

PURCHASE AND SALE AGREEMENT

BY AND BETWEEN

FREE STATE COMMUNICATIONS, L.L.C.

(“BUYER”)

NORTHEAST KANSAS BROADCAST SERVICES, INC.

(“SELLER”)

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PURCHASE AND SALE AGREEMENT

This PURCHASE AND SALE AGREEMENT is made as of this 26th day of April, 2005, by FREE STATE COMMUNICATIONS, L.L.C., a Kansas limited liability company ("Buyer"), and NORTHEAST KANSAS BROADCAST SERVICES, INC., a Kansas corporation ("Seller").

R E C I T A L S

A. WHEREAS, Seller is engaged in the business of television broadcasting and presently owns the assets of and operates commercial television broadcast station, KTKA-TV, Channel 49, in Topeka, Kansas (the "Station").

B. WHEREAS, Seller is willing to sell to Buyer, and Buyer is willing to purchase from Seller, substantially all of the assets, business, properties and rights of Seller related to the conduct of the Station on the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the Recitals and of the mutual covenants, conditions and agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it hereby is agreed as follows:

ARTICLE 1

DEFINITIONS

1.1 Definitions. When used in this Agreement, the following terms shall have the meanings specified:

"Accountants" shall have the meaning set forth in Section 2.5(f).

"Accounts Receivable" shall mean all accounts receivable of Seller as of the Closing Date, as determined in accordance with generally accepted accounting principles.

"Adjustment Amount" shall have the meaning set forth in Section 2.5(e).

"Adjustment List" shall have the meaning set forth in Section 2.5(e).

"Affiliation Agreement" shall mean the term letter of agreement dated April 6, 2000, Modifications of Terms Letter dated September 17, 2002, as modified by Network Affiliate Plan ("NAP") I, II, and III and the exhibits and attachments thereto.

"Agreement" shall mean this Purchase and Sale Agreement, together with the Schedules and the Exhibits attached hereto, as the same shall be amended from time to time in accordance with the terms hereof.

"Assumed Liabilities" shall mean (i) the liabilities of Seller, if any, listed on SCHEDULE 1.1, (ii) the obligations of Seller under the Contracts and the Leases arising from and accruing with respect to the operation of the Station after the Closing Date, except those Contracts and Leases, if any, relating to the Retained Assets, and (iii) the liabilities, obligations

and claims resulting from the operation of the Station prior to the Closing Date to the extent such liabilities, obligations and claims are the subject of a purchase price adjustment pursuant to Section 2.4 in favor of Buyer.

“Benefit Arrangements” shall mean a benefit program or practice providing for bonuses, incentive compensation, vacation pay, severance pay, insurance, restricted stock, stock options, employee discounts, company cars, tuition reimbursement or any other perquisite or benefit (including, without limitation, any fringe benefit under Section 132 of the Code) to employees, officers or independent contractors that is not a Plan.

“Bill of Sale and Assignment and Assumption Agreement” shall mean an instrument in the form of EXHIBIT “A”, by which Seller will convey to Buyer title to the Purchased Assets and by which the Contracts, Leases, Licenses and similar Assets are assigned by Seller to Buyer and the Assumed Liabilities are accepted by Buyer.

“Buyer” shall mean Free State Communications, L.L.C, a Kansas limited liability company.

“Buyer Indemnified Parties” shall have the meaning set forth in Section 9.1.

“Buyer’s Certificate” shall mean the certificate of Buyer in the form of EXHIBIT “B”.

“Buyer’s Information” shall have the meaning set forth in Section 11.9(b).

“Buyer’s Opinion of Counsel” shall mean an opinion of counsel to Buyer in a form reasonably acceptable to Seller.

“Cable Act” shall mean the Cable Television Consumer Protection and Competition Act of 1992, Pub. L. No. 102-385, 106 Stat. 1460 (1992).

“Cash” shall mean all monies of Seller relating to the Station, whether in the form of cash, cash equivalents or deposits in bank accounts of any kind.

“Claims” shall have the meaning set forth in Section 9.1.

“Closing” shall mean the conference to be held at 10:00 a.m., on the Closing Date at the place as the parties may mutually agree to in writing, at which the transactions contemplated by this Agreement shall be consummated. The parties will endeavor to conduct the Closing by facsimile and express mail.

“Closing Date” shall mean (a) the date designated by Buyer upon five (5) days prior written notice to Seller that is no later than ten (10) days after the last to occur of the date on which the FCC Consent has become a Final Order; provided, however, that Buyer in its sole discretion and upon ten (10) days prior written notice may waive the requirement that the FCC Consent become a Final Order, or (b) such other date as Buyer and Seller may agree upon in writing. The Closing shall be deemed effective as of 12:01 a.m. on the Closing Date (the “Effective Time”).

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

“Contracts” shall mean those agreements, written or oral, express or implied, which are listed on SCHEDULE 1.2, except for employment contracts and those not required to be listed on SCHEDULE 1.2 pursuant to the provisions of Section 4.7 (other than those included in the Retained Assets and other than the Leases) under which Seller conducts the business of the Station.

“Customer Lists” shall mean all lists, documents, written information and computer tapes and programs and other computer readable media in Seller’s possession concerning past, present and potential purchasers of services from the Station.

“Environmental Laws” shall mean the rules and regulations of the FCC, the Environmental Protection Agency and any other federal, state or local government authority pertaining to human exposure to RF radiation and all applicable rules and regulations of federal, state and local laws, including statutes, regulations, ordinances, codes, rules and policies relating to the release of Hazardous Substances, emissions of air pollutants, discharge of water pollutants or the generation, treatment, storage or disposal of solid waste or otherwise relating to the environment or Hazardous Materials or toxic substances, including, but not limited to, the Federal Solid Waste Disposal Act, the Federal Clean Air Act, the Federal Clean Water Act, the Federal Resource Conservation and Recovery Act of 1976, the Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, regulations of the Environmental Protection Agency, the Toxic Substance Control Act, regulations of the Nuclear Regulatory Agency, and counterpart or similar regulations of any applicable state agency, department, district or board including but not limited to any state department of public health, natural resources or the environmental protection agency as now in effect.

“Equipment” shall mean all machinery, equipment, furniture, fixtures, furnishings, toolings, parts, tubes, blank films, tapes, microwaves, transponders, relays and other items of tangible personal property, together with any additions, modifications, alterations or improvements thereto, owned or leased by Seller and used or useful in the operation of the Station (including its intended digital operation), including, but not limited to, those items listed on SCHEDULE 1.3.

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

“Escrow Agent” shall mean Chicago Title and Trust, Inc. or other agent selected by Buyer and Seller.

“Escrow Agreement” shall mean the Escrow Agreement dated as the date hereof, by and among, Buyer, Seller and Escrow Agent, attached hereto as Exhibit C.

“Escrow Deposit” shall mean the sum of Three Hundred Ten Thousand Dollars (\$310,000), to be deposited by Buyer with the Escrow Agent upon the execution of this Agreement, to be held by Escrow Agent in accordance with the terms and provisions of this Agreement and the Escrow Agreement;

“Event of Loss” shall mean any loss, taking, condemnation, or destruction of, or damage to, any of the Purchased Assets or the Station.

“FCC” shall mean the Federal Communications Commission.

“FCC Consent” shall mean action by the FCC granting its written consent to the assignment of the Licenses from Seller to Buyer.

“Final Order” shall mean that action shall have been taken by the FCC (including action duly taken by the FCC’s staff, pursuant to delegated authority) which shall not have been reversed, stayed, enjoined, set aside, annulled or suspended, with respect to which no timely request for stay, petition for rehearing, appeal or certiorari or sua sponte action of the FCC with comparable effect shall be pending and as to which the time for filing any such petition, appeal, certiorari or for the taking of any such sua sponte action by the FCC shall have expired or otherwise terminate.

“GAAP” means United States generally accepted accounting principles as in effect from time to time, consistently applied.

“Hazardous Materials” shall mean any wastes, substances or materials (whether solids, liquids or gases) that are deemed hazardous, toxic, pollutants or contaminants, including, without limitation, substances defined as “solid or hazardous wastes,” “hazardous substances,” “toxic substances,” “radioactive materials,” or other similar designations in, or otherwise subject to regulation under, any Environmental Laws, including but not limited to hazardous substances listed in 40 C.F.R. Parts 302 and 313, and RCRA characteristic and listed hazardous wastes. “Hazardous Materials” includes but is not limited to polychlorinated biphenyls (PCBs), asbestos, lead-based paints, infectious wastes, radioactive materials and wastes and petroleum and petroleum products (including, without limitation, crude oil or any fraction thereof).

“Indemnatee” shall have the meaning set forth in Section 9.3(a).

“Indemnitor” shall have the meaning set forth in Section 9.3(a).

“Intangible Property” shall mean: (a) all patents, trademarks, service marks, copyrights (whether or not registered) and registrations and applications therefore, trade names, trade secrets, designs, inventions, software, formulae, jingles, slogans, logos and similar proprietary information owned or used by, or in any way relating to, the Station, (b) all of the rights of Seller in and to the call letters “KTKA-TV” and any related Internet domain name, and (c) all goodwill associated therewith, a complete list of which (consisting of the items described in (a), (b) and (c) above) is set forth on SCHEDULE 1.4.

“Knowledge of Seller” shall mean the actual knowledge of Berl Brechner or knowledge which he should have possessed upon a reasonable investigation;

“Leases” shall mean those leases of real and personal property related to the Station as listed on SCHEDULE 1.5.

“Licenses” shall mean all material licenses, permits and authorizations issued by

the FCC to Seller for the operation of the Station, including all amendments, renewals, extensions and applications therefore all of which are listed on SCHEDULE 1.6.

“Lien” shall mean any mortgage, deed of trust, pledge, hypothecation, security interest, encumbrance, claim, lien, lease (including any capitalized lease) or charge of any kind, whether voluntarily incurred or arising by operation of law or otherwise, affecting any assets or property, including any agreement to give or grant any of the foregoing, any conditional sale or other title retention agreement and the filing of or agreement to give any financing statement with respect to any assets or property under the Uniform Commercial Code of the State of [Kansas] or a comparable law of any jurisdiction.

“Market MVPD System” shall have the meaning ascribed to it in Section 4.18.

“Motor Vehicles” shall mean all motor vehicles owned by Seller, including, without limitation, those listed on SCHEDULE 1.7.

“Motor Vehicle Title Certificates” shall mean the official evidences of title to the Motor Vehicles;

“MVPD” means multichannel video programming distributor.

“Noncompetition Agreement” shall mean the Noncompetition Agreement between Seller, Berl Brechner, and Buyer in the form of EXHIBIT “D.”

“Permitted Liens” shall mean shall mean the following Liens: (a) Liens existing on the Closing Date to remain on the Purchased Assets after the Closing as listed on SCHEDULE 1.8; (b) Liens for taxes, assessments or other governmental charges or levies not yet due; (c) statutory Liens of carriers, warehousemen, mechanics, materialmen and other Liens imposed by law created in the ordinary course of business of Seller consistent with past practices for amounts not yet due; (d) Liens (other than any Lien imposed by ERISA) incurred or deposits made in the ordinary course of business of Seller consistent with past practices in connection with worker's compensation, unemployment insurance or other types of social security; (e) with respect to interests in real property, minor defects of title, easements, rights-of-way, restrictions and other similar charges or encumbrances not materially detracting from the value of such real property or interfering with the ordinary conduct of the use of such property; and (f) Liens created by or through Buyer.

“Person” shall mean any natural person, general or limited partnership, corporation, limited liability company, firm, association or other legal entity.

“Phase I Report” shall have the meaning set forth in Section 6.2(d);

“Plan” shall mean any plan, program or arrangement, whether or not written, that is or was: (a) an “employee benefit plan” as such term is defined in Section 3(3) of ERISA and (i) which was or is established or maintained by Seller, (ii) to which Seller contributed or is obligated to contribute, fund or provide benefits, or (iii) which provides or promises benefits to any Person who performs or who has performed services for Seller and because of those services is or has been (A) a participant therein or (B) entitled to benefits thereunder; (b) an “employee

pension benefit plan” as such term is defined in Section 3(2) of ERISA, including, without limitation, any such plan that satisfies, or is intended by Seller to satisfy, the requirements for tax qualification described in Section 401 of the Code; (c) a “multiemployer plan” as such term is defined in Section 3(37) of ERISA; or (d) an “employee welfare benefit plan” as such term is defined in Section 3(1) of ERISA.

“Program Rights” shall mean all rights of Seller presently existing or obtained prior to the Closing, in accordance with this Agreement, to broadcast television programs or shows as part of the Station’s programming and for which Seller is or will be obligated to compensate the vendor of such Program Rights, including all film and program barter agreements.

“Purchase Price” shall mean the sum of \$6,200,000, as adjusted pursuant to Section 2.4 hereof.

