

ASSET PURCHASE AGREEMENT

THIS **ASSET PURCHASE AGREEMENT** (this “**Agreement**”) is made as of August 25, 2017, by and between Southern California License, LLC, a Delaware limited liability company (“**Seller**”), and TV-49, Inc., a Wisconsin corporation (“**Buyer**”) (each a “**Party**” and, collectively, the “**Parties**”).

RECITALS

WHEREAS, Seller owns a digital full-power television broadcast station KAZA-TV, licensed to Avalon, CA, FCC Facility ID No. 29234, including its primary and all multicast streams (the “**Station**”), pursuant to licenses issued by the Federal Communications Commission (the “**FCC**”); and

WHEREAS, Seller and Venture Technologies Group, LLC (“**VTG**”) are parties to that certain Channel Sharing and Facilities Agreement, dated as of August 25, 2017 (the “**CSA**”), pursuant to which the parties thereto agreed that VTG and Seller would jointly broadcast using VTG’s 6MHz channel (the “**Shared Channel**”), licensed to television broadcast station KHTV-CD, Los Angeles, CA, FCC Facility ID No. 60026; and

WHEREAS, Seller and VTG are parties to that certain Local Marketing Agreement, dated as of August 25, 2017 (the “**LMA**”), pursuant to which VTG programs and sells advertising for the Station; and

WHEREAS, on the terms and conditions described herein, Seller desires to sell, and Buyer desires to purchase, the Station Assets (as defined below).

NOW, THEREFORE, taking the foregoing into account, and in consideration of the mutual covenants and agreements set forth herein, the sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

AGREEMENT

ARTICLE 1. SALE AND PURCHASE

Section 1.1 Station Assets. On the terms and subject to the conditions hereof, at the Closing (defined below), Seller shall (or shall cause its applicable affiliates to) sell, assign, transfer, convey, and deliver to Buyer, and Buyer shall purchase and acquire from Seller (or its applicable affiliate), all right, title, and interest of Seller (or its applicable affiliate) in and to the following (collectively, the “**Station Assets**”):

(a) **FCC Licenses.** All permits, applications, and other authorizations issued to Seller by the FCC with respect to the Station (the “**FCC Licenses**”), including any renewals or modifications thereof between the date hereof and Closing, and, to the extent transferable by Seller to Buyer, all licenses, permits, and authorizations issued by any federal, state, or local governmental authority other than the FCC used or held for use in the operation of the Station, including those described on Schedule 1.1(a);

(b) **Contracts**. All contracts and agreements that are listed and described on Schedule 1.1(b) (collectively, the “**Assumed Contracts**”);

(c) **Files and Records**. The Station’s public inspection file, all filings with the FCC relating to the Station, and such other technical information, engineering data, books and records that relate to the Station and Station Assets being conveyed hereunder, including all engineering evaluations, analyses, and other material related to the construction of digital facilities for the Station, manuals and data;

(d) **Intangible Property**. All of Seller’s right in and to the Station’s call letters (the “**Intangible Property**”); and

(e) **Claims**. All rights, claims, credits, causes of action or rights of setoff against any person or entity other than the Parties and their respective affiliates (collectively, “**Third Parties**”) to the extent relating to any Station Asset.

Subject to the terms of this Agreement, at the Closing, the Station Assets shall be transferred to Buyer free and clear of liens, mortgages, pledges, security interests or other encumbrances (collectively, “**Liens**”), except for Permitted Liens. For purposes of this Agreement, “**Permitted Liens**” means Liens for taxes, assessments and similar governmental charges not yet due and payable and those Liens described on Schedule 1.1.

Section 1.2 Excluded Assets. Other than the Station Assets, Buyer expressly understands and agrees that it is not purchasing or acquiring, and Seller expressly understands and agrees that it is not selling or assigning, any assets or properties of Seller or its affiliates, including the following (all such other assets and properties being referred to hereinafter as the “**Excluded Assets**”):

(a) all cash and cash equivalents, bank accounts and securities of Seller, including certificates of deposit, commercial paper, treasury bills, marketable securities, money market accounts and all such similar accounts or investments;

(b) all of the Station’s accounts receivables and any other rights to payment or of cash consideration for goods or services sold to or provided prior to the Closing Date or otherwise arising under or attributable to any period prior to the Closing Date;

(c) other than as set forth in Section 1.1(c), all tangible personal property of Seller and the Station, including equipment, transmitters, cables, and other tangible personal property that are used or held for use in the ownership or operation of the Station;

(d) other than as set forth in Section 1.1(b), all contracts and agreements used in connection with the business and operation of the Seller and the Station;

(e) all real property interests, including fee simple interests and leasehold interests (including any and all interests in site license agreements, ground leases for the use of a transmitter and antenna site) used in connection with the business and operation of the Station, along with all of Seller’s and its affiliates’ rights (including leasehold rights) to the buildings,

improvements and fixtures, rights of way, easements, privileges and appurtenances thereto of the Seller or the Station;

(f) except to the extent provided in Section 1.1(c), all intellectual property relating to the Seller and the Station, except the Intangible Property;

(g) except as may be expressly included in the Station Assets, corporate and trade names, the corporate seals, organizational documents, minute books, stock books, tax returns, books of account or other records having to do with the corporate organization of Seller, all employee-related or employee benefit-related files or records, and any other books and records which Seller is prohibited from disclosing or transferring to Buyer under applicable law;

(h) all bonds held, contracts or policies of insurance (including claims and proceeds thereunder and all rights in connection therewith) and prepaid insurance with respect to such contracts or policies;

(i) all benefit, retirement, severance, vacation, paid time off, welfare and fringe-benefit agreements, plans, policies and programs in effect for Station Employees and trusts or other assets attributable thereto;

(j) any intercompany receivables of the Station or Seller;

(k) all assets, properties and rights used by Seller solely in its businesses other than the Station; and

(l) the rights which accrue or will accrue to Seller under this Agreement.

Section 1.3 Assumed Liabilities. At the Closing, Buyer shall assume only those liabilities and obligations of Seller to the extent first arising out of the ownership or use of the Station Assets, or as a party to the Assumed Contracts, on or after the Closing Date (the “**Assumed Liabilities**”), excepting any such liabilities or obligations relating to any breach or any violation of applicable law by Seller or any of its affiliates at or prior to the Closing (or with respect to any Assumed Contract for which a consent required to assign such Assumed Contract to Buyer is not obtained at or prior to Closing, at or prior to the date on which such consent is obtained and such Assumed Contract is assigned to Buyer).

Section 1.4 Retained Liabilities. Buyer shall not assume any liabilities or obligations of Seller or its affiliates (including liabilities and obligations to Third Parties) other than the Assumed Liabilities (all such other liabilities and obligations, the “**Retained Liabilities**”), and the Retained Liabilities shall remain the sole obligation and responsibility of Seller and its affiliates. For clarity, the Retained Liabilities shall include all liabilities and obligations under or related or with respect to the Excluded Assets, employees of Seller or the Station, or any contracts or agreements relating to the business and operations of the Station that are not Assumed Contracts.

Section 1.5 Effective Date. The “**Effective Date**” of this Agreement shall be the date on which the construction permit (the “**CSA CP**”) seeking approval of the relationship contemplated by the CSA is approved by the FCC. Prior to the Effective Date, only this Section 1.5, Article 2, Article 3, Section 4.1, Section 4.5, Section 4.8, Section 5.1, Section 5.2 and Article

11 shall be binding upon the Parties and in full force and effect as of the date hereof, and all other terms and conditions of this Agreement shall not become binding upon each Party on the Effective Date, provided that prior to the Effective Date, the Parties will take no action inconsistent with eventual performance of this Agreement.

Section 1.6 Purchase Price.

(a) Purchase Price. The purchase price to be paid for the Station Assets shall be Nine Million Dollars (\$9,000,000) (the “**Purchase Price**”). Seller and the Buyer agree to use the Purchase Price as the basis for the filing of all returns and reports concerning the transaction contemplated herein, including all federal, state, and local tax returns.

(b) Escrow Deposit. On or before the fifth (5th) Business Day following the Effective Date, Buyer will deposit Nine Hundred Thousand Dollars (\$900,000) (the “**Escrow Amount**”), pursuant to the terms of a Deposit Escrow Agreement in the form attached hereto as Exhibit A (the “**Escrow Agreement**”). The Escrow Amount will be held in a non-interest bearing account and will be disbursed by the Escrow Agent in accordance with the Escrow Agreement. Seller and Buyer shall equally share all fees, costs and expenses charged by the Escrow Agent pursuant to the Escrow Agreement. In the event this Agreement is terminated prior to Closing, the Escrow Amount shall be released in accordance with Section 10.4.

