

ASSET PURCHASE AGREEMENT
for the SALE of TELEVISION STATION
KJZZ-TV, SALT LAKE CITY, UT
by and among
LARRY H. MILLER COMMUNICATIONS CORP.
and
WSMH, INC.

April 4, 2016

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ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this “Agreement”) dated as of April 4, 2016 is by and among Larry H. Miller Communications Corp., a Utah corporation (“Seller”), and WSMH, Inc., a Maryland corporation (“Buyer”), on the other hand.

RECITALS

WHEREAS, Seller owns or holds certain assets used or useful in the operation of broadcast television station KJZZ-TV in Salt Lake City, Utah (FCC Facility ID No. 36607) and any satellite or auxiliary stations (collectively, the “Station”), including, without limitation, all the licenses, including any satellite or auxiliary licenses, construction permits and other authorizations (the “FCC Licenses”) issued by the Federal Communications Commission (the “FCC”) for the Station; and

WHEREAS, Buyer desires to purchase substantially all of the assets used or useful in the operation of the Station and assume certain of the liabilities in connection therewith, and Seller desires to sell to Buyer substantially all of the assets used or useful in the operation of the Station and transfer certain of the liabilities related thereto on the terms and subject to the conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements set forth in this Agreement, Buyer and Seller hereby agree as follows:

ARTICLE I DEFINITIONS

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

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

“Accounts Receivable” means all accounts receivable (other than accounts receivable relating to Tradeout Agreements or film and program barter agreements), and all rights to receive payments under any notes, bonds and other evidences of indebtedness and all other rights to receive payments, arising out of sales occurring in the operation of the Station prior to the Effective Time for services performed (*e.g.*, the actual broadcast of commercials sold) or delivered by the Station prior to the Effective Time.

“Action” means any claim, action, suit, arbitration, inquiry, investigation, or other proceeding by or before any Governmental Authority.

“Affiliate” means, with respect to any Person, any other Person directly or indirectly Controlling, Controlled by or under common Control with such other Person.

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

“ASCAP” means the American Society of Composers, Authors and Publishers.

“Balance Sheet Date” means December 31, 2015.

“Bargaining Agreement” means the collective bargaining agreements set forth on Disclosure Schedule Section 3.14(b).

“BMI” means Broadcast Music Incorporated.

“Business Day” means any day that is not a Saturday, a Sunday or other day on which banks are required or authorized by Law to be closed (or actually closed) in the State of Utah.

“Cash and Cash Equivalents” means those items which are required by GAAP to be included as “cash” or “cash equivalents” on the Financial Statements as of the Effective Time plus interest, if any, accruing on such amount at the prime rate (as reported by *The Wall Street Journal*, or if not reported therein, by another mutually-agreeable source) from such date until the Closing Date.

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

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

“Contracts” means contracts, agreements, leases, non-governmental licenses, sales and purchase orders and other agreements (including Real Property Leases, Leases and employment agreements), written or oral (including any amendments or modifications thereto).

“Control” means, as to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise. The terms “Controlled” and “Controlling” shall have a correlative meaning.

“Copyrights” means all copyrights and copyright applications and registrations therefor used or held for use by Seller in connection with the operation of the Station.

“Effective Time” means 12:01 a.m., Salt Lake City, UT time, on the Closing Date.

“Employee Plan” means any (a) employee benefit plan, arrangement or policy subject to ERISA, including any retirement, pension, deferred compensation, severance, profit sharing, savings, group health, dental, life insurance, disability or cafeteria plan, policy or arrangement; (b) any equity or equity-based compensation plan; (c) any bonus or incentive arrangement; and (d) any severance or termination agreements, policies or arrangements that are not covered by

ERISA, in each case maintained or contributed to or required to be maintained or contributed to by Seller for the benefit of any current or former Employee.

“Employee(s)” means, individually or collectively, the full-time, part-time and per diem persons employed by Seller which shall all be listed on Schedule 3.14(a).

“Environmental Laws” means any Law in effect on the date of this Agreement whether local, state, or federal relating to: (a) Releases or threatened Releases of Hazardous Materials into the environment; (b) the use, treatment, storage, disposal, handling, discharging or shipment of Hazardous Material; (c) the regulation of storage tanks; or (d) otherwise relating to pollution or protection of human health, occupational safety and the environment.