“Purchased Assets” shall mean the right, title and interest of Seller in and to all properties and assets, real, personal and mixed, tangible and intangible, of every type and description, wherever located, that are owned or leased by Seller and used in the operation of the Station, other than the Retained Assets, including but not limited to, (i) the Contracts, (ii) the Customer Lists, (iii) the Equipment, (iv) the Intangible Property, (v) the Leases, (vi) all of Seller’s right, title and interest in the Licenses, (vii) the Motor Vehicles; (viii) the Real Property; and (ix) the Records.

“Real Property” shall mean Seller’s fee simple or leasehold interest in the real property described on SCHEDULE 1.9 (which shall include the Real Property comprising the Station’s studio), and all buildings, improvements and fixtures thereon, together with all strips and gores, rights of way, easements, privileges and appurtenances pertaining thereto, including any right, title and interest of Seller in and to any street adjoining any portion of the Real Property.

“Records” shall mean files and records, including schematics, technical information and engineering data, programming information, correspondence, books of account, employment records, customer files, purchase and sales records and correspondence, advertising records, files and literature, and FCC logs, files and records, and other written materials, of Seller relating to the Station; provided, however, that Records shall not mean or include the corporate minute books and stock records of the Seller and any shares of capital stock of the Seller which are owned and held by the Seller as treasury shares.

“Retained Assets” shall mean (i) the Cash, (ii) the Accounts Receivable; (iii) Station Employee Benefit Plans, (iv) all tangible personal property disposed of or consumed in the ordinary course of the business of Seller, and in compliance with this Agreement, between the date of this Agreement and the Closing Date, (v) any and all claims of Seller with respect to transactions and events occurring prior to the Closing Date and all claims for refunds of monies paid to any Governmental Authority (including Tax refunds) and all claims for copyright royalties for broadcast prior to the Closing Date, (vi) Sellers’ corporate records and other books and records that relate to internal corporate company matters of Seller, Seller’s account books of original entry and all original accounts, checks, payment records, Tax returns and records and

other similar books, records and information of Seller relating to the business and any other assets prior to Closing, and copies of any records as are necessary or desirable to enable Seller to prepare and file Tax returns and reports, financial statements and other documents deemed necessary or desirable by Seller, and (vii) all rights of Seller in the assets not owned or used by Seller primarily in the operation of the Station.

“Retained Liabilities” shall mean all liabilities of Seller not assumed by Buyer under this Agreement.

“Seller” shall mean Northeast Kansas Broadcast Service, Inc., a Kansas corporation.

“Seller Indemnified Parties” shall have the meaning set forth in Section 9.2.

“Seller’s Certificate” shall mean a certificate of Seller in the form of EXHIBIT “E.

“Seller’s Information” shall have the meaning set forth in Section 11.9(a).

“Seller’s Opinion of Counsel” shall mean legal opinion(s) of counsel to Seller addressed to Buyer in a form reasonably acceptable to Buyer.

“Station” shall mean the commercial television station KTKA-TV, Channel 49, in Topeka, Kansas.

“Station Employee” shall mean an employee of Seller who spends substantially all of his or her time working for the Station as of the Closing Date.

“Station Employee Benefit Plans” shall mean any Plan or Benefit Arrangement in which any current, former or retired employee of Seller participates or has participated.

“Threshold Amount” shall have the meaning set forth in Section 9.1(g)(ii).

“Title Commitment” shall mean the commitment to issue the Title Policy as provided in Section 6.2(a).

“Title Company” shall mean a title insurance company acceptable to Buyer.

“Title Policy” shall mean the owner’s title policy issued pursuant to the Title Commitment in accordance with Section 6.2(a).

“Tradeout Agreement” shall mean any contract, agreement or commitment of Seller, oral or written, pursuant to which Seller has sold or traded commercial air time of the Station in consideration for property or services in lieu of or in addition to cash.

“Transferred Employee” shall mean a Station Employee who becomes an employee of Buyer as contemplated by Section 10.2.

“Warranty Deed” shall mean a warranty deed(s) in a form acceptable to the Title

Company pursuant to which Seller shall convey to Buyer at the Closing the Real Property owned by Seller.

1.2 Singular/Plural; Gender. Where the context so requires or permits, the use of the singular form includes the plural, and the use of the plural form includes the singular, and the use of any gender includes any and all genders.

ARTICLE 2

PURCHASE AND SALE AND ASSUMPTION OF LIABILITIES

2.1 Purchase and Sale. At the Closing on the Closing Date, and upon all of the terms and subject to all of the conditions of this Agreement, Seller shall sell, assign, convey, transfer and deliver to Buyer, and Buyer shall purchase all of Seller's right, title and interest, legal and equitable, in and to the Purchased Assets free and clear of all Liens other than Permitted Liens. Notwithstanding any provision of this Agreement to the contrary, Seller shall not transfer, convey or assign to Buyer, but shall retain, all of its right, title and interest in and to the Retained Assets.

2.2 Escrow Deposit.

(a) Pursuant to the terms of the Escrow Agreement, contemporaneously with the execution and delivery of this Agreement, Buyer has delivered the Escrow Deposit to the Escrow Agent to be held by the Escrow Agent to secure Buyer's timely performance and fulfillment of its obligations under this Agreement.

(b) At the Closing, Buyer shall cause the Escrow Agent to immediately pay the Escrow Amount over to Seller by wire transfer of immediately available Federal funds in accordance with the wire transfer instructions delivered by Seller to Buyer no later than one (1) Business Day prior to the Closing Date.

(c) If this Agreement shall be terminated, then the Escrow Amount shall be paid in accordance with Section 11.2.

2.3 Payments.

At the Closing on the Closing Date, Buyer shall:

(a) Instruct the Escrow Agent to pay to Seller by wire transfer pursuant to Section 2.2;

(b) Buyer shall pay to Seller, by wire transfer in immediately available funds an amount equal to the Purchase Price, less the amounts paid pursuant to Section 2.2(a); and

(c) assume the Assumed Liabilities pursuant to the Bill of Sale and Assignment and Assumption Agreement.

2.4 Closing Date Deliveries. At the Closing on the Closing Date:

(a) Seller shall deliver, or cause to be delivered to Buyer, properly executed and dated as of the Closing Date:

- (i) the Bill of Sale and Assignment and Assumption Agreement;
- (ii) Seller's Closing Certificate;
- (iii) Seller's Opinion of Counsel;
- (iv) the Warranty Deeds;
- (v) the Noncompetition Agreement;
- (vi) the Motor Vehicle Title Certificates; and

(vii) such other documents as provided in Article 7 hereof or as Buyer shall reasonably request; and

(b) Buyer shall deliver, or cause to be delivered to Seller, properly executed and dated as of the Closing Date:

- (i) the Bill of Sale and Assignment and Assumption Agreement;
- (ii) Buyer's Closing Certificate;
- (iii) Buyer's Opinion of Counsel; and

(iv) such other documents as provided in Article 8 hereof or as Seller shall reasonably request.

2.5 Adjustments to Purchase Price.

(a) All expenses, prepaid expenses and accrued expenses of the Station as of the Closing Date shall, except as otherwise expressly provided herein, be adjusted and allocated between Seller and Buyer to reflect the principle that all expenses arising from the operation of the Station before the Closing Date shall be for the account of Seller, and all expenses arising from the operation of the Station from and after the Closing Date shall be for the account of Buyer.

(b) Any and all rebates which, under any agreements in effect at the Closing Date, may be payable after such date to any advertiser or other user of the Station's facilities, based in part on business, advertising or services prior to the Closing Date, shall be borne by Seller and Buyer ratably in proportion to revenues received or volume of business done by each during the applicable period. Any and all agency commissions which are subject to adjustment after the Closing based on revenue, volume of business done or services rendered in part before the Closing Date and in part after the Closing Date shall be borne by Seller and Buyer ratably in proportion to the revenue, volume of business done or services rendered, as the case may be, by each during the applicable period.

(c) Buyer shall receive a credit against the Purchase Price to the extent any liabilities under Tradeout Agreements at the Closing Date exceed the value of any assets from Tradeout Agreements as of the Closing Date.

(d) To the extent not inconsistent with the express provisions of this Agreement, the allocations made pursuant to this Section 2.4 shall be made in accordance with generally accepted accounting principles.

(e) Net settlement of the adjustments contemplated under this Section 2.4 shall be made at the Closing to the extent feasible. For items not readily subject to ascertainment at the Closing, the following procedures shall apply. Buyer shall prepare and deliver to Seller within ninety (90) business days following the Closing Date, or such later date as shall be mutually agreed to by Seller and Buyer, an itemized list (the "Adjustment List") of all sums to be credited to or charged against the account of Buyer, with a brief explanation thereof. Such list shall show the net amount credited to or charged against the account of Buyer (the "Adjustment Amount"). If the Adjustment Amount is a credit to the account of Buyer, Seller shall pay such amount to Buyer. If the Adjustment Amount is a charge to the account of Buyer, Buyer shall pay such amount to Seller. Except as provided otherwise in Section 2.5(f), payment of the Adjustment Amount shall be made not later than ten (10) business days following the delivery of the Adjustment List.

(f) Not later than ten (10) business days following the delivery of the Adjustment List, Seller may furnish Buyer with written notification of any dispute concerning any items shown thereon or omitted therefrom together with a detailed explanation in support of Seller's position in respect thereof. Buyer and Seller shall consult to resolve any such dispute for a period of ten (10) business days following the notification thereof. In the event of any such dispute, that portion of the Adjustment Amount that is not in dispute shall be paid to the party entitled to receive the same on the day for payment provided in Section 2.4(e). If such ten (10) business day consultation period expires and the dispute has not been resolved, the matter shall be referred to an independent public accounting firm mutually agreed upon by Seller and Buyer (the "Accountants"), which shall resolve the dispute and shall render its decision (together with a brief explanation of the basis therefore) to Buyer and Seller not later than twenty (20) business days following submission of the dispute to it; provided, however, if Buyer and Seller are unable to mutually agree upon an independent public accounting firm, then Buyer and Seller shall each choose an independent public accounting firm and those firms shall appoint a third independent public accounting firm to act as the Accountants. The disputed portion of the Adjustment Amount shall be paid by the party required to pay the same within five (5) business days after the delivery of a copy of such decision to Seller and Buyer. The fees and expenses of the Accountants shall be shared equally by Seller and Buyer.

(g) The Adjustment List (to the extent not disputed within the specified period by Seller), any mutually agreed written settlement of any such dispute concerning the Adjustment List and any determination of disputed items by the Accountants shall be final, conclusive and binding on the parties hereto absent manifest error.

(h) The Purchase Price shall be further adjusted at Closing pursuant to the adjustments listed on Schedule 2.5(h).

2.6 Assumption of Liabilities. On, from and after the Closing Date, Buyer shall assume and agree to duly and timely pay, discharge, defend and perform as and when due:

(a) any and all of the Assumed Liabilities; and

(b) any and all liabilities and obligations arising out of any litigation, proceeding or claim by any Person relating to any of the Purchased Assets or the Station in connection with any events or circumstances that occur or arise on or after the Closing Date.

2.7 Taxes. All federal, state, local and other sales and use taxes applicable to, imposed upon or arising out of the transfer to Buyer of the Purchased Assets as contemplated by this Agreement shall be paid by Seller. Except as otherwise provided herein, all federal, state, local and other transfer taxes applicable to, imposed upon or arising out of the assignment to Buyer of the Purchased Assets as contemplated by the Agreement shall be split equally between Buyer and Seller.

2.8 Risk of Loss. Subject to Sections 7.4 and 10.1 hereof, the risk of all Events of Loss prior to the Effective Time shall be upon Seller and the risk of all Events of Loss at or subsequent to the Effective Time shall be upon Buyer.

2.9 Allocation of Purchase Price. The parties shall endeavor to mutually agree upon the allocation of the Purchase Price among the Purchased Assets before Closing. Buyer and Seller each agree to report such allocation to the Internal Revenue Service in the form required by Treasury Regulation 1.1060T.

2.10 Accounts Receivable. Buyer shall pay to Seller all of all Accounts Receivable collected by Buyer within 120 days after the Closing Date. Such payment shall be made at the end of each calendar month after the Closing Date, at which time Buyer shall also deliver an aging of Accounts Receivables with such payment. Buyer shall collect the Accounts Receivable in the same manner and with the same diligence that Buyer uses to collect its own accounts receivable; provided however, that Buyer shall not be required to commence litigation or grant any accommodation, or incur any other liability or obligation in connection with such collection. In the collection of accounts receivable (including the Accounts Receivable), all payments received by or for the benefit of Buyer from account debtors will be applied first to Accounts Receivable in the order of origination (i.e., "first-in, first-out"), unless the account debtor is reasonably and in good faith contesting the validity of an Account Receivable, or unless the account debtor has specified how such payment should be applied, in which case the proceeds shall be applied as specifically designated by the account debtor. Buyer or Seller will promptly deliver to the other a true copy of any notice of a dispute as to the validity or enforceability of an Account Receivable received from an account debtor. Buyer shall not agree to any settlement, discount or reduction of any Account Receivable without the prior written consent of Sellers. Buyer's obligations under this Section shall cease 120 days after Closing.