(c) Payment at Closing. At Closing, (i) the Parties shall cause the Escrow Amount to be paid to Seller, and all interest accrued on the Escrow Amount, if any, to be paid to Buyer, pursuant to the terms of the Escrow Agreement and (ii) Buyer shall pay to Seller Eight Million One Hundred Thousand Dollars (\$8,100,000), as adjusted to reflect any prorations agreed upon by the Parties prior to the Closing Date pursuant to Section 1.9 (the “**Buyer Closing Payment**”), to Seller by wire transfer of immediately available funds to the account identified on Schedule 1.5 or as otherwise designated in writing by Seller, such designation to be made not less than two (2) Business Days (as defined in Section 11.8) prior to the Closing Date (as defined below).

Section 1.7 Closing. The consummation of the sale and purchase of the Station Assets, and assumption of the Assumed Liabilities, pursuant to this Agreement (the “**Closing**”) shall take place on a date that is mutually agreed upon by Buyer and Seller, provided that such date shall be no later than the later of the fifth (5th) Business Day after grant of the FCC Consent has become a Final Order (as the terms “FCC Consent” and “Final Order” are defined in Section 4.4) and the date on which the conditions required to be satisfied or waived pursuant to Article 6 and Article 7 below (other than those requiring a delivery of a certificate or other document, or the taking of other action, at the Closing) have been so satisfied or waived. Seller and Buyer agree to cooperate to the extent necessary to obtain the FCC’s extension of the effectiveness of the FCC Consent as may be required. The date on which the Closing occurs is referred to herein as the “**Closing Date.**”

Section 1.8 Further Assurances. Each of Seller and Buyer shall, at any time or from time to time after the Closing, at the request and expense of the other, execute and deliver to the other all such instruments and documents or further assurances as the other may reasonably request in order to (i) vest in Buyer all of Seller’s right, title and interest in and to the Station Assets as contemplated in this Agreement and (ii) effectuate Buyer’s assumption of the Assumed Liabilities;

provided, however, that after the Closing, apart from such customary further assurances, neither Seller nor Buyer shall have any other obligations except as specifically set forth herein.

Section 1.9 Prorations.

(a) The operation of the Station and the income and operating expenses attributable thereto until 11:59 p.m. on the date preceding the Closing Date (the “**Adjustment Time**”) shall be for the account of Seller and thereafter for the account of Buyer, and expenses shall be prorated between Seller and Buyer as of the Adjustment Time in accordance with generally accepted accounting principles, and the Purchase Price shall be adjusted accordingly.

(b) Such prorations shall include all property taxes (except transfer taxes as provided by Section 5.3 and Section 11.1), music and other license fees, FCC regulatory fees, utility expenses, rent and other amounts under the Assumed Contracts and similar prepaid and deferred items.

ARTICLE 2.
SELLER REPRESENTATIONS AND WARRANTIES

Seller represents and warrants to Buyer, as of the date hereof, as of the Effective Date and as of the Closing Date, as follows. As used in this Agreement, the term “**Seller’s Knowledge**” or “**Knowledge of Seller**” means the actual knowledge of Seller, including its officers, directors and managing employees (including the general manager and chief engineer of the Station (or persons holding similar positions)) or the knowledge such person would have after making a reasonable and due inquiry into the matters at issue.

Section 2.1 Organization. Seller is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware. Seller has requisite power and authority to (i) own FCC Licenses and enter into this Agreement and the agreements identified in Section 8.1(a) through Section 8.1(c) (the agreements identified in Section 8.1(a) through Section 8.1(c), the “**Ancillary Agreements**”), (ii) carry on the business of the Station as it is being conducted as of the date of this Agreement, and (iii) subject to the terms and conditions of this Agreement, including without limitation, the receipt of the FCC Consent, perform its obligations hereunder and under the Ancillary Agreements and to consummate the transactions contemplated hereby and thereby. Seller is duly qualified to do business in each jurisdiction in which the nature of the business conducted by Seller with respect to the Station requires such qualification, except to the extent the failure to be so qualified does not materially impact Seller, the Station or the Assumed Liabilities.

Section 2.2 Authorization. The execution, delivery, and performance by Seller of this Agreement and the Ancillary Agreements have been duly and validly authorized and approved by all necessary limited liability company action of Seller. This Agreement constitutes, and the Ancillary Agreements, when executed and delivered by Seller, will constitute, the valid and legally binding obligations of Seller, enforceable against Seller in accordance with their respective terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or similar laws of general application affecting or relating to the enforcement of creditors’ rights generally, and

subject to equitable principles of general applicability, whether considered in a proceeding at law or in equity (the “**Enforceability Exceptions**”).

Section 2.3 No Conflicts. The execution, delivery, and performance by Seller of this Agreement and the Ancillary Agreements do not and will not (a) violate the organizational documents of Seller, (b) subject to obtaining the FCC Consent, violate any law or any judgment, order or decree of a governmental authority to which Seller or the Station Assets are subject, (c) result in the creation or imposition of any Lien on any of the Station Assets other than Permitted Liens, (d) violate, breach, constitute a default under or give rise to any acceleration or termination right under any contract to which Seller is a party or by which any of the Station Assets are subject or (e) require the consent, approval, or authorization, or filing with (each, a “**Consent**”), any Third Party, including any court or other governmental authority, except for the FCC Consent.

Section 2.4 FCC Licenses. Seller is the FCC-authorized licensee of and holds the FCC Licenses. Seller is legally, financially and otherwise qualified to hold and assign the FCC Licenses under the Communications Act and the rules, regulations and policies of the FCC as they exist on the date of this Agreement. Seller is not aware of any facts related to Seller or the Stations that would, under existing law, disqualify Seller as an assignor of the FCC Licenses, or would reasonably be expected to delay or otherwise adversely affect the FCC approval process. The FCC Licenses constitute all of the authorizations required under the Communications Act of 1934, as amended (the “**Communications Act**”), or the rules, regulations and policies of the FCC for the present operation of the Station (collectively, the “**Communications Laws**”). The FCC Licenses are in full force and effect and are unimpaired by any act or omission of Seller, and are not subject to any Liens. The FCC Licenses have not been revoked, suspended, canceled, rescinded, modified or terminated and have not expired. There is not pending or, to Seller’s Knowledge, threatened any action by or before the FCC to revoke, suspend, cancel, rescind, or modify any of the FCC Licenses (other than proceedings relating to FCC rules of general applicability), and there is no order to show cause, notice of violation, notice of apparent liability, or notice of forfeiture or complaint pending or threatened against Seller or the Station by or before the FCC. Seller and the Station are and have been in compliance with the FCC Licenses and the Communications Laws. All filings required to be filed with, and all regulatory fees required to be paid to, the FCC by Seller with respect to the Station have been timely filed and paid. All such reports and filings are materially accurate and complete. Seller maintains a public inspection file for the Station and, as of the date of filing of the FCC Application (as defined below), such file complies with the Communications Laws in all material respects.

Section 2.5 Station Assets. Seller has good and marketable title to the Station Assets, free and clear of Liens other than Permitted Liens.

Section 2.6 Assumed Contracts. Each of the Assumed Contracts is in full force and effect and constitutes a legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms and, to Seller’s Knowledge, constitutes a legal, valid and binding obligation of the other parties thereto, enforceable against the other parties thereto in accordance with its terms (in each case, subject to the Enforceability Exceptions). Seller has fully and timely performed its obligations under each of the Assumed Contracts in all material respects, and is not in default thereunder, and to Seller’s Knowledge, no other party to any of the Assumed Contracts is in default thereunder in any material respect. True, complete and correct copies of each

Assumed Contract, together with all amendments thereto and waivers granted thereunder, have been delivered to Buyer by Seller. Seller has not received notice from any party to any Assumed Contract that such party contends that the Seller is in default or breach under any Assumed Contract, nor has Seller given any notice to any party to an Assumed Contract that such party is in default or breach thereunder. Seller has not been notified by any other party to any Assumed Contract that such party has a present intent to terminate or not to renew any Assumed Contract, nor has Seller notified any party to an Assumed Contract of an intent to terminate or not to renew any Assumed Contract. None of the Assumed Contracts included in the Station Assets has as the other party an entity controlled by any of Seller's owners or affiliates.

Section 2.7 Intangible Property. Seller owns or possesses, has valid licenses for, or is an authorized user of all Intangible Property. Seller has not received any notice of infringement of, misappropriation of, or conflict, nor does Seller have any Knowledge for any basis for any such claim, with asserted rights of others with respect to the Intangible Property. Seller has not given any notice of infringement of, misappropriation of, or conflict, nor does Seller have any Knowledge for any basis for any such claim, with purported rights of others with respect to the Intangible Property. To Seller's Knowledge, no third party infringes upon the Intangible Property of Seller and the Intangible Property does not infringe upon the rights of any third party.

Section 2.8 Compliance with Law. Seller, with respect to the operation of the Station and the ownership and use of the Station Assets, is and has been in material compliance with all applicable laws. To Seller's Knowledge, there are no facts or circumstances which would reasonably be expected to give rise to any violation of applicable laws.