“Equipment” means all machinery, equipment, computers, motor vehicles, furniture, fixtures, furnishings, towers, antennas, transmitters, tools, toolings, parts, blank films and tapes and other items of tangible personal property owned or leased by Seller or used or held for use by Seller in connection with the operation of the Station (other than such items that are no longer in use at the Station as a result of obsolescence or having been replaced by other items).

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder.

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

“FCC Consent” means the FCC’s consent to the assignment of each of the FCC Licenses identified on Schedule 3.12(a) from Seller to Buyer with no conditions placed on Buyer.

“FCC Licenses” has the meaning set forth in the Recitals, each of which is identified on Schedule 3.12(a), and any other license, permit or other authorization, including any temporary waiver or special temporary authorization and any renewals thereof or any transferable pending application therefor.

“FCC Rules” means the published rules and policies of the FCC.

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

“Final Order” means a decision by the FCC (a) that has not been vacated, reversed, stayed, enjoined, set aside, annulled or suspended; (b) with respect to which no request for stay, motion or petition for rehearing, reconsideration or review, or application or request for review or notice of appeal or *sua sponte* review by the FCC is pending; and (c) as to which the time for filing any such request, motion, petition, application, appeal or notice, and for the entry of orders staying, reconsidering or reviewing on the FCC’s own motion has expired.

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

“Governmental Authority” means any federal, state, local or foreign government, including any department, agency, or other part thereof exercising legislative, administrative, regulatory or judicial functions (including any court).

“Governmental Order” means any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority.

“Hazardous Material” means hazardous or toxic wastes, chemicals, substances, constituents, pollutants or related material, whether solids, liquids, or gases, defined or regulated under § 101(14) of CERCLA; the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901 et seq.; the Toxic Substances Control Act, 15 U.S.C. §§ 2601 et seq.; the Safe Drinking Water Act, 42 U.S.C. §§ 300(f) et seq.; the Clean Air Act, as amended, 42 U.S.C. §§ 7401 et seq.; the Federal Water Pollution Control Act, 33 U.S.C. §§ 1251 et seq.; the Emergency Planning and Community Right-to-Know Act of 1986, 42 U.S.C. §§ 11001 et seq.; the Occupational Safety and Health Act of 1970, 29 U.S.C. §§ 651 et seq.; or any similar applicable federal, state or local Environmental Laws.

“Income Taxes” means income, franchise, doing business and similar taxes.

“Indebtedness” means, with regard to any Person, any liability or obligation, whether or not contingent, (a) in respect of borrowed money or evidenced by bonds, monies, debentures, or similar instruments or upon which interest payments are normally made, (b) for the payment of any deferred purchase price of any property, assets or services (including pursuant to capital leases) but excluding trade payables and Program Rights Obligations, (c) guaranties, direct or indirect, in any manner, of all or any part of any Indebtedness of any Person, (d) all obligations under acceptance, standby letters of credit or similar facilities, (e) all matured obligations to purchase, redeem, retire, defease or otherwise make any payment in respect of any membership interests, shares of capital stock or other ownership or profit interest or any warrants, rights or options to acquire such membership interests, shares or such other ownership or profit interest, (f) all accrued interest of all obligations referred to in (a) – (e) and (g) all obligations referred to in (a) – (f) of a third party secured by any Lien on property or assets.

“Intangible Property” means all of Seller’s rights in (a) Copyrights ; (b) Trademarks, including all of the rights, if any, of Seller in and to the Station’s call letters and any derivative thereof; (c) Trade Secrets; (d) all domain leases and names held by Seller and used or useful in the operation of the Station; and (e) all goodwill, if any, associated therewith.

“Knowledge of Seller” means (i) the actual knowledge of the president, the chief operating officer, and the chief financial officer of Seller, as well as the general manager and chief engineer of the Station (or persons holding similar positions) or (ii) the knowledge that each such person would have reasonably obtained after making due and appropriate inquiry with respect to the particular matter in question.

“Law” means any United States (federal, state, local) or foreign law, constitution, treaty, statute, ordinance, regulation, rule, code, order, judgment, injunction, writ or decree.

“Leases” means those leases, subleases, licenses or other occupancy agreements used in the operation of the Station (including any and all assignments, amendments and other

modifications of such leases, subleases, licenses and other occupancy agreements), pertaining to the use or occupancy of the Real Property where Seller holds an interest as landlord, licensor, sublandlord or sublicensor.