ARTICLE 3

GOVERNMENTAL APPROVALS AND CONTROL OF STATION

3.1 FCC Consent. It specifically is understood and agreed by Buyer and Seller that

the Closing shall be in all respects subject to the receipt of prior FCC Consent. Buyer and Seller shall prepare and file with the FCC as soon as practicable but, subject to any FCC applicable freezes, in no event later than five business days after the date of this Agreement the requisite applications and other necessary instruments or documents requesting the FCC Consent. After the aforesaid applications and documents have been filed with the FCC, Buyer and Seller shall prosecute such applications with all reasonable diligence to obtain the requisite FCC Consent. No party hereto shall take any action not contemplated by this Agreement that such party knows or should know would adversely affect obtaining the FCC Consent or adversely affect the FCC Consent becoming a Final Order. Each party will promptly provide the other party with true, correct and complete copies of all pleadings, orders, filings or other documents served on them related to the Assignment Application or the FCC Consent. Seller and Buyer shall each pay one-half (1/2) of all FCC filing or transfer fees relating to the transactions contemplated hereby.

3.2 Control Prior to Closing. Between the date hereof and the Closing Date, Buyer shall not directly or indirectly control, supervise or direct, or attempt to control, supervise or direct, the operation of the Station. Such operation, including complete control and supervision of all programs, employees and policies, shall be the sole responsibility of Seller. Neither title nor right to possession shall pass to Buyer until the Closing, but Buyer shall, however, be entitled to reasonable inspection of the Station and the Purchased Assets (upon reasonable prior notice and approval of Seller which shall not be unreasonably withheld) during normal business hours with the purpose that an uninterrupted and efficient transfer of the assets and business of the Station may be accomplished. After the Closing, Seller shall have no right to control the Station, and Seller shall have no reversionary rights in the Station.

3.3 Other Governmental Approvals. Promptly following the execution of this Agreement, Buyer and Seller shall prepare and file with the appropriate governmental authorities any other requests for approval or waiver, if any, that are required from other governmental authorities in connection with the Closing, and shall diligently and expeditiously prosecute, and shall cooperate fully with each other in the prosecution of, such requests for approval or waiver and all proceedings necessary to secure such approvals and waivers.

ARTICLE 4

REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents, warrants and covenants to Buyer as follows:

4.1 Organization. Seller is a corporation duly formed, validly existing and in good standing under the laws of the State of Kansas. Seller is qualified to do business in Kansas which is the only jurisdiction in which Seller is required to be qualified or registered to transact business. Seller has the power and authority to own, lease and operate its properties and to carry on its business in the places where such properties are now owned, leased or operated as such business is now conducted.

4.2 Authorization; Enforceability. The execution, delivery and performance of this Agreement and all of the documents and instruments required hereby by Seller and the

consummation by Seller of the transactions contemplated hereby and thereby, are within the corporate power of Seller and have been duly authorized by all necessary action by Seller. This Agreement is, and the other documents and instruments required hereby will be, when executed and delivered by Seller, the valid and binding obligations of Seller, enforceable against Seller, subject only to bankruptcy, insolvency, reorganization, moratoriums or similar laws at the time in effect affecting the enforceability or rights of creditors generally and by general equitable principles which may limit the right to obtain equitable remedies.

4.3 Absence of Conflicting Agreements. Except as set forth on SCHEDULE 4.3, neither the execution, delivery or performance of this Agreement by Seller or the consummation of the sale and purchase of the Purchased Assets or any other transaction contemplated by this Agreement, does or will, after the giving of notice, or the lapse of time or both, or otherwise:

(a) conflict with, result in a breach of, or constitute a default under the certificate of incorporation or bylaws of Seller or other governance documents of Seller, or any federal, state or local law, statute, ordinance, rule or regulation, or any court or administrative judgment, decree, rule, order or process, or any material contract, agreement, arrangement, commitment or plan to which Seller is a party or by which Seller is bound and which relates to the ownership or operation of the Station or the Purchased Assets;

(b) result in the creation of any Lien upon any of the Purchased Assets;

(c) subject to obtaining any requisite consents and filing all requisite notices, constitute a default under or terminate, amend or modify, or give any party the right to terminate, amend, modify, abandon or refuse to perform any material Contract, material Lease or any other agreement, arrangement, commitment or plan to which Seller is a party and which relates to the ownership or operation of the Station or the Purchased Assets;

(d) subject to obtaining any requisite consents and filing all requisite notices, accelerate or modify, or give any party the right to accelerate or modify, the time within which, or the terms under which, any duties or obligations are to be performed, or any rights or benefits are to be received, under any material Contract, material Lease or any other agreement, arrangement, commitment or plan to which Seller is a party and which relates to the ownership or operation of the Station or the Purchased Assets;

(e) require the consent, waiver, approval, permit, license, clearance or authorization of, or any declaration or filing with, any court or public agency or other authority other than the FCC Consent; or

(f) require the consent of any Person under any Contract, Lease or other agreement, arrangement or commitment of any nature to which Seller is a party or the Purchased Assets are subject or by which Seller or the Purchased Assets are bound.

4.4 Purchased Assets. The Purchased Assets include all of the material assets, properties and rights of every type and description, real, personal and mixed, tangible and intangible, that are owned or leased by Seller and used in the conduct of the business of owning and operating the Station in the manner in which that business has been and is now conducted.

4.5 Title to Purchased Assets; Liens and Encumbrances. Except as set forth on SCHEDULE 4.5, Seller owns good and marketable title to or has valid leasehold interests in all of the Purchased Assets free and clear of any and all Liens except for Permitted Liens. No affiliate of the Seller or any other Person has an interest in, or option granted by the Seller to acquire, any of the Assets.

4.6 Condition of Equipment. Except as set forth on SCHEDULE 4.6:

(a) each item of Equipment is in good condition and adequate repair (given the age of such property and the use to which such property is put and ordinary wear and tear excepted) and is not in need of imminent repair or replacement;

(b) the Equipment includes all items of tangible personal property owned or leased by Seller in connection with owning and operating the Station;

(c) the list of Equipment on SCHEDULE 1.3 is a true and correct list of all items of tangible personal property having a book value in excess of \$2,000, owned or leased by Seller and used in the operation of the Station in the manner in which it has been and is now operated; and

(d) those items of Equipment constituting transmitting and studio equipment that are currently used by the Station in its operations are operating and have been serviced and maintained by Seller in accordance with normal industry standards and practices in the television broadcasting industry.

4.7 Contracts. Except as set forth on SCHEDULE 4.7:

(a) All of the Contracts constitute legal, valid and binding obligations of the respective parties thereto, are in full force and effect, and neither Seller nor any other party thereto has violated any provision of, or committed or failed to perform any act which, with notice, lapse of time or both, could constitute a default under the provisions of any of the Contracts that would allow the other party to terminate such Contract or bring a claim for damages;

(b) The Contracts described on SCHEDULE 1.2 constitute all of the agreements, undertakings, commitments or understandings, whether written or oral, relating to the conduct of the Station (excluding all employment agreements of Station employees) other than contracts which are cancelable by Seller or its assignee without breach or penalty on not more than thirty (30) days notice;

(c) Seller has furnished true and complete copies of all Contracts, including all amendments, modifications and supplements thereto, and SCHEDULE 1.2 contains true, accurate and complete summaries of the provisions of all oral contracts, if any;

(d) SCHEDULE 1.2 sets forth an accurate and complete list and description of all Tradeout Agreements; and

(e) None of the Contracts provides for delayed or deferred payments that

Buyer would be obligated to pay after the Closing Date.

4.8 Intangible Property. Except as set forth on SCHEDULE 4.8 and other than with respect to matters generally affecting the television broadcasting industry:

(a) there are no claims, demands or proceedings instituted, or to Knowledge of Seller, pending or threatened, by any third party pertaining to or challenging Seller's right to use any of the Intangible Property;

(b) there are no facts which would render any of the Seller's Intangible Property invalid or unenforceable;

(c) to the Knowledge of Seller, there is no Intangible Property owned by a third party which Seller is using without proper license to do so (which licenses, if any, constitute part of the Contracts);

(d) there are no royalty agreements between Seller and any third party relating to any of the Intangible Property;

(e) SCHEDULE 1.4 lists and identifies correctly and completely all of the Intangible Property (exclusive of Licenses) owned or licensed by Seller in the operation of the Station, all of which Intangible Property is transferable to Buyer by the sole act of Seller without the consent, approval or waiver of any other Person and without affecting Buyer's continuing right to use such Intangible Property after the Closing; and

(f) to the Knowledge of Seller, no service provided by the Station or any programming or other material used, broadcast or disseminated by the Station, infringes on any copyright, patent or trademark of any other party. The Seller has received no notice of any claim of infringement of any third-party's copyright, patent, trademark, service mark, logotype, license or other proprietary right.

4.9 Real Property. Except as disclosed on SCHEDULE 4.9:

(a) Seller has good, valid, marketable and insurable fee simple absolute interest in the Real Property which it owns, and such Real Property includes all real property necessary or appropriate for or used or useable in the operation of the Station. Attached to SCHEDULE 4.9 are true and complete copies of all policies of title insurance currently existing in favor of Seller with respect to the Real Property. Except for current taxes not yet due and the items set forth on SCHEDULE 4.9, there are no Liens, restrictions or encumbrances to title to any portion of the Real Property. Seller has not subjected the Real Property to any easements, rights, duties, obligations, covenants, conditions, restrictions, limitations or agreements not of record.

(b) There is no pending condemnation or similar proceeding affecting the Real Property or any portion thereof and, to Seller's knowledge, no such action is presently contemplated or threatened.

(c) Seller has not received any notice from any insurance company of any

defects or inadequacies in the Real Property or any part thereof which could adversely affect the insurability of the Real Property or the premiums for the insurance thereof. Seller has not received any notice from any insurance company which has issued or refused to issue a policy with respect to any portion of the Real Property or by any board of fire underwriters (or other body exercising similar functions) requesting the performance of any repairs, alterations or other work with which full compliance has not been made.

(d) There are no parties in possession of any portion of the Real Property other than Seller, whether as lessees, tenants at will, trespassers or otherwise.

(e) To the Knowledge of Seller, no zoning, building, environmental, land-use, fire or other federal, state or municipal law, ordinance, regulation or restriction is violated by the continued maintenance, operation or use of the Real Property or any tract or portion thereof or interest therein in its present manner except for such violations which would not have a material adverse effect on the operation of the Station. To the Knowledge of Seller, the current use of the Real Property and all parts thereof as aforesaid does not violate any restrictive covenants affecting the Real Property.

(f) To the Knowledge of Seller, there is no law, ordinance, order, regulation or requirement now in existence, including, without limitation, any Environmental Law which would require any expenditure to modify or improve any of the Real Property in order to bring it into compliance therewith.

(g) The Real Property has adequate access to and from completed, dedicated and accepted public roads, and there is no pending, or to Seller's knowledge threatened, governmental proceeding which could impair or curtail such access.

(h) There are presently in existence water, sewer, gas and/or electrical lines or private systems on the Real Property which have been completed, installed and paid for and which are sufficient to service adequately the current operations of each building or facility located on the Real Property.

(i) There are no structural, electrical, mechanical, plumbing, air conditioning, heating or other defects in the buildings located on the Real Property and the roofs of the building located on the Real Property are free from structural defects, leaks and are in good condition.

4.10 Leases. Except as set forth on SCHEDULE 4.10:

(a) Seller has performed each material term, covenant and condition of each of the Leases which is to be performed by Seller at or before the date hereof, and no default or event which with the passing of time or giving of notice or both would constitute a default on the part of Seller or, to Seller's knowledge, on the part of any other party thereto, exists under any Lease that would allow the other party to terminate such Lease or bring a claim for damages;

(b) the Leases constitute all of the lease agreements between Seller and third parties relating to the Purchased Assets and the operation of the Station;

(c) each of the Leases is in full force and effect, unimpaired by any acts or omissions of Seller, constitutes the legal and binding obligation of Seller, and to the knowledge of Seller any other party thereto, in accordance with its terms;

(d) Seller has furnished true and complete copies of the Leases to Buyer, including any and all amendments thereto;

(e) there are no leasing commissions or similar payments due, arising out of, resulting from or with respect to any Lease which are owed by Seller; and

(f) Seller's right, title and interest in and to each of the Leases is fully assignable to Buyer without the consent, waiver or approval of any Person and such assignment will not give any party thereto the right to terminate the Lease.

4.11 Financial Statements and Interim Financial Statements.

(a) Attached as SCHEDULE 4.11 are true and complete copies of the compiled statements of operations and cash flow for Seller as of December 31, 2004 and December 31, 2003 collectively, the "Financial Statements"). The Financial Statements (i) have been prepared in accordance with GAAP applied on a basis consistent throughout the periods covered thereby (except as disclosed therein) and (ii) present fairly, in all material respects, the financial condition of Seller described therein as at the dates indicated and the results of their operations and their cash flows for the years then ended, provided that the Financial Statements lack footnotes and other presentation items required under GAAP.