Section 2.9 Litigation. There is no (a) action, suit, or proceeding pending or, to Seller's Knowledge, threatened against, Seller in respect of the Station or the Station Assets or (b) order, injunction or decree of a governmental authority outstanding to which Seller, with respect to the Station, or any Station Asset is subject. To Seller's Knowledge, there are no facts or circumstances which would reasonably be expected to give rise to any action, suit or proceeding against Seller in respect of the Station or the Station Assets.

Section 2.10 No Finder. No broker, finder, or other person or entity is entitled to a commission, brokerage fee, or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Seller or any party acting on Seller's behalf.

Section 2.11 Absence of Insolvency. No insolvency proceedings of any character, including bankruptcy, receivership, reorganization, composition or arrangements with creditors, voluntary or involuntary, affecting Seller or any of the Station Assets, are pending or threatened, and Seller has made no assignment for the benefit of creditors, nor taken any action with a view to, or which would constitute the basis for the institution of, any such insolvency proceedings.

Section 2.12 MVPD Distribution.

(a) Schedule 2.12 attached hereto is a true, correct and complete copy of a FOCUS report (the "**Current Nielsen Report**") from The Nielsen Company ("**Nielsen**") dated as of the last day of the preceding month, setting forth a list, including channel positions, for the

Station showing the carriage (or non-carriage) of the Station by (a) the cable television systems serving its local television market (as defined in Section 76.55 of the Communications Laws), (b) satellite carriers providing local-into-local television service (as defined in Section 76.66 of the Communications Laws), and (c) other multi-channel video programming distributors serving its local television market (such cable television systems, satellite carriers and multi-channel video programming distributors, together with DISH, DIRECTV and U-verse (as defined below), each an “MVPD” and collectively, “MVPDs”), along with aggregate subscriber numbers as provided on the Current Nielsen Report. The aggregate number of cable television system subscribers receiving the Station as shown on the Current Nielsen Report is 3,257,089 (such number, the “Nielsen Households”).

(b) AT&T’s “U-verse” IPTV system (“U-verse”) currently carries the Station. The Current Nielsen Report does not show the aggregate number of U-verse subscribers receiving the Station; however, the Parties have mutually agreed that such number as of the date hereof shall be deemed to be 175,000 (such number, the “U-verse Households”). The sum of the Nielsen Households and the U-verse Households, which is 3,432,089, shall be referred to as the “**Current Cable Households**”. In addition, the Station is currently carried by DISH and DIRECTV, whose subscriber numbers are not included in the calculation of the Current Cable Households.

(c) No MVPD has provided written notice to the Station of any signal quality issue or failed to respond to a request for carriage, or to Seller’s Knowledge, sought any form of relief from carriage of the Station from the FCC. To Seller’s Knowledge, the Station has not received written notice of any MVPD’s intention to delete the Station from carriage or to change the Station’s channel position or to modify its market, including any modification of the geographic scope of its Nielsen Designated Market Area (“DMA”). To Seller’s Knowledge, no other broadcaster is seeking any modification of the geographic scope of the DMA.

Section 2.13 Limitations on Representations and Statements. Except in the case of fraud, Seller acknowledges that other than the specific representations and warranties of Buyer contained in this Agreement, it is not relying on any other representations or warranties of Buyer, either express or implied.

ARTICLE 3.

BUYER REPRESENTATIONS AND WARRANTIES

Buyer represents and warrants to Seller, as of the date hereof, as of the Effective Date and as of the Closing Date, as follows:

Section 3.1 Organization. Buyer is a corporation duly organized, validly existing and in good standing under the laws of the State of Wisconsin. Buyer has the requisite corporate power and authority to execute, deliver, and perform its obligations under this Agreement and the Ancillary Agreements to which it will be a party and to consummate the transactions contemplated hereby and thereby.

Section 3.2 Authorization. The execution, delivery, and performance by Buyer of this Agreement and the Ancillary Agreements to which Buyer will be a party have been duly and validly authorized and approved by all necessary corporate action of Buyer. This Agreement

constitutes, and Ancillary Agreements to which Buyer will be a party, when executed and delivered by Buyer (and assuming the due authorization, execution and delivery by Seller), will constitute, the valid and legally binding obligations of Buyer, enforceable against Buyer in accordance with their respective terms, subject to the Enforceability Exceptions.

Section 3.3 No Conflicts.

(a) The execution, delivery, and performance by Buyer of this Agreement and the Ancillary Agreements to which Buyer will be a party do not and will not (i) violate the organizational documents of Buyer, or (ii) subject to obtaining the FCC Consent, violate any law or any judgment, order or decree of a governmental authority to which Buyer is subject.

(b) The execution, delivery, and performance by Buyer of this Agreement and the Ancillary Agreements to which Buyer will be a party do not and will not require the Consent of any Third Party, including any court or other governmental authority, except for the FCC Consent.

Section 3.4 Qualifications. Buyer is legally, financially and otherwise qualified to be the licensee of, acquire, own and operate the Station under the Communications Laws.

Section 3.5 No Finder. No broker, finder, or other person or entity is entitled to a commission, brokerage fee, or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Buyer or any party acting on Buyer's behalf.

Section 3.6 Litigation. There is no action, suit or proceeding pending or, to Buyer's knowledge, threatened, or any order, injunction or decree of a governmental authority outstanding, against Buyer that would reasonably be expected prevent the consummation by Buyer of the transactions contemplated by this Agreement.

Section 3.7 Limitation on Representations and Statements. Except in the case of fraud, Buyer acknowledges that other than the specific representations and warranties of Seller contained in this Agreement, it is not relying on any other representations or warranties of Seller, either express or implied. Buyer has performed its own due diligence with respect to the FCC Licenses.

**ARTICLE 4.
PRE-CLOSING COVENANTS**

Section 4.1 Conduct of Business Prior to Closing. From the date hereof until the earlier of the Closing and the termination of this Agreement in accordance with Section 10.1 (the "Pre-Closing Period"), Seller shall:

(a) operate the Station in the ordinary course of business consistent with past practices and in accordance with the terms of the FCC Licenses, and, as applicable, the CSA and the LMA, and in material compliance with the Communications Laws, and all other applicable laws, rules and regulations;

(b) maintain the records, files and other documents kept in connection with the Station in the usual and ordinary manner consistent with standard broadcast industry practice;

(c) maintain the Station's physical and online public inspection files in accordance with the Communications Laws, including requirements related to (i) which documents shall be included in such physical and electronic public inspection files, (ii) by when such documents must be added to such files, and (iii) with respect to the Station's physical public inspection file, where it must be located and when and in what manner the Seller must provide access to the public to such file;

(d) maintain the FCC Licenses, including all material permits and applications pending before the FCC, in full force and effect and take all actions necessary to so maintain them, including the timely filing and prosecution of any renewal applications or other submissions to the FCC;

(e) promptly deliver to Buyer (a) after filing, copies of any material reports, applications, or responses to the FCC in connection with the Station filed after the date of this Agreement and (b) copies of any material communications from the FCC, or directed to the FCC by a Third Party, in connection with the Station that are received by Seller or of which Seller becomes aware after the date of this Agreement;

(f) not, without the prior written consent of Buyer:

(i) except as expressly permitted or required herein or required pursuant to the CSA or LMA, file any application with the FCC requesting authority to modify the Station's facilities;

(ii) sell, lease, transfer or otherwise dispose of, or agree to sell, lease, transfer or otherwise dispose of, any of the Station Assets, or incur, create or assume any new Lien on the Station Assets other than Permitted Liens;

(iii) modify or terminate any Assumed Contract or enter into any contract, lease or agreement with respect to the Station or the Station Assets which would be binding upon Buyer after the Closing Date;

(iv) make or authorize any new, material capital expenditures that would alter or adversely impact the Station Assets (including the FCC Licenses) or the Assumed Liabilities other than capital expenditures to address exigent circumstances;

(v) enter into any new contract for the purchase or lease of real property with respect to the Station or the Station Assets;

(vi) make or change any material tax election with respect to the Station Assets;

(vii) terminate or cancel any insurance coverage maintained by Seller with respect to the Station Assets without replacing such coverage with a comparable amount of insurance coverage;

- (viii) modify the FCC Licenses; or
- (ix) agree or commit to do any of the foregoing.

Section 4.2 Access to Information. During the Pre-Closing Period, Seller shall (a) provide, upon reasonable advance notice to Seller which shall not be less than three (3) business days, Buyer full access during normal business hours to all Station Assets and all facilities, books, records and personnel of Seller related to the Station Assets, and (b) provide Buyer all other information concerning the Station or the Station Assets as Buyer may reasonably request, provided that such information shall be subject to the confidentiality provisions set forth in Section 5.1.

Section 4.3 Efforts. Subject to the terms and conditions of this Agreement, Seller and Buyer will each use its commercially reasonable efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things reasonably necessary or desirable under applicable law to consummate the transactions contemplated by this Agreement.

Section 4.4 FCC Application.

(a) In furtherance and not in limitation of Section 4.3, Seller and Buyer shall each prepare and jointly file with the FCC as soon as practicable but in no event later than five (5) Business Days following the Effective Date (or the first Business Day thereafter on which the FCC is accepting applications for filing) the requisite application (the “**FCC Application**”) and other necessary instruments or documents requesting the FCC’s written consent to the assignment of the FCC Licenses from Seller to Buyer (such consent, the “**FCC Consent**”) and thereupon diligently prosecute such applications to obtain the requisite FCC Consent as expeditiously as possible; provided, however, except as provided in the following sentence, neither Buyer nor Seller shall be required to pay consideration to any Third Party to obtain the FCC Consent. Buyer and Seller shall each pay one-half (1/2) of the FCC filing fees relating to the transactions contemplated hereby, irrespective of whether the transactions contemplated by this Agreement are consummated.

(b) Buyer and Seller shall each oppose any petitions to deny or other objections filed with respect to the FCC Application to the extent such petition or objection relates to such Party, with all reasonable diligence, in order to obtain the FCC Consent promptly and in order to carry out the provisions of this Agreement. Neither Seller nor Buyer shall take any intentional action that would, or intentionally fail to take any action the failure of which to take would, reasonably be expected to have the effect of materially delaying the receipt of the FCC Consent. If any FCC Consent imposes any condition upon any Party hereto, such Party shall comply with such condition, provided that Buyer shall not be obligated to accept any condition, other than a condition arising from Buyer’s breach of its warranties, representations, and covenants in this Agreement, that is materially adverse to the other business operations of Buyer or any of its affiliates.

(c) In connection with the efforts referenced in Section 4.4(a) and Section 4.4(b) to obtain the FCC Consent, Seller and Buyer shall (i) reasonably cooperate with each other in connection with any filing or submission and in connection with any investigation or other

inquiry, including any proceeding initiated by a private party, (ii) make available to the other Party, promptly after the filing thereof, copies of all reports filed by it or its affiliates on or prior to the Closing Date with the FCC in respect of the transactions contemplated by this Agreement; (iii) keep the other Party informed of any material communication received by such Party from, or given by such Party to, the FCC or any other governmental authority and of any material non-confidential portions of any communication received or given in connection with any proceeding by a private party; (iv) permit the other Party to review any material non-confidential portions of any communication given by it to, and consult with each other in advance of and be permitted to attend any meeting or conference with, the FCC or any such other governmental authority or, in connection with any proceeding by a private party, with any other person, in each case regarding any of the transactions contemplated by this Agreement; (v) promptly provide the other with a copy of any pleading, order, or other document served on it relating to the FCC Applications, and shall furnish all information required by the FCC; and (vi) notify the other Party hereto in the event it is or becomes aware of any facts or circumstances that would reasonably be expected to delay or otherwise adversely affect the FCC approval process or the transactions contemplated by this Agreement.

(d) If the Closing shall not have occurred for any reason within the original effective period of the FCC Consent, and neither Party shall have terminated this Agreement under Section 10.1, Buyer and Seller shall (and shall cause their affiliates, related parties and beneficial owners, as applicable, to) jointly request one or more extensions of the effective period of the FCC Consent. No extension of the FCC Consent shall limit the rights of either Buyer or Seller to exercise its rights under Section 10.1.

(e) For purposes of this Agreement, the term “**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 request, petition, appeal, certiorari or for the taking of any such sua sponte action by the FCC shall have expired or otherwise terminated.

Section 4.5 MVPD Carriage. During the Pre-Closing Period, Seller shall (i) elect must-carry status on a timely basis in accordance with the Communications Laws for all applicable cable systems, including IPTV and open video systems, in the DMA in substantially the form attached hereto as Exhibit B-1 and (ii) elect mandatory carriage on a timely basis in accordance with the Communications Laws for all applicable satellite systems in the DMA in substantially the form attached hereto as Exhibit B-2, *provided* that in each case, such election letters shall be sent by Seller no later than September 15, 2017.

Section 4.6 Notices of Proceedings. During the Pre-Closing Period, each Party shall promptly notify the other in writing upon: (a) becoming aware of any order or decree or any complaint praying for an order or decree restraining or enjoining the consummation of this Agreement or the transactions contemplated hereby; or (b) receiving any notice from any governmental authority of its intention (i) to institute an investigation into, or institute a suit or proceeding to restrain or enjoin, the consummation of this Agreement or the transactions

contemplated hereby, or (ii) to nullify or render ineffective this Agreement or the transactions contemplated hereby if consummated.

Section 4.7 Control; Risk of Loss. Consistent with the Communications Laws, control, supervision, and direction of the operation of the Station prior to Closing shall remain the responsibility of Seller as the holder of the FCC Licenses. The risk of loss of or damage to any of the Station Assets, and the risk of any interruption in the Station's normal broadcast transmissions, shall remain with Seller at all times until Closing, subject to the terms and conditions of the LMA. Seller shall use all commercially reasonable efforts to repair or replace any damaged, destroyed or lost Station Assets subject to the terms and conditions of the LMA.

Section 4.8 No Shop. During the Pre-Closing Period, Seller shall not, and shall cause its affiliates and representatives not to, initiate or encourage the initiation by any person (other than Buyer and its affiliates) of, or engage in discussions or negotiations with any person (other than Buyer or its affiliates) or respond to a solicitation by any such other person relating to any merger involving Seller, or any direct or indirect sale or other disposition of all or any substantial part of the equity ownership of Seller or of all or any material portion of the Station Assets (any such transaction, a "**Competing Transaction**"). Seller shall promptly notify Buyer if any such other person attempts to initiate any such solicitation, discussion or negotiation with Seller or any of its affiliates, or if any of them becomes aware that any such other person has attempted to initiate any such solicitation, discussion or negotiation, and Seller shall not, and Seller shall cause its affiliates not to, enter into any agreement with respect to a Competing Transaction. Within one Business Day following the date hereof, Seller shall, and shall cause its affiliates and representatives to terminate all existing discussions with persons other than the Buyer and its affiliates and representatives regarding a Competing Transaction.

Section 4.9 Consents. Prior to Closing, Seller shall use commercially reasonable efforts to obtain the Required Consents (defined below) and shall use commercially reasonable efforts to obtain the other consents noted on Schedule 1.1(b) and Schedule 2.3. To the extent that any Assumed Contract may not be assigned without the consent of any Third Party, and such consent is not obtained prior to Closing, this Agreement and any assignment executed at Closing pursuant hereto shall not constitute an assignment thereof, but to the extent permitted by law shall constitute an equitable assignment by Seller and assumption by Buyer of Seller's rights and obligations under the applicable Assumed Contract, with Seller making available to Buyer the benefits thereof and Buyer performing the obligations thereunder on Seller's behalf. Schedule 4.9 identifies those consents the receipt of which is a condition precedent to Buyer's obligation to close under this Agreement (the "**Required Consents**"). For clarity, consents and lien releases from any person holding a security interest in any or all of the Station Assets other than a Permitted Lien shall be deemed a Required Consent.

Section 4.10 AT&T Subscriber Numbers. During the Pre-Closing Period, the Parties will use reasonable efforts and cooperate in good faith to obtain and agree upon the actual number of U-verse subscribers that receive the Station.

ARTICLE 5.
ADDITIONAL COVENANTS

Section 5.1 Confidentiality. Subject to the requirements of applicable law or as otherwise agreed upon by the Parties, all non-public information regarding Buyer or Seller or their respective businesses or properties that is disclosed by or on behalf of Buyer or Seller (in such capacity, the “**Disclosing Party**”) to the other Party (in such capacity, the “**Recipient**”) or its Representatives (as defined below) in connection with the negotiation, execution or performance of this Agreement or the Ancillary Agreements, including any financial information, (“**Confidential Information**”) shall be (1) confidential and shall not be disclosed by the Recipient to any other person or entity or (2) used by the Recipient or any of its Representatives (other than, in the case of this clause (2), to perform its obligations or exercise or enforce its rights and remedies under this Agreement or any Ancillary Agreement or comply with applicable law or its or its affiliates’ respective regulatory, stock exchange, tax or financing reporting requirements (each, a “**Permitted Use**”), in each case, until the third anniversary of the Closing Date. Notwithstanding the foregoing, (x) before the Closing all Confidential Information related to the operation of the Station and the Station Assets shall be deemed Confidential Information of Seller and from and after the Closing, all Confidential Information related to the operation of the Station and Station Assets shall be deemed Confidential Information of Buyer and (y) Confidential Information shall not include any information: (i) was already known to the Recipient or its Representatives other than under an obligation of confidentiality, at the time of disclosure by the Disclosing Party, (ii) became generally available to the public or otherwise part of the public domain after its disclosure to the Recipient or its Representatives other than through any act or omission of the Recipient in breach of this Agreement, (iii) is subsequently disclosed to the Recipient or its Representatives by a Third Party without obligations of confidentiality with respect thereto, or (iv) is subsequently independently discovered or developed by the Recipient or its Representatives without the use of Confidential Information. This Section 5.1 shall survive any termination or expiration of this Agreement. Notwithstanding the foregoing, the Recipient may disclose or use, as applicable, Confidential Information of the Disclosing Party:

(a) to the Recipient’s own directors, officers, employees, lenders, agents, attorneys, and advisors (the “**Representatives**”) who need to know such information in connection with a Permitted Use, provided that Party informs such Representatives of the confidential nature of the Confidential Information, and such Representatives agree to act in accordance with the terms and conditions of this provision;

(b) to one or more prospective investors, lenders and their advisors, provided such prospective investor or lender agrees to be bound by a non-disclosure agreement with obligations of confidentiality no less stringent than those set forth in this Section 5.1 with respect to such Confidential Information; or

(c) in the event the Recipient or any of its Representatives is requested or required by law, regulation, interrogatory, request for information or documents, subpoena, deposition, civil investigative demand or other process to disclose any Confidential Information; provided, that in such case, the Recipient will, to the extent practicable, notify the other Party in writing in a timely manner so that such Party may seek a protective order or other appropriate

remedy or, in such Party's sole discretion, waive compliance with the confidentiality provisions of this Agreement.

Section 5.2 Announcements. Prior to Closing, Buyer and Seller shall not (and shall cause its affiliates not to), without the prior written consent of the other party, issue any press release or make any other public announcement concerning the transactions contemplated by this Agreement, except to the extent that Seller is so obligated by law, in which case Seller shall give advance notice to Buyer, and the Parties shall cooperate to make a mutually agreeable announcement, and provided that Seller may communicate with governmental authorities and, with customers, suppliers, distributors or other Third Parties engaged in the operation of the Station, regarding this Agreement or the Ancillary Agreements and the transactions contemplated hereby or thereby, including in order to obtain consents of or from any such Third Parties necessary or desirable to effect the consummation of the transactions contemplated hereby or by the Ancillary Agreements.

Section 5.3 Certain Tax Matters.

(a) **Withholding Taxes.** The amounts payable by one Party (the “**Payer**”) to another Party (the “**Payee**”) pursuant to this Agreement (“**Payments**”) shall not be reduced on account of any taxes unless required by applicable law. The Payee alone shall be responsible for paying any and all taxes (other than withholding taxes required to be paid by the Payer) levied on account of, or measured in whole or in part by reference to, any Payments it receives. The Payer shall deduct or withhold from the Payments any taxes that it is required by applicable law to deduct or withhold. If, in accordance with the foregoing, the Payer withholds any amount, it shall make timely payment to the proper taxing authority of the withheld amount, and send to the Payee proof of such payment as soon as reasonably practicable.

(b) **Transfer Taxes and Apportioned Obligations.**

(i) All amounts payable hereunder are exclusive of all recordation, transfer, documentary, excise, sales, value added, use, stamp, conveyance or other similar taxes imposed or levied by reason of, in connection with or attributable to this Agreement or the transactions contemplated hereby (collectively, “**Transfer Taxes**”). Buyer and Seller shall each be responsible for the payment of fifty percent (50%) all Transfer Taxes, and shall pay all amounts due and owing in respect of any Transfer Taxes, these amounts in addition to the sums otherwise payable, at the rate in force at the due time for payment or such other time as is stipulated under applicable law.

(ii) All personal property and similar ad valorem obligations levied with respect to the Station Assets for a taxable period which includes (but does not end on) the Closing Date (collectively, the “**Apportioned Obligations**”) shall be apportioned between Seller, on the one hand, and Buyer, on the other hand, based on the number of days of such taxable period ending on the day prior to the Closing Date (such portion of such taxable period, the “**Pre-Closing Tax Period**”) and the number of days of such taxable period on and after the Closing Date (such portion of such taxable period, the “**Post-Closing Tax Period**”). Seller shall be liable for the proportionate amount of such Apportioned Obligations that is attributable to the Pre-Closing Tax Period, and

Buyer shall be liable for the proportionate amount of such Apportioned Obligations that is attributable to the Post-Closing Tax Period.

(iii) Apportioned Obligations and Transfer Taxes shall be timely paid, and all applicable filings, reports and returns shall be filed, as provided by applicable law. The paying Party shall be entitled to reimbursement from the non-paying Party in accordance with Section 5.3(b)(i) or Section 5.3(b)(ii), as the case may be. Upon payment of any such Apportioned Obligation or Transfer Tax, the paying Party shall present a statement to the non-paying Party setting forth the amount of reimbursement to which the paying Party is entitled under Section 5.3(b)(i) or Section 5.3(b)(ii), as the case may be, together with such supporting evidence as is reasonably necessary to calculate the amount to be reimbursed. The non-paying Party shall make such reimbursement promptly but in no event later than ten (10) days after the presentation of such statement.

(c) **Cooperation and Exchange of Information.** Each of Seller and Buyer shall (i) provide the other with such assistance as may reasonably be requested by the other (subject to reimbursement of reasonable out-of-pocket expenses) in connection with the preparation of any tax Return, audit or other examination by any taxing authority or judicial or administrative proceeding relating to liability for taxes in connection with the Station or the Station Assets, (ii) retain and provide the other with any records or other information that may be relevant to such tax return, audit or examination, proceeding or determination and (iii) inform the other of any final determination of any such audit or examination, proceeding or determination that affects any amount required to be shown on any tax return of the other for any period.

(d) **Survival of Covenants.** The covenants contained in this Section 5.3 shall survive until 30 days after the expiration of the applicable statute of limitations (including extensions thereof).

Section 5.4 1031 Exchange. Buyer or Seller may conduct an I.R.S. Section 1031 like-kind exchange from or into the assets that are the subject of this Agreement to the fullest extent permitted by law. Each Party agrees to cooperate with the other to execute such consents to assignment of this Agreement as are reasonably necessary or helpful to conduct such exchange. The liabilities of the Parties under this Agreement will not be affected by this cooperation, and each Party will be responsible for its own expenses incurred in connection with such exchange.

ARTICLE 6. SELLER CLOSING CONDITIONS

The obligation of Seller to consummate the Closing is subject to satisfaction, or waiver by Seller (to the extent permitted by applicable law), of the following conditions at or prior to Closing:

Section 6.1 Bringdown and Closing Certificate.

(a) The representations and warranties of Buyer made in Article 3 shall be true and correct as of the date hereof and the Effective Date and shall be true and correct in all material respects (disregarding any materiality qualifications within such representations and warranties) as of the Closing Date as if made as of such date (except that those representations and warranties

that address matters only as of a particular date need only be true and correct in all material respects as of such date).

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

(c) Seller shall have received a certificate (the “**Buyer Closing Certificate**”) dated as of the Closing Date, executed by a duly authorized officer of Buyer, certifying that the conditions set forth in Section 6.1(a) and Section 6.1(b) have been satisfied.

Section 6.2 Proceedings. Neither Seller nor Buyer shall be subject to any law or any court or governmental order or injunction restraining, prohibiting or making illegal the consummation of the transactions contemplated hereby.

Section 6.3 FCC Consent. The FCC Consent shall have been granted by the FCC.

Section 6.4 Deliveries. Buyer shall have made the deliveries required to be made by it under Section 8.2.

ARTICLE 7. BUYER CLOSING CONDITIONS

The obligation of Buyer to consummate the Closing is subject to satisfaction, or waiver by Buyer (to the extent permitted by applicable law), of the following conditions at or prior to the Closing:

Section 7.1 Bringdown and Closing Certificate.

(a) Each of the representations and warranties of Seller made in Sections 2.1, 2.2, 2.5, 2.7 and 2.11 shall be true and correct in all respects as of the date hereof, as of the Effective Date and as of the Closing Date, and each of the other representations and warranties of Seller made in Article 2 shall be true and correct in all respects as of the date hereof and as of the Effective Date, and true and correct (disregarding any materiality qualifications within such representations and warranties) in all material respects as of the Closing Date as if made as of such date (except that in each case, those representations and warranties that address matters only as of a particular date need only be true and correct in all material respects as of such date).

(b) Seller shall have performed the obligations to be performed by it under this Agreement at or prior to Closing in all material respects.

(c) Buyer shall have received a certificate (the “**Seller Closing Certificate**”) dated as of the Closing Date, executed by a duly authorized officer of Seller, certifying that (i) the conditions set forth in Section 7.1(a), Section 7.1(b) and Section 7.4 have been satisfied, (ii) as of the Closing Date, Seller has sent must-carry and mandatory carriage elections (and has evidence of delivery thereof) for the Station as a channel sharee on KHTV for the 2018-2020 retransmission consent cycle to all MVPDs, including those identified on Schedule 2.12, according to the terms and conditions specified in Section 4.5, (iii) no MVPD has provided written notice to the Station of any signal quality issue or, in the case of DISH and DIRECTV, failed to respond to a request

for carriage, or to Seller's Knowledge, sought any form of relief from carriage of the Station from the FCC, (iv) attached thereto is a FOCUS report from Nielsen (the "**Closing Nielsen Report**"), dated as of the last day of the month preceding the Closing Date showing then then-current distribution of the Station, (v) the "**Closing Date Households**" (as defined below) is equal to or greater than ninety percent (90%) of the Current Cable Households, and such Closing Date Households are served by MVPDs that have not objected to carriage or have failed to carry the Station, (v) the Station is carried by each of DIRECTV and DISH throughout the DMA and (vi) attached thereto are true, correct and complete copies of the resolutions or comparable actions duly adopted by the board of directors of the Seller, as applicable, approving and authorizing the execution, delivery and performance of this Agreement and the Ancillary Agreements and that such resolutions have not been modified, rescinded or amended and are in full force and effect. For purposes of determining the number of "**Closing Date Households**", (x) the aggregate number of cable television system subscribers receiving the Station as shown on the Closing Nielsen Report shall be added to (y) either (A) the actual number of U-verse subscribers that receive the Station as obtained by the Parties pursuant to Section 4.10, or (B) if the actual number of U-verse subscribers is not obtained, 166,250.

Section 7.2 Proceedings. Neither Seller nor Buyer shall be subject to any law or any court or governmental order or injunction restraining, prohibiting or making illegal the consummation of the transactions contemplated hereby.

Section 7.3 FCC Consent. The FCC Consent shall have been granted by the FCC and shall have become a Final Order.

Section 7.4 Absence of Any Material Adverse Effect. There shall not have been a Material Adverse Effect. For purposes of this Section 7.4, a "**Material Adverse Effect**" means any effect, fact, event, circumstance or change that, individually or in the aggregate, has, or would reasonably be expected to have, a material adverse effect on (i) the Station Assets or the Assumed Liabilities, or (ii) the ability of Seller to perform its obligations under this Agreement; *provided, however*, that "**Material Adverse Effect**" shall not include any effect, fact, event, circumstance or change resulting from changes in laws, general economic, financial, market or political conditions, the announcement of this Agreement or legal, accounting, governmental, regulatory, competitive or other factors affecting the television broadcasting industry generally; in each case only to the extent that the effect thereof is not disproportionately adverse to the Station or the Station Assets compared to others in the television broadcasting industry.

Section 7.5 Deliveries. Seller shall have made the deliveries required to be made by it under Section 8.1.

Section 7.6 Liens. No Liens (other than Permitted Liens) shall exist or have been filed or recorded (and not terminated) against the Station Assets in the public records of the Secretary of State of Seller's state of incorporation or in any other jurisdiction in which the Station Assets are located.

Section 7.7 Channel Sharing. The Station shall have been transmitting its signal solely on the Shared Channel for at least thirty (30) days.

With respect to the conditions to Buyer's and Seller's respective obligations to consummate the Closing as provided hereunder and each such Party's right to terminate this Agreement as provided in Section 10.1, neither Seller nor Buyer may rely on the failure of any condition set forth in Article 6 or Article 7, as applicable, to be satisfied if such failure was caused by such Party's failure to act in good faith or to use commercially reasonable efforts to cause the condition to be satisfied to the extent required by Section 4.3.

ARTICLE 8. CLOSING DELIVERIES

Section 8.1 Seller Deliveries. At the Closing, Seller shall deliver or cause to be delivered to Buyer, duly executed by Seller or such other signatory as may be required by the nature of the document (if applicable), the following:

(a) an assignment of the FCC Licenses from Seller, in substantially the form of Exhibit C (the "**Assignment of the FCC Licenses**"), assigning to Buyer the FCC Licenses (including the Station's call letters);

(b) a bill of sale and assignment and assumption agreement from Seller, in substantially the form of Exhibit D (the "**Assignment and Assumption Agreement**"), assigning to Buyer the Station Assets other than the FCC Licenses and transferring to Buyer the Assumed Liabilities;

(c) the Seller Closing Certificate;

(d) the Required Consents;

(e) joint written instructions to the Escrow Agent (the "**Joint Written Instructions**") directing release of the Escrow Amount to Seller and Buyer in accordance with allocation set forth in Section 1.6(b) and the Escrow Agreement;

(f) releases, in suitable form for filing (as applicable) and otherwise in form and substance reasonably satisfactory to Buyer, of any security interests granted in the Station Assets as security for payment of loans and other obligations and of any other Liens (other than Permitted Liens);

(g) such other customary instruments of transfer, assumption, filings or documents, in form and substance reasonably satisfactory to Buyer, as may be required to consummate the transactions contemplated by this Agreement.

Section 8.2 Closing Deliverables by Buyer. At the Closing, Buyer shall deliver to Seller the Buyer Closing Payment, in accordance with Section 1.5, and the following, duly executed by Buyer or such other signatory as may be required by the nature of the document (if applicable), the following:

(a) the Assignment and Assumption Agreement;

(b) the Buyer Closing Certificate;

- (c) the Joint Written Instructions; and
- (d) such other customary instruments of transfer, assumption, filings or documents, in form and substance reasonably satisfactory to Seller, as may be required to consummate the transactions contemplated by this Agreement.

ARTICLE 9. SURVIVAL AND INDEMNIFICATION

Section 9.1 Survival. Notwithstanding any right of any Party to fully investigate the affairs of the other Party and notwithstanding any knowledge of facts determined or determinable by such Party pursuant to such investigation or right of investigation, each Party has the right to rely fully upon the representations, warranties, covenants and agreements of each other Party contained in this Agreement. All representations and warranties and those covenants and agreements required to be performed prior to Closing contained in this Agreement, or in any document made pursuant hereto, shall survive the Closing until 5:00 p.m., Central time, on the date that is eighteen (18) months following the Closing Date; provided that the representations and warranties of Seller set forth in Section 2.1 [Organization], Section 2.2 [Authorization], Section 2.5 [Station Assets], , Section 2.10 [No Finder] and Section 2.13 [Limitations on Representations and Warranties] and the representations and warranties of Buyer set forth in Section 3.1 [Organization], Section 3.2 [Authorization], Section 3.5 [No Finder] and Section 3.7 [Limitations on Representations and Warranties], shall each survive the Closing indefinitely, or, if shorter, until sixty (60) days following the expiration of the applicable statute of limitations (including all applicable periods of extension). Those covenants and agreements to be performed at or after the Closing shall survive until the later of the expiration of the applicable statute of limitations (including all applicable periods of extension) and the date upon which such covenant or agreement is fully performed. Any obligation of a Party to indemnify any other person or entity entitled to indemnification under this Article 9 in respect of any breach of any covenant or agreement shall survive until the earlier of performance of the covenant or agreement and the applicable statute of limitations, except as otherwise specified herein. Notwithstanding the foregoing, a Party's right to indemnification under this Article 9 shall continue to survive until the claim for indemnification has been satisfied or otherwise resolved as provided in this Article 9 if an Indemnification Certificate or Claim Notice (each as defined below) with respect to such claim shall have been given prior to the expiration of the applicable survival period under this Section 9.1.

Section 9.2 Indemnification.

(a) Subject to this Article 9, from and after Closing, Seller shall defend, indemnify, and hold harmless Buyer and its affiliates, and their respective officers, directors, employees and agents (collectively, "**Buyer Indemnitees**") from and against, and compensate and reimburse the Buyer Indemnitees for, any and all losses, damages, assessments, judgments, fines, penalties, amounts paid in settlement and reasonable costs and expenses incurred in connection therewith, including reasonable costs and expenses of suits and proceedings, and reasonable fees and disbursements of counsel (collectively, "**Losses**"), suffered or incurred by any Buyer Indemnatee arising out of or resulting from:

(i) any breach of any representations or warranties of Seller contained in this Agreement or in the Seller Closing Certificate;

(ii) any breach or nonfulfillment of any agreement or covenant of Seller under this Agreement;

(iii) the Retained Liabilities;

(iv) the Transfer Taxes and Apportioned Obligations allocated to Seller pursuant to Section 5.3; and

(v) any liability associated with the matters disclosed on Schedule 9.2(a).

(b) Subject to this Article 9, from and after Closing, Buyer shall defend, indemnify, and hold harmless Seller and its affiliates, and their respective officers, directors, employees and agents (collectively, “**Seller Indemnitees**”) from and against, and compensate and reimburse the Seller Indemnitees for, any and all Losses suffered or incurred by any Seller Indemnatee arising out of or resulting from:

(i) any breach of any representations or warranties of Buyer contained in this Agreement or in the Buyer Closing Certificate;

(ii) any breach or nonfulfillment of any agreement or covenant of Buyer under this Agreement;

(iii) the Assumed Liabilities; and

(iv) the Transfer Taxes and Apportioned Obligations allocated to Buyer pursuant to Section 5.3.

Section 9.3 Procedures.

(a) Except as provided in Section 9.3(b) through Section 9.3(d) with respect to Third Party Claims (as defined below), in the event of a claim made by a Buyer Indemnatee or a Seller Indemnatee (the “**Indemnified Party**”), the Indemnified Party shall give reasonably prompt written notice to Seller (in the case of a Buyer Indemnatee) or Buyer (in the case of a Seller Indemnatee) (the “**Indemnifying Party**”), which notice (an “**Indemnification Certificate**”) shall: (i) state that the Indemnified Party has paid or accrued or reasonably anticipates that it will have to pay or accrue Losses that are subject to indemnification by the Indemnifying Party pursuant to Section 9.2(a) or Section 9.2(b), as applicable, and (ii) specify in reasonable detail the individual items and amounts of such Losses (if known), the date each such item was paid or accrued, or the basis for such anticipated Loss (if known), and a description of the basis of such Indemnified Party’s claim for indemnification; provided, however, that the failure to give reasonably prompt notice shall not relieve the applicable Indemnifying Party of its indemnification obligations under this Agreement except to the extent that the Indemnifying Party is materially prejudiced by any delay in receiving such notice. In the event that the Indemnifying Party agrees to or is determined to have an obligation to reimburse the Indemnified Party for Losses as provided in this Article 9,

the Indemnifying Party shall promptly (but, in any event, within thirty (30) days) pay such amount to the Indemnified Party by wire transfer of immediately available funds to the account specified in writing by the Indemnified Party. The Indemnifying Party may defer making such payment if it objects in a written statement to the claim made in the Indemnification Certificate and delivers such statement to the Indemnifying Party prior to the expiration of such thirty (30)-day period. An Indemnifying Party's failure to object within such thirty (30)-day period to any claim set forth in an Indemnification Certificate shall be deemed to be the Indemnifying Party's acceptance of, and waiver of any objections to, such claim. If an Indemnifying Party shall so object in writing to any claim or claims made in any Indemnification Certificate, the Indemnifying Party and the Indemnified Party shall attempt in good faith for a period of twenty (20) days following the Indemnified Party's receipt of such objection notice to agree upon the respective rights of the Parties with respect to each of such claims. If no such agreement can be reached after such twenty (20)-day period of good faith negotiation, either the Indemnifying Party or the Indemnified Party may pursue dispute resolution for purposes of having the matter settled in accordance with the terms of this Agreement.

(b) An Indemnified Party shall give prompt written notice (such notice, a **"Claim Notice"**) to the Indemnifying Party of any demand, suit, claim, or assertion of liability by a Third Party that is subject to indemnification hereunder (a **"Third Party Claim"**), but a failure to give such notice or delaying such notice shall not affect the Indemnified Party's rights or the Indemnifying Party's obligations, except to the extent the Indemnifying Party's ability to remedy, contest, defend, or settle with respect to such Third Party Claim is thereby prejudiced. The Claim Notice shall be accompanied by reasonable supporting documentation submitted by the third party making such Third Party Claim and shall describe in reasonable detail (to the extent known by the Indemnified Party) the facts constituting the basis for such Third Party Claim and the amount of the claimed damages.

(c) The Indemnifying Party shall have the right, exercisable by delivering written notice to the Indemnified Party within thirty (30) days following receipt of a Claim Notice, to undertake the defense or opposition to such Third Party Claim with counsel reasonably satisfactory to the Parties; provided, however, that the Indemnifying Party shall not be entitled to undertake the defense or opposition of such Third Party Claim if (i) such Third Party Claim seeks the Indemnified Party becoming subject to injunctive or other equitable relief, (ii) such Third Party Claim has been brought by or on behalf of any governmental authority or in connection with taxes or any criminal or regulatory enforcement action, or (iii) such Third Party Claim is reasonably likely to result in a regulatory enforcement action by a Governmental Authority against the Indemnified Party. In the event the Indemnifying Party undertakes the defense or opposition to such Third Party Claim, the Indemnifying Party shall diligently defend or oppose such Third Party Claim and the attorneys' fees, other professionals' and experts' fees and court or arbitration costs incurred by the Indemnifying Party in connection with defending or opposing such Third Party Claim shall be payable by such Indemnifying Party. In the event that the Indemnifying Party does not undertake such defense or opposition in a timely manner, the Indemnified Party may undertake the defense, opposition, compromise, or settlement of such Third Party Claim with counsel selected by it at the Indemnifying Party's cost.

(d) Notwithstanding anything herein to the contrary:

(i) the Party not controlling the defense, opposition, compromise, or settlement of a Third Party Claim (the “**Non-Controlling Party**”) shall have the right, at its own cost and expense, to participate in the defense, opposition, compromise, or settlement of such Third Party Claim, and shall have the right to reasonably consult with the Party controlling the defense, opposition, compromise, or settlement of a Third Party Claim (the “**Controlling Party**”) and its counsel concerning such Third Party Claim, and the Controlling Party and the Non-Controlling Party and the indemnified Party shall cooperate in good faith with respect to any such Third Party Claim;

(ii) the Controlling Party shall keep the Non-Controlling Party reasonably advised of the status of such Third Party Claim and the defense, opposition, compromise or settlement thereof;

(iii) the Non-Controlling Party shall furnish the Controlling Party with such information as it may have with respect to such Third Party Claim (including copies of any summons, complaint or other pleading that may have been served on such Party and any written claim, demand, invoice, billing or other document evidencing or asserting the same) and shall otherwise cooperate with and assist the Controlling Party in the defense of such Third Party Claim; provided, that neither the Controlling Party nor the Non-Controlling Party will be required to furnish any such information which would (in the reasonable judgment of such Party upon advice of counsel) be reasonably likely to (1) waive any privileges, including the attorney-client privilege, held by such Party or any of its affiliates or (2) breach any duty of confidentiality owed to any Third Party (whether such duty arises contractually, statutorily or otherwise) or any contract with any Third Party or violate any applicable law (provided, that such Party shall use reasonable best efforts to obtain any required consents and take such other reasonable action (such as the entry into a joint defense agreement or other arrangement to avoid loss of attorney-client privilege) to permit such access); and

(iv) The Controlling Party shall not, without the Non-Controlling Party’s prior written consent (which consent shall not be unreasonably withheld, conditioned or delayed), settle or compromise any Third Party Claim or consent to entry of any judgment with respect to any Third Party Claim which (A) does not include a release of the Non-Controlling Party from all liability in respect of such Third Party Claim and (B) includes any remedy other than the payment of money.

Section 9.4 Exclusive Remedy. Subject to Section 11.11, each Party acknowledges and agrees that, following the Closing, the remedies provided for in this Article 9 shall be the sole and exclusive remedies for claims and damages available to the Parties and their respective affiliates arising out of or relating to this Agreement and the transactions contemplated hereby, except that nothing herein shall limit the liability of either Party for intentional misrepresentation, willful misconduct or fraud. This Section 9.4 shall not affect either Party’s ability to exercise any rights or remedies available to such Party under any Ancillary Agreement with respect to Ancillary Agreements which have remedies that are not addressed specifically in this Agreement.

ARTICLE 10.
TERMINATION AND REMEDIES

Section 10.1 Termination. This Agreement may be terminated prior to Closing as follows:

- (a) by mutual written consent of Buyer and Seller;
- (b) by written notice from Buyer to Seller if (i) there has been a breach by Seller of a representation or warranty of Seller contained in this Agreement or (ii) there shall be a breach by Seller of any covenant, agreement or obligation of Seller in this Agreement, and such breach described in clause (i) or (ii) would result in the failure of a condition set forth in Section 7.1 that has not been waived by Buyer, or in the case of a breach of any covenant, agreement or obligation, is not cured within the Cure Period (as defined below); provided, that Buyer may not terminate this Agreement pursuant to this Section 10.1(b) if Buyer is in material breach of this Agreement;
- (c) by written notice from Seller to Buyer if (i) there has been a breach by Buyer of a representation or warranty of Buyer contained in this Agreement or (ii) there shall be a breach by Buyer of any covenant, agreement or obligation of Buyer in this Agreement, and such breach described in clause (i) or (ii) would result in the failure of a condition set forth in Section 6.1 that has not been waived by Seller, or in the case of a breach of any covenant, agreement or obligation, is not cured within the Cure Period; provided, that Seller may not terminate this Agreement pursuant to this Section 10.1(c) if Seller is in material breach of this Agreement; or
- (d) by written notice of Buyer to Seller, or by Seller to Buyer, if the FCC denies or dismisses the FCC Application; or
- (e) by written notice of Buyer to Seller, if the Closing does not occur by January 15, 2018 (the “**End Date**”); provided, however, that Buyer shall not have the right to terminate this Agreement pursuant to this Section 10.1(e)(i) during the pendency of any action, suit or proceeding brought prior to the End Date by Seller for specific performance of this Agreement, or (ii) if Buyer is in material breach of this Agreement.

The term “**Cure Period**” as used herein means a period commencing on the date Buyer or Seller receives from the other written notice of breach hereunder and continuing until the earlier of (i) 5:00 p.m., Eastern time, on the fifteenth (15th) calendar day thereafter and (ii) the fifth (5th) Business Day prior to the Closing Date.