“Lien” means, with respect to any property or asset, any mortgage, lien, pledge, charge, easement, right of way, restrictive covenant, encroachment, security interest or encumbrance of any kind whatsoever, whether voluntarily incurred or arising by operation of Law or otherwise, in respect of such property or asset.

“Made Available” means the respective materials that were posted to the electronic data room located at [_____] prior to the date of determination or delivered to Buyer or its Representatives by Seller or its Representatives, whether by electronic mail, courier, US Post or otherwise.

“Market” means the Salt Lake City, Utah, Nielsen Designated Market Area.

“Material Adverse Effect” means any effect or change that would reasonably be expected to have a material adverse effect on (a) the financial condition of the Station, the Station Assets or the results of operation of the Station, or (b) the ability of Seller to perform its obligations under this Agreement with the understanding that any material adverse effect primarily attributable to (i) an event or series of events or circumstances affecting the United States or global economy generally or capital or financial markets generally, including changes in interest or exchange rates, (ii) any event, state of facts or circumstances or development affecting television programming services generally or the television broadcast industry generally (including legislative or regulatory matters), (iii) any change or development in national, regional, state or local telecommunications or internet transmission systems, (iv) general economic conditions, including any downturn caused by acts of war or terrorism or a natural disaster, such as an earthquake or hurricane, (v) the suspension of trading generally on the New York Stock Exchange or the Nasdaq Stock Market, (vi) any action taken by Seller as expressly contemplated by this Agreement or with Buyer’s written consent or at Buyer’s written request, or, (viii) changes in Law or GAAP or the interpretation thereof, in each case shall not constitute a Material Adverse Effect.

“Material Contract” means any Contract required to be listed on Schedule 3.05(a).

“MVPD” means any multi-channel video programming distributor, including cable systems, telephone companies and DBS systems.

“Other Seller Stations” means any broadcast station or business unit of Seller other than the Station.

“Permitted Liens” means, as to any Station Asset, (a) Liens for Taxes, assessments and governmental charges not yet due and payable or which are being contested in good faith and for which appropriate reserves exist on the Financial Statements, (b) the terms and conditions of any Real Property Leases, (c) zoning and similar Laws that are not materially violated by any existing improvement or that do not prohibit the use of the real property covered by any Real Property Lease as currently used in the operation of the Station; (d) any right reserved to any Governmental Authority to regulate the affected property (including restrictions stated in any

permits); (e) in the case of any leased Station Asset, (i) the rights of any lessor under the applicable lease agreement or any Lien granted by any lessor, (ii) any statutory Lien for amounts that are not yet due and payable or are being contested in good faith, (iii) any subleases, and (iv) the rights of the grantor of any easement or any Lien granted by such grantor on such easement property; (f) easements, rights of way, restrictive covenants and other encumbrances, encroachments or other similar matters affecting title that do not materially adversely affect title to the property subject thereto or materially impair the continued use of the property in the ordinary course of operating the Station; (g) inchoate materialmen's, mechanics', workmen's, repairmen's or other like Liens arising in the ordinary course of business for amounts that are not yet due and payable or that are being contested in good faith by appropriate proceedings and for which appropriate reserves have been created in accordance with GAAP and that are not resulting from any breach, violation or default by Seller of any Assumed Contract or applicable Law; (h) Liens that will be discharged prior to or simultaneously with the Closing; and (i) pledges or deposits to secure obligations under workers' compensation Laws or similar Laws or to secure public or statutory obligations and which pledges or deposits are reflected in the Financial Statements to the extent required by GAAP.

"Person" means any natural person, general or limited partnership, corporation, limited liability company, firm, association, trust or other legal entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

"Post-Closing Tax Period" means any Tax period (or portion thereof) beginning and ending after the Effective Time.

"Pre-Closing Tax Period" means any Tax period (or portion thereof) ending on or prior to the Effective Time.

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

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

"Real Property" means the real property owned, leased, subleased or licensed by or to Seller and used or held for use by the Stations, together with all right, title and interest of Seller in all buildings, towers, improvements, fixtures and structures located thereon.

"Real Property Leases" means leases of real property or fixtures on real property (including but not limited to towers or space on towers) in which Seller is the lessee or tenant.

"Release" means any release, spill, emission, leaking, dumping, injection, pouring, deposit, disposal, discharge, dispersal, leaching or migration into the environment (including ambient air, surface water, groundwater, land surface or subsurface strata) or within any building, structure, facility or fