct copies of each of the Material Contracts as in effect as of the date of this Agreement have made available to Buyer.

Section 3.10 Environmental. Except as disclosed in Section 3.10 of the Disclosure Schedules and except as has not had, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (a) the Company is and, since December 1, 2015, has been, in compliance with all applicable Environmental Laws and Governmental Authorizations required under Environmental Laws, (b) with respect to the Station, since December 1, 2015 (or any time with respect to unresolved matters), no notice of violation or other notice has been received by Sinclair, Tribune or any of their respective Affiliates alleging any violation of, or liability arising out of, any Environmental Law, the substance of which has not been resolved, (c) with respect to the Station, no Proceeding is pending or, to the Knowledge of the Selling Parties, threatened against Sinclair, Tribune or any of their respective Affiliates under any Environmental Law and (d) with respect to the Station, none of Sinclair, Tribune or their respective Affiliates has released, disposed or arranged for disposal of, or exposed any Person to,

any Hazardous Substances, or owned or operated any real property contaminated by any Hazardous Substances, in each case that has resulted in an investigation or cleanup by, or liability of Sinclair, Tribune or any of their respective Affiliates.

### Section 3.11 Intellectual Property.

(a) Section 3.11(a) of the Disclosure Schedules contains a list of all registered Intellectual Property that is included in the Purchased Intellectual Property. The Purchased Intellectual Property is owned by Tribune or one of its Affiliates free and clear of all Liens, except for Permitted Liens. To the Knowledge of the Selling Parties, (i) each material registration included in the Purchased Intellectual Property is valid and enforceable and (ii) each material registration and pending application included in the Purchased Intellectual Property is subsisting.

(b) Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, to the Knowledge of the Selling Parties, the use of the Purchased Intellectual Property in the Business is not infringing, misappropriating or otherwise violating any Intellectual Property owned by any third party, and none of Sinclair's Subsidiaries or Tribune's Subsidiaries has infringed, violated or misappropriated since December 1, 2015, any Intellectual Property of any other Person, except, in each case, as has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. Buyer acknowledges that the representations and warranties set forth in this Section 3.11(b) are the only representations and warranties Sinclair makes in this Agreement with respect to any activity that constitutes, or otherwise with respect to, infringement, misappropriation or other violation of Intellectual Property.

(c) Except for actions or failure to take actions that have not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, Sinclair, Tribune and their respective Affiliates have taken commercially reasonable actions to maintain the (i) Purchased Intellectual Property (other than applications) and (ii) secrecy of the Trade Secrets that are Purchased Intellectual Property.

### Section 3.12 Employees; Labor Matters; Employee Benefit Plans.

(a) The Company is not the employer of any employee for federal payroll tax purposes. Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, Sinclair, Tribune and their respective Affiliates have complied in all material respects with all applicable Laws relating to employment of labor, including all applicable laws relating to wages, hours, discrimination in employment, collective bargaining, pay equity, immigration, workers' compensation, occupational health and safety and the collection and payment of withholding and/or social security Taxes. As of the date hereof and since December 1, 2015, there has been no unfair labor practice charge against the Company or the Station pending or, to the Knowledge of the Selling Parties, threatened in writing against Sinclair, Tribune or any of their respective Affiliates by or before the National Labor Relations Board, any state labor relations board or any court or tribunal with respect to any present or former Employee or independent contractor of Sinclair, Tribune or any of their respective Affiliates that had or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. Since December 1, 2015, there has not occurred any strike, slowdown, or work stoppage,

union organizing campaign, question concerning representation or labor dispute in respect to any of the Company or the Station except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. Other than the collective bargaining agreements set forth on Section 3.12(a) of the Disclosure Schedules (the “Bargaining Agreements”), none of Sinclair, Tribune, any of their respective Affiliates or the Station is a party to any material collective bargaining, union or similar agreement with respect to its respective Employees, nor any such agreement presently being negotiated by Sinclair, Tribune, or any of their respective Affiliates (including the Company), nor is there any duty on the part of the Company or the Station to bargain with any labor organization or representative. Complete and correct copies of each of the Bargaining Agreements as in effect on date of this Agreement have been made available to Buyer by Sinclair or Tribune, as applicable. Sinclair’s, Tribune’s and their respective Affiliates’ classification of each of its employees as exempt or nonexempt has been made in accordance with Law except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(b) Sinclair and Tribune have made available to Buyer a list of all Employees, including the names, current rate of compensation, employment status (i.e., active, disabled, on authorized leave), department, title, whether covered by a collective bargaining agreement and whether full-time or part-time. Such list, redacted to delete current rate of compensation, is attached as Section 3.12(b) of the Disclosure Schedules. Except as have not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, with respect to each Tribune Plan: (i) each has been maintained, funded, administrated, and operated in all material respects in compliance with its terms and all applicable Laws, including ERISA and the Code; (ii) other than routine claims for benefits, no Proceedings or disputes are pending or, to the Knowledge of the Selling Parties, threatened by or on behalf of any participant in any Tribune Plan, or otherwise involving any Tribune Plan or the assets of any Tribune Plan; (iii) none of Sinclair, Tribune or any of their respective Affiliates has incurred or is reasonably expected to incur or be subject to any material Tax or other penalty under Section 4980B, 4980D, or 4980H of the Code; and (iv) each Tribune Plan that is intended to be qualified under Section 401(a) of the Code has received a determination or opinion letter from the IRS that it is so qualified and each related trust that is intended to be exempt from federal income taxation under Section 501(a) of the Code has received a determination or opinion letter from the IRS that it is so exempt and, to the Knowledge of the Selling Parties, no fact or event has occurred since the date of such letter or letters from the IRS that could reasonably be expected to adversely affect the qualified status of any such Tribune Plan or the exempt status of any such related trust.

(c) Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby shall: (i) result in the acceleration of the time of payment or vesting or creation of any rights of any Employee to compensation or benefits under any Tribune Plan or otherwise that would be payable by Sinclair, Tribune or their respective Affiliates, as applicable; (ii) result in any payment becoming due, or increase the amount of any compensation due, in each case, to any Employee; (iii) increase any benefits otherwise payable under any Tribune Plan; or (iv) result in the payment of any compensation or other payments that would not be deductible under the terms of Section 280G of the Code after giving effect to the transactions contemplated hereby.



(d) Except as set forth on Section 3.12(d) of the Disclosure Schedules, none of Sinclair, Tribune or any of their respective ERISA Affiliates maintains, contributes to, or sponsors (or has in the past six years maintained, contributed to, or sponsored) a Multiemployer Plan. Section 3.12(d) of the Disclosure Schedules lists each Tribune Plan that is a plan subject to Title IV of ERISA. Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, to the Knowledge of the Selling Parties, (i) no Tribune Plan is in “at risk status” as defined in Section 430(i) of the Code and (ii) no Tribune Plan has any accumulated funding deficiency within the meaning of Section 412 of the Code or Section 302 of ERISA, whether or not waived and (iii) no liability under Title IV of ERISA has been incurred by the Sinclair, Tribune or any of their respective ERISA Affiliate, as applicable, thereof that has not been satisfied in full, and no condition exists that presents a risk to Sinclair, Tribune or any of their respective ERISA Affiliates, as applicable, thereof of incurring or being subject (whether primarily, jointly or secondarily) to a liability (whether actual or contingent) thereunder.

Section 3.13 Insurance. Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, as of the date hereof, each of the insurance policies and arrangements relating to the Company or the Business are in full force and effect. All premiums due thereunder either have been paid or are in the process of being paid and Tribune and its Affiliates is otherwise in compliance in all material respects with the terms and conditions of all such policies. As of the date of this Agreement, none of Tribune or their respective Affiliates has received any written notice regarding any cancellation or invalidation of any such insurance policy, other than such cancellation or invalidation that has not had and would not reasonably be expected to have, individually or in the agreement, a Material Adverse Effect.

Section 3.14 Compliance with Law; Governmental Authorizations. Except for matters that have not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, subject to Section 3.05 and with respect to the FCC Licenses, and except as set forth on Section 3.14 of the Disclosure Schedules, Sinclair, Tribune and their respective Affiliates are, and have been since December 1, 2015, in compliance with all Laws and Orders applicable to the Business and, to the Knowledge of the Selling Parties, are not under investigation by any Governmental Authority with respect to any violation of any applicable Law or Order. Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect and except as set forth on Section 3.14 of the Disclosure Schedules, (i) Sinclair, Tribune or their respective Affiliates have all Governmental Authorizations necessary for the conduct and operation of the Business as presently conducted, and each such Governmental Authorization is in full force and effect, (ii) Sinclair, Tribune and their respective Affiliates are, and have been since December 1, 2015, in compliance with the terms of all Governmental Authorizations necessary for the ownership and operation of the Business and (iii) since December 1, 2015, none of Sinclair, Tribune or their respective Affiliates has received written notice from any Governmental Authority alleging any conflict with or breach of any such Governmental Authorization.

Section 3.15 Litigation. Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect and except as set forth on Section 3.15 of the Disclosure Schedules, as of the date hereof, there is no (a) Proceeding pending or, to the Knowledge of the Selling Parties, threatened against Tribune or its respective Affiliates relating to the Business or against Sinclair or its respective Affiliates relating to this Agreement or

(b) Order against Tribune or its respective Affiliates relating to the Business or against Sinclair or its respective Affiliates relating to this Agreement.

Section 3.16 Financial Statements. Section 3.16 of the Disclosure Schedules sets forth copies of the following financial statements from Tribune's internal reporting system relating solely to the business and operations of the Station and the KTVI Station (such financial statements, collectively, the "Financial Statements"): (a) the unaudited statement of operations as of and for the fiscal year ended December 31, 2016 and December 31, 2017 and (b) the unaudited statement of operations as of and for the three months ended March 31, 2018 (the "Interim Financials Date"). The Financial Statements have been prepared in a manner consistent with the accounting standards and methodologies used by Tribune in the preparation of its consolidated financial statements, which have been prepared in accordance with GAAP, and fairly present, in all material respects, the financial position and results of operations of the Station and the KTVI Station, as of the dates thereof and for the periods indicated therein (except insofar as such unaudited Financial Statements may omit footnotes and may be subject to potential year-end adjustments that are not expected, either individually or in the aggregate, to be material).

Section 3.17 No Undisclosed Liabilities. Except as set forth in Section 3.17 of the Disclosure Schedules, there are no liabilities or obligations of the Company that have not been incurred in connection with the conduct and operation of the Business or that would be required by the accounting standards and the methodologies used by Tribune in the preparation of its consolidated financial statements, which have been prepared in accordance with GAAP, as in effect on the date hereof, to be reflected on the balance sheet (including the notes thereto) of the Company, other than (a) liabilities or obligations set forth in the Disclosure Schedules, (b) liabilities or obligations incurred in the ordinary course of business since the Interim Financials Date, or (c) liabilities or obligations that have not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 3.18 Absence of Changes. From the Interim Financials Date through the date of this Agreement, there has not been any effect, change, development or occurrence that has had or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. Since the Interim Financials Date, (a) the Station has been operated in the ordinary course of business consistent with past practice in all material respects and (b) there has not been, in respect of the Business, any action taken Sinclair, Tribune or their respective Affiliates that, if taken during the period from the date of this Agreement through the Closing without Buyer's consent, would constitute a breach of, or require consent of Buyer under, Section 5.01(c) or Section 5.01(m) to the extent related to Section 5.01(c).

Section 3.19 No Brokers. Except for Moelis & Company, there is no investment banker, broker or finder that has been retained by or is authorized to act on behalf of Sinclair, Tribune or the Company who is entitled to any fee or commission from Sinclair, Tribune or the Company in connection with the transactions contemplated by this Agreement.

Section 3.20 Related Party Transactions. As it relates to the Business, except as set forth on Section 3.20 of the Disclosure Schedules and other than employment arrangements, no officer, director or Affiliate of the Company or any of its Affiliates or any individual in such officer's or director's immediate family is currently a party to any material Contract with the Company.