Section 10.2 Effect of Termination. Any notice of termination given pursuant to Section 10.1 shall state the termination provision in this Agreement that such terminating Party is claiming provides a basis for termination of this Agreement. Termination of this Agreement pursuant to the provisions of Section 11.1 shall be effective upon and as of the date of delivery of such written notice as determined pursuant to Section 11.3. In the event of the termination of this Agreement pursuant to Section 10.1 by Buyer or Seller, this Agreement shall be terminated and have no further effect, except that Section 5.1 (Confidentiality), Section 5.2 (Announcements), this Section 10.2 (Effect of Termination), Section 10.3 (Withdrawal of Certain Filings) and Article 11 (Miscellaneous) shall survive any termination of this Agreement. Nothing in this Section 10.2 shall relieve either Party of liability for breach of this Agreement or fraud prior to the termination hereof.

Section 10.3 Withdrawal of Certain Filings. As soon as practicable following a termination of this Agreement for any reason, but in no event more than thirty (30) days after such termination, Buyer or Seller shall to the extent practicable, withdraw and/or, as applicable, request dismissal of all filings, applications and other submissions relating to the transactions contemplated by this Agreement filed or submitted by or on behalf of such Party, to or with any governmental authority or other person or entity.

Section 10.4 Payment of Escrow Amount.

(a) **Termination for Buyer's Breach.** Upon a termination of this Agreement by Seller prior to Closing pursuant to Section 10.1(c), Seller's sole remedy shall be delivery of the Escrow Amount, including any interest earned thereon, from the Escrow Agent, as liquidated damages. Seller and Buyer acknowledge that these liquidated damages are reasonable in light of the anticipated harm that would be caused by termination of this Agreement under such circumstances and the difficulty of ascertaining damages and proof of loss and that these damages are not a penalty.

(b) **Termination for Any Other Reason.** Upon a termination of this Agreement by either Party pursuant to Section 10.1 (other than Section 10.1(c)), Buyer shall be entitled to the return of the Escrow Amount, including any interest earned thereon.

(c) **Joint Written Instructions.** Each Party shall execute and deliver joint written instructions to the Escrow Agent as required to give effect to this Section 10.4.

**ARTICLE 11.
MISCELLANEOUS.**

Section 11.1 Expenses. Whether or not the Closing occurs, each Party shall be solely responsible for all costs and expenses incurred by it in connection with the negotiation, preparation, and performance of and compliance with the terms of this Agreement, except as provided in Section 4.4.

Section 11.2 Assignment. This Agreement shall be binding upon and inure to the benefit of the Parties hereto, and their respective successors and permitted assigns. Notwithstanding the foregoing, no Party may assign its rights or obligations under this Agreement without the prior written consent of the other Party, which such consent shall not be unreasonably withheld, conditioned or delayed, except any Party may, without such consent, assign its rights and obligations under this Agreement to an entity under common control with such Party (i.e., an entity to which such Party could assign or transfer a FCC broadcast television station authorization using FCC Form 316).

Section 11.3 Notices. Any notice, request, demand, waiver, consent, approval or other communication permitted or required under this Agreement (each, a "**Notice**") shall be in writing and shall be sent and deemed delivered on the date of personal delivery or e-mail transmission confirmed by the named recipient or confirmed delivery by a nationally recognized overnight courier service, or on the third day after prepaid mailing by certified U.S. mail, return receipt requested, and shall be addressed as follows (or to such other address as any Party may request by written notice):

if to Seller, then to:

Southern California License, LLC
24580 Piuma Road
Malibu, CA 90265
Attn: Dennis Davis

with copies to (which shall not constitute notice) to:

Stuart A. Shorenstein
Cozen O'Connor
277 Park Avenue
New York, NY 10172

Horacio Medal
1221 Brickell Ave.,
Suite 2520
Miami, FL 33131

if to Buyer, then to:

Weigel Broadcasting Co.
26 North Halstead Street
Chicago, IL 60661
Attention: Evan Fieldman
Fax:
Email: efieldman@metv.com

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

Covington & Burling LLP
850 Tenth Street NW
Washington, DC 20001
Attention: Mace J. Rosenstein
Fax: (202) 778-5024
Email: mrosenstein@cov.com

Section 11.4 Severability. If any court or governmental authority holds any provision in this Agreement invalid, illegal or unenforceable under any applicable law, then, so long as no Party is deprived of the benefits of this Agreement in any material respect, this Agreement shall be construed with the invalid, illegal, or unenforceable provision deleted and the validity, legality, and enforceability of the remaining provisions contained herein shall not be affected or impaired thereby.

Section 11.5 Entire Agreement; Amendment. This Agreement, the Schedules and Exhibits hereto and the Ancillary Agreements constitute the entire agreement and understanding

of the Parties hereto with respect to the subject matter hereof, and supersede all prior agreements and understandings, both written and oral, with respect to the subject matter hereof. No amendment or waiver of compliance with any provision hereof or consent pursuant to this Agreement shall be effective unless in a writing signed by the Party against whom enforcement of such amendment or waiver or consent is sought. The waiver by a Party of any right hereunder or of the failure to perform or of a breach by any other Party shall not be deemed a waiver of any other right hereunder or of any other breach or failure by such other Party whether of a similar nature or otherwise.

Section 11.6 No Third Party Beneficiary. Nothing in this Agreement expressed or implied is intended or shall be construed to give any rights to any person or entity other than the Parties hereto, their respective successors and permitted assigns and the Seller Indemnitees and Buyer Indemnitees (to the extent of their respective rights under Article 9).

Section 11.7 Counterparts. This Agreement may be executed in separate counterparts, each of which shall be deemed to be an original and all of which together constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Agreement by .pdf attachment to an e-mail, facsimile or other electronic transmission shall be effective as delivery of a manually executed original counterpart of this Agreement.

Section 11.8 Interpretation. For purposes of this Agreement, (a) the words “include,” “includes” and “including” shall be deemed to be followed by the words “without limitation”; (b) except where the context otherwise requires, (i) the word “or” is not exclusive, (ii) wherever used, the singular includes the plural, the plural the singular, and (iii) “extent” in the phrase “to the extent” means the degree to which a subject or other thing extends, and such phrase does not mean simply “if”; (c) the words “herein,” “hereof,” “hereby,” “hereto” and “hereunder” refer to this Agreement as a whole, and (d) the term “Business Day” means any day other than Saturday, Sunday or a day on which banking institutions in New York, New York are permitted or obligated by law to remain closed. Unless the context otherwise requires, references herein: (x) to Articles, Sections, Schedules and Exhibits mean the Articles and Sections of, and Schedules and Exhibits attached to, this Agreement; (y) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof and (z) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the Party drafting an instrument or causing any instrument to be drafted. The Schedules and Exhibits referred to herein shall be construed with, and as an integral part of, this Agreement to the same extent as if they were set forth verbatim herein. References in this Agreement to monetary amounts are denominated in United States Dollars.

Section 11.9 Headings. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

Section 11.10 Governing Law; Consent to Jurisdiction; Jury Waiver; Attorney’s Fees. This Agreement shall be construed in accordance with and governed by the laws of the State of New York, excluding any conflicts or choice of law rule or principle that might otherwise refer

construction or interpretation of this Agreement to the substantive law of another jurisdiction. Subject to Section 11.11, the Parties hereby irrevocably and unconditionally (a) consent to the exclusive jurisdiction of the courts of the State of New York and the United States District Court for the Southern District of New York (the “**Chosen Courts**”) for any action, suit or proceeding (other than appeals therefrom) arising out of or relating to this Agreement, and agree not to commence any action, suit or proceeding (other than appeals therefrom) related thereto except in such courts; and (b) waive any objection to the laying of venue of any action, suit or proceeding (other than appeals therefrom) arising out of or relating to this Agreement in the Chosen Courts, and hereby further irrevocably and unconditionally waive and agree not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum. BUYER AND SELLER HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING IN ANY WAY TO THIS AGREEMENT, INCLUDING ANY COUNTERCLAIM MADE IN SUCH ACTION OR PROCEEDING, AND AGREE THAT ANY SUCH ACTION OR PROCEEDING SHALL BE DECIDED SOLELY BY A JUDGE.

Section 11.11 Equitable Relief. The Parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement was not performed in accordance with its specific terms or was otherwise breached. It is accordingly agreed that a Party hereto shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement in any court of the United States or any state having jurisdiction, this being in addition to any other remedy to which it is entitled at law or in equity. Each Party hereby waives (a) any requirement that any other Party post a bond or other security as a condition for obtaining any such relief, and (b) any defenses in any action for specific performance, including the defense that a remedy at law would be adequate.

[SIGNATURE PAGE FOLLOWS]

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the date first written above.

SELLER:

SOUTHERN CALIFORNIA LICENSE, LLC

By: _____

Name: *DENNIS DAVIS*

Title: *President*

BUYER:

TV-49, INC.

By: _____

Name:

Title:

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the date first written above.

SELLER:

SOUTHERN CALIFORNIA LICENSE, LLC

By: _____

Name:

Title:

BUYER:

TV-49, INC.

By: 

Name: EVAN FIELDMAN

Title: Vice President