4.12 No Changes. Except as set forth on SCHEDULE 4.12, since December 31, 2004, there has not been any:

(a) transaction by Seller except in the ordinary course of business conducted as of that date;

(b) material adverse change in the financial condition, liabilities, assets, prospects or results of operation of the Station;

(c) any default under any indebtedness of Seller, or any event which, with the lapse of time, giving of notice or both, could constitute such a default;

(d) material adverse amendment or termination of any Contract, Lease or License to which Seller is a party, except in the ordinary course of business;

(e) increase in compensation paid, payable or to become payable by Seller to any of its employees, except customary increases not in excess of 5% in connection with annual employee reviews;

(f) incurred material loss of or to any material Purchased Assets or voluntarily waived any rights of material value;

(g) commitment to or liability to any labor organization which represents, or

proposes to represent, employees of the Station;

(h) notification to Seller or the Station since January 1, 2002, that the Station may not be entitled to carriage on any Market MVPD System either because the Station fails to meet the requisite signal strength for such status or the Station would be considered a distant signal under the cable compulsory copyright license, 17 U.S.C. § 111;

(i) change in the Seller's method of accounting; or

(j) sale, assignment, lease or other transfer or disposal of any tangible or intangible assets used or held for use in the Station, except (A) in the ordinary course of business, (B) in connection with the acquisition of similar or replacement property or assets, or (C) to the extent not material to the financial condition of the Station.

4.13 No Litigation; Labor Disputes; Compliance with Laws. Except as set forth on SCHEDULE 4.13, and except for FCC rulemaking proceedings generally affecting the television broadcast industry:

(a) There is no decree, judgment, order, litigation at law or in equity, arbitration proceeding or proceeding before or by any commission, agency or other administrative or regulatory body or authority pending or to Knowledge of Seller threatened, nor is there any basis for such litigation, to which Seller is a party or to which Seller or the Purchased Assets are subject or which could have a material adverse effect on the Station or such assets. To the Knowledge of Seller, there is no investigation by any commission, agency or other administrative or regulatory body or authority pending or threatened, which is concerned with the operations, business or affairs of Seller, the Station or the Purchased Assets.

(b) Seller is not subject to or bound by any labor agreement or collective bargaining agreement; there is no labor dispute, grievance, controversy, strike or request for union representation pending or to Seller's knowledge threatened against Seller relating to or affecting the business or operations of the Station; and there has been no occurrence of any events which could give rise to any such labor dispute, controversy, strike or request for representation.

(c) Seller owns and operates, and has owned and operated, its properties and assets, and carries on and conducts, and has carried on and conducted, the business and affairs of the Station in all material respects in compliance with all federal, state and local laws, statutes, ordinances, rules and regulations, and all court or administrative orders or processes, including, but not limited to, FCC, Occupational Safety and Health Administration, Equal Employment Opportunity Commission, National Labor Relations Board and environmental matters. The Station complies in all material respects with all applicable statutes, rules and regulations pertaining to equal employment opportunity, including, without limitation, those of the FCC.

4.14 Taxes. Except as disclosed on SCHEDULE 4.14:

(a) Seller has timely filed all federal, state and local tax returns, reports and estimates for all years and periods (and portions thereof) for which any such returns, reports and estimates were due, and any and all amounts due and payable have been paid in full except to the

extent such amounts have been contested in good faith. All of such returns, reports and estimates are true and complete in every material respect. Seller has withheld all tax required to be withheld under applicable law and regulations, and such withholdings have either been paid to the proper governmental agency or set aside in accounts for such purpose, or accrued, reserved against and entered upon the books of Seller, as the case may be; and

(b) There are no Liens for unpaid Taxes (other than for current Taxes either not yet due and payable) upon the Purchased Assets.

4.15 Governmental Authorizations. Seller holds, and on the Closing Date Seller will hold, the regular and valid material Licenses to operate the Station as a television broadcast station with the power disclosed on SCHEDULE 4.15. Except as set forth on SCHEDULE 4.15, no qualifications, registrations, filings, privileges, franchises, licenses, permits, approvals or authorizations, other than the Licenses and those as set forth on SCHEDULE 4.15, are required in order for Seller to own and operate the Station in the manner operated on the date hereof. Seller is not aware of any facts and has not received any communications indicating it is not in material compliance with all requirements of the FCC. No action or proceeding is pending or to the Knowledge of Seller threatened before the FCC or any other governmental body to revoke, suspend, cancel, rescind, terminate, refuse to renew or modify such Licenses or other authorizations of the Station. Except as set forth on SCHEDULE 4.15, the Station has complied in all material respects with the FCC's rules, regulations, and policies concerning limits on the duration of advertising in children's programming, and Seller has fulfilled its obligations with respect to children's programming responsive to the educational and informational needs of children; and the recordkeeping obligations related thereto.

4.16 Compliance with FCC Requirements. Except as set forth on SCHEDULE 4.16, the Station, its physical facilities, electrical and mechanical systems and transmitting and studio equipment are being and have been operated in all material respects in accordance with the specifications of the Licenses and with each document submitted in support of such Licenses, and Seller and the Station are in compliance in all material respects with all requirements, rules and regulations of the FCC. Seller has complied in all material respects with all requirements of the FCC and the Federal Aviation Administration with respect to the construction and/or alteration of the Station's antenna structures, and, where required, "no hazard" determinations for each antenna structure have been obtained, and where required, each antenna structure has been registered with the FCC. Except as set forth on SCHEDULE 4.16, all material obligations, reports and other filings required by the FCC with respect to the Station, including, without limitation, all regulatory fee payments and all materials required to be placed in the Station's public inspection file, have been duly and currently filed as of the date hereof, and are true and complete in all material respects. Except as set forth on SCHEDULE 4.16, and except for any FCC investigations, rulemakings or other proceedings affecting the broadcasting industry generally, as of the date of this Agreement, there is not now issued or outstanding, or pending or to the Knowledge of Seller, threatened, by or before the FCC, any order to show cause, notice of violation, notice of apparent liability, or notice of forfeiture or complaint relating to the Station.

4.17 Digital Television. The Licenses include DTV authorizations that would enable the holder thereof to construct DTV facilities consistent with the DTV allotment adopted by the FCC in the *Second Memorandum Opinion and Order on Reconsideration of the Fifth and Sixth*

Report and Orders.

4.18 MVPD Matters. The attached SCHEDULE 4.18 sets forth (or has appended to it) the items described to the Knowledge of Seller in clauses (a) through (h) below:

(a) a list of all U.S. MVPD Systems which carry the Station's signal and in what Designated Market Area ("DMA") each MVPD carries the Station's signal;

(b) a list of all Market MVPD Systems to which the Station has provided a must-carry notice or retransmission consent notice in accordance with the provisions of the Cable Television Consumer Protection and Competition Act of 1992 and the Satellite Home Viewers Improvement Act of 1999, as amended, and FCC regulations implementing such statutes (collectively, the "MVPD Act Requirements"), and a list of all Market MVPD Systems to which the Station has not provided any such must-carry or retransmission consent notice;

(c) a list of all retransmission consent and/or copyright indemnification agreements, if any, entered into by Seller with respect to the Station;

(d) a list of all retransmission consent notices referred to in clause (b) above, if any, which were not delivered to the Market MVPD System in question on or before the date required under the MVPD Act Requirements for such notices to be effective for the three-year period ending on December 31, 2005 for cable, or the election cycle ending on December 31, 2006 for DBS;

(e) a list of all Market MVPD Systems, if any, which are carrying the Station's signal and which have given notice of such Market MVPD System's intention to delete the Station from carriage or to change the Station's channel position on such MVPD system, other than pursuant to any agreement described in clause (c) above;

(f) a list of all notices, if any, received from any Market MVPD System alleging that the Station does not deliver an adequate signal level, as defined in 47 C.F.R. § 76.55(c)(3), to such Market MVPD System's principal headend or local receive facility (other than any such notice as to which such failure has been remedied or been determined not to exist), and all further correspondence with or from any such Market MVPD System relating to such notice;

(g) a list of all pending petitions for special relief to include any additional community or area as part of the Station's television market, as defined in 47 C.F.R. § 76.55(e), if any; and

(h) a list of all pending petitions for special relief requesting the deletion of any community or area from the Station's television market, if any.

For purposes of this Section 4.18, "Market MVPD System" means any U.S. cable television system, wireless cable system, DBS operator or SMATV system operating within the Station's market, as defined in 47 C.F.R. §§ 76.55(e) and 76.66(e).

Seller has furnished to Buyer true and correct copies of all notices, agreements,

correspondence, petitions and other items described in clauses (a) through (h) of this Section 4.18.

4.19 Insurance. Seller has in full force and effect the liability and casualty insurance and errors and omissions insurance insuring the business, properties and assets of the Station as described on SCHEDULE 4.19 and such insurance is for such coverage and in such amounts as is usual and customary for businesses similar to that of Seller. Seller is not in default with respect to such insurance policies, nor has Seller failed to give any notice or present any claim under any policies in due and timely fashion. No notice of cancellation or termination has been received with respect to any such policy.

4.20 Brokers. Except for the fees payable to Media Venture Partners, which fees shall be paid by Seller, Seller does not have any obligation or liability to pay any finders' or brokers' fees or commissions with respect to the transactions contemplated by this Agreement.

4.21 Employees. SCHEDULE 4.21 lists the names and current annual salary rate or hourly rate of all employees of Seller, which list includes for each such Person the amounts paid or payable as base salary and describes any other compensation arrangements for employees for 2004, including bonuses, severance or other perquisites. Except as set forth on SCHEDULE 4.21 hereto, there are no collective bargaining agreements, employment agreements between Seller and their employees or professional service Contracts not terminable at will relating to the Station or the business and operations thereof. The consummation of the transactions contemplated hereby will not cause Seller to incur or suffer any liability relating to, or obligation to pay, severance, termination or other payments to any Person or any liability or obligation to pay with respect to any Station Employee Benefit Plan.

4.22 Employee Benefit Plans. Except as set forth on SCHEDULE 4.22, Seller has not at any time maintained or been a party to or made contributions to any Station Employee Benefit Plan. All Station Employee Benefit Plans maintained by Seller or to which Seller is obligated to contribute, are, and have in the past been, in all material respects maintained, funded and administered in compliance with ERISA and the Code, and other applicable law; no Plan subject to Title IV of ERISA has been terminated; no proceedings to terminate any Plan have been instituted under Subtitle C of Title IV of ERISA; no reportable event within the meaning of Section 4043 of Subtitle C of ERISA has occurred for any Plan maintained by Seller; Seller has not withdrawn from a multi-employer plan (as defined in Section 4001(a) of ERISA); the consummation of the transactions contemplated hereby will not result in any withdrawal liability on the part of Seller under a multi-employer plan; no Plan or Benefit Arrangement established or maintained by Seller or to which Seller is obligated to contribute has any "accumulated funding deficiency," as defined in ERISA; and Seller has not incurred any liability to the Pension Benefit Guaranty Corporation with respect to any Plan. Seller, and to the Knowledge of Seller any plan fiduciary, have not engaged in any "prohibited transaction," as defined in Section 406 of ERISA, or in Section 4975 of the Code with respect to any Plan of Seller; and

(a) Seller has (i) filed or caused to be filed all returns and reports on the Plans that Seller is required to file and (ii) paid or made adequate provisions for all fees, interest, penalties, assessments or deficiencies that have become due pursuant to those returns or reports or pursuant to any assessment or adjustment that has been made relating to those returns or

reports. All other fees, interest, penalties and assessments that are payable by or for Seller with respect to the Plans have been timely reported, fully paid and discharged. There are no unpaid fees, penalties, interest or assessments due from Seller or from any other Person with respect to the Plans that are or could become a Lien on any Purchased Asset or could otherwise adversely affect the Station or Purchased Assets. Seller has collected or withheld all amounts that are required to be collected or withheld by it to discharge its obligations with respect to the Plans, and all of those amounts have been paid to the appropriate governmental authority or set aside in appropriate accounts for future payment when due. Seller has furnished to Buyer true and complete copies of all documents setting forth the terms and funding of each Plan.

4.23 Environmental Compliance. Except as set forth on SCHEDULE 4.23:

(a) Seller's business has complied and is in material compliance with all Environmental Laws. Set forth on SCHEDULE 4.23 is a list of all environmental reports, studies or analyses in the possession of the Seller relating to the operation of the Station concerning hazardous or toxic substances or compliance with applicable Environmental Laws, true and complete copies of which have been provided to the Buyer.

(b) Seller is not a party to any litigation or administrative proceeding, nor to Seller's knowledge is any litigation or administrative proceeding threatened against it, which in either case: (i) asserts or alleges that Seller violated any Environmental Laws; (ii) asserts or alleges that Seller is required to clean up, remove or take remedial or other response action due to the disposal, depositing, discharge, leaking or other release of any Hazardous Materials; or (iii) asserts or alleges that Seller is required to pay all or a portion of the cost of any past, present or future cleanup, removal or remedial or other response action arising out of or relating to the disposal, depositing, discharge, leaking or other release of any Hazardous Materials.

(c) Seller has not caused or permitted Hazardous Materials to be stored, deposited, treated, recycled, disposed of, or, to the Knowledge of Seller, released at any Real Property owned, leased, used, operated or occupied by Seller that would subject any owner or operator of such Real Property to liability for cleanup, removal or some other remedial action under any Environmental Laws.

(d) There are not now nor to the Knowledge of Seller have there been previously, tanks, disposal areas, landfills, surface impoundments or other facilities on, under or at the Real Property which contained any Hazardous Materials which, if known to be present in soils or groundwater or surface water, would require response remediation, removal or some other remedial action under Environmental Laws.

(e) There are no conditions existing currently which would subject Seller to damages (including notice of resources damages), penalties, injunctive relief or response remediation or removal costs under any Environmental Laws or which require or are likely to require response, remediation or removal or such other remedial action pursuant to Environmental Laws by Seller.

(f) Seller is not subject to any judgment, order or citation related to or arising out of any Environmental Laws and has not been named or listed as a potentially responsible party by any governmental body or agency in a matter related to or arising out of any

Environmental Laws.

(g) The operation of the Station does not exceed the permissible levels of exposure to RF radiation specified in the FCC's rules, regulations and policies, concerning RF radiation.

4.24 Affiliation Agreement. The Affiliation Agreement is in full force and effect and ABC has not given Seller written or verbal notice of any type of ABC's intention to terminate or not to renew the Affiliation Agreement or that ABC is considering such possible termination or nonrenewal.

4.25 Bankruptcy. The Seller is neither insolvent nor the subject of any voluntary or involuntary bankruptcy or any similar proceeding.

4.26 Records. The Records of the Station have been fully, properly and accurately maintained in all material respects, and there are no material inaccuracies or discrepancies of any kind effected herein, and Seller has made true and accurate copies available to Buyer.

4.27 Representation as of the Closing Date. The representations and warranties of Seller set forth in this Agreement shall be true and correct in all material respects on and as of the Closing Date, as though such representations and warranties were made on and as of such time.

4.28 No Other Representations and Warranties; Disclosure. Except for the representations and warranties contained in this Agreement, in the Exhibits, and Schedules to this Agreement, and in the certificates required to be delivered pursuant to or in connection with this Agreement, Seller and any other Person acting for Seller makes any representation or warranty, express or implied, and Seller hereby disclaims any such representation or warranty, whether by Seller or its officers, directors, employees, agents, representatives or any other Person, with respect to the execution, delivery or performance by Seller of this Agreement or with respect to the transactions contemplated by this Agreement, notwithstanding the delivery or disclosure to Buyer or any of its officers, directors, employees, agents or representatives or any other Person of any documentation or other information by Seller or any of their officers, directors, employees, agents or representatives or any other Person with respect to any one or more of the foregoing. To the Knowledge of Seller, the representations and warranties contained in this Article 4 do not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements and information in this Article 4 not misleading in any material respect.

ARTICLE 5

REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents, warrants and covenants to Seller as follows:

5.1 Organization. Buyer is a limited liability company duly organized, validly

existing and in good standing under the laws of the State of Kansas.

5.2 Authorization; Enforceability. The execution, delivery and performance of this Agreement and all of the documents and instruments required hereby by Buyer and the consummation by Buyer of the transactions contemplated hereby and thereby are within the corporate power of Buyer and have been duly authorized by all necessary limited liability company action by Buyer. This Agreement is, and the other documents and instruments required hereby will be, when executed and delivered by Buyer, the valid and binding obligations of Buyer, enforceable against Buyer in accordance with their respective terms, subject only to bankruptcy, insolvency, reorganization, moratoriums or similar laws at the time in effect affecting the enforceability or right of creditors generally and by general equitable principles which may limit the right to obtain equitable remedies.

5.3 Absence of Conflicting Agreements. Neither the execution, delivery or performance of this Agreement by Buyer, nor the consummation of the transactions contemplated hereby by Buyer does or will, after the giving of notice, or the lapse of time or both, or otherwise:

(a) contravene, result in a breach of, or constitute a default under, any articles of organization, operating agreement, bylaws, or other applicable organizational or governing instruments or documents of Buyer.

(b) subject to obtaining the FCC Consent, contravene or violate in any material respect any material applicable law, statute, ordinance, rule or regulation, or any court or administrative order or process, of any Governmental Authority to which Buyer is a party or by which Buyer or its assets are bound.

(c) contravene in any material respect, or constitute a material default under, any material contract or agreement to which Buyer is a party or by which Buyer or its assets are bound.

(d) require the Consent, waiver, approval, permit, license, clearance or authorization of, or any declaration or filing with, any Governmental Authority other than the FCC Consent; or

(e) require the Consent of any Person under any agreement, arrangement or commitment of any nature which Buyer is a party to or bound by or which the assets of Buyer are bound or subject.

5.4 Brokers. Buyer does not have any obligation or liability to pay any finders' or brokers' fees or commissions with respect to the transactions contemplated by this Agreement.

5.5 Buyer Qualifications. Except for a conclusion by the FCC that Station's Grade A encompasses the City of Lawrence that would trigger media cross-ownership restrictions applicable to Buyer, Buyer is legally, technically, financially and otherwise qualified as, and is not taking action or contemplating taking action, and has not taken any action, that might disqualify it from being, under present or pending law (including the Communications Act) and present and pending rules, regulations and published policies or practices of the FCC, the holder

of the Licenses, as an owner or operator of the Station, or as the owner of any or all of the Purchased Assets. Except for a conclusion by the FCC that Station's Grade A encompasses the City of Lawrence that would trigger media cross-ownership restrictions applicable to Buyer, Buyer knows of no fact, reason or proceeding that would: (i) disqualify Buyer as the assignee of the Licenses; (ii) cause the FCC to fail to approve in a timely fashion any assignment application; or (iii) cause the filing of any objection to any assignment application. Buyer further represents and warrants that it is financially qualified to meet all terms, conditions and undertakings contemplated by this Agreement, including the payment of the Purchase Price.

5.6 Financing. Buyer has access to all funds necessary to consummate the transactions contemplated by this Agreement, including payment of the Purchase Price.

5.7 Representation as of the Closing Date. Buyer's representations and warranties set forth in this Agreement shall be true and correct on and as of the Closing Date, as though such representations and warranties were made on and as of such time.

5.8 Disclosure. No statement of fact by Buyer contained in this Agreement and no written statement of fact furnished or to be furnished by Buyer to Seller pursuant to or in connection with this Agreement contains or will contain any untrue statement of a fact or omits or will omit to state a material fact necessary in order to make the statements herein or therein contained not misleading.

ARTICLE 6 COVENANTS

From and after the date of this Agreement and until the Closing, Seller covenants and agrees as follows:

6.1 Access.

(a) From the date of this Agreement until the earlier of the Closing Date or the termination of this Agreement pursuant to Section 11.1, Buyer and its authorized agents, officers and representatives shall have reasonable access upon reasonable advance notice, during normal business hours, to the offices, properties, books and records of the Station that Buyer may reasonably request. Notwithstanding the foregoing, all of Buyer's inquiries and/or requests for any such information shall be made directly to Berl Brechner, who shall cause such information to be obtained and transmitted to Buyer. Any conversations between Buyer and any representative or employee of the Station other than Berl Brechner (including Station-level management employees) shall be arranged by Berl Brechner. Berl Brechner or any other representative of Seller's designated by either of Berl Brechner shall participate in all conversations or meetings between Buyer and any representative or employee of the Station unless Berl Brechner shall otherwise consent. Buyer's access under this Section 6.1 shall be exercised in a manner as to not unreasonably interfere with the Station.

6.2 Title Insurance; Surveys and Lien Search. Seller shall cooperate fully with Buyer and Buyer will use its good faith commercially reasonable efforts so that as soon as practicable,

but in no event later than sixty (60) days after the date hereof with respect to the items set forth in Section 6.2(a), (b) and (d), and with respect to the item set forth in Section 6.2(c) within ten (10) days prior to the Closing, the following shall have been obtained by Buyer:

(a) with respect to the Real Property, preliminary reports on title covering a date subsequent to the date hereof, issued by the Title Company, which preliminary reports shall contain a commitment(s) (the “Title Commitments”) of the Title Company to issue one or more (as appropriate) owner’s title insurance policy on ALTA Owners or Leasehold Policy (the “Title Policy”) insuring the fee simple or leasehold interest of Seller in such parcels of Real Property. The Title Commitment shall be subject only to (i) liens of current state and local property taxes which are not delinquent or subject to penalty; (ii) zoning regulations and restrictive covenants and easements of record which do not materially detract from the value of the Real Property and do not materially adversely affect, impair or interfere with the use of any property affected thereby as heretofore used by Seller or the Station and (iii) such other Liens that will be released at Closing. All standard exceptions are to be deleted from the Title Commitments and Title Policies;

(b) ALTA-ASCM Surveys of the Real Property as of a date subsequent to the date hereof which shall: (i) be prepared by a registered land surveyor; (ii) be certified to the Title Company, Buyer’s lender and Buyer; and (iii) show with respect to such Real Property: (A) the legal description of such parcel of Real Property (which shall be the same as the Title Policy pertaining thereto); (B) all buildings, structures and improvements thereon and all restrictions of record and other restrictions that have been established by an applicable zoning or building code or ordinance and all easements or rights of way; (C) no encroachments upon such parcel or adjoining parcels by buildings, structures or improvements; and (D) access to a public street from such parcel, if applicable.

(c) With regard to the Purchased Assets other than the Real Property, a report in form and substance satisfactory to Buyer, to the effect that: (i) none of the Purchased Assets is subject to any record Lien for federal, state or local taxes or assessments, excepting only a Lien for property taxes not yet due and payable; and (ii) there are no then-effective financing statements pertaining to any of the Purchased Assets, except for financing statements that will be released at or before the Closing.

(d) Buyer has completed a Phase I Report concerning the Station and the Purchased Assets from an environmental engineering firm acceptable to Buyer and has provided Seller with a copy of the Report;

(e) The expenses incurred relating to Sections 6.2(a)-(d) shall be paid by Buyer.

6.3 Notice of Adverse Changes. Pending the Closing Date, Seller shall give Buyer prompt written notice of the occurrence of any of the following:

(a) an Event of Loss in excess of \$50,000;

(b) the commencement of any proceeding or litigation at law or in equity or before the FCC or any other commission, agency or administrative or regulatory body or

authority involving any of the Licenses other than proceedings or litigation of general applicability to the television broadcasting industry which may reasonably be expected to have an adverse effect on the business or operation of the Station;

(c) any labor grievance, controversy or dispute affecting the business or operation of the Station which may reasonably be expected to have an adverse effect on the business or operation of the Station;

(d) any violation by Seller or the Station of any federal, state or local law, statute, ordinance, rule or regulation which may reasonably be expected to have an adverse effect on the business or operation of the Station;

(e) any notice of breach, default, claimed default or termination of any Contract or Lease.

6.4 Operations Pending Closing. Subject to the provisions of Section 3.2 regarding control of the Station, from the date of this Agreement until the earlier of the Closing or termination of this Agreement pursuant to Section 11.1 Seller shall:

(a) operate the Station in the ordinary course of business in accordance with past practices consistently applied;

(b) operate the Station in accordance with applicable FCC requirements, rules and regulations;

(c) maintain the Equipment in normal operating condition, wear and tear due to ordinary usage excepted

(d) not sell, assign, lease, or otherwise dispose of any of the Purchased Assets, except for assets consumed or disposed of in the ordinary course of business, assets no longer used or held for use in the Station, or assets transferred or disposed of in connection with the acquisition of replacement property of substantially equivalent or better kind and use;

(e) from the date of this Agreement until the earlier of the Closing Date or the termination of this Agreement pursuant to Section 11.1 Seller shall not, without the prior written consent of Buyer, which shall not be unreasonably withheld or delayed:

(i) enter into, or become obligated under, any agreement or commitment affecting the Station or its operations except for (x) commitments for advertising time on the Station at currently prevailing rates to be paid in cash and entered into in the ordinary and regular course of the operation of its business, and (y) non-Program Rights agreements or commitments entered into in the ordinary and regular course of business not in excess of \$5,000 individually or change, amend, terminate or otherwise modify in any Contract, Lease, agreement or commitment except for those which terminate or expire by their own terms;

(ii) enter into any Tradeout Agreements relating to the Station which creates obligations or liabilities of Seller extending to or beyond the Closing Date;

(iii) enter into any agreement providing for a delayed or deferred payment that Buyer would be obligated to pay after the Closing Date; or

(iv) enter into, or become obligated under, any Program Rights Agreements; provided that, Buyer shall not unreasonably withhold or delay consent for Seller to enter into any Program Rights Agreement under this Section, and the failure by Buyer to grant or deny consent in writing within two business days of Seller's request for consent to enter into a Program Rights Agreement shall be deemed Buyer's consent, except Seller may enter into or become obligated under Programs Rights Agreements for which Buyer has denied its consent as required by this Section 6.4(e)(iv) ("Denied Consent Program Rights Agreements") and Buyer shall have no such obligation to assume any such Denied Consent Program Rights Agreements at Closing.