Section 3.21 No Additional Representations; Limitations on Warranties. Except for the representations and warranties expressly made by Sinclair in this Agreement, neither Sinclair nor any other Person makes any express or implied representation or warranty whatsoever or with respect to any information provided or made available in connection with the transactions contemplated by this Agreement, including any information, documentation, forecasts, budgets, projections or estimates provided by Sinclair, Tribune, the Company or any of their respective Affiliates or Representatives, or any representation of or made by Sinclair, including in any “data rooms” or management presentations or the accuracy or completeness of any of the foregoing. Buyer has conducted its own independent review and analysis of the business, operations, assets, liabilities, results of operations, financial condition and technology of the Company and the Business and acknowledges that Buyer has been provided access to personnel, properties, premises and records of the Business for such purposes. In entering into this Agreement, except as expressly provided herein, Buyer has relied solely upon its independent investigation and analysis of the Business and Buyer acknowledges and agrees that it has not been induced by and has not relied upon any representations, warranties or statements, whether express or implied, made by Sinclair or any other Person that are not expressly set forth in this Agreement, whether or not such representations, warranties or statements were made in writing or orally.

#### **ARTICLE IV** **REPRESENTATIONS AND WARRANTIES OF BUYER**

Except as set forth on the Buyer Disclosure Schedules (it being agreed that any disclosure of any item in any section or subsection of the schedules hereto shall be deemed to be disclosure with respect to all other sections or subsections of the schedules to which applicability of such disclosure is reasonably apparent on its face), Buyer represents and warrants to Sinclair as follows:

Section 4.01 Existence and Power. Buyer is organized, validly existing and in good standing under the laws of the state of its organization. Buyer has the requisite organizational power and authority to own, lease and operate the properties and assets used in connection with its business as currently being conducted or to be acquired pursuant hereto. Prior to the date of this Agreement, Buyer has delivered or made available to Sinclair true and complete copies of the organizational documents of Buyer as in effect on the date of this Agreement.

Section 4.02 Corporate Authorization.

(a) The execution and delivery by Buyer of this Agreement and the Ancillary Agreements (to which Buyer will be a party), the performance by Buyer of its obligations hereunder and thereunder and the consummation by Buyer of the transactions contemplated hereby and thereby are within Buyer’s company powers and have been duly authorized by all requisite organizational action on the part of Buyer.

(b) This Agreement has been, and each Ancillary Agreement (to which Buyer is or will be a party) will be, duly executed and delivered by Buyer. This Agreement (assuming due authorization, execution and delivery by Sinclair) constitutes, and each Ancillary Agreement (to which Buyer is or will be a party) will constitute when executed and delivered by Buyer, the

legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms, except as such enforceability may be limited by the Enforceability Exceptions.

Section 4.03 Governmental Authorization. The execution, delivery and performance by Buyer of this Agreement and each Ancillary Agreement and the consummation of the transactions contemplated hereby and thereby require no action by or in respect of, or filing with or notification to, any Governmental Authority other than the FCC Consent and the DOJ Consent.

Section 4.04 Noncontravention. Assuming the FCC Consent and the DOJ Consent are obtained, the execution, delivery and performance by Buyer of this Agreement and each Ancillary Agreement do not (a) conflict with or breach any provision of the certificate of incorporation or bylaws of Buyer, (b) conflict with or breach any provision of any Law or Order, (c) require any consent of or other action by any Person under, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, or cause or permit the termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit under, any provision of any Contract, or (d) result in the creation or imposition of any Lien, other than any Permitted Lien, on any property or asset used exclusively in conduct and operation of the Business, except, in the case of each of clauses (b), (c) and (d), as has not had and would not reasonably be expected to have, individually or in the aggregate, a Buyer Material Adverse Effect.

Section 4.05 Absence of Litigation. There are no Proceedings pending against or to the knowledge of Buyer, threatened, against Buyer before any Governmental Authority that in any manner challenges or seeks to prevent, enjoin, alter or delay materially the transactions contemplated by this Agreement.

Section 4.06 Qualifications. Except as set forth in Section 4.06 of the Buyer Disclosure Schedule, Buyer is legally, financially and otherwise qualified under the Communications Act and FCC Rules to acquire the Company and the FCC Licenses and own and operate the Station. (a) There are no facts known to Buyer that would disqualify Buyer as the assignee of the FCC Licenses or as owner and operator of the Station or prevent or materially delay the consummation of the transactions contemplated hereby, (b) no waiver or exemption, whether temporary or permanent, of the Communications Act or FCC Rules is necessary for the FCC Consent to be obtained, (c) Buyer has no reason to believe that the FCC Application will be challenged or will not be granted by the FCC in the ordinary course due to any fact or circumstance relating to Buyer or any of its Affiliates or any of their respective officers, directors, shareholders, members or partners, and (d) no waiver of or exemption, whether temporary or permanent, from any provision of the Communications Act or FCC Rules is necessary for the FCC Consent to be obtained. Except as set forth in Section 4.06 of the Buyer Disclosure Schedule, Buyer is legally, financially and otherwise qualified under the Antitrust Laws to acquire the Company and own and operate the Station.

Section 4.07 Brokers. Except as set forth in Section 4.07 of the Buyer Disclosure Schedule, there is no investment banker, broker or finder that has been retained by or is authorized to act on behalf of Buyer who is entitled to any fee or commission from Buyer in connection with the transactions contemplated by this Agreement.

Section 4.08 Financing. At Closing, Buyer will have sufficient cash, available lines of credit or other sources of immediately available funds to enable it to make payment of the Purchase Price and any payments due under Section 2.08, all related fees and expenses in connection with the transactions contemplated by this Agreement and any other amounts to be paid by it in accordance with the terms of this Agreement.

Section 4.09 Compliance with Law. Except for matters that have not had and would not reasonably be expected to have, individually or in the aggregate, a Buyer Material Adverse Effect, Buyer is in compliance with all Laws and Orders and, to the knowledge of Buyer, is not under investigation by any Governmental Authority with respect to any violation of any applicable Law or Order.

Section 4.10 Projections and Other Information. Buyer acknowledges that, with respect to any projections, forecasts, business plans, budget information and similar documentation or information relating to Sinclair, Tribune, the Company or any of their respective Affiliates and the operation of the Station that Buyer has received from Sinclair, Tribune or any of their respective Affiliates, including the Company, (a) there are uncertainties inherent in attempting to make such projections, forecasts, plans and budgets, (b) Buyer is familiar with such uncertainties, (c) Buyer hereby accepts full responsibility for making its own evaluation of the adequacy and accuracy of all estimates, projections, forecasts, plans and budgets so furnished to it, and (d) Buyer does not have, and will not assert, any claim against Sinclair, Tribune or any of their respective members, officers, Employees, Affiliates or Representatives, or hold Sinclair, Tribune or any such Persons liable, with respect thereto. Buyer represents that none of Sinclair, Tribune, any of their respective Affiliates or any other Person has made any representation or warranty, express or implied, as to the accuracy or completeness of any information regarding Sinclair, Tribune, the Company or any of their respective Affiliates, or the transactions contemplated by this Agreement not expressly set forth in this Agreement, and none of Sinclair, Tribune, the Company any of their respective Affiliates or any other Person will have or be subject to any liability to Buyer or any other Person resulting from the distribution to Buyer or its Representatives or Buyer's use of, any such information, including any confidential memoranda distributed on behalf of Sinclair, Tribune or the Company relating to Sinclair, Tribune, the Business, the Company or any of their respective Affiliates or other publications or data room information provided to Buyer or its Representatives, or any other document or information in any form provided to Buyer or its Representatives in connection with the sale of the Shares and the transactions contemplated hereby.

Section 4.11 Solvency. Buyer is not entering into the transactions contemplated hereby with the intent to hinder, delay or defraud either present or future creditors. Immediately after giving effect to all of the transactions contemplated hereby, including the payment of the Purchase Price and assumption of the Assumed Liabilities, any payments that become due and payable under Section 2.08 and payment of all related fees and expenses, Buyer and its Affiliates on a consolidated basis will be Solvent. For purposes of this Section 4.11, the term "Solvent" with respect to any Person means that, as of any date of determination, (a) the amount of the fair saleable value of the assets of such Person exceeds, as of such date, the value of all liabilities of such Person, including contingent and other liabilities, as of such date, as such quoted terms are generally determined in accordance with the applicable federal Laws governing determinations of the solvency of debtors, (b) such Person will not have, as of such date, an unreasonably small amount of capital for the operation of the business in which they are engaged or proposed to be engaged

following such date, and (c) such Person will be able to pay its liabilities, including contingent and other liabilities, as they mature. For purposes of this definition, “not have an unreasonably small amount of capital for the operation of the business in which it is engaged or proposed to be engaged” means that the Person will be able to generate enough cash from operations, asset dispositions or refinancing, or a combination thereof, to meet their financial obligations as they become due.

## **ARTICLE V**

### **COVENANTS OF SINCLAIR**

Section 5.01 Operations Pending Closing. From the date of this Agreement until the earlier to occur of the Closing and the termination of this Agreement in accordance with Article XI, except as otherwise expressly permitted or expressly contemplated by this Agreement, as set forth in Section 5.01 of the Disclosure Schedules, as consented to in writing by Buyer (such consent not to be unreasonably withheld, conditioned or delayed), as contemplated or in connection with the Restructuring Transactions or as required by applicable Law, Sinclair shall prior to the Tribune Closing, use reasonable best efforts to (provided that, for the avoidance of doubt, from and after the Tribune Closing, Sinclair shall) cause the Business to be conducted in all material respects in the ordinary course of business consistent with past practices. Without limiting the generality of the foregoing, from the date of this Agreement until the earlier to occur of the Closing and the termination of this Agreement in accordance with Article XI, unless otherwise expressly permitted or contemplated by this Agreement, as set forth in Section 5.01 of the Disclosure Schedules, or as otherwise consented to in writing by Buyer (such consent not to be unreasonably withheld, conditioned or delayed) or as required by applicable Law, Sinclair shall use reasonable best efforts to (provided that, for the avoidance of doubt, from and after the Tribune Closing Sinclair shall):

(a) operate the Station in the ordinary course and in all material respects in accordance with the Communications Laws, the FCC Licenses and with all other applicable Laws;

(b) 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;

(c) other than in the ordinary course of business or for the purpose of disposing of obsolete or worthless assets, not (i) sell, lease, license or dispose of or agree to sell, lease, license or dispose of any material assets unless replaced with similar items of substantially equal or greater value and utility or (ii) create, assume or permit to exist any Liens upon their assets, except for Permitted Liens;

(d) (i) upon reasonable written advance notice, give Buyer and its representatives reasonable access at reasonable, mutually agreed-upon times during normal business hours to the Station, and furnish Buyer with information relating to the Business that Buyer may reasonably request; provided, however, that such access rights shall not be exercised in a manner that interferes with the Business and (ii) otherwise provide such reasonable assistance and cooperation as may be requested by Buyer from time to time prior to the Closing Date to reasonably facilitate the transition of the Business, including facilities, operations and applicable data, to Buyer upon and effective as of the Effective Time;

(e) except as otherwise required by Law or a Tribune Plan, not enter into, renew or renegotiate any (i) employment agreement with an Employee providing for annual compensation in excess of \$200,000 or (ii) labor or union agreement or plan, including any Bargaining Agreement, that will be binding upon Buyer after the Closing;

(f) not hire any employee that would be an Employee other than in the ordinary course of business and not hire or terminate the employment of the general manager of the Station or any other Employee with annual aggregate non-equity compensation, including target bonuses, in excess of \$200,000, excluding any terminations for “cause” as reasonably determined by Sinclair, Tribune or any of their respective Affiliates, including the Company;

(g) except in the ordinary course of business or in connection with Sinclair’s or Tribune’s obligations, as the case may be, with respect to Employees, not (i) materially increase the compensation or benefits payable to any Employee, or (ii) modify any severance policy applicable to any Employee that would result in any material increase in the amount of severance payable to any such Employee (or would materially expand the circumstances in which such severance is payable);

(h) use reasonable best efforts to maintain the Station’s MVPD carriage existing as of the date of this Agreement;

(i) not enter into, amend or terminate any Contract constituting (1) a Sharing Agreement, (2) a Material Contract (A) relating to cable or satellite transmission or retransmission with MVPDs, (B) that is or would be a network affiliation agreement, (C) that relates to the receiving or obtaining of programming rights by the Company, or (3) a Real Property Lease with respect to the Station, except for any such Contract that does not impose or result in any liability on the Company or Buyer or any of their respective Affiliates after the Closing;

(j) not change any accounting practices, procedures or methods (except for any change required under GAAP or applicable law) or maintain its books and records, in each case in a manner other than in the ordinary course of business;

(k) not make or change any material Tax election, not change any material method of Tax accounting, not compromise or settle any material Tax liability, not amend any material Tax Return, and not enter into any material closing agreement;

(l) maintain its qualifications to maintain the FCC Licenses with respect to the Station and not take any action that will materially impair such FCC Licenses or such qualifications;

(m) promote the programming of the Station (both on-air and using third party media) in the ordinary course of business, taking into account inventory availability; or

(n) not agree, commit or resolve to take any actions inconsistent with the foregoing.

Section 5.02 No Hire. During the period beginning on the date hereof and ending on the first (1<sup>st</sup>) anniversary of the Closing Date, Sinclair will not, and will use reasonable best efforts to

cause Tribune, from the date hereof until the Tribune Closing, to not, directly or indirectly, solicit to employ or hire any Employee who is a Transferred Employee, unless (a) Buyer first terminates the employment of such Employee, (b) such Employee voluntarily terminates without inducement by Sinclair or Tribune, as applicable, or (c) Buyer gives its written consent to such employment or offer of employment; provided, however, that Sinclair or Tribune, as applicable shall be permitted to make a general solicitation for employment not targeted to any employee and shall not be prohibited from employing any such Employee pursuant to such a general solicitation.

Section 5.03 Copy of Virtual Data Room and Electronic Files. Within ten (10) days following the Closing, Sinclair shall deliver to the Buyer on one or more USB electronic storage devices, a complete and accurate (as of the Closing Date) electronic copy of its virtual data room (“VDR”) set up with respect to the transactions contemplated by this Agreement; provided, however, that Sinclair’s failure to comply with this Section 5.02 shall not be deemed a breach for purposes of Section 10.03(b) and shall not alter or create any additional rights of Buyer under Article XII. The parties acknowledge and agree that Sinclair makes no representation or warranty of any kind, express or implied, regarding the validity, accuracy or completeness of any information in its VDR or the electronic copy of its VDR.

## **ARTICLE VI**

### **COVENANTS OF BUYER**

Section 6.01 Access to Information. After the Closing Date, upon reasonable notice, Buyer will promptly provide Sinclair and its Affiliates and agents reasonable access to its properties, books, records, employees and auditors with respect to the Company, the Business, the Station, the Purchased Assets or the Assumed Liabilities, at the sole cost and expense of Sinclair, to the extent necessary to permit Sinclair to determine any matter relating to its rights and obligations (or those of its Affiliates) hereunder and the Merger Agreement, or with respect to any period ending on or before the Closing Date or to the extent necessary to prepare or defend any judicial or administrative proceeding related to the Business, or to enable the requesting party and its Representatives to satisfy its own and its Affiliates’ legal, compliance, financial reporting and Tax Return preparation or Tax compliance obligations; provided, that, except as required by Law, legal process or any listing agreement with or the listing rules of a national securities exchange or trading market, Sinclair will hold, and will direct its agents to hold, in confidence all confidential or proprietary information to which it has had access to pursuant to this Section 6.01; provided further, that such access shall not unreasonably interfere with Buyer’s business or operations.

#### Section 6.02 Accounts Receivable.

(a) Sinclair shall deliver to Buyer, on or promptly after the Closing Date, a statement of the Accounts Receivable (“AR Statement”). Buyer shall, and shall cause the Company to, use reasonable best efforts (without receipt of any additional consideration from Sinclair or any other Person) to collect the Accounts Receivable during the period beginning on the Closing Date and ending on the 180<sup>th</sup> day thereafter (the “Collection Period”), in the same manner that Buyer uses to collect its own and its Affiliates’ accounts receivable; provided, that Buyer shall not be obligated to or permitted to commence any Proceeding to effect collection or employ any collection agency, legal counsel, or other third party, or take any other extraordinary means of collections or pay any expenses to third parties to collect the Accounts Receivable



without obtaining the prior written authorization of Sinclair. Buyer shall send all payments received on the Accounts Receivable to Sinclair (or any designee thereof) by check or, at Buyer's election, deposit such payments by wire transfer of immediately available funds (without offset) into an account designated by Sinclair (the "AR Account"), in either case not less frequently than once every 30 days. On the twentieth (20<sup>th</sup>) day of each calendar month during the Collection Period (and, if the Collection Period ends on a day other than the last day of a calendar month, within twenty (20) days after expiration of the Collection Period), Buyer shall furnish Sinclair with a list (the "Aging Report") to show the amounts received by Buyer with respect to the Accounts Receivable during the preceding calendar month (or, if the Collection Period ends on a day other than the last day of a calendar month, the month in which the Collection Period expired) and the amount remaining outstanding under each particular Account Receivable. Any payment received by Buyer during the Collection Period from a customer of the Station that was or is also a customer of Sinclair and/or Tribune and that is obligated with respect to any Accounts Receivable, shall be deposited (without offset) by Buyer in the AR Account (each such payment, a "Specified Payment" and, collectively, the "Specified Payments"), unless the customer disputes such Accounts Receivable in writing. If during the Collection Period a dispute arises with regard to an account included among the Accounts Receivable, Buyer shall promptly advise Sinclair thereof and shall return that account to Sinclair (or its designee). Any payments that are made directly to Sinclair (or its designee) during the Collection Period relating to the Accounts Receivable shall be retained by Sinclair. Buyer shall not discount, offset, adjust or otherwise compromise any Accounts Receivable. Buyer shall be responsible to notify third parties to commence paying Buyer for accounts receivables relating to after the Effective Time.

(b) Each Specified Payment received by Sinclair from Buyer pursuant to Section 6.02(a) that is not specifically designated in writing as a payment of a particular invoice or invoices shall be applied by Sinclair to the Accounts Receivable for such customer outstanding for the longest amount of time until paid in full, and any portion of each such Specified Payment that remains (each such portion, a "Remitted Payment," and, collectively, the "Remitted Payments") shall be promptly remitted by Sinclair to Buyer; provided, that Sinclair shall not be obligated to pay to Buyer any such Specified Payment or portion thereof until all Accounts Receivable as set forth on the AR Statement are paid to Sinclair.

(c) Sinclair shall send all Remitted Payments by check, or at Sinclair's election, shall deposit all Remitted Payments (without offset) into an account identified by Buyer in immediately available funds by wire transfer not less frequently than once every 30 days following the receipt by Sinclair or its Affiliates thereof. On the twentieth (20<sup>th</sup>) day of each calendar month during the Collection Period (and, if the Collection Period ends on a day other than the last day of a calendar month, within twenty (20) days after expiration of the Collection Period), Sinclair shall furnish Buyer with a list of the amounts received directly by Sinclair, or its Affiliates with respect to the Accounts Receivable during the preceding calendar month (or, if the Collection Period ends on a day other than the last day of a calendar month, the month in which the Collection Period expired), and Buyer shall use that information in the submission of the Aging Reports to be supplied to Sinclair pursuant to Section 6.02(a).

(d) Buyer, on the one hand, and Sinclair, on the other hand, shall each be entitled during the sixty (60) day period following expiration of the Collection Period to inspect and audit the records maintained by the other party pursuant to this Section 6.02, upon reasonable

advance notice and during normal business hours; provided, that no such inspection and audit shall unreasonably interfere with the other party's business or operations.

(e) Following the expiration of the Collection Period, neither Buyer or Sinclair nor any other Person shall have any further obligations under this Section 6.02, except that Buyer shall promptly pay over to Sinclair any amounts subsequently paid to it with respect to any Accounts Receivable. Within twenty (20) days after expiration of the Collection Period, Buyer shall deliver to the Sinclair all files, records, notes and any other materials relating to the Accounts Receivable. Upon expiration of the Collection Period, Sinclair may pursue collections of all remaining Accounts Receivable, and Buyer shall otherwise cooperate with the Sinclair (at the sole cost and expense of Sinclair and without taking any actions not required under Section 6.02(a)) for the purpose of collecting any outstanding Accounts Receivable.

(f) Buyer acknowledges that Sinclair may maintain all established cash management lockbox arrangements in place at the Effective Time for remittance until such time as Sinclair deems it appropriate to close such lockboxes. The Aging Reports submitted by Buyer to Sinclair under Section 6.02(a) will reflect all such lockbox receipts, and, with respect to the Station, Sinclair shall cooperate with Buyer to keep the Aging Reports current. Sinclair shall promptly pay over to Buyer any monies received by Sinclair or its Affiliates through its lockbox that are intended as a payment on Buyer's receivables.

(g) If any party fails to timely remit any amounts collected and required to be paid to the other party pursuant to this Section 6.02, such amount shall bear interest at the prime rate (as reported by *The Wall Street Journal* or, if not reported therein, by another mutually-agreeable source) as in effect from time to time from the date any such amount was due until the date of actual payment.

(h) All amounts received by Sinclair or their designees (other than amounts representing Remitted Payments) pursuant to this Section 6.02 shall not be required to be refunded or repaid by Sinclair (or their designees) for any circumstance.

#### Section 6.03 Use of Name: Termination of Rights to the Names and Marks.

(a) Sinclair is not conveying ownership rights or granting Buyer or the Company a license to use any of the Retained Names and Marks and, after the Closing, Buyer shall not and shall not permit any of its Affiliates (including the Company) to use in any manner the Retained Names and Marks or any word that is similar in sound or appearance to such names or marks. In the event Buyer violates any of its obligations under this Section 6.03, Sinclair may proceed against Buyer in law or in equity for such damages or other relief as a court may deem appropriate. Buyer acknowledges that a violation of this Section 6.03 may cause Sinclair or its Affiliates irreparable harm, which may not be adequately compensated for by money damages. Buyer therefore agrees that in the event of any actual or threatened violation of this Section 6.03, any of such parties shall be entitled, in addition to other remedies that they may have, to seek a temporary restraining order and to preliminary and final injunctive relief against Buyer or any such Affiliate of Buyer to prevent any violations of this Section 6.03, without the necessity of posting a bond.

(b) As soon as practicable after the Closing Date (and in any event within sixty (60) days thereafter), Buyer shall, and shall cause each of its Affiliates (including the Company) to, cease and discontinue all uses of, and delete or remove from all products, signage, vehicles, properties, technical information and promotional materials, the Retained Names and Marks.

Section 6.04 Insurance Policies. All of the insurance policies with respect to the Company or the Station may be cancelled by Sinclair, Tribune or any of their respective Affiliates as of the Closing Date, and any refunded premiums shall be retained by Sinclair or Tribune or such Affiliate (other than the Company). Buyer will be solely responsible for acquiring and placing its casualty insurance, business interruption insurance, liability insurance and other insurance policies for the Station and the Company, including the Purchased Assets and Assumed Liabilities, for periods on and after the Effective Time.

Section 6.05 Title Commitments; Surveys. Buyer may obtain, at its sole option and expense, (a) commitments for lessee's and lender's title insurance policies for all real property that is leased pursuant to a Real Property Lease (collectively, the "Title Commitments"), and (b) an ALTA survey on each parcel of real property that is leased pursuant to a Real Property Lease (the "Surveys"). The Title Commitments will evidence a commitment to issue an ALTA title insurance policy insuring good, marketable and indefeasible fee simple (or leasehold, if applicable) title to each parcel of real property that is leased pursuant to a Real Property Lease contemplated above for such amount as Buyer directs. With respect to the Station, Sinclair shall use reasonable best efforts to cause Tribune to, reasonably cooperate with Buyer in obtaining such Title Commitments and Surveys; provided, that none of Sinclair, Tribune, the Company or any of their respective Affiliates shall be required to incur any cost, expense or other liability in connection therewith. If the Title Commitments or Surveys reveal any Lien on the title other than Permitted Liens, Buyer shall notify Sinclair in writing of such objectionable matter as soon as Buyer becomes aware that such matter is not a Permitted Lien, Sinclair agrees to cause Tribune to remove such objectionable matter as required pursuant to the terms of this Agreement.

Section 6.06 No Hire. Except as pursuant to the terms of this Agreement, during the period beginning on the date hereof and ending on the first (1st ) anniversary of the Closing Date, Buyer, and its Affiliates will not, directly or indirectly, solicit to employ or hire any employee of Sinclair, Tribune or any of their respective Affiliates who was an employee of Tribune or any of its Affiliates, as applicable, prior to the Tribune Closing (other than any Transferred Employee) whose primary work location is in the Market ("Seller Employees"), unless (a) Sinclair or its Affiliates first terminates the employment of such employee, (b) such employee voluntarily terminates without inducement by Buyer or its Affiliates, or (c) Sinclair gives its written consent to such employment or offer of employment; provided, however, that Buyer or its Affiliates shall be permitted to make a general solicitation for employment (including in the Market) not targeted to any Seller Employee and shall not be prohibited from employing any such employee pursuant to such a general solicitation.

## **ARTICLE VII**

### **JOINT COVENANTS**

#### **Section 7.01 Reasonable Best Efforts; Further Assurances.**

(a) Subject to the terms and conditions of this Agreement, Buyer and Sinclair will each use reasonable best efforts to take, or cause to be taken, all actions, and do, or cause to be done, all efforts reasonably necessary or desirable under applicable Law to consummate the transactions contemplated by this Agreement; provided, that neither this nor any other provision in this Agreement shall impose (i) on Sinclair any obligation with respect to the transactions contemplated by the Merger Agreement, (ii) on Buyer any obligation to obtain any waiver from the FCC or finding under Section 73.3555(b)(2) of the FCC Rules or enter into any Sharing Agreement to obtain the FCC Consent (iii) on Buyer any requirement to agree to or make divestitures, or (iv) on Buyer any obligation to enter into hold separate arrangements, terminate, assign or modify contracts (or portions thereof) or other business relationships, accept any restrictions on business operations or enter into commitments and obligations with respect to the foregoing, except to the extent with respect this clause (iv) such actions that would not, in the aggregate, have a material impact on the operations of the Station or Buyer's television station KMOV(TV), St Louis, MO.

(b) In furtherance and not in limitation of Section 7.01(a), Buyer shall, and Sinclair shall use reasonable best efforts to cause Tribune and the Company to, prepare and file with the FCC as soon as practicable, but in no event later than 5:00 p.m. Eastern Time on April 24, 2018, the requisite applications (collectively, the "FCC Application") and other necessary instruments or documents requesting the FCC Consent and thereupon prosecute the FCC Application with all reasonable diligence to obtain the requisite FCC Consent; provided, that, except as set forth in the following sentence, neither Buyer, on the one hand, nor Tribune, Sinclair or the Company, on the other hand, shall be required to pay consideration to any third party to obtain the FCC Consent. Buyer shall, and Sinclair shall use reasonable best efforts to cause Tribune and the Company to, oppose any petitions to deny or other objections filed with respect to the FCC Application to the extent such petition or objection relates to such party. Except as set forth on Section 7.01 of the Disclosure Schedules, Buyer shall not take any intentional action, or intentionally fail to take any action, which would reasonably be expected to materially delay the receipt of the FCC Consent. To the extent necessary, Sinclair shall use reasonable best efforts to cause Tribune and the Company to, promptly enter into a tolling agreement or other arrangement if requested by the FCC with respect to any complaints regarding the FCC Licenses, and Buyer shall accept liability in connection with any enforcement Proceeding by the FCC with respect to such complaints as part of such tolling or other arrangement; provided, that it is understood and agreed that Buyer shall be entitled to indemnification from any such liability under Section 12.03(a)(ii) as if it were an Excluded Liability. 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 XI, Buyer shall, and Sinclair shall use reasonable best efforts to cause Tribune and the Company to, 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 XI. No provision herein shall prohibit Sinclair from taking (or from causing Tribune or the Company to take) any action deemed necessary or appropriate in the

sole discretion of Sinclair, in connection with obtaining approval from any Governmental Authority in connection with the transactions contemplated by the Merger Agreement.

(c) In connection with the efforts referenced in Section 7.01(b) to obtain the FCC Consent, Buyer shall, and Sinclair shall use reasonable best efforts to cause Tribune and the Company to, to the extent permitted by Law, (i) 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, (ii) keep the other party informed in a timely manner and in all material respects of any material communication received by such party from, or given by such party, to the FCC or any other Governmental Authority (including the provision of copies of any pleadings, documents, or other communications exchanged with the FCC or any other Governmental Authority) and the material non-confidential portions of any communications received or given by a private party with respect to this Agreement and the transactions contemplated hereby, (iii) permit the other party to review any material non-confidential portions of any communication given or to be given by it to the FCC, and any other Governmental Authority with respect to this Agreement and the transactions contemplated hereby, and (iv) consult with each other in advance of and be permitted to attend any meeting or conference with, 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 regarding any of the transactions contemplated by this Agreement.

Section 7.02 Certain Filings; Further Proceedings. Sinclair and Buyer shall cooperate with one another and use their respective reasonable best efforts (a) in determining whether any Proceeding by or in respect of, or filing with, any Governmental Authority is required, or any Proceedings, consents, approvals or waivers are required to be obtained from parties to any Contracts relating to the Business or to which the Company is a party, in connection with the consummation of the transactions contemplated by this Agreement and (b) 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, in each case that are necessary, proper or advisable to consummate and make effective the transactions contemplated by this Agreement (whether or not such actions, consents, approvals or waivers are conditions to the consummation of the transactions contemplated by Article X); provided, that neither Sinclair nor Buyer shall be required to pay consideration to obtain any such consent, approval or waiver.

Section 7.03 Control Prior to Closing. This Agreement and, without limitation, the covenants in Article V, are not intended to and shall not be construed to transfer control of the Company, including the Station, or to give Buyer any right, directly or indirectly, to control, supervise or direct, or attempt to control, supervise or direct, the personnel, programming or finances, or any other matter relating to the operation of the Company, including the Station, prior to the Closing, and Sinclair, Tribune or their respective Affiliates, as applicable, shall have ultimate control and supervision of all aspects of the Company, including the Station, and its operations up to the time of the Closing.

Section 7.04 Public Announcements. So long as this Agreement is in effect, none of Buyer, Sinclair or any of their respective Affiliates, shall issue or cause the publication of any press release or other public statement relating to the transactions contemplated by this Agreement or this Agreement without the prior written consent of the other party, unless such party determines,

after consultation with outside counsel, that it is required by applicable Law or by any listing agreement with or the listing rules of a national securities exchange or trading market to issue or cause the publication of any press release or other public announcement with respect to the transactions contemplated by this Agreement or this Agreement, in which event such party shall provide, on a basis reasonable under the circumstances, an opportunity to the other parties to review and comment on such press release or other announcement in advance, and shall give reasonable consideration to all reasonable comments suggested thereto. Notwithstanding anything to the contrary in this Section 7.04, the parties acknowledge that this Agreement and the FCC Application will be filed with the FCC and a local public notice will be broadcast on the Station and published in a local newspaper pursuant to applicable FCC Rules.

Section 7.05 Notices of Certain Events. From the date hereof until the earlier to occur of the Closing Date or the termination of this Agreement in accordance with Article XI, Sinclair, on the one hand, and Buyer, on the other hand, shall each promptly notify the other of, (a) any material written notice from any Person alleging that the approval or consent of such Person is or may be required in connection with transactions contemplated by this Agreement, (b) any written notice or other communication from any Governmental Authority or securities exchange in connection with the transactions contemplated by this Agreement, and (c) any Proceeding or investigation, commenced or, to the Knowledge of the Selling Parties or knowledge of Buyer, threatened against, Sinclair or Buyer, respectively, that would be reasonably likely to (i) prevent or materially delay the consummation of the transactions contemplated hereby or (ii) result in the failure of any conditions to the Closing set forth in Article X to be satisfied; provided, that the delivery of any notice pursuant to this Section 7.05 shall not affect or be deemed to modify any representation, warranty, covenant, right, remedy, or condition to any obligation of any party hereunder.

Section 7.06 Retention of Records; Post-Closing Access to Records.

(a) Notwithstanding anything to the contrary contained in this Agreement, Sinclair and its Affiliates may retain and use, at their own expense, copies of all documents or materials transferred hereunder, in each case, which (i) are used in connection with the businesses of Sinclair, Tribune or their respective Affiliates, other than the operation of the Station, (ii) Sinclair or any of its Affiliates in good faith determines that it is reasonably likely to need access to in connection with the defense (or any counterclaim, cross-claim or similar claim in connection therewith) of any Proceeding against or by Sinclair, Tribune or their respective Affiliates pending or threatened as of the Closing Date, or (iii) Sinclair or any of its Affiliates in good faith determines it is reasonably likely to need access to in connection with any filing, report, or investigation to or by any Governmental Authority subject, in the case of clauses (ii) and (iii), to the reasonable agreement of the parties as to maintaining the confidentiality of any such materials and information.

(b) Notwithstanding anything to the contrary contained in this Agreement, for a period of two (2) years after the Closing Date, Sinclair shall cause Tribune to, maintain, and provide Buyer and its Representatives reasonable access to, those records of Sinclair, Tribune and their respective Affiliates insofar as they relate to the Company or the Business that relate to periods prior to the consummation of the Closing, during normal business hours and on at least ten (10) Business Days' prior written notice (or such shorter time period as necessitated by the urgency of the underlying facts and circumstances). If Sinclair, Tribune or any of their respective Affiliates shall desire to dispose of any of such books and records prior to the expiration of such two (2) year

period in accordance with the record retention policies of Sinclair, Tribune or such Affiliate then in effect, Sinclair shall, prior to such disposal, give Buyer ten (10) Business Days' prior notice to enable Buyer, at Buyer's expense, to segregate and remove such books and records as Buyer may select, subject to destruction of correspondence and other similar documents in the ordinary course, in accordance with customary retention policies and applicable Law.

Section 7.07 Cooperation in Litigation. Buyer and Sinclair shall (and shall cause their respective Affiliates to) reasonably cooperate with each other at the requesting party's expense in the prosecution or defense of any Proceeding arising from or related to the operation of the Station and involving one or more third parties. The party requesting such cooperation shall pay the reasonable out-of-pocket expenses (excluding internal costs) incurred in providing such cooperation (including reasonable legal fees and disbursements) by the party providing such cooperation and by its Affiliates and its and their officers, members, directors, employees and agents.

Section 7.08 Mail; Misallocated Assets and Liabilities.

(a) Mail. From and after the Closing, Sinclair hereby authorizes and empowers Buyer and its Affiliates (including the Company) to receive and open all mail and other communications (including electronic communications) received by Buyer or its Affiliates relating to the Business (including the Company) and to deal with the contents of such communications to the extent pertaining to the Business. From and after the Closing, Sinclair shall promptly deliver or cause to be delivered to Buyer any mail or other communication (including electronic communications) received by Sinclair, Tribune or any of their Affiliates after the Closing Date to the extent pertaining to the Business. From and after the Closing, Buyer shall, and shall cause the Company to, promptly deliver or cause to be delivered to Sinclair any mail or other communication (including electronic communications) received by the Buyer or any of its Affiliates after the Closing Date to the extent pertaining to any of the Other Stations.

(b) Misallocated Assets and Liabilities. From and after the Closing, in the event that Sinclair, Buyer or any of their respective Affiliates discovers that any Purchased Asset or any Assumed Liability is held by Sinclair, Tribune or any of their respective Affiliates and was not acquired by the Company as a Purchased Asset or assumed by the Company as an Assumed Liability as contemplated herein, Sinclair shall assign, transfer, convey and deliver such asset or assign and transfer such liability, as applicable, to Buyer or one of its Affiliates, as directed by Buyer, for no additional consideration, and shall execute such further documents and instruments reasonably necessary to give effect to and evidence such assignment or transfer of such asset or assumption of such liability. From and after the Closing, in the event that Sinclair, Buyer or any of their respective Affiliates discovers that any of the Shares were not assigned, transferred, conveyed and delivered to Buyer as contemplated herein, Sinclair shall take all actions necessary to assign, transfer, convey and deliver such Shares to Buyer or one of its Affiliates, as directed by Buyer, for no additional consideration, and shall execute such further documents and instruments reasonably necessary to give effect to and evidence such transfer of Shares. From and after the Closing, in the event that Sinclair, Buyer or any of their respective Affiliates discovers that an asset that is not a Purchased Asset or a liability that was not an Assumed Liability was sold, transferred, conveyed and assigned to the Company hereunder or was owned or held by the Company as of the Closing, Buyer shall, or shall cause such Affiliate to, assign, transfer, convey

and deliver such asset or assign and transfer such liability, as applicable, to Sinclair or one of its Affiliates, as directed by Sinclair, for no consideration, and shall execute such further documents and instruments reasonably necessary to give effect to and evidence such assignment or transfer of such asset or assumption of such liability. The reasonable out-of-pocket costs and expenses associated with any such transfers or assignments of any such assets or assumption of any such liabilities, including reasonable attorneys' fees and all recording or similar fees, shall be borne by the party that would have been responsible for such costs and expenses if the transfer, assignment or assumption had occurred at or prior to the Closing.

**Section 7.09 FCC Approved Costs.**

(a) Between the date of this Agreement and the earlier of the Closing and the termination of this Agreement pursuant to the terms herein, Buyer and Sinclair shall reasonably coordinate in advance of the submission by Tribune or any of its Affiliates to the FCC, the Fund Administrator, or their appointees of any further invoices or other documentation of repack-related expenditures; provided that no such coordination shall require Sinclair or Tribune or any of their respective Affiliates to delay any such submission and the parties agree that such process shall be controlled by Tribune or its Affiliates.

(b) The parties shall reasonably cooperate with one another in all respects to ensure that reimbursement for the FCC-Approved Costs is available to and otherwise inures to the benefit of the Company to fulfill the requirements of the repack; provided that no such cooperation on the part of Sinclair or Tribune or their respective Affiliates shall require any of them to incur any liability or costs (unless Buyer agrees to reimburse or directly assume any such liability or costs).

**ARTICLE VIII**  
**EMPLOYEE MATTERS**

**Section 8.01 Employment.**

(a) At least thirty (30) Business Days prior to the Closing Date, Buyer shall offer employment as of the Closing Date, which offers shall be consistent with the employment terms set forth below in this Section 8.01 and conditioned on Closing, to each Employee employed immediately prior to the Closing Date, and, to the extent applicable, each Replacement Hire Employee (and excluding Excluded Employees and any Person who becomes an Employee after the date of this Agreement (other than any Replacement Hire Employee)), who is not on authorized or unauthorized leave of absence, sick leave, short or long-term disability leave, military leave or layoff with recall rights ("Active Employees"). Employees who are on authorized leave of absence, sick leave, short or long-term disability leave, military leave or layoff with recall rights (collectively, "Inactive Offered Employees") shall be offered employment by Buyer, which offer shall be conditioned on Closing and each such Inactive Offered Employee's return to active employment immediately following such absence within twelve (12) months of the Closing Date, or such later date as required under applicable Law (the "Return Deadline"); provided, that to the extent that any Inactive Offered Employee does not accept Buyer's offer of employment or does not return prior to the Return Deadline, such Inactive Offered Employee shall remain an employee of Sinclair or Tribune, as the case may be, and be treated as an Excluded Employee. For the



purposes hereof, all Active Employees, or Inactive Offered Employees, who accept Buyer's offer of employment and commence employment on the applicable Employment Commencement Date are referred to individually as a "Transferred Employee" and collectively as the "Transferred Employees." The "Employment Commencement Date" as referred to herein shall mean (i) as to those Transferred Employees who are Active Employees hired upon the Closing Date, and (ii) as to those Transferred Employees who are Inactive Offered Employees, the date on which the Transferred Employee begins employment with Buyer. The initial terms and conditions of employment for those Transferred Employees who have employment agreements with Sinclair, Tribune or any of their respective Affiliates shall be as set forth in such employment agreements; provided, that Buyer may require such Transferred Employees to execute comparable new employment agreements with Buyer as a condition of employment.

(b) From the Employment Commencement Date until at least one (1) year after the Closing Date, Buyer shall provide each Transferred Employee, to the extent that such Transferred Employee remains employed by Buyer (which obligation shall not give any Transferred Employee any right to continued employment for any specified period), who does not have an employment agreement with Sinclair, Tribune or any of their respective Affiliates and who is employed by Buyer with (i) annual base salary or base hourly rates (if the Transferred Employee is paid on an hourly basis) that are no less favorable than such Transferred Employee's annual base salary or base hourly rate immediately prior to the Closing Date, and (ii) employee benefits (including, but not limited to, any severance, retention and other termination pay and benefits plans, practices, and policies applicable to each Transferred Employee) that, in the aggregate, are no less favorable than the employee benefits provided to employees of the Buyer who are similarly situated to such Transferred Employee. From the Employment Commencement Date until December 31, 2018, Buyer shall maintain the sales compensation plans applicable to the Transferred Employees immediately prior to the Closing Date, provided that Buyer may adjust a Transferred Employee's sales accounts and territory in its sole discretion. From the Employment Commencement Date until at least one (1) year after the Closing Date, Buyer agrees that Buyer shall provide severance benefits to the Transferred Employees who are terminated by Buyer after the Employment Commencement Date on terms that are at least as favorable as those provided to similarly situated employees of Buyer.

(c) For purposes of eligibility, vesting, level of benefits and benefit accrual (but not for benefit accruals under defined benefit pension plans or post-retirement benefit plans) under the employee benefit plans, programs and arrangements established or maintained by Buyer in which Transferred Employees may become eligible to participate in after the Closing (the "New Benefit Plans"), each Transferred Employee shall be credited with the same amount of service as was credited by Sinclair, Tribune, or any of their respective Affiliates, as applicable, immediately prior to the Closing Date under similar or comparable Tribune Plans, in which such Transferred Employee participated immediately prior to the Closing Date (except to the extent such credit would result in a duplication of benefits or compensation). In addition, and without limiting the generality of the foregoing and subject to the terms and conditions of the applicable New Benefit Plans, (i) with respect to any New Benefit Plans in which the Transferred Employees may be eligible to participate following the Closing, each Transferred Employee will be eligible to participate in such New Benefit Plans, without any waiting time, to the extent coverage under such New Benefit Plans replaces coverage under a similar or comparable Tribune Plan in which such Transferred Employee was participating immediately before such commencement of participation

and (ii) for purposes of each New Benefit Plan providing medical, dental, pharmaceutical and/or vision benefits to any Transferred Employee, Buyer shall use commercially reasonable efforts to, for the applicable plan year in which the Closing occurs, (A) cause all pre-existing condition exclusions and actively-at-work requirements of such New Benefit Plan to be waived for such Transferred Employee and his or her covered dependents, to the extent any such exclusions or requirements were waived or were inapplicable under any similar or comparable Tribune Plan in which such Transferred Employee participated immediately prior to the Closing Date and (B) subject to the terms and conditions of the New Benefit Plans, Buyer shall use reasonable best efforts to cause any eligible expenses incurred by such Transferred Employee and his or her covered dependents during the portion of the plan year of the Tribune Plan ending on the date such Transferred Employee's participation in the corresponding New Benefit Plan begins to be taken into account under such New Benefit Plan for purposes of satisfying all deductible, coinsurance and maximum out-of-pocket requirements applicable to such Transferred Employee and his or her covered dependents for the applicable plan year as if such amounts had been paid in accordance with such New Benefit Plan.

Section 8.02 Savings Plan. Buyer shall take any and all actions as may be required to cause a tax-qualified defined contribution plan established or designated by Buyer (the "Buyer's 401(k) Plan"), including, if necessary, making amendments to the Buyer's 401(k) Plan, to accept existing rollover contributions from the Transferred Employees of any account balances (inclusive of any existing plan loans) in cash or notes (in the case of loans) distributed to them by the Tribune 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. Consistent with Section 8.01, Buyer's 401(k) Plan shall credit Transferred Employees with service credit for eligibility and vesting purposes for service recognized for the equivalent purposes under the Tribune 401(k) Plan.

Section 8.03 Employee Welfare Plans. With respect to Transferred Employees of Sinclair, Sinclair shall and, with respect to Transferred Employees of Tribune, shall cause Tribune to, retain responsibility for and continue to pay all medical, life insurance, disability and other welfare plan expenses and benefits for each Transferred Employee with respect to claims incurred under the terms of the Tribune Plans, respectively, by such Transferred Employees or their covered dependents prior to the Employment Commencement Date, as applicable. Expenses and benefits with respect to claims incurred by Transferred Employees or their covered dependents on or after the Employment Commencement Date shall be the responsibility of Buyer. With respect to any welfare benefit plans maintained by Buyer for the benefit of Transferred Employees on and after the Employment Commencement Date, to the extent permitted by applicable Law, Buyer shall (a) cause any eligibility requirements or pre-existing condition limitations to be waived to the same extent waived generally by Buyer with respect to its employees and (b) give effect, in determining any deductible and maximum out-of-pocket limitations, amounts paid by such Transferred Employees with respect to similar plans maintained by Sinclair, Tribune or any of their respective Affiliates for the calendar year in which the Closing occurs.

Section 8.04 Vacation; Sick Leave; Personal Time. Buyer and the Company will assume all liabilities for unpaid, accrued vacation time of each Transferred Employee as of the Employment Commencement Date, giving service credit under Buyer's vacation, sick leave, and personal time policy for service with Sinclair, Tribune, the Company or any of their respective

Affiliates, and shall permit Transferred Employees to use their vacation entitlement accrued as of the Closing Date in accordance with Buyer's policy for carrying over unused vacation, provided that Buyer shall have received a credit for such accrued vacation liabilities pursuant to Section 2.08. To the extent that Buyer's policies do not permit a Transferred Employee to use any accrued and unused vacation for which Buyer has assumed the liabilities hereunder (other than as a result of such Transferred Employee's failure to use such vacation despite his or her eligibility to do so, without adverse consequences, under Buyer's policies), Buyer will pay such Transferred Employee for any such vacation at the time at which such accrued vacation would otherwise be lost, provided that Buyer shall have received a credit for such accrued vacation liabilities pursuant to Section 2.08. Service with Sinclair, Tribune or any of their respective Affiliates shall be taken into account in determining Transferred Employees' vacation, sick leave and personal time entitlement under Buyer's vacation, sick leave and personal time policy after the Closing Date. Notwithstanding any provision in this Agreement to the contrary, no Transferred Employee shall be entitled to receive duplicate credit for the same period of service.

Section 8.05 No Further Rights. Nothing in this Article VIII, express or implied, is intended to confer on any Person (including any Transferred Employees and any current or former Employees of Sinclair, Tribune or any of their respective Affiliates) other than the parties hereto and their respective successors and permitted assigns any rights, benefits, remedies, obligations or liabilities under or by reason of this Article VIII. Accordingly, notwithstanding anything to the contrary in this Article VIII, this Agreement is not intended to create a Contract between Buyer and Sinclair or Tribune, on the one hand, and an Employee of Sinclair, Tribune or any of their respective Affiliates, on the other hand, and no Employee of Sinclair, Tribune or any of their respective Affiliates may rely on this Agreement as the basis for any breach of contract claim against Buyer, Sinclair, Tribune or any of their respective Affiliates. Furthermore, nothing in this Article VIII shall obligate Buyer or any of its Affiliates to retain the employment or service of (or provide any term or condition of employment or service to) any particular Transferred Employee or other Person.

Section 8.06 Flexible Spending Plan. As of the Employment Commencement Date, with respect to all Employees of Sinclair, Sinclair shall, and, with respect to all Employees of Tribune, shall cause Tribune to, transfer, or use reasonable best efforts to cause to be transferred, from the Employee Plans that are medical and dependent care account plans (each, a "Seller FSA Plan") to one or more medical and dependent care account plans established or designated by Buyer (collectively, the "Buyer FSA Plan") the account balances (positive or negative) of Transferred Employees, and Buyer shall be responsible for the obligations of the Seller FSA Plans to provide benefits to the Transferred Employees with respect to such transferred account balances at or after the Employment Commencement Date (whether or not such claims are incurred prior to, on or after such date). Each Transferred Employee shall be permitted to continue to have payroll deductions made as most recently elected by him or her under the applicable Seller FSA Plan. As soon as reasonably practicable following the end of the plan year for the Buyer FSA Plan, including any grace period, Buyer shall promptly reimburse Sinclair, Tribune or any of their respective Affiliates, as applicable, for benefits paid by the Seller FSA Plans to any Transferred Employee prior to the Employment Commencement Date to the extent in excess of the payroll deductions made in respect of such Transferred Employee at or prior to the Employment Commencement Date but only to the extent that such Transferred Employee continues to contribute to the Buyer

FSA Plan the amount of such deficiency. This Section 8.06 shall be interpreted and administered in a manner consistent with Rev. Rul. 2002-32.

Section 8.07 Payroll Matters. Buyer shall, and, with respect to Employees of Sinclair, Sinclair shall and, with respect to Employees of Tribune, shall cause Tribune to, utilize the following procedures for preparing and filing Internal Revenue Service Forms W-2 (Wage and Tax Statements), as described in Revenue Procedure 2004-53 for Transferred Employees:

(a) (i) Sinclair and Tribune shall provide all required Forms W-2 to (x) all Transferred Employees reflecting wages paid and taxes withheld by Sinclair or Tribune, as applicable, prior to the Employment Commencement Date, and (y) all other Employees and former Employees of Sinclair or Tribune who are not Transferred Employees reflecting all wages paid and taxes withheld by Sinclair or Tribune, as applicable, and (ii) Buyer (or one of its Affiliates) shall provide all required Forms W-2 to all Transferred Employees reflecting all wages paid and taxes withheld by Buyer (or one of its Affiliates) on and after the Employment Commencement Date.

(b) Sinclair shall, and shall use reasonable best efforts to cause Tribune to, adopt, and Buyer shall adopt, the “alternate procedure” of Revenue Procedure 2004-53 for purposes of filing Internal Revenue Service Forms W-4 (Employee’s Withholding Allowance Certificate) and W-5 (Earned Income Credit Advance Payment Certificate). Under this procedure, Sinclair or Tribune, as applicable, shall provide to Buyer all Internal Revenue Service Forms W-4 and W-5 on file with respect to each Transferred Employee and any written notices received from the Internal Revenue Service under Reg. § 31.3402(f)(2)-1(g)(5) of the Code, and Buyer will honor these forms until such time, if any, that such Transferred Employee submits a revised form.

(c) With respect to garnishments, tax levies, child support orders, and wage assignments in effect with Sinclair, Tribune or any of their respective Affiliates on the Employment Commencement Date for Transferred Employees and with respect to which Sinclair or Tribune, as applicable, has notified Buyer in writing, Buyer shall honor such payroll deduction authorizations with respect to Transferred Employees and will continue to make payroll deductions and payments to the authorized payee, as specified by a court or order which was filed with Sinclair, Tribune or any of their respective Affiliates, as applicable, on or before the Employment Commencement Date, to the extent such payroll deductions and payments are in compliance with applicable Law, and from and after the Closing Date, Sinclair, Tribune or any of their respective Affiliates, as applicable, will continue to make such payroll deductions and payments to authorized payees as required by Law with respect to all other Employees of Sinclair, Tribune or any of their respective Affiliates who are not Transferred Employees. Sinclair shall, and shall use reasonable best efforts to cause Tribune to, as soon as practicable after the Employment Commencement Date, provide Buyer with such information in the possession of Sinclair, Tribune or any of their respective Affiliates as may be reasonably requested by Buyer and necessary for Buyer to make the payroll deductions and payments to the authorized payee as required by this Section 8.07(c).

Section 8.08 Warn Act. Buyer shall not take any action on or after the Closing Date that would cause any termination of employment of any Employees by Sinclair, Tribune or any of their respective Affiliates that occur before the Closing to constitute a “plant closing” or “mass layoff” under the Worker Adjustment and Retraining Act of 1988, as amended (the “WARN Act”) or any

similar state or local Law, or to create any liability to Sinclair, Tribune or any of their respective Affiliates for any employment terminations under applicable Law. Buyer shall assume all liabilities with respect to any amounts (including any severance, fines or penalties) payable under or pursuant to the WARN Act or any similar state or local Law with respect to any Employees who do not become Transferred Employees as a result of Buyer's failure to extend offers of employment or continued employment as required by Section 8.01 or in connection with events that occur from and after the Closing, and Buyer shall reimburse Sinclair and Tribune for any such amounts.

## **ARTICLE IX**

### **TAX MATTERS**

Section 9.01 Transfer Taxes. Transfer Taxes shall be shared fifty percent (50%) by Sinclair and fifty percent (50%) by Buyer (excluding any Transfer Taxes resulting from the Restructuring Transactions, which shall be borne solely by Sinclair). The party which has the primary responsibility under applicable Law for the payment of any particular Transfer Tax shall prepare and file any Tax Return required to be filed in connection with such Transfer Tax, pay the full amount of such Transfer Tax to the appropriate Governmental Authority in accordance with applicable Law, notify the other party in writing of the amount paid, and attach to such notification a copy of any Tax Returns filed in connection with such Transfer Tax. The other party shall pay the party that paid the Transfer Tax an amount equal to fifty percent (50%) of such Transfer Tax by check or wire transfer of immediately available funds within five (5) Business Days after receiving such notice. Buyer and Sinclair shall cooperate in the preparation, execution and filing of all Tax Returns relating to Transfer Taxes and shall cooperate in seeking to secure any available exemptions from any Transfer Taxes.

Section 9.02 FIRPTA Certificate. At or before the Closing, Sinclair shall cause to be delivered to Buyer (A) a certificate signed by a duly authorized officer of the Company complying with the requirements of Section 1445 and the Treasury Regulations thereunder stating that no interest in the Company has been a "United States real property interest" as defined under Section 897 of the Code at any time during the five-year period ending on the Closing Date and (B) a notice to be delivered to the IRS in accordance with Treasury Regulation § 1.897-2(h)(2).

#### Section 9.03 Taxes and Tax Returns.

(a) Sinclair shall prepare, in a manner consistent with applicable Law, and shall properly file or cause to be filed (or cause to be delivered to Buyer, and Buyer shall file, if Buyer is required by Law to file) any Tax Returns required to be filed by the Company for any taxable period ending on or before the Closing Date, and Sinclair shall pay any Pre-Closing Taxes required to be paid in connection therewith. Such Tax Returns described in the foregoing sentence that are Tax Returns of an Affiliated Group shall include the income of the Company (including any deferred items triggered into income by Treasury Regulation Section 1.1502-13 and any excess loss account taken into income under Treasury Regulation Section 1.1502-19) for all taxable periods through the Closing Date. Sinclair shall provide Buyer with a copy of the Company's (i) pro forma short year (for the period ending on the Closing Date) U.S. federal income Tax Return prepared in connection with preparation of the 2018 consolidated Tax Return of the Sinclair Group (together with all workpapers reasonably necessary for Buyer to calculate the tax attributes

(including any net operating losses, Tax basis and depreciation) of the Company, but excluding all other Tax Returns of any Affiliated Group and all related workpapers) and (ii) short year (for the period ending on the Closing Date) 2018 Missouri state income Tax Return.

(b) Buyer shall prepare and shall properly file or cause to be filed any Tax Returns required to be filed by the Company for any Straddle Period. All such Tax Returns shall be prepared and filed in a manner consistent with prior practice, except as required by applicable Law. Buyer shall deliver to Sinclair all Tax Returns described in this Section 9.03(b) no less than 30 days before the applicable due date, along with supporting workpapers, for Sinclair's review and comment. Buyer will consider in good faith all of Sinclair's reasonable comments to such Tax Returns.

(c) For purposes of this Agreement, Taxes for any Straddle Period of the Company shall be allocated between the Pre-Closing Tax Period and Post-Closing Tax Period of such Straddle Period as follows: (i) any such real property, personal property or similar ad valorem Tax shall be prorated based on the relative number of days in the Pre-Closing Tax Period and Post-Closing Tax Period of such Straddle Period, and (ii) any Tax not described in clause (i) above shall be allocated based on an interim closing of the books as of the Closing Date.

(d) To the extent permitted or required by Treasury Regulation Section 1.1502-76(b) (or any similar provision of state, local or non-U.S. Law), all extraordinary items (as defined in Treasury Regulation Section 1.1502-76(b)(2)(ii)(C)) incurred on the Closing Date after the Effective Time shall be treated as having occurred at the beginning of the day immediately following the Closing Date and shall be reported by Buyer in a Post-Closing Tax Period, and all other items incurred on the Closing Date shall be treated as having occurred on the Closing Date and shall be reported by the Company in a Pre-Closing Tax Period. If the Company is permitted but not required under applicable state, local or non-U.S. income Tax Law to treat the Closing Date as the last day of a taxable period, then the parties shall take and cause their Affiliates to take, such steps as may be reasonably necessary to treat the Closing Date as the last day of a taxable period.

(e) Buyer, Sinclair, Tribune and their Affiliates shall cooperate fully, as and to the extent reasonably requested by the other parties, in connection with the preparation and filing of Tax Returns and any audit, litigation or other Tax Proceeding. Such cooperation shall include the retention and (upon request by the other parties) the provision of records and information reasonably relevant to any such audit, litigation or other Tax Proceeding.

#### Section 9.04 Post-Closing Actions Relating to Taxes.

(a) Except as required by applicable Law, Buyer shall not and shall cause its Affiliates not to, amend, refile or modify any Tax Return of the Company for any Pre-Closing Tax Period without Sinclair's prior written consent (which consent may be withheld, conditioned or delayed in Sinclair's sole discretion). Buyer shall not make and shall cause not to be made any election under Section 338 of the Code with respect to Buyer's acquisition of the Shares hereunder.

(b) Sinclair shall be entitled to any refunds of Pre-Closing Taxes that are actually received (or that are used to offset Taxes for a Post-Closing Tax Period) by the Buyer or

the Company after the Closing Date (including any interest included therein by the applicable Tax Authority), including any such refunds that take the form of a credit (“Pre-Closing Tax Refunds”). In the case of a refund of Taxes relating to a Straddle Period of the Company, such refund shall be equitably apportioned between the Pre-Closing Tax Period and the Post-Closing Tax Period of such Straddle Period pursuant to the methodology set forth in Section 9.03(c). If Buyer or any of its Affiliates receives any Pre-Closing Tax Refund, Buyer shall, within fifteen (15) days of receipt, pay, or cause to be paid, the amount (or allocable portion thereof) of such refund (including any interest included therein by the Tax Authority) to Sinclair, less any reasonable out-of-pocket costs incurred in obtaining such Pre-Closing Tax Refund. To the extent any such Pre-Closing Tax Refund is subsequently disallowed or required to be returned to the applicable Tax Authority, Sinclair agrees promptly to repay the amount of such Pre-Closing Tax Refund, together with any interest, penalties or other additional amounts imposed by such Tax Authority, to Buyer.

#### Section 9.05 Tax Claims.

(a) If a Tax Proceeding that might result in a Pre-Closing Tax is initiated against Buyer, Sinclair, Tribune or any Affiliate thereof (including the Company) (any such claim, a “Tax Claim”), the party receiving notice of such Tax Claim shall notify the other party in writing of such Tax Claim within fifteen (15) days; provided, that the failure to give such notice shall not affect Buyer’s rights hereunder except to the extent that Sinclair has been actually prejudiced by such failure.

(b) Sinclair shall control (at Sinclair’s expense) any Tax Claim with respect to an Affiliated Group, and Buyer shall not participate in or control any such Tax Claim. Sinclair shall keep Buyer reasonably informed as to the status and resolution of such Tax Claim, to the extent such Tax Claim could reasonably be expected to affect any Tax liability of Buyer or the Company after the Closing Date.

(c) Sinclair shall have the right (at Sinclair’s expense) to control the conduct of any Tax Claim relating primarily to Pre-Closing Taxes and not described in Section 9.05(b); provided, however, that (i) Sinclair shall keep Buyer reasonably informed as to the status of such Tax Claim, (ii) if the resolution of such Tax Claim would reasonably be expected to have an adverse effect on the Tax liability of Buyer or any of its Affiliates for any Post-Closing Tax Period, then Buyer shall be entitled to participate in any such Tax Claim and Sinclair shall not settle or otherwise compromise such Tax Claim without Buyer’s written consent, which shall not be unreasonably withheld, conditioned or delayed, and (iii) as a condition to Sinclair’s control of such Tax Claim, Sinclair shall acknowledge and agree that any Pre-Closing Taxes attributable to such Tax Claim shall be paid by Sinclair. If Sinclair elects not to control any such Tax Claim, then Buyer shall control such Tax Claim; provided, however, that (A) Buyer shall keep Sinclair reasonably informed as to the status of such Tax Claim and (B) Buyer shall not settle or otherwise compromise such Tax Claim without Sinclair’s written consent, which shall not be unreasonably withheld, conditioned or delayed.

(d) With respect to any Tax Claim not described in Section 9.05(b) or Section 9.05(c), (i) Buyer shall keep Sinclair reasonably informed as to the status of such Tax Claim, (ii) Sinclair shall have the right to participate in the conduct of such Tax Claim at Sinclair’s cost and

expense, and (iii) Buyer shall not settle or otherwise compromise such Tax Claim without Sinclair's written consent, which shall not be unreasonably withheld, conditioned or delayed.

