

**ASSET PURCHASE AGREEMENT**

**BY AND BETWEEN**

**WLAJ-TV-LLC**

**AS SELLER**

**AND**

**YOUNG BROADCASTING OF LANSING, INC.**

**AS BUYER**

**DATED AS OF**

**OCTOBER 3, 2012**

## ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (the “**Agreement**”), made as of this 3rd day of October 3, 2012, is by and between WLAJ-TV LLC, a Delaware limited liability company (“**Seller**”), on the one hand and Young Broadcasting of Lansing, Inc. (“**Buyer**”), on the other hand.

### RECITALS:

**WHEREAS**, pursuant to that certain Asset Purchase Agreement (the “**Sinclair APA**”), dated as of the date hereof by and between Seller and Sinclair Television Group, Inc., Sinclair Communications, LLC and WLAJ Licensee, LLC (collectively, “**Sinclair**”), Seller has agreed to acquire certain assets used for the operation of the television station WLAJ-TV, Lansing, Michigan (the “**Station**”);

**WHEREAS**, Seller desires to sell, and Buyer desires to purchase, substantially all of the Purchased Assets (as such term is defined in the Sinclair APA), excluding the Excluded Assets (as such term is defined herein), as more fully described, and on the terms and subject to the conditions set forth herein;

**NOW, THEREFORE**, in consideration of the above recitals and of the mutual agreements and covenants contained in this Agreement, the parties to this Agreement, intending to be bound legally, hereby agree as follows:

### ARTICLE 1 - DEFINITIONS

**1.1 Certain Defined Terms.** Capitalized terms used herein have the respective meanings ascribed them in the Sinclair APA, unless otherwise defined herein.

### ARTICLE 2 - PURCHASE AND SALE

#### **2.1 Purchase and Sale of the Assets.**

(a) Pursuant to the terms and subject to the conditions set forth in this Agreement, Seller hereby agrees to transfer, convey, assign and deliver to Buyer on the Closing Date, and Buyer agrees to acquire, all of Seller’s right, title and interest in and to Purchased Assets acquired by Seller pursuant to the Sinclair APA, but excluding the Excluded Assets (such assets being conveyed being collectively referred to herein as the “**Assets**”), free and clear of any Lien, except for Permitted Liens, including the following:

- (i) all Leases and Tower Leases;
- (ii) all Equipment;
- (iii) all rights under all Contracts (other than the Excluded Contracts)(collectively, the “**Assumed Contracts**”);

(iv) all of Seller's rights, claims, credits, causes of action or rights of set-off against third parties relating to the Assets, including unliquidated rights under manufacturers' and vendors' warranties, in each case only to the extent Buyer incurs Losses relating thereto and occurring after the Effective Time;

(v) all Intangible Property;

(vi) all Internet web sites and related agreements, content and databases and domain names; and

(vii) all information and data acquired by Seller from Sinclair (other than the FCC Related Assets defined below), including, without limitation, sales and business records, books of account, files, invoices, inventory records, general, financial, accounting and real and personal property and sales and use Tax records (but excluding all other Tax records), personnel and employment records for Transferred Employees (to the extent permitted by Law) and all engineering information, sales and promotional literature, manuals and data, sales and purchase correspondence, lists of present and former suppliers and lists of present and former customers, quality control records and manuals, blueprints, litigation and regulatory files, and all other books, documents and records and electronic data relating to the Station, including electronic data relating to the Station's traffic and historical financial information wherever that information is located.

**2.2 Excluded Assets.** In all events, the Assets shall not include, and Buyer shall not acquire, the following assets, or any rights, title and interest therein (collectively, the "**Excluded Assets**"):

(i) any and all of the "Excluded Assets" as such term is defined in the Sinclair APA;

(ii) the FCC Licenses and all municipal, state and federal franchises, licenses, permits or other governmental authorizations relating to the Station, including the associated rights in and to the Station's call sign and all FCC logs and all records kept by the Station and all other such books and records relating to the Station held or maintained by Seller or Sinclair and transferred or delivered to Seller pursuant to the Sinclair APA ("**FCC Related Assets**");

(iii) any Program Rights Agreements, retransmission consent agreements or other agreements listed on Schedule 2.2 hereto ("**Excluded Contracts**");

(iv) all Real Property; and

(v) any other assets (tangible and intangible) listed on Schedule 2.2 hereto;

**2.3 Assumption of Liabilities and Obligations.**

(a) As of and from and after the Closing Date, Buyer shall assume and undertake to pay, discharge and perform:

(i) any obligation or liability of Seller under the Assumed Contracts to the extent that the obligations and liabilities relate to the period after the Effective Time; and

(ii) any liabilities and obligations arising with respect to the Assets on and after the Effective Time (excluding any liability or obligation arising from, or relating to the performance or non-performance thereof, prior to the Effective Time);

(all of the foregoing obligations and liabilities described in clauses (i)-(ii), together with other liabilities or obligations expressly assumed by Buyer hereunder, are referred to herein collectively as the “**Assumed Liabilities**”).