(f) maintain in full force and effect policies of liability and casualty insurance of the same type, character and coverage as the policies currently carried with respect to the business, operations and assets of the Station;

(g) stay current on all material payment obligations under the Contracts and Leases;

(h) proceed with all reasonable diligence to satisfy its obligations pursuant to Tradeout Agreements in the ordinary course of business of the Station;

(i) keep Buyer apprised of material developments in negotiations for Program Rights agreements;

(j) utilize the Program Rights of the Station only in the ordinary course of business and not sell or otherwise dispose of any such Program Rights; and make all payments on Program Rights and agreements on a current basis;

(k) take all appropriate, commercially reasonable action to protect the present service area of the Station from increased radiofrequency interference from other stations, existing or proposed, and to exercise commercially reasonable efforts to maintain carriage of the Station's signals on all Market MVPD Systems;

(l) not adopt, or commit to adopt, any pension, profit sharing, deferred compensation or similar plan, program or trust on behalf of personnel of the Station;

(m) follow Seller's usual and customary policy with respect to extending credit for sales of broadcast time on the Station and with respect to collecting Accounts Receivables arising from such extension of credit;

(n) make reasonable commercial efforts to promote and advertise the Station and its programs and make expenditures therefore in accordance with past practices consistently applied;

(o) promptly provide Buyer with copies of all correspondence with cable systems concerning must carry status, retransmission consent and other matters arising under the

Cable Act, and keep Buyer advised of the status of material developments in all negotiations with cable systems concerning such matters;

(p) except as required by applicable law or existing employment contract, increase the compensation (including wages, salaries and bonuses) that is paid or payable to any employee of the Station outside of the ordinary course of business; provided, however, that Seller may pay bonuses to any of its employees so long as such bonuses do not create binding obligations upon Buyer after the Closing Date; and

(q) take commercially reasonable steps necessary to preserve the DTV authorizations that would enable the holder thereof to construct DTV facilities consistent with the DTV allotment adopted by the FCC in the *Second Memorandum Opinion and Order on Reconsideration of the Fifth and Sixth Report and Orders*.

Whenever, pursuant to this Section 6.4, Seller shall request the consent of Buyer, the request shall be sent to Buyer in accordance with Section 11.10. Unless Buyer gives or denies its written consent by the end of the fifth Business Day after the request for consent is deemed given to Buyer, Buyer's written consent will be presumed to have been given as of such deadline.

6.5 Financial and FCC Reports. Within thirty (30) days after the end of each month ending after the date hereof, Seller will furnish Buyer with a copy of Seller's monthly Financial Statements for the Station prepared after December 31, 2004 and will furnish to Buyer within ten (10) days after filing all reports filed with the FCC with respect to the Station after the date hereof. All of the foregoing financial statements shall comply with the requirements concerning Financial Statements set forth in Section 4.11. In addition, Seller will furnish upon request Buyer with copies of regular management reports, if any, concerning the operation of the Station within ten (10) days after such reports are prepared.

6.6 Cooperation; Consents. Buyer and Seller shall reasonably cooperate with each other and their respective counsel and accountants in connection with any actions required to be taken as part of their respective obligations under this Agreement, and Buyer and Seller shall execute such other documents as may be necessary or desirable to obtain such Consents or to implement and consummate this Agreement, and otherwise use their commercially reasonable efforts to consummate the transactions contemplated by this Agreement and to fulfill their obligations under this Agreement. Seller and Buyer shall each diligently make, and cooperate with the other in making, all commercially reasonable efforts to obtain or cause to be obtained prior to the Closing Date all Consents without any change in the terms or conditions of any Contract, Lease or License that could reasonably be expected to be materially less advantageous to Buyer than those pertaining under the Contracts, Leases or Licenses as in effect on the date of this Agreement, provided that Seller shall not be required to pay any fees or provide or deliver any other consideration to any Person in order to obtain any Consent. Buyer agrees to use all commercially reasonable efforts to assist Seller in obtaining such Consents, and to take all commercially reasonable actions necessary or desirable to obtain such Consents, including executing such assumption instruments and other documents as may be required in connection with obtaining the Consents, provided that, Buyer shall not be obligated to accept any term or condition of any consent that Buyer reasonably believes would be materially less advantageous to Buyer than the terms or conditions of the applicable Contract, Lease, or License.

6.7 Cooperation. Buyer and Seller will cooperate in all respects in connection with giving notices to any governmental authority, or securing the permission, approval, determination, consent or waiver of any governmental authority required by law in connection with the transfer of the Purchased Assets from Seller to Buyer.

6.8 Tax Returns and Payments.

(a) All tax returns, estimates and reports required to be filed by Seller prior to the Closing Date or relating to periods prior to the Closing Date or an application for any extension thereof will be timely filed by Seller with the appropriate governmental agencies; and

(b) All taxes pertaining to ownership of the Purchased Assets or operation of the Station prior to the Closing Date will be paid when due and payable.

6.9 Conveyance Free and Clear of Liens. Except for Permitted Liens, at or prior to the Closing, Seller shall obtain the release of all Liens disclosed in the Schedules hereto and any other Liens on the Purchased Assets, and shall duly file releases of all such Liens in each governmental agency or office in which any such Lien or evidence thereof shall have been previously filed, and Seller shall transfer and convey, or cause to be transferred and conveyed, to Buyer at Closing good and marketable title to all of the Purchased Assets free and clear of all Liens, except for Permitted Liens.

6.10 Public Announcement. Seller shall publish and broadcast a public notice concerning the filing of the application for assignment of the Licenses in accordance with the requirements of Section 73.3580 of the FCC's Rules. As to any other announcements, neither party hereto shall issue any press release or public announcement or otherwise divulge the existence of this Agreement or the transactions contemplated hereby without prior written approval of the other party hereto, except as and to the extent that such party shall be obligated by law or regulation, in which case the other party shall be so advised and the parties shall use their best efforts to cause a mutually agreeable release or announcement to be issued.

6.11 Exclusivity. From the date of this Agreement until the earlier of the Closing Date or the termination of this Agreement pursuant to Section 11.1, Seller shall not solicit the submission of any proposal or offer from any other Person relating to the acquisition of the Station or participate in any discussions or negotiations with any other Person relating thereto.

6.12 Best Efforts. Without limiting the specific obligations of any party hereto under any agreement or covenant hereunder, each party hereto shall use reasonable best efforts to take all action and do all things necessary in order to consummate the transactions contemplated by this Agreement, including, without limitation, cooperation with third parties involved in the due diligence process of financing of Buyer's acquisition hereunder, and satisfaction, but not waiver, of the closing conditions set forth in Article 7 and Article 8.

ARTICLE 7

CONDITIONS PRECEDENT TO THE OBLIGATIONS OF BUYER

Each and every obligation of Buyer to be performed on the Closing Date shall be subject

to the satisfaction prior to or at the Closing of the following express conditions precedent:

7.1 Compliance with Agreement. Seller shall have performed and complied in all material respects with all of its obligations under this Agreement which are to be performed or complied with by it prior to or at the Closing.

7.2 Proceedings and Instruments Satisfactory. All proceedings, corporate or other, to be taken by Seller in connection with the performance of this Agreement, and all documents incident thereto, shall be complete to the reasonable satisfaction of Buyer and Buyer's counsel and Seller shall have made available to Buyer for examination the originals or true and correct copies of all documents which Buyer may reasonably request in connection with the transactions contemplated by this Agreement.

7.3 Representations and Warranties. The representations and warranties made by Seller in this Agreement shall be true and correct in all material respects as of the Closing Date with the same force and effect as though such representations and warranties had been made on the Closing Date, except (i) to the extent that any such representations and warranties were made as of a specified date, and as to such representations and warranties the same shall continue on the Closing Date to have been true and correct as of the specified date, and (ii) where the breach of any such representations or warranties does not, either individually or in the aggregate, have a material adverse effect and except for changes permitted or contemplated by this Agreement.

7.4 Event of Loss. Between the date of this Agreement and the Closing, neither the Station nor the Purchased Assets shall have sustained an Event of Loss which individually or in the aggregate would cost in excess of \$100,000 to repair and such repair shall not have been completed on or prior to the Closing Date to Buyer's reasonable satisfaction; provided, however, Seller may elect to extend the Closing Date for a reasonable period not to exceed sixty (60) days necessary to complete such repairs, and provided, further if Buyer waives this condition, the provisions of Section 10.1 shall be applicable.

7.5 Deliveries at Closing. Seller shall have delivered or caused to be delivered to Buyer the documents required pursuant to Section 2.3 each properly executed and dated as of the Closing Date.

7.6 Possession; Instruments of Conveyance and Transfer. Seller shall deliver to Buyer at the Closing such other documents as shall be effective to vest in Buyer good and marketable title to the Purchased Assets as contemplated by this Agreement.

7.7 Material Consents. Buyer shall have received evidence of such permissions, approvals, determinations, consents and waivers, in form and substance satisfactory to Buyer, for the Consents marked with an "*" on Schedule 4.3.

7.8 Delivery of Reports. Buyer shall have obtained the Title Policies, Surveys, Lien Search Reports and Inspection Reports as provided in Section 6.2 and such reports shall have met the requirements described in Section 6.2; provided, however, Buyer's failure to obtain any such reports due to its own actions or inactions shall not be a condition precedent to Closing.

7.9 Absence of Investigations and Proceedings. There shall be no decree, judgment,

order or litigation at law or in equity, no arbitration proceedings, and no proceeding before or by any commission, agency or other administrative or regulatory body or authority pending to which Seller is a party or to which the Station or the Purchased Assets are subject, including any with respect to condemnation, zoning, use or occupancy, which could materially affect the ability of Buyer to operate the Station or to use or acquire the Purchased Assets in substantially the same manner as operated and used by Seller or as currently proposed to be used by Seller.

Without limiting the generality of the foregoing, no action, proceeding or formal investigation by any Person or governmental agency shall be pending with the object of challenging or preventing the Closing (other than an action or proceeding instituted or threatened by Buyer) and no other proceedings shall be pending with such object or to collect damages from Buyer on account thereof. No action or proceeding shall be pending before the FCC or any governmental body to revoke, modify in any material respect or refuse to renew any of the Licenses. No suit, action or other proceeding shall be pending before any court or governmental agency in which it is sought to restrain or prohibit, or obtain damages or other relief in connection with, this Agreement or the consummation of the transactions contemplated hereby.

7.10 Governmental Consents. The FCC Consent shall have been issued, and shall, at Closing, be a Final Order and in full force and effect and shall contain no provision that could reasonably be expected to have a material adverse effect on Buyer. All other material authorizations, consents or approvals of any and all governmental regulatory authorities necessary in connection with the consummation of the transactions contemplated by this Agreement shall have been obtained on terms and conditions reasonably acceptable to Buyer and be in full force and effect.

7.11 Licenses. On the Closing Date, Seller shall be the holder of the Licenses. All of such Licenses (i) shall be in full force and effect, and (ii) shall contain no material adverse modifications of the terms thereof in effect on the date of this Agreement (other than modifications generally applicable to the Station and communication or broadcasting facilities of the same type or service or modifications to which Buyer has consented).

7.12 Absence of Liens. On the Closing Date and simultaneously with the Closing, there shall not be any Liens on the Purchased Assets except for Permitted Liens.

7.13 No Material Adverse Effect. Between the date of this Agreement and the Closing, there shall have been no material adverse change in the liabilities, assets, or technical operation of the Station nor any material adverse change in the condition of the Purchased Assets, including, without limitation, a material default under the terms of any of the Contracts or Leases.

7.14 Affiliation Agreement. The consent of ABC to the assignment of the ABC Affiliation Agreement by Seller to Buyer shall have been obtained in form and substance reasonably acceptable to Buyer and substantially consistent with other similar agreements with other similar television stations.

7.15 FIRPTA Affidavit. Seller shall have delivered to Buyer an affidavit of Seller stating that Seller is not a foreign Person under Section 1445(b)(2) of the Code.

7.16 Other Documents. Seller shall have delivered to Buyer other documents reasonably requested by Buyer to effectuate the conveyance of the Purchased Assets and the transactions contemplated by this Agreement.

If any of the conditions set forth in this Article 7 have not been satisfied, Buyer may nevertheless waive such condition, but only in writing, and proceed with the consummation of the transactions contemplated hereby but such waiver shall not relieve Seller of any of its obligations under Article 9 hereof.

ARTICLE 8

CONDITIONS PRECEDENT TO THE OBLIGATIONS OF SELLER

Each and every obligation of Seller to be performed on the Closing Date shall be subject to the satisfaction prior to or at the Closing of the following express conditions precedent:

8.1 Compliance with Agreement. Buyer shall have performed and complied in all material respects with all of its obligations under this Agreement which are to be performed or complied with by it prior to or at the Closing.

8.2 Proceedings and Instruments Satisfactory. All proceedings, corporate or other, to be taken by Buyer in connection with the transactions contemplated by this Agreement, and all documents incident thereto, shall be complete to the reasonable satisfaction of Seller and Seller's counsel, and Buyer shall have made available to Seller for examination the originals or true and correct copies of all documents which Seller may reasonably request in connection with the transactions contemplated by this Agreement.

8.3 Representations and Warranties. The representations and warranties made by Buyer in this Agreement shall be true and correct in all material respects as of the Closing Date with the same force and effect as though such representations and warranties had been made on the Closing Date, except (i) to the extent that any such representations and warranties were made as of a specified date, and as to such representations and warranties the same shall continue on the Closing Date to have been true and correct as of the specified date, and (ii) where the breach of any such representations or warranties does not, either individually or in the aggregate, have a material adverse effect and except for changes permitted or contemplated by this Agreement.

8.4 Deliveries at Closing. Buyer shall have delivered or caused to be delivered to Seller the documents required pursuant to Section 2.3(b) each properly executed and dated as of the Closing Date. Buyer shall also have made the payments described in Section 2.2(a).

8.5 Absence of Investigations and Proceedings. No action, proceeding or formal investigation by any Person or governmental agency shall be pending with the object of challenging or preventing the Closing and no other proceedings shall be pending with such object or to collect damages from Seller on account thereof.

8.6 Governmental Consents. The FCC Consent shall have been issued and be in full force and effect at Closing. All other material authorizations, consents or approvals of any and all governmental regulatory authorities necessary in connection with the Closing shall have been

obtained and be in full force and effect.

8.7 Other Documents. Buyer shall have delivered to Seller other documents reasonably requested by Seller to effectuate the conveyance of the Purchased Assets and the transactions contemplated by this Agreement.

If any of the conditions set forth in this Article 8 have not been satisfied, Seller may nevertheless waive such condition, but only in writing, and proceed with the consummation of the transactions contemplated hereby but such waiver shall not relieve Buyer of any of its obligations under Article 9 hereof.

ARTICLE 9

INDEMNIFICATION

From and after the Closing, the parties shall be indemnified as set forth below.

9.1 Indemnification of Buyer. Seller covenants and agrees with Buyer that it shall reimburse and indemnify and hold Buyer and its respective members, managers, directors, officers, employees, agents, affiliates and subsidiaries (the “Buyer Indemnified Parties”) harmless from, against and in respect of any and all actions, suits, claims, proceedings, investigations, audits, demands, assessments, fines, judgments, costs and expenses, (including, without limitation, reasonable attorneys’ fees) (“Claims”) incurred by any of the Buyer Indemnified Parties that result from:

(a) any breach of the representations and warranties made by Seller in this Agreement;

(b) any failure by Seller to perform any covenant or agreement set forth herein or in any certificate, document or instrument prepared, executed and delivered by Sellers to Buyer under this Agreement;

(c) any liabilities and obligations that are not Assumed Liabilities;

(d) any Taxes, payments, claims or accruals for salaries, wages, bonuses, vacation, severance, amounts payable under Station Employee Benefit Plans, or otherwise to employees or agents of Seller, and other liabilities and obligations of Seller, in each case relating to and incurred with respect to the periods on or prior to the Closing Date, whether or not due or payable on or prior to the Closing Date;

(e) any claims or litigation matters which relate or are due to the conduct of Seller or the Station on or prior to the Closing Date, including, without limitation, the claims described in SCHEDULE 4.13 hereto;

(f) any claim, suit, action or other proceeding brought by any governmental authority or Person arising out of, or in anyway related to, any of the matters referred to in

Sections 9.1(a) through 9.1(g);

(g) Anything to the contrary in this Agreement notwithstanding, Seller's obligation to indemnify Buyer pursuant to Section 9.1 shall be subject to all of the following:

(i) Seller shall not be required to indemnify or hold Buyer harmless under Section 9.1 until the aggregate amount of Losses for which Seller is liable under Section 9.1 exceed an aggregate deductible of Twenty Five Thousand Dollars (\$25,000) (the "Threshold Amount") and then only with respect to the amount of such Losses in excess of such amount;

(ii) Buyer shall be entitled to indemnification only for those Losses arising with respect to any claim as to which Buyer has given Seller written notice within the appropriate time period set forth in Section 9.3 for such claim;

(iii) Seller's obligation to indemnify and hold Buyer harmless under this Agreement shall be limited to an aggregate amount equal to \$600,000 after which point Seller shall have no liability or obligation to indemnify or hold harmless Buyer, and Buyer waives and releases and shall have no recourse against, Seller in excess of such amount as a result of the breach or default of any representation, warranty, covenant or agreement of Seller contained in or pursuant to this Agreement or otherwise arising out of or in connection with the transactions contemplated by this Agreement or the operations of the Station; and

The amounts for which Seller shall be liable under this Section 9.1 shall be net of any insurance proceeds paid to Buyer Indemnified Parties in connection with the facts giving rise to the right of indemnification.

9.2 Indemnification of Seller. Buyer covenants and agrees with Seller that it shall reimburse and indemnify and hold Seller and its directors, officers, employees and agents (the "Seller Indemnified Parties") harmless from, against and in respect of any and all Claims incurred by any of Seller Indemnified Parties that result from:

(a) any breach of the representations and warranties made by Buyer in this Agreement;

(b) any failure by Buyer to perform any covenant or agreement set forth herein or in any certificate, document or instrument prepared, executed and delivered by Buyer to Sellers under this Agreement;

(c) any failure by Buyer to carry out, perform or otherwise fulfill any of the Assumed Liabilities;

(d) any fees, expenses or other payments incurred or owed by Buyer to any brokers or comparable third parties retained or employed by them or their Affiliates in connection with the transactions contemplated by this Agreement;

(e) any claim, liability or obligation incurred or owed by Buyer relating to the

operation of the Station after the Closing Date (other than the Retained Liabilities); or

(f) any claim, suit, action or other proceeding brought by any governmental authority or Person arising out of, or in anyway related to, any of the matters referred to in Sections 9.1(a) through 9.1(e);

(g) Seller shall be entitled to indemnification only for those Losses arising with respect to any claim as to which Sellers have given Buyer written notice within the appropriate time period set forth in Section 9.3 for such claim; and

(h) Anything to the contrary in this Agreement notwithstanding, Buyer's obligation to indemnify Seller pursuant to Section 9.2 shall be subject to all of the following:

(i) Buyer shall not be required to indemnify or hold Seller harmless under Section 9.2 until the aggregate amount of Losses for which Buyer is liable under Section 9.2 exceed an aggregate deductible of Twenty Five Thousand Dollars (\$25,000) (the "Threshold Amount") and then only with respect to the amount of such Losses in excess of such amount.

The amounts for which Buyer shall be liable under this Section 9.2 shall be net of any insurance proceeds paid to Seller Indemnified Parties in connection with the facts giving rise to the right of indemnification.

9.3 Method of Asserting Claims.

(a) The party seeking indemnification (the "Indemnitee") will give prompt written notice to the other party or parties (the "Indemnitor") of any Claim which it discovers or of which it receives notice after the Closing and which might give rise to a claim by it against Indemnitor under this Article 9, stating the nature, basis and (to the extent known) amount thereof; provided that failure to give prompt notice shall not jeopardize the right of any Indemnitee to indemnification except to the extent such failure shall have materially prejudiced the ability of the Indemnitor to defend such Claim. Subject to the Indemnitor's right to defend in good faith third party claims as hereinafter provided, the Indemnitor shall satisfy its obligations and this Article 9 by payment in cash or, as applicable, through the Indemnification Escrow Amount, within thirty (30) days after receipt of written notice thereof from the Indemnitee.

(b) In case of any Claim or suit by a third party or by any governmental body, or any legal, administrative or arbitration proceeding with respect to which Indemnitor may have liability under the indemnity agreement contained in this Article 9, Indemnitor shall be entitled to participate therein, and, to the extent desired by it, to assume the defense thereof, and after notice from Indemnitor to Indemnitee of the election so to assume the defense thereof, Indemnitor will not be liable to Indemnitee for any legal or other expenses subsequently incurred by Indemnitee in connection with the defense thereof, other than reasonable costs of investigation, unless Indemnitor does not actually assume the defense thereof following notice of such election. Indemnitee and Indemnitor will render to each other such assistance as may reasonably be required of each other in order to insure proper and adequate defense of any such suit, Claim or proceeding. If the Indemnitor actually assumes the defense of the Indemnitee, the Indemnitee will not make any settlement of any Claim which might give rise to liability of Indemnitor under the indemnity agreements contained in this Section without the written consent

of Indemnitor, which consent shall not be unreasonably withheld, and the Indemnitor shall not agree to make any settlement of any Claim which would not include the unconditional release of the Indemnatee without the written consent of Indemnatee, which consent shall not be unreasonably withheld.

(c) If the Indemnatee shall notify the Indemnitor of any claim or demand pursuant to Section 9.3(a), and if such claim or demand relates to a claim or demand asserted by a third party against the Indemnatee which the Indemnitor acknowledges is a claim or demand for which it must indemnify or hold harmless the Indemnatee under Sections 9.1 or 9.2, the Indemnitor shall have the right to employ counsel acceptable to the Indemnatee to defend any such claim or demand asserted against the Indemnatee. The Indemnatee shall have the right to participate in the defense of any such claim or demand. The Indemnitor shall notify the Indemnatee in writing, as promptly as possible (but in any case before the due date for the answer or response to a claim) after the date of the notice of claim given by the Indemnatee to the Indemnitor under Section 9.3(a) of its election to defend in good faith any such third party claim or demand. So long as the Indemnitor is defending in good faith any such claim or demand asserted by a third party against the Indemnatee, the Indemnatee shall not settle or compromise such claim or demand. The Indemnatee shall make available to the Indemnitor or its agents all records and other materials in the Indemnatee's possession reasonably required by it for its use in contesting any third party claim or demand. Whether or not the Indemnitor elects to defend any such claim or demand, the Indemnatee shall have no obligations to do so.

9.4 Nature and Survival of Representations. The representations and warranties made by Seller on the one hand, and by Buyer, on the other hand, under this Agreement shall survive for a period of 12 months following the Closing.

9.5 Remedies. Except as otherwise specifically provided in this Agreement, the foregoing indemnification provisions are the sole and exclusive remedy any party may have for a breach of any representation or warranty hereunder.

ARTICLE 10

FURTHER AGREEMENTS

10.1 Event of Loss. Upon the occurrence of an Event of Loss or Events of Loss in excess of \$100,000 prior to the Closing, Seller shall take steps to repair, replace and restore the damaged, destroyed or lost property to its former condition. At Closing if Buyer has waived the condition set forth in Section 7.4, Seller shall assign to Buyer all its rights under any insurance and all proceeds of insurance (excluding business interruption proceeds for periods prior to the Closing Date) covering the property damage, destruction or loss not so repaired, replaced or restored prior to Closing.

10.2 Station Employees. Buyer may at any time after the date of this Agreement approach Station Employees and make arrangements or enter into agreements with such employees concerning becoming employees of the Buyer, although Buyer assumes by this Agreement no obligation to employ or continue the employment of any Person after the Closing. Any Station Employee who thereby becomes employed by Buyer shall constitute a Transferred

Employee. Seller agrees to fully cooperate with the Buyer in connection with its offer to hire any Station Employees and will not take any action, directly or indirectly, to prevent any Station Employee from becoming employed by Buyer from and after the Closing. Seller agrees that for a period of twelve (12) months following the Closing, Seller shall not solicit or induce any Station Employee to remain in, or any Transferred Employee to return to, the employ of Seller or any of its affiliates or otherwise attempt to retain or obtain the services of any such employee. If Closing does not occur, for any reason, Buyer agrees that for a period of twelve (12) months following termination of this Agreement, Buyer shall not solicit or induce any Station Employee to become an employee of Buyer, its parents, or subsidiaries.

(a) Seller shall be solely responsible for and shall pay all salaries and other compensation (including, but not limited to, any deferred or incentive compensation, paid time off and any severance pay) which will or may become payable at any time in the future to any Transferred Employee for services rendered by Transferred Employee to Seller on or before the later of the Closing Date or the date a Transferred Employee becomes employed by Buyer.

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

(c) Seller shall, prior to the Closing, but not earlier than the day prior to the Closing Date, terminate all employees identified by Buyer as Transferred Employees. Any notification required by any federal, state or local law governing mass layoffs or terminations, including without limitation the federal Worker Adjustment and Retraining Notification Act of 1988, shall be given by Seller. Compliance with all such laws shall be Seller's sole responsibility and liability. Seller shall indemnify, defend and hold Buyer harmless from and against all liabilities, claims and causes of action (including, without limitation, reasonable attorney fees and other legal costs and expenses) arising out of the violation, or alleged violation, of any such laws.

(c) Except as set forth in SCHEDULE 10.2, there are no former employees of Seller (or dependents of such former employees) who are receiving health coverage under the continuation of coverage rules of COBRA.

10.3 Bulk Transfer. Buyer and Seller hereby waive compliance with the bulk transfer provisions of the Uniform Commercial Code and all similar laws. Except for the Assumed Liabilities, Seller shall promptly pay and discharge when and as due all liabilities and obligations arising out of or relating to Seller's ownership, operation and sale of the Station. Except for the Assumed Liabilities, Seller hereby agrees to indemnify, defend and hold Buyer harmless from and against any and all liabilities, losses, costs, damages or causes of action (including, without limitation, reasonable attorneys' fees and other legal costs and expenses) arising out of or relating to claims asserted against Buyer pursuant to the bulk transfer provisions of the Uniform Commercial Code or any similar law.