Section 9.06 Seller Affiliated Group. Notwithstanding anything herein to the contrary, neither Buyer nor any Affiliate thereof shall have any right to access or review any Tax Return or Tax work papers of Sinclair, Tribune, or any Affiliate of Sinclair or Tribune (including any Tax Return of any consolidated, combined, affiliated or unitary group that includes Sinclair or Tribune, and any pro forma Tax Return used to create any such Tax Return), but excluding (x) all workpapers and other documentation reasonably necessary for Buyer to calculate the tax attributes (including any net operating losses, Tax basis and depreciation) of the Company, and (y) the documentation required to be provided to Buyer by the last sentence of Section 9.03(a).

Section 9.07 Withholding. Buyer and the Company shall be entitled to deduct and withhold from the amounts payable pursuant to this Agreement to any Person the amounts required to be deducted and withheld under any applicable Law with respect to the making of such payment. To the extent that amounts are so withheld and timely paid to the appropriate Governmental Authority, such withheld amounts shall be treated for all purposes of this Agreement as having been paid to the Person in respect of whom such deduction and withholding was made. Under current applicable Law, Buyer will not withhold any Taxes from amounts payable to Tribune Broadcasting Company, LLC in respect of the sale of the Shares provided Sinclair delivers (or causes to be delivered) the certifications described in Section 9.02 and Section 2.07(b)(ii). In the event that Buyer or the Company determines that such withholding is required as a result of a change in applicable Law, Buyer shall use commercially reasonable efforts to notify Sinclair and provide Sinclair with the opportunity to provide any form or documentation or take such other steps in order to avoid such withholding.

## **ARTICLE X**

### **CONDITIONS TO CLOSING**

Section 10.01 Conditions to Obligations of the Parties. The obligations of Buyer and Sinclair to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or waiver (by each of Buyer and Sinclair, if permitted by Law), at or prior to the Closing, of each of the following conditions:

- (a) No Order shall prohibit the consummation of the Closing.
- (b) The FCC Consent shall have been granted and be effective.
- (c) Prior written approval by the DOJ of the sale of the Station to Buyer pursuant to this Agreement.

Section 10.02 Conditions to Obligations of Sinclair. The obligation of Sinclair to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or waiver (if such waiver is permitted by Law) by Sinclair, at or prior to the Closing, of each of the following further conditions:

- (a) The representations and warranties of Buyer made in this Agreement shall be true and correct, disregarding all qualifiers and exceptions relating to materiality or material



adverse effect, as of the date of this Agreement (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 material adverse effect, as of such earlier date) and as of the Closing Date as though made on and as of the Closing Date except where any failure to be so true and correct, individually or in the aggregate, has not had, and would not reasonably be expected to have, a Buyer Material Adverse Effect.

(b) Buyer shall have performed in all material respects all obligations required to be performed by it under this Agreement on or prior to the Closing Date.

(c) Sinclair shall have received a certificate dated as of the Closing Date from Buyer, executed by an authorized officer of Buyer, to the effect that the conditions set forth in Section 10.02(a) and Section 10.02(b) have been satisfied.

(d) The Tribune Closing shall have occurred or shall occur substantially simultaneously with the Closing.

Section 10.03 Conditions to Obligations of Buyer. The obligations of Buyer to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or waiver by Buyer (if such waiver is permitted by Law), at or prior to the Closing, of each of the following further conditions:

(a) The representations and warranties of Sinclair made in this Agreement shall be true and correct, disregarding all qualifiers and exceptions relating to materiality or Material Adverse Effect, as of the date of this Agreement (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 Material Adverse Effect, as of such earlier date) and as of the Closing Date as though made on and as of the Closing Date, except where any failure to be so true and correct, individually or in the aggregate, has not had, and would not reasonably be expected to have, a Material Adverse Effect.

(b) Sinclair shall have performed in all material respects all obligations required to be performed by them under this Agreement on or prior to the Closing Date; provided, that, for purposes of determining whether the condition contained in this clause (b) has been satisfied, Section 5.01 shall be read without giving effect to the “reasonable best efforts” standard set forth therein.

(c) Buyer shall have received a certificate dated as of the Closing Date from Sinclair, executed by an authorized officer of Sinclair, to the effect that the conditions set forth in Section 10.03(a) and Section 10.03(b) have been satisfied.

## **ARTICLE XI**

### **TERMINATION**

Section 11.01 Termination. This Agreement may be terminated at any time prior to the Closing as follows:

(a) by the mutual written consent of Sinclair and Buyer;

(b) either by Sinclair, on the one hand, or by Buyer, on the other hand:

(i) if the Closing shall not have occurred on or before the Termination Date, so long as the terminating party is not then in breach of any of its representations, warranties, covenants or agreements contained in this Agreement to the extent that would give the other party the right not to close pursuant to Section 10.02 or Section 10.03, as the case may be;

(ii) if a Governmental Authority of competent jurisdiction shall have issued an Order enjoining or otherwise prohibiting consummation of the transactions contemplated by this Agreement, and such Order shall have become final and non-appealable; or

(iii) if DOJ indicates in writing that it will not approve the sale of Station to Buyer pursuant to this Agreement.

(c) by Sinclair:

(i) upon a breach of any representation, warranty, covenant or agreement on the part of Buyer set forth in this Agreement, or if any representation or warranty of Buyer is or becomes inaccurate, and in either case such breach or inaccuracy (A) is not cured or capable of being cured by the earlier of the day prior to the Termination Date and thirty (30) days following written notice of such breach from Sinclair (to the extent such breach is curable) and (B) would give rise to the failure of a condition set forth in Section 10.02; provided, that Sinclair shall not have the right to terminate this Agreement pursuant to this Section 11.01(c) if Sinclair is then in breach of any of its representations, warranties, covenants or agreements contained in this Agreement which breach, if not cured, would render the conditions set forth in Article X incapable of being satisfied; or

(ii) in the event of the termination of the Merger Agreement pursuant to the terms thereof, within ten (10) days of such termination.

(d) by Buyer:

(i) upon a breach of any representation, warranty, covenant or agreement on the part of Sinclair set forth in this Agreement, or if any representation or warranty of Sinclair shall is or becomes inaccurate, and in either case such breach or inaccuracy (A) is not cured or capable of being cured by the earlier of the day prior to the Termination Date and thirty (30) days following written notice of such breach from Buyer (to the extent such breach is curable) and (B) would give rise to the failure of a condition set forth in Section 10.03; provided, that Buyer shall not have the right to terminate this Agreement pursuant to this Section 11.01(d) if Buyer is then in breach of any of its representations, warranties, covenants or agreements contained in this Agreement, which breach, if not cured, would render the conditions set forth in Article X incapable of being satisfied;

(ii) in the event of the termination of the Merger Agreement pursuant to the terms thereof, within ten (10) days of such termination; or

(iii) in the event that the FCC Application has not been filed by 5:00 p.m. Eastern Time on April 24, 2018 (unless the failure to file the FCC Application a result of failure by Buyer to comply with its obligations under Section 7.01).

The party desiring to terminate this Agreement pursuant to this Section 11.01 (other than pursuant to Section 11.01(a)) shall give written notice of such termination to the other party.

Section 11.02 Notice of Breach. Notwithstanding anything to the contrary in this Article XI, (a) neither Sinclair nor Buyer shall be entitled to provide notice of termination pursuant to Section 11.01(c) or Section 11.01(d) unless Sinclair or Buyer, as the case may be, has provided the other party notice of the particular breach that would warrant termination of this Agreement and thirty (30) days to cure such breach and (b) notwithstanding anything in the foregoing clause (a) to the contrary, in no event shall Buyer have any cure period for any failure to pay the Purchase Price in accordance with Section 2.07.

Section 11.03 Effect of Termination. In the event of a termination of this Agreement pursuant to Section 11.01, this Agreement (other than the Confidentiality Agreement, Section 7.04, Section 12.01, and Article XIII (and Article I to the extent related to such foregoing Sections or Articles, which shall remain in full force and effect)) shall forthwith become null and void, and neither party hereto (nor any of their respective Affiliates, members, directors, officers or employees) shall have any liability or further obligation; provided, however, that any such termination shall not relieve Sinclair or Buyer from any liability for any willful and material breach of this Agreement occurring prior to such termination.

## **ARTICLE XII** **SURVIVAL; INDEMNIFICATION**

Section 12.01 Survival. None of the representations, warranties, covenants and other agreements, in each case, contained in this Agreement, or in any instrument or certificate delivered by any party at the Closing (provided that the Ancillary Agreements shall be governed in accordance with their respective terms to the extent provided for therein), will survive the Closing, and none of the parties shall have any liability to each other after the Closing for any breach thereof, except, in each case, (a) in the case of fraud and (b) for covenants and agreements which contemplate performance after the Closing or otherwise expressly by their terms survive the Closing, each of which will survive in accordance with its terms.

Section 12.02 Indemnification by Buyer. From and after the Closing, Buyer shall indemnify against and hold harmless Sinclair, Tribune and their respective Affiliates and their respective employees, officers, members, and Representatives (collectively, the “Seller Indemnified Parties”) from, and will promptly defend any Seller Indemnified Party from and reimburse any Seller Indemnified Party for, any and all losses, damages, costs, expenses, liabilities, obligations and claims of any kind (including any Proceeding brought by any Governmental Authority or Person and including reasonable attorneys’ fees and expenses reasonably incurred) (collectively, “Losses”), which any Seller Indemnified Party may at any time suffer or incur, or become subject to, as a result of or in connection with:

- (i) any breach or nonfulfillment of any agreement or covenant of Buyer to be performed following the Closing under the terms of this Agreement; and
- (ii) the Assumed Liabilities.

Section 12.03 Indemnification by Sinclair. From and after the Closing, Sinclair shall indemnify against and hold harmless Buyer, its Affiliates, and each of their successors and permitted assigns, and their respective employees, officers, directors and Representatives (collectively, the “Buyer Indemnified Parties”) from, and will promptly defend any Buyer Indemnified Party from and reimburse any Buyer Indemnified Party for, any and all Losses which such Buyer Indemnified Party may at any time suffer or incur, or become subject to, as a result of or in connection with: (i) any breach or nonfulfillment of any agreement or covenant of Sinclair to be performed following the Closing under the terms of this Agreement, (ii) Pre-Closing Taxes, and (iii) the Excluded Liabilities.

Section 12.04 Notification of Claims. Other than with respect to Tax Claims (which are governed by Section 9.05):

(a) A Seller Indemnified Party or Buyer Indemnified Party entitled to be indemnified pursuant to Section 12.02 or Section 12.03 (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, 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 XII 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 pursuant to Section 12.04(a), the Indemnifying Party shall have the right to employ counsel of its choosing to defend any such claim asserted by any third party against the Indemnified Party for so long as the Indemnifying Party shall continue in good faith to diligently defend against such claim. The Indemnified Party shall have the right to participate in the defense of any such claim at its own cost and expense. The Indemnifying Party shall notify the Indemnified Party in writing, as promptly as reasonably possible after the date of the notice of claim given by the Indemnified Party to the Indemnifying Party under Section 12.04(a), of its election to defend in good faith any such third party claim. So long as the Indemnifying Party is defending in good faith any such claim asserted by a third party against the Indemnified Party, the Indemnified Party shall not settle or compromise such claim without the written consent of the Indemnifying Party, which consent shall not be unreasonably withheld, conditioned or delayed, 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. In the event (i) the Indemnifying Party elects not to defend such claim, (ii) the Indemnifying Party elects to defend such claim but fails to diligently defend such claim in good faith, (iii) the Indemnified Party reasonably shall have concluded (upon advice of its counsel) that there may be one or more

legal or equitable defenses available to such Indemnified Party or other Indemnified Parties that are not available to the Indemnifying Parties, or (iv) the Indemnified Party reasonably shall have concluded (upon advice of its counsel) that, with respect to such claims, the Indemnified Party and the Indemnifying Parties have an actual conflict of interest, or that an actual conflict of interest is reasonably likely to exist, 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, the Indemnified Party shall not settle or compromise any such claim without the consent of the Indemnifying Party (such consent not to be unreasonably withheld, conditioned or delayed), unless (x) the Indemnifying Party is given a full and complete release of any and all liability by all relevant parties relating thereto, (y) the Indemnifying Party has no obligation to pay any monetary damages and (z) such settlement does not impose an injunction or other equitable relief to the Indemnifying Party. If any of the foregoing clauses (i) – (iv) in the immediately preceding sentence apply, and the Indemnifying Parties do not defend any claim, then the Indemnified Party shall proceed diligently to defend such matter with the assistance of counsel (with counsel selected by the Indemnifying Party) and shall be entitled to be reimbursed for all reasonable costs, expenses and fees incurred by the Indemnified Party in the defense of such matter.