(b) Buyer shall not be required to assume any of the following obligations and liabilities: (i) any Excluded Liabilities (as such term is defined in the Sinclair APA), (ii) any obligations or liabilities under any Excluded Contract, (iii) any obligations or liabilities relating to the Excluded Assets, (iv) any liability or obligation arising out of any litigation, proceeding or claim by any person relating to the Assets in connection with any events or circumstances that occur or exist prior to the Effective Time or any other liability or obligation or liability with respect to the Assets in connection with any events or circumstances that occur or exist prior to the Effective Time, and (v) any credit agreements, note purchase agreements, indentures or other financing arrangements (other than any Assumed Contracts) of Seller (collectively, the “**Retained Liabilities**”).

**2.4 Purchase Price.** In consideration for the sale of the Assets pursuant to the terms and subject to the conditions hereof, at the Closing Buyer shall pay to, and for the benefit of, Seller by wire transfer of immediately available funds (or such other method of funds transfer as may be agreed upon by Buyer and Seller) a total aggregate amount equal to [REDACTED] (the “**Purchase Price**”) (including the Escrow Deposit defined below), in accordance with the wire transfer instructions delivered by Seller to Buyer prior to the Closing Date.

**2.5 Escrow.** Concurrently with the execution by both parties of this Agreement, Buyer shall deliver to Seller [REDACTED] (“**Escrow Deposit**”). The Escrow Deposit shall be credited as partial payment of the cash Purchase Price due at the Closing to Seller, or shall otherwise be released to Buyer or Seller in accordance with Section 8 hereof.

**2.6 Prorations.** The parties shall use good faith efforts on and after the Closing Date to prorate all revenues and expenses arising from the Assets, including utility charges, real and personal property Taxes and assessments levied against the Assets, property and equipment rentals, applicable copyright or other fees, sales and service charges, and similar prepaid and deferred items, between Buyer and Seller in accordance with generally accepted accounting principles, consistently applied. The parties shall endeavor, when possible, to avoid unnecessary transfer taxes, recordation taxes, sales taxes or similar taxes, by requesting Sinclair to transfer applicable Assets directly to Buyer.

**2.7 Allocation of Purchase Price.** Not later than one hundred and eighty (180) days following the Closing Date, Buyer and Seller shall reach agreement on the allocation of the

Purchase Price (the “**Allocation**”) in accordance with the respective fair market value of the Assets in accordance with the requirements of Section 1060 of the Code of 1986, as amended. Buyer and Seller agree to file their federal income tax returns and their other tax returns reflecting such Allocation and to use such Allocation for accounting and financial reporting purposes.

### **ARTICLE 3 - REPRESENTATIONS AND WARRANTIES OF SELLER**

Seller hereby represents and warrants to Buyer as follows, subject in each case to such exceptions as are set forth on the disclosure schedule of Seller attached hereto and as provided therein:

**3.1 *Organization and Authority.*** Seller is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware and has all requisite power and authority to own, lease and operate its properties and to carry on its business.

**3.2 *Authorization and Binding Obligation.*** The execution and delivery by Seller of this Agreement, the performance by Seller of its obligations hereunder and the consummation by Seller of the transactions contemplated hereby and thereby are within Seller’s corporate or organizational powers and have been duly authorized and approved by all corporate or organizational action of Seller, and no other corporate or organizational action on the part of Seller is necessary to authorize and approve the execution, delivery and performance by Seller of this Agreement and the consummation by Seller of the transactions contemplated hereby. This Agreement has been duly executed by the Seller and (assuming due authorization, execution and delivery by Buyer) constitutes the legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other similar Laws affecting or relating to enforcement of creditors’ rights generally and general principles of equity (regardless of whether enforcement is considered in a proceeding at law or in equity).

**3.3 *Absence of Conflicting Agreements; Consents.*** Except for any consents as may be required to assign any Assumed Contract, the execution, delivery and performance by Seller of this Agreement (with or without the giving of notice, the lapse of time, or both), and the consummation by Seller of the transactions contemplated hereby: (a) do not require the consent of any third party; (b) will not conflict with any applicable organizational and governing documents of Seller or any subsidiary of Seller; (c) will not conflict in any material respect with, result in a material breach of or constitute a material default under (i) any Applicable Law of any Governmental Authority applicable to Seller or (ii) any Assumed Contract; and (d) will not result in the creation of any Lien on the Assets other than Permitted Liens. Seller is not a party to, or is bound by, any agreement or commitment that prohibits the execution and delivery by Seller of this Agreement or the consummation of the transactions contemplated thereby by Seller.

**3.4 *Sinclair Representations and Warranties.*** To the knowledge of Seller, all the representations and warranties made by Sinclair in the Sinclair APA (the “**Sinclair Representations**”) are true and accurate. Seller shall enforce, at the direction of Buyer, any and all its rights against Sinclair to the fullest extent for any breach or violation of any of the Sinclair

Representations. Seller shall notify Buyer immediately after it is known to Seller of any breach or violation of any of the Sinclair Representations. Seller shall immediately pay, or shall have Sinclair pay directly, to Buyer any amounts recovered for such breaches or violations relating to the Assets. If, for whatever reason, Seller does not enforce any such rights, upon the request of Buyer, Seller shall use best efforts to assign to Buyer its interest in and to any such rights.

**3.5 Litigation.** Except as disclosed in the Sinclair APA, and except for any FCC rulemaking proceedings generally affecting the television broadcasting industry and not particular to Seller, as of the date hereof, to Seller's knowledge, there is no claim, legal action, counterclaim, suit, arbitration, or other legal, administrative or tax proceeding, nor any order, decree or judgment, in progress or pending, or threatened, against Seller which would be reasonably expected to have a material adverse effect on Seller, the Station, the Assets or Buyer, or prevent Seller's performance of its obligations under this Agreement.

**3.6 Compliance with Laws.** Seller is in compliance in all material respects with all Applicable Law with respect to the Assets.

**3.7 Brokers.** No agent, broker, firm or other Person acting on behalf, or under the authority, of Seller is or will be entitled to any broker's or finder's fee or any other commission or similar fee directly or indirectly in connection with any of the transactions contemplated hereby.

#### **ARTICLE 4 - REPRESENTATIONS AND WARRANTIES OF BUYER**

Buyer hereby represents and warrants to Seller as follows, subject in each case to such exceptions as are set forth on the disclosure schedules of Buyer attached hereto and as provided therein:

**4.1 Organization, Standing and Authority.** Buyer is a corporation duly organized, validly existing and in good standing under the laws of the Delaware and, on the Closing Date, will be duly qualified to conduct business in each jurisdiction in which such qualification is necessary for Buyer to own the Assets and operate the Station. Buyer has the requisite power and authority to (a) execute, deliver and perform this Agreement and consummate the transactions contemplated hereby and (b) own the Assets.

**4.2 Authorization and Binding Obligation.** The execution and delivery by Buyer of this Agreement, the performance by Buyer of its obligations hereunder and the consummation by Buyer of the transactions contemplated hereby and thereby are within Buyer's corporate powers and have been duly authorized and approved by all corporate action of Buyer, and no other corporate action on the part of Buyer is necessary to authorize and approve the execution, delivery and performance by Buyer of this Agreement and the consummation by Seller of the transactions contemplated hereby. This Agreement has been duly executed by the Buyer and (assuming due authorization, execution and delivery by Seller) constitutes the legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other similar Laws affecting or relating to enforcement of

creditors' rights generally and general principles of equity (regardless of whether enforcement is considered in a proceeding at law or in equity).

**4.3 Absence of Conflicting Agreements and Required Consents** The execution, delivery and performance by Buyer of this Agreement and the documents contemplated hereby (with or without the giving of notice, the lapse of time or both): (a) do not require the consent of any other Person; (b) will not conflict with any applicable organizational and governing documents of Buyer or any subsidiary of Buyer; and (c) will not conflict in any material respect with, result in a material breach of or constitute a material default under any Applicable Law or any material contract or agreement to which Buyer or any subsidiary of Buyer is a party or by which Buyer or any subsidiary of Buyer may be bound.