10.4 Broadcast Transmission Interruption. Seller shall not modify in any material respect the broadcast hours or reduce the Station's operating power (except for routine maintenance of the Station).

ARTICLE 11

TERMINATION; MISCELLANEOUS

11.1 Termination. This Agreement may be terminated and the transactions contemplated hereby may be abandoned at any time prior to the Closing Date, as follows:

- (a) by mutual written consent of Seller and Buyer;
- (b) by Buyer, if Seller is in material breach or default of its representations, warranties, covenants or obligations under this Agreement, and either such breach or default on the part of Seller shall not have been cured or waived within thirty (30) days after written notice thereof from Buyer to Seller (or such longer period of time as may be reasonable under the circumstances), provided that Seller shall have no right to any such cure period with respect to any breach or default of Seller's obligations: (i) to execute and deliver the agreements, certificates, instruments and documents set forth in Sections 7.5 and 7.6; (ii) to deliver the Purchased Assets at Closing.
- (c) by Seller, if Buyer is in material breach or default of its representations, warranties, covenants or obligations under this Agreement, including Buyer's obligation to consummate the Closing in accordance with Article 8, and such breach or default on the part of Buyer shall not have been cured or waived within thirty (30) days after notice thereof from Seller to Buyer (or such longer period of time as may be reasonable under the circumstances), provided that Buyer shall have no right to any such day cure period with respect to any breach or default of Buyer's obligations to pay the Purchase Price in full or execute and deliver the agreements, certificates, instruments and documents set forth in Section 8.4; or
- (d) by either Buyer or Seller, if the FCC Consent has not been granted on or before December 31, 2005.

Notwithstanding the foregoing, no party may effect a termination of this Agreement if such party is in material breach or default of its representations, warranties, covenants or obligations under this Agreement.

11.2 Rights on Termination; Waiver.

(a) if this Agreement is terminated by either or both of Buyer or Seller pursuant to Section 11.1, prompt written notice thereof shall forthwith be given to the other party and this Agreement shall terminate and the transactions contemplated hereby shall be abandoned without further action by any of the parties hereto, but subject to and without limiting any of the rights of the parties set forth in this Agreement if a party is in default or breach of its representations, warranties, covenants or obligations under this Agreement. If this Agreement is terminated as provided herein:

(b) all filings, applications and other submissions relating to the transactions contemplated hereby as to which termination has occurred shall, to the extent practicable, be withdrawn from the governmental authority or other Person to which made.

(c) if this Agreement is terminated by Seller pursuant to Section 11.1(c) then Seller shall have the right to receive, and shall be paid, the Escrow Amount without limitation of any other remedies available to Seller;

(d) if this Agreement is terminated by Buyer pursuant to Section 11.1 (a) or 11.1(b), then the Escrow Amount shall be returned to Buyer without limitation of any other remedies available to Buyer;

(e) if this Agreement is terminated by either party under Section 11.1(d), the Escrow Amount shall be disbursed as follows: (A) to Seller if the FCC Consent is not obtained or is denied due to any FCC qualification issues of Buyer, specifically including inaction or disqualification due to the daily newspaper cross-ownership ban in Section 73.3555(d)(3) of the FCC's rules; (B) to Buyer, if the FCC Consent is not obtained for any other reason.; and

(f) notwithstanding any termination of this Agreement pursuant to Section 11.1, the obligations of the parties described in Section 4.20 (Sellers' Broker), Section 5.4 (Buyer's Broker), Section 6.11 (Public Announcements), Section 11.10 (Confidentiality), and Section 11.8 (Expenses) will survive any such termination. Notwithstanding any termination of this Agreement pursuant to Section 11.1, no such termination of this Agreement will relieve any party from liability for any misrepresentation or breach of any representation, warranty, covenant or agreement set forth in this Agreement prior to such termination; and

Each party agrees to take such action as is necessary or desirable to effectuate the payment of the Escrow Amount as set forth in this Section 11.2, including promptly providing to the Escrow Agent written instructions related to the payment thereof in the manner set forth in the Escrow Agreement.

11.3 Further Assurances. From time to time after the Closing Date, upon the reasonable request of Buyer, Seller shall execute and deliver, or cause to be executed and delivered, such further instruments of conveyance, assignment and transfer and take such further action, without payment of further consideration, as Buyer may reasonably request in order more effectively to sell, assign, convey, transfer, reduce to possession and record title to any of the Purchased Assets. Seller agrees to cooperate with Buyer and its counsel in all reasonable respects to assure to Buyer the continued title to and possession of the Purchased Assets in the condition and manner contemplated by this Agreement.

11.4 Schedules. Any disclosure with respect to a Section of this Agreement requires a specific reference in the Schedules to such Section of the Agreement to which any such disclosure applies, and no disclosure shall be deemed to apply with respect to any Section to which it does not expressly apply.

11.5 Survival. The obligations to indemnify contained in Article 9 hereof, the agreements contained herein, the representations and warranties made in this Agreement or made pursuant hereto shall survive the Closing and the consummation of the transactions contemplated by this Agreement, and shall survive any independent investigation by Buyer or Seller, and any dissolution, merger or consolidation of Buyer or Seller and shall bind the legal representatives, assigns and successors of Buyer and Seller.

11.6 Entire Agreement; Amendment; and Waivers. This Agreement and the documents referred to herein and to be delivered pursuant hereto constitute the entire agreement between the parties pertaining to the subject matter hereof, and supersede all prior and contemporaneous agreements, understandings, negotiations and discussions of the parties, whether oral or written, and there are no warranties, representations or other agreements between the parties in connection with the subject matter hereof, except as specifically set forth herein. No amendment, supplement, modification, waiver or termination of this Agreement shall be binding unless executed in writing by the party to be bound thereby. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision or breach of this Agreement, whether or not similar, unless otherwise expressly provided.

11.7 Expenses. Except as otherwise specifically provided herein, whether or not the transactions contemplated by this Agreement are consummated, each of the parties hereto shall pay the fees and expenses of its respective counsel, accountants and other experts incident to the negotiation and preparation of this Agreement and consummation of the transactions contemplated hereby.

11.8 Benefit; Assignment. This Agreement shall be binding upon and inure to the benefit of and shall be enforceable by Buyer and Seller and their respective proper successors and assigns. This Agreement may not be assigned by the Seller to another party without the prior written consent of Buyer, which consent will not be unreasonably withheld. This Agreement may not be assigned by Buyer to another party without the prior written consent of Seller, which consent will not be unreasonably withheld; provided, however, Buyer may freely assign some or all of its rights and obligations hereunder to any affiliate that is legally, financially and technically qualified to be an FCC Licensee and Buyer may collaterally assign its rights hereunder to its lenders. Any such assignee of Buyer shall fully assume the obligations of Buyer hereunder.

11.9 Confidentiality.

(a) Buyer agrees that prior to Closing, Buyer and its agents and representatives shall not use for its or their own benefit (except when required by law and except for use in connection with Buyer's financing of the transaction and Buyer's investigation of the Station and its assets in connection with this Agreement), and shall hold in strict confidence and not disclose: (i) any data or information relating to Seller, its affiliates or the Station obtained from Seller or any of its directors, officers, employees, agents or representatives in connection with this Agreement; or (ii) any data and information relating to the business, customers, financial statements, conditions or operations of the Station, in each case which is confidential in nature and not generally known to the public (clauses (i) and (ii) together, "Seller's Information"). If the transactions contemplated in this Agreement are not consummated for any reason, Buyer shall return to Seller all data, information and any other written material obtained by Buyer from Seller in connection with this transaction and any copies, summaries or extracts thereof, and shall refrain from disclosing any of Seller's Information to any third party or using any of Seller's Information for its own benefit or that of any other Person.

(b) Seller agrees that Seller and its respective agents and representatives shall not use for their own benefit (except when required by law and except for use in connection with

their respective investigations and reviews of Buyer in connection with this Agreement), and shall hold in strict confidence and not disclose: (i) any data or information relating to Buyer or its Affiliates obtained from Buyer, or from any of its directors, officers, employees, agents or representatives, in connection with this Agreement; or (ii) any data and information relating to the business, customers, financial statements, conditions or operations of Buyer which is confidential in nature and not generally known to the public (clauses (i) and (ii) together “Buyer’s Information”). If the transactions contemplated in this Agreement are not consummated for any reason, Seller shall return to Buyer all data, information and any other written material obtained by Seller from Buyer in connection with this transaction and any copies, summaries or extracts thereof and shall refrain from disclosing any of Buyer’s Information to any third party or using any of Buyer’s Information for its own benefit or that of any other Person.

11.10 Notices. All communications or notices required or permitted by this Agreement shall be in writing and shall be deemed to have been given at the earlier of (i) the date when sent by telecopy or facsimile machine to the number shown below, or (ii) the business day after being properly deposited for delivery by commercial overnight delivery service, prepaid, or (iii) five (5) days after deposit in the United States mail, certified or registered mail, postage prepaid, return receipt requested, and addressed as follows, unless and until either of such parties notifies the other in accordance with this Section of a change of address or change of telecopy number:

If to Seller: Northeast Kansas Broadcast Service, Inc.
Attn: Berl Brechner
540 North State Road
Briarcliff Manor, NY 10510
Fax: (914) 944-8101

With a copy to: Cohn and Marks LLP
Joseph M. Di Scipio, Esq.
1920 N Street, NW
Suite 300
Washington, DC 20036
Fax: (202) 293-4827

If to Buyer: Free State Communications, LLC
609 New Hampshire
Lawrence, KS 66044
Attn: Patrick Knorr
Fax: (785)-312-6975

With a copy to: Cinnamon Mueller LLC
307 North Michigan Avenue
Suite 1020
Chicago, IL 60601

Attention: Christopher C. Cinnamon
Fax: (312) 372-3939

11.11 Counterparts; Headings. This Agreement may be executed in counterparts and delivered via facsimile, each of which shall be deemed an original, but such counterparts shall together constitute but one and the same Agreement. The Table of Contents and Article and Section headings in this Agreement are inserted for convenience of reference only and shall not constitute a part hereof.

11.12 Income Tax Position. Neither Buyer nor Seller shall take a position for income tax purposes which is inconsistent with this Agreement.

11.13 Severability. If any provision, clause or part of this Agreement or the application thereof under certain circumstances is held invalid, or unenforceable, the remainder of this Agreement, or the application of such provision, clause or part under other circumstances, shall not be affected thereby.

11.14 Governing Law. This Agreement shall be construed and interpreted according to the laws of the State of Kansas, without regard to the conflict of law principles thereof.

11.15 Third-Party Beneficiaries. This Agreement is intended to benefit only the parties to this Agreement, their successors and permitted assigns. No other Person is an intended or incidental beneficiary of this Agreement.

Signatures on following page

Execution Version

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

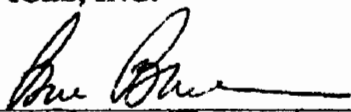
"BUYER"

**FREE STATE COMMUNICATIONS,
LLC**

By: _____
Name: _____
Title: _____

"SELLER"

**NORTHEAST KANSAS BROADCAST
SERVICES, INC.**

By:  _____
Name: Bert Brechner
Title: President

KTKA APA 042605 final

Execution Version

The parties have executed this Agreement as of the Agreement Date.

SELLER:

**NORTHEAST KANSAS BROADCAST
SERVICES, INC.**

By: _____
Name: _____
Title: _____

BUYER:

FREE STATE COMMUNICATIONS, LLC

By: *[Signature]*
Name: *Barbara Moore*
Title: *Manager*

ESCROW AGENT

Chicago Title and Trust Company

By: _____
Name: _____
Title: _____

Exhibit C escrow agreement 042605

Schedule 1.6

FCC LICENSES¹

Call Sign	City of License	File No.	Type	Power	Expiration
KTKA-TV	Topeka, KS	BLCT- 20040629ACO	NTSC License	2690 kW	June 1, 2006
KTKA-DT	Topeka, KS	BPCDT- 19991101AKF	DTV Permit	25 kW	September 30, 2005 ²
K39BR	Junction City, KS	BRTTL- 19980202AJ	TV Translator License		June 1, 2006
KPE754			Auxiliary Remote Pick- up		June 1, 2006
KPE693			Auxiliary Remote Pick- up		June 1, 2006
WHN379			Auxiliary STL		June 1, 2006
WHN378			Auxiliary Inter-City Relay		June 1, 2006
KA88837			Auxiliary TV Pick-up		June 1, 2006

¹ KTKA-TV and KTKA-DT and material licenses and permits, all other licenses on this schedule are not material.

² Digital construction permit extended to September 30, 2005 pursuant to BEDSTA-20050208AJE.

Schedule 4.15

GOVERNMENTAL AUTHORIZATIONS

See Schedule 1.6.

Schedule 4.16

COMPLIANCE WITH FCC REQUIREMENTS

No exceptions