(c) Regardless of which party assumes the defense of such matter, the parties shall reasonably cooperate with one another in connection therewith. Such reasonable cooperation shall include making available all books, records and other documents and materials that are relevant to the defense of such matter and making employees, officers and advisors reasonably available to provide additional information or to act as a witness or respond to legal process. The parties shall use reasonable best efforts to avoid production of confidential information (consistent with applicable Law), and to cause all communications among employees, counsel and others representing any party to a third-party claim to be made so as to preserve any applicable attorney-client or work-product privileges.

#### Section 12.05 Net Losses; Subrogation; Mitigation.

(a) Notwithstanding anything contained herein to the contrary, the amount of any Losses incurred or suffered by an Indemnified Party shall be calculated after giving effect to (i) any insurance proceeds received by the Indemnified Party (or any of its Affiliates) with respect to such Losses and (ii) any recoveries obtained by the Indemnified Party (or any of its Affiliates) from any other third party, in each case, net of reasonable costs and expenses incurred in obtaining such proceeds and recoveries. Each Indemnified Party shall exercise reasonable best efforts to obtain such proceeds, benefits and recoveries (collectively, “Proceeds”). If any such Proceeds are received by an Indemnified Party (or any of its Affiliates) with respect to any Losses after an Indemnifying Party has made a payment to the Indemnified Party with respect thereto, the Indemnified Party (or such Affiliate) shall promptly pay to the Indemnifying Party the amount of such Proceeds (up to the amount of the Indemnifying Party’s payment). With respect to any Losses incurred or suffered by an Indemnified Party, the Indemnifying Party shall have no liability for any Losses to the extent that the same Losses have already been recovered by the Indemnified Party from the Indemnifying Party (because the Indemnified Party may only recover once in respect of the same Loss).

(b) Upon making any payment to an Indemnified Party in respect of any Losses, the Indemnifying Party shall, to the extent of such payment, be subrogated to all rights of the Indemnified Party (and its Affiliates) against any third party in respect of the Losses to which such payment relates. Such Indemnified Party (and its Affiliates) and Indemnifying Party shall execute upon request all instruments reasonably necessary to evidence or further perfect such subrogation rights.

(c) Buyer and Sinclair shall use reasonable best efforts to mitigate any Losses (other than Taxes), whether by asserting claims against a third party or by otherwise qualifying for a benefit that would reduce or eliminate an indemnified matter; provided, that no party shall be required to use such efforts if they would be detrimental in any material respect to such party.

Section 12.06 Computation of Indemnifiable Losses. Any calculation of Losses for purposes of this Article XII shall be reduced to account for any Tax benefits arising from the Loss that are actually realized by Buyer in or prior to the taxable year in which the applicable Loss was incurred, calculated by taking into account such Tax benefit as the last item on Buyer's Tax Return.

Section 12.07 Remedies Generally. No party shall have any liability to any other party under this Agreement or under any circumstances for special, indirect, consequential, punitive or exemplary damages or lost profits, diminution in value or any damages based on any type of multiple of earnings of any Indemnified Party. 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 or intentional breach in connection with the transactions contemplated in this Agreement or the Ancillary Agreement.

Section 12.08 Tax Treatment. To the extent permitted by applicable Law, all indemnity payments made pursuant to this Agreement shall be treated by the parties hereto as an adjustment to the purchase price for U.S. federal income (and other relevant) tax purposes.

### **ARTICLE XIII** **GENERAL PROVISIONS**

Section 13.01 Expenses. Except as may be otherwise specified herein, all costs and expenses, including fees and disbursements of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses, whether or not the Closing shall have occurred. Sinclair shall be responsible for any and all costs and expenses incurred by or on behalf of the Company prior to the Closing in connection with this Agreement and the transaction contemplated herein, whether or not the Closing shall have occurred.

Section 13.02 Notices. Notices and other communications hereunder shall be in writing and shall be deemed given if delivered personally, by facsimile (with confirmation of transmission), by email (with confirmation of receipt) or sent by a nationally recognized overnight courier service, such as Federal Express, to the parties at the following addresses (or at such other address for a party as shall be specified by like notice made pursuant to this Section 13.02):

If to Sinclair:

Sinclair Television Group, Inc.  
10706 Beaver Dam Road  
Cockeysville, Maryland 21030  
Attention: President  
Fax: (410) 568-1537

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

Sinclair Television Group, Inc.  
10706 Beaver Dam Road  
Cockeysville, Maryland 21030  
Attention: General Counsel  
Fax: (410) 568-1537

Fried, Frank, Harris, Shriver & Jacobson LLP  
One New York Plaza  
New York, NY 10004  
Attention: Philip Richter  
Fax: (212) 859-4000  
Email: philip.richter@friedfrank.com

If to Buyer:

Meredith Corporation  
1716 Locust Street  
Des Moines, Iowa 50309-3023  
Attn: John S. Zieser and Joshua N. Pila

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

Cooley LLP  
1299 Pennsylvania Avenue, NW, Suite 700  
Washington, DC 20004-2400  
Attention: J. Kevin Mills and Michael D. Basile  
Fax: (202) 842-7899  
Email: kmills@cooley.com and mdbasile@cooley.com

Section 13.03 Headings. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

Section 13.04 Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced because of the application of any Law or the regulations and policies of any Governmental Authority or the decision by any Governmental Authority of competent jurisdiction (including any court), all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner adverse to either party hereto.

Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

Section 13.05 Entire Agreement. This Agreement, the Ancillary Agreements, the Disclosure Schedules, and the Confidentiality Agreement constitute the entire agreement of the parties hereto with respect to the subject matter hereof and thereof and supersede all prior agreements and undertakings, both written and oral, between Sinclair and Buyer with respect to the subject matter hereof and thereof, except as otherwise expressly provided herein.

Section 13.06 Successors and Assigns.

(a) This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. Sinclair may not assign its rights or obligations under this Agreement (except as contemplated by the Restructuring Transactions) without Buyer's prior written consent and Buyer may not assign its rights or obligations under this Agreement without Sinclair's prior written consent; provided, that (i) Sinclair may assign all or any portion of its rights and obligations hereunder to an Affiliate, provided that no assignment shall operate to relieve Sinclair of any of its obligations hereunder, (ii) Sinclair and Buyer may each assign all or any portion of its rights and obligations hereunder pursuant to Section 13.06(b), and (iii) Buyer may assign all or any portion of its rights and obligations hereunder to an Affiliate, provided that no assignment shall operate to relieve Buyer of any of its obligations hereunder.

(b) Each of Sinclair and Buyer shall have the right to assign its respective rights under this Agreement (but without release of its respective obligations herein and without release of the other party's obligations herein) to a third party who may act as a "qualified intermediary" or an "exchange accommodation titleholder" with respect to this Agreement in accordance with the provisions of Section 1031 of the Code, the Treasury Regulations promulgated thereunder, and any corresponding state or local income Tax Laws (such assignment and related transactions, a "Like-Kind Exchange"). If either party elects to engage in a Like-Kind Exchange, the party so electing (the "Electing Party") shall notify the other party of its election in writing no later than five (5) days prior to the Closing, identifying those Purchased Assets that it intends to qualify as part of the Like-Kind Exchange. The Electing Party shall bear its own expenses in connection with any such election to engage in a Like-Kind Exchange. Each of Sinclair and Buyer, as the case may be, shall cooperate fully with the Electing Party, and take any action reasonably requested in writing by the Electing Party, in connection with enabling the transactions to qualify in whole or in part as a Like-Kind Exchange; provided, however, that such actions do not impose any liabilities, including any unreimbursed monetary obligations or costs, on Sinclair or Buyer and does not release Buyer or Sinclair from its obligations under this Agreement, as the case may be, and that the Electing Party shall promptly reimburse the other party for any third-party costs reasonably incurred in connection with such election, including as the result of any subsequent review of such election by any Governmental Authority or any attendant Tax consequences.

Section 13.07 No Recourse. Notwithstanding any of the terms or provisions of this Agreement, none of Sinclair, Buyer or any Person acting on such Person's behalf, may assert any



Proceeding against any employee, officer, director, member, Representative or trustee of the other party or stockholder, member or trustee of such other party in connection with or arising out of this Agreement or the transactions contemplated hereby.

Section 13.08 No Third-Party Beneficiaries. Except as expressly provided in this Agreement, this Agreement is for the sole benefit of the parties hereto and their permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement; provided, that notwithstanding the foregoing, following the Effective Time, the Seller Indemnified Parties shall be express third-party beneficiaries of Article XII.

Section 13.09 Amendments and Waivers.

(a) This Agreement may not be amended or modified except by an instrument in writing signed by Sinclair and Buyer.

(b) At any time prior to the Closing, any party may (i) extend the time for the performance of any obligation or act required by the other party hereto, (ii) waive any inaccuracies in the representations and warranties of any other party hereto contained herein or in any document delivered pursuant hereto, or (iii) waive compliance by any other party hereto with any of the agreements or conditions contained herein. Any such extension or waiver shall be valid only if set forth in an instrument in writing signed by the party to be bound thereby.

(c) No failure or delay by either party in exercising any right, power or privilege 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, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by applicable Law.

Section 13.10 Governing Law; Jurisdiction. This Agreement shall be governed by, and construed in accordance with, the Laws of the State of Delaware, without giving effect to conflicts of laws principles that would result in the application of the Law of any other state. In addition, each of the parties (a) consents to submit itself, and hereby submits itself, to the personal jurisdiction of the Court of Chancery of the State of Delaware and any federal court located in the State of Delaware, or, if neither of such courts has subject matter jurisdiction, any state court of the State of Delaware having subject matter jurisdiction, in the event any dispute arises out of this Agreement or any of the transactions contemplated by this Agreement, (b) agrees that it will not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any such court, and agrees not to plead or claim any objection to the laying of venue in any such court or that any judicial proceeding in any such court has been brought in an inconvenient forum, (c) agrees that it will not bring any action relating to this Agreement or any of the transactions contemplated by this Agreement in any court other than the Court of Chancery of the State of Delaware and any federal court located in the State of Delaware, or, if neither of such courts has subject matter jurisdiction, any state court of the State of Delaware having subject matter jurisdiction, and (d) consents to service of process being made through the notice procedures set forth in Section 13.02, which service of process will be deemed made on the third (3<sup>rd</sup>) day following delivery of such notice.

Section 13.11 Remedies; Specific Performance. The rights and remedies of the parties shall be cumulative with and not exclusive of any other remedy conferred hereby. The parties agree that irreparable damage would occur and that the parties would not have any adequate remedy at law in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches or threatened breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement, including the obligations to consummate the transactions contemplated hereby, in the Court of Chancery of the State of Delaware or, if under applicable Law exclusive jurisdiction over such matter is vested in the federal courts, any federal court located in the State of Delaware without proof of actual damages or otherwise (and each party hereby waives any requirement for the securing or posting of any bond in connection with such remedy), this being in addition to any other remedy to which they are entitled at law or in equity. The parties' rights in this Section 13.11 are an integral part of the transactions contemplated hereby and each party hereby waives any objections to any remedy referred to in this Section 13.11.

Section 13.12 WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY ACTION ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY, INCLUDING BUT NOT LIMITED TO ANY ACTION ARISING OUT OF OR RELATED TO ANY FINANCING FOR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 13.13 Counterparts. This Agreement may be executed in counterparts, each of which when executed shall be deemed to be an original but both of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or e-mail shall be effective as delivery of a manually executed counterpart of this Agreement.

[SIGNATURE PAGE FOLLOWS]

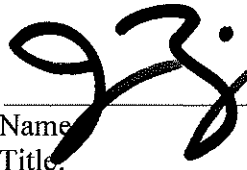
IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

Sinclair Television Group, Inc.

By: 

Name: Lucy Reiterhaus  
Title: CFO

Meredith Corporation

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