**4.4 Litigation.** There is no action, suit or proceeding or investigation pending, or to Buyer's Best Knowledge threatened, against Buyer or any of its subsidiaries, at law or in equity, in any court or before or by any Governmental Authority that questions or challenges the validity of this Agreement or any action taken or to be taken by Buyer pursuant to this Agreement, or that could have a material adverse effect on the business, assets or properties of Buyer and its subsidiaries taken as a whole.

**4.5 Financing.** Buyer will have on the Closing Date all funds necessary and sufficient to enable Buyer to consummate the transactions contemplated by this Agreement.

**4.6 No Broker.** Neither Buyer nor any other Person acting on behalf of Buyer has incurred any liability for any finders' or brokers' fees or commissions in connection with this Agreement or the transactions contemplated hereby.

## ARTICLE 5 - SPECIAL COVENANTS AND AGREEMENTS

**5.1 Third Party Consents.** Seller shall use all reasonable efforts and Buyer shall cooperate in all reasonable respects with Seller to obtain, or enforce Sinclair's obligation pursuant to the Sinclair APA to obtain, any Third Party Consent that may be necessary in connection with any specific Assumed Contract. If such a Third Party Consent is not obtained, or if an attempted assignment of such an Assumed Contract be invalid or would result in a default or breach thereof, Seller shall use all reasonable efforts to provide Buyer, or enforce Sinclair's obligation pursuant to the Sinclair APA to provide, the benefits of any such Assumed Contract and, to the extent Buyer is provided with the benefits of such Assumed Contract, Buyer shall perform or discharge on behalf of Seller the obligations and liabilities under such Assumed Contract in accordance with the provisions thereof. In addition to Buyer's obligation pursuant to the foregoing sentence, as to any Assumed Contract that is not effectively assigned to Buyer as of the Effective Time but is thereafter effectively assigned to Buyer, Buyer shall, from and after the effective date of such assignment, assume, and shall thereafter pay, perform and discharge as and when due, all liabilities and obligations of Seller arising under such Assumed Contract.

**5.2 Cooperation.** Buyer and Seller shall cooperate fully 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 implement and consummate this Agreement, and

otherwise use their commercially reasonable efforts to consummate the transactions contemplated hereby and to fulfill their obligations under this Agreement.

**5.3 Further Assurances.** From and after the Closing, each party shall from time to time, at the request of any other party and without further cost or expense to such requesting party, execute and deliver such other instruments of conveyance and transfer and take such other actions as such other party may reasonably request in order more effectively to carry out this Agreement and the other agreements specified in this Agreement and to vest in the Buyer good and marketable title to the Assets.

## **ARTICLE 6 - CONDITIONS TO OBLIGATIONS OF BUYER AND SELLER**

**6.1 Conditions to Obligations of Each Party.** The respective obligations of each party hereto at the Closing are subject to the satisfaction or waiver by each party on or prior to the Closing Date of each of the following conditions:

(a) The "Closing" as such term is defined in the Sinclair APA.

(b) No injunction, restraining order or decree of any nature of any Governmental Authority of competent jurisdiction shall be in effect that restrains or prohibits the consummation of the transactions contemplated by this Agreement.

**6.2 Conditions to Obligations of Buyer.** All obligations of Buyer at the Closing are subject at Buyer's option to the satisfaction or waiver on or prior to the Closing Date of each of the following conditions:

(a) All representations and warranties of Seller contained in this Agreement, if specifically qualified by materiality, shall be true and accurate in all respects, and, if not so qualified, shall be true and accurate in all material respects, at and as of the Closing Date.

(b) Seller shall have performed and complied in all material respects with all covenants, agreements and conditions required by this Agreement and the Sinclair APA to be performed or complied with by it on the Closing Date.

(c) Seller shall have made or stand willing to make all the deliveries to Buyer described in Section 7.3.

**6.3 Conditions to Obligations of Seller.** All obligations of Seller at the Closing hereunder are subject at Seller's option to the satisfaction or waiver on or prior to the Closing Date of each of the following conditions:

(a) All representations and warranties of Buyer contained in this Agreement, if specifically qualified by materiality, shall be true and accurate in all respects, and, if not so qualified, shall be true and accurate in all material respects, at and as of the Closing Date.

(b) Buyer shall have performed and complied in all material respects with all covenants, agreements and conditions required by this Agreement to be performed or complied with on the Closing Date.

(c) Buyer shall have made or stand willing to make all the deliveries described in Section 7.4.

## ARTICLE 7 - CLOSING AND CLOSING DELIVERIES

**7.1 Closing.** The Closing shall take place on the date of, and simultaneously with, the “Closing” as such term is defined in the Sinclair APA (assuming the satisfaction or waiver of all other conditions set forth in Section 6 above). The date closing occurs shall be deemed the “Closing Date”.

**7.2 Closing Place.** The Closing shall be held at such place that is agreed in writing by Buyer and Seller.

**7.3 Deliveries by Seller.** On the Closing Date, Seller shall deliver to Buyer the following, in form and substance reasonably satisfactory to Buyer and its counsel:

(a) Duly executed assignments and other conveyance documents that are sufficient to convey and vest good title in and to the Assets to Buyer, free and clear of all Liens, except for Permitted Liens. Such documents shall include, but shall not be limited to, the following (the “**Assignment Instruments**”):

(i) a duly executed Assignment and Assumption Agreement, in mutually agreeable form; and

(ii) a duly executed Bill of Sale, substantially in mutually agreeable form.

(b) A certificate, dated as of the Closing Date, executed by an officer of Seller, certifying that the resolutions, as attached to such certificate, were duly adopted by the Manager of Seller, authorizing and approving the execution of this Agreement by Seller and the consummation of the transactions contemplated hereby and that such resolutions remain in full force and effect;

(c) Such other documents as may reasonably be requested by Buyer.

**7.4 Deliveries by Buyer.** On the Closing Date, Buyer shall deliver to Seller the following, in form and substance reasonably satisfactory to Seller and its counsel:

(a) Payment of the Purchase Price by wire transfer of immediately available funds directly to the account or accounts designated in writing by Seller prior to the Closing Date (or such other method of funds transfer as may be agreed upon in writing by Buyer and Seller);

(b) Executed counterparts to each of the Assignment Instruments and such other appropriate assumption and acceptance agreements pursuant to which Buyer shall assume and undertake to perform Seller’s obligations under the Assumed Contracts as and to the extent set forth herein;

- (c) Such other documents as may be reasonably requested by Seller.

## ARTICLE 8 - TERMINATION

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

- (a) by the mutual written consent of Seller and Buyer;
- (b) either by Seller or by Buyer:

- (i) if there shall be any Law that prohibits consummation of the transactions contemplated by this Agreement or if a Governmental Authority of competent jurisdiction shall have issued a Government Order enjoining or otherwise prohibiting consummation of the transactions contemplated by this Agreement, and such Government Order shall have become final and non-appealable;

- (ii) if the Sinclair APA is terminated without a Closing (as such term is defined therein);

- (c) by Seller:

- (i) upon a breach of any representation, warranty, covenant or agreement on the part of Buyer set forth in this Agreement, or if any representation or warranty of Buyer shall have become untrue, in either case such that the conditions set forth in Section 6 would not be satisfied, unless such breach or untruth can be cured prior to Closing and after receipt of written notice thereof, Buyer proceeds in good faith to cure such breach or untruth as promptly as practicable; provided, however, that Seller shall not have the right to terminate this Agreement pursuant to this 8.1(c)(i) if Seller is then in breach of any of its representations, warranties, covenants or agreements contained in this Agreement to an extent which would give Buyer the right not to close pursuant to Section 6 hereof.

- (ii) if all of the conditions set forth in Section 6 hereof have been satisfied (other than those conditions that by their nature cannot be satisfied other than at the Closing) and Buyer fails to consummate the transactions contemplated by this Agreement within two (2) Business Days after the date the Closing should have occurred pursuant to the terms of this Agreement and Seller stood ready, willing and able to consummate the transactions contemplated by this Agreement during such period.

- (d) by Buyer:

- (i) upon a breach of any representation, warranty, covenant or agreement on the part of Seller set forth in this Agreement, or if any representation or warranty of Seller shall have become untrue, in either case such that the condition set forth in Section 6 would not be satisfied, unless such breach or untruth can be cured prior to Closing and after receipt of written notice thereof, Seller, as the case may be, proceeds in good faith to cure such breach or untruth as promptly as practicable; provided, however, that Buyer shall not have the right to terminate this Agreement pursuant to this 8.1(d)(i) if Buyer is then in breach of any of its

representations, warranties, covenants or agreements contained in this Agreement to an extent which would give Seller the right not to close pursuant to the terms of this Agreement; or

(ii) if all of the conditions set forth herein have been satisfied (other than those conditions that by their nature cannot be satisfied other than at the Closing) and Seller fails to consummate the transactions contemplated by this Agreement within two (2) Business Days after the date the Closing should have occurred and Buyer stood ready, willing and able to consummate the transactions contemplated by this Agreement during such period.

(e) The party desiring to terminate this Agreement pursuant to this 8.1 (other than pursuant to 8.1(a)) shall give written notice of such termination to the other party.

## **8.2 *Effect of Termination.***

(a) In the event of a valid termination, this Agreement shall become null and void (other than this Section 8.2), and no party hereto (nor any of their respective affiliates, directors, officers or employees) shall have any liability or further obligation, except as provided in 8.2(b) and 8.2(c) below.

(b) If this Agreement is terminated by Seller pursuant to Section 8.1(c)(i) or (ii), then Seller shall be entitled to retain the Escrow Deposit as liquidated damages. The parties understand and agree that the amount of liquidated damages represents Seller's and Buyer's reasonable estimate of actual damages and does not constitute a penalty and shall be Seller's sole and exclusive remedy for damages of any nature or kind that Seller may suffer as a result of Buyer's breach or default under this Agreement or Buyer's failure to consummate the transactions contemplated by this Agreement, which would result in Seller's right to terminate this Agreement.

(c) If this Agreement is terminated for any other reason, then Seller shall promptly deliver the Escrow Deposit to Buyer.

## **ARTICLE 9 - SURVIVAL OF REPRESENTATIONS AND WARRANTIES; INDEMNIFICATION; CERTAIN REMEDIES**

**9.1 *Survival.*** The representations and warranties of Buyer and Seller contained herein shall survive the Closing for a period of two (2) years after the Closing Date; *provided*, that the representations and warranties in Section 3.1, 3.2, 4.1 and 4.2 shall survive in perpetuity except to the extent that any claims for indemnification in respect of a breach of any such representation or warranty is made on or before such date, in which case such representation or warranty shall survive until the resolution of such claim.

## **9.2 *Indemnification by Seller.***

(a) Subject to paragraph (b) below, after the Closing, Seller hereby agrees to indemnify, defend and hold Buyer harmless against and with respect to, and shall reimburse Buyer for, any and all Damages which Buyer may suffer or incur as a result of or in connection with:

(i) any breach or inaccuracy of any representation or warranty of Seller made in this Agreement or any certificate, document or instrument prepared by Seller and delivered to Buyer pursuant to the terms and subject to the conditions hereof;

(ii) any failure by Seller to carry out, perform or otherwise fulfill or comply with any covenant, agreement, undertaking or obligation of Seller under this Agreement;

(iii) any failure by Seller to carry out, perform or otherwise fulfill or comply with any covenant, agreement, undertaking or obligation of Seller under the Sinclair APA;

(iv) the Retained Liabilities;

(v) the Excluded Assets;

(vi) Seller's fraud; and

(vii) any suit, action or other proceeding brought by any Governmental Authority or any other Person arising out of, or related to, any of the matters referred to in the foregoing clauses of this Section 9.2(a).

(b) Seller's obligation to indemnify Buyer pursuant to Section 9.2(a) shall be subject to all of the following limitations:

(i) Buyer shall be entitled to indemnification only for those Damages arising with respect to any claim as to which Buyer has given Seller written notice within the appropriate time period set forth in Section 9.1 hereof for such claim.

### **9.3 Indemnification by Buyer.**

(a) After the Closing, Buyer hereby agrees to indemnify, defend and hold Seller harmless against and with respect to, and shall reimburse Seller for, any and all Damages which Seller may suffer or incur as a result of or in connection with:

(i) any breach or inaccuracy of any representation or warranty of Buyer made in this Agreement or any certificate, document or instrument prepared by Buyer and delivered to Seller pursuant to the terms and subject to the conditions hereof;

(ii) any failure by Buyer to carry out, perform or otherwise fulfill or comply with any covenant, agreement, undertaking or obligation of Buyer under this Agreement;

(iii) the Assumed Liabilities;

(iv) Buyer's fraud; and

(v) any suit, action or other proceeding brought by any Governmental Authority or any other Person arising out of, or related to, any of the matters referred to in the foregoing clauses of this Section 9.3(a).

(b) Buyer's obligation to indemnify Seller pursuant to Section 9.3(a) shall be subject to all of the following limitations:

(i) Seller shall be entitled to indemnification only for those Damages arising with respect to any claim as to which Seller have given Buyer written notice within the appropriate time period set forth in Section 9.1 hereof for such claim.

(ii) No affiliate of Buyer shall have (A) any personal liability to Seller as a result of the breach of any representation, warranty, covenant or agreement of Buyer contained herein or otherwise or (B) personal obligation to indemnify Seller for any of Seller's claims pursuant to Section 9.3(a), and Seller waives and releases and shall have no recourse against any one of such affiliates as the result of the breach of any representation, warranty, covenant or agreement of Buyer contained herein or otherwise arising out of or in connection with the transactions contemplated hereby or the operation of the Station.

**9.4 Procedure for Indemnification.** The procedure for indemnification shall be as follows:

(a) The party claiming indemnification (the "**Claimant**") shall promptly give notice to the party from which indemnification is claimed (the "**Indemnifying Party**") of any claim, specifying in reasonable detail the factual basis for the claim, the amount thereof, estimated in good faith, all with reasonable particularity and containing a reference to the provisions of this Agreement in respect of which such indemnification claim shall have occurred. If the claim relates to an action, suit or proceeding filed by another Person against Claimant, such notice shall be given by Claimant within ten (10) Business Days after written notice of such action, suit or proceeding was given to Claimant.

(b) With respect to claims solely between the parties (individually, a "**Direct Claim**"), following receipt of notice from the Claimant of a Direct Claim, the Indemnifying Party shall have thirty (30) days to make such investigation of the Direct Claim as the Indemnifying Party deems necessary or desirable, and the Claimant agrees to make available to the Indemnifying Party and its authorized representatives the information relied upon by the Claimant to substantiate the Direct Claim. If the Claimant and the Indemnifying Party agree at or prior to the expiration of the thirty (30)-day period to the validity and amount of such Direct Claim, the Indemnifying Party shall immediately pay to the Claimant the full amount of the Direct Claim, subject to the terms hereof. If the Claimant and the Indemnifying Party do not agree within the thirty (30)-day period, the Claimant may seek appropriate remedy at law or equity, as applicable, subject to the limitations hereof.

(c) With respect to any claim by any other Person against the Claimant (a "**Third Party Claim**"), the Indemnifying Party shall have the right at its own expense, to participate in or assume control of the defense of such claim, and the Claimant shall cooperate fully with the Indemnifying Party, subject to reimbursement for actual out-of-pocket expenses incurred by the Claimant as the result of a request by the Indemnifying Party. If the Indemnifying Party elects to assume control of the defense of any Third Party Claim, the Claimant shall have the right to participate in the defense of such claim at its own expense. If the Indemnifying Party does not elect to assume control or otherwise participate in the defense of

any Third Party Claim, then the Claimant may defend through counsel of its own choosing and (so long as it gives the Indemnifying Party at least ten (10) Business Days notice of the terms of the proposed settlement thereof and permits the Indemnifying Party to then undertake the defense thereof) settle such claim, action or suit and to recover from the Indemnifying Party the amount of such settlement or of any judgment and the costs and expenses of such defense. The Indemnifying Party shall not compromise or settle any Third Party Claim without the prior written consent of the Claimant, which consent shall not be unreasonably withheld or delayed, unless the compromise or settlement releases the Claimant of any liability with respect to such Third Party Claim.

(d) If a claim, whether between the parties or by any other Person, requires immediate action, the parties shall make every effort to reach a decision with respect thereto as expeditiously as possible.

(e) Subject to the limitations set forth herein and without expanding the total liability of Buyer or Seller hereunder, the indemnification rights provided in Section 9.2 and Section 9.3 shall extend to the affiliates of any Claimant although for the purpose of the procedures set forth in this Section 9.4, any indemnification claims by such affiliates shall be made by and through the Claimant.

## ARTICLE 10 - MISCELLANEOUS

**10.1 *Intent of the Parties.*** The intent of the parties is that Buyer should be in the same position as if Buyer would have acquired the Assets directly from Sinclair. The parties shall endeavor to effect this original intent of the parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the greatest extent possible.

**10.2 *Fees and Expenses.*** Except as otherwise provided in this Agreement, each party shall pay its own expenses incurred in connection with the authorization, preparation, execution and performance of this Agreement, including all fees and expenses of counsel, accountants, agents and representatives; *provided, however*, that all filing fees and other charges levied by any Governmental Authority in connection with the transactions contemplated by this Agreement, including all transfer taxes, recordation taxes, sales taxes and document stamps payable in connection with the transactions contemplated by this Agreement, shall be paid one half by Buyer and one half by Seller.

**10.3 *Notices.*** All notices, demands and requests required or permitted to be given under the provisions of this Agreement shall be (i) in writing, (ii) sent by facsimile or electronic mail (with receipt personally in either case confirmed by telephone), delivered by personal delivery or sent by commercial delivery service or certified mail, return receipt requested, (iii) deemed to have been given on the date sent by facsimile with receipt confirmed, the date of personal delivery or the date set forth in the records of the delivery service or on the return receipt and (iv) addressed as follows:

(a) If to Buyer:

New Young Broadcasting Holding Co., Inc.

441 Lexington Avenue, 17<sup>th</sup> Floor  
New York, New York 10017  
Attn: Ms. Deborah A. McDermott, President

(b) If to the Seller:

WLAJ-TV LLC  
103 Michelle Circle  
Lafayette, LA 70503  
Attention: Sheldon H. Galloway  
Fax: (337) 235-5872

or to any other or additional persons and addresses as the parties may from time to time designate in a writing delivered in accordance with this Section 10.3.

**10.4 *Benefit and Binding Effect.*** No party hereto may assign this Agreement without the prior written consent of the other party hereto, except that after the Closing, Buyer may assign all or any of its rights under this Agreement to its lenders as collateral security without the consent or any other action by Seller or Seller's affiliates. This Agreement shall be binding upon and inure to the benefit of the parties hereto and, subject to the immediately foregoing sentence, their respective successors and assigns.

**10.5 *Further Assurances.*** Subject to the terms and conditions of this Agreement, from time to time prior to, at and after the Closing Date, each party hereto shall use commercially reasonable efforts to take, or cause to be taken, all such actions and to do or cause to be done, all things necessary, proper or advisable under Applicable Law to consummate and make effective the purchase and sale contemplated by this Agreement and the consummation of the other transactions contemplated hereby, including executing and delivering such documents as the other party may reasonably request in connection with the consummation of this Agreement and the consummation of the other transactions contemplated hereby.

**10.6 *Governing Law.*** This Agreement and the rights and obligations of the parties hereunder shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware without regard to its conflict of law rules, as though entered into by Delaware residents and to be performed entirely within the State of Delaware

**10.7 *Waiver of Compliance; Consents.*** Except as otherwise provided in this Agreement, any failure of any of the parties to comply with any obligation, representation, warranty, covenant, agreement or condition herein may be waived by the party entitled to the benefits thereof only by a written instrument signed by the party granting such waiver, but such waiver shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure. Whenever this Agreement requires or permits consent by or on behalf of any party hereto, such consent shall be given in writing in a manner consistent with the requirements for a waiver of compliance as set forth in this Section.

**10.8 *Severability.*** If any provision of this Agreement or the application thereof to any Person or circumstance shall be invalid or unenforceable to any extent, the remainder of this

Agreement and the application of such provision to other Persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by Applicable Law so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid or unenforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the greatest extent possible.

**10.9 Entire Agreement.** This Agreement, the Schedules hereto, and all documents, certificates and other documents to be delivered by the parties pursuant hereto, collectively represent the entire understanding and agreement between Buyer and Seller with respect to the subject matter of this Agreement. This Agreement supersedes all prior negotiations between the parties and cannot be amended, supplemented or changed except by an agreement in writing that is signed by the parties hereto.

**10.10 Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document. Each party hereto shall receive by delivery or facsimile or other electronic transmission a duplicate original of the Agreement executed by each party, and each party agrees that the delivery of the Agreement by facsimile or other electronic transmission shall be deemed to be an original of the Agreement so transmitted.

*[The Remainder Of This Page Is Intentionally Left Blank; Signature Page Follows]*

IN WITNESS WHEREOF, this Asset Purchase Agreement has been executed by the duly authorized officers of Buyer and Seller as of the date first written above.

YOUNG BROADCASTING OF LANSING, INC.

WLAJ-TV LLC

By: CL. E. Galloway

Name: *Chris Eisenhardt*  
Title: *VP, Secretary, Treasurer  
and Controller*

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

Name: Sheldon A. Galloway  
Title: President

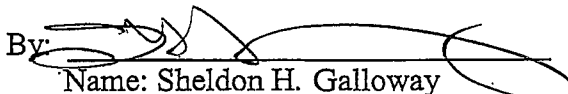
IN WITNESS WHEREOF, this Asset Purchase Agreement has been executed by the duly authorized officers of Buyer and Seller as of the date first written above.

YOUNG BROADCASTING OF LANSING, INC.

WLAJ-TV LLC

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

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

By:   
Name: Sheldon H. Galloway  
Title: MANAGER

Schedule 2.2  
Excluded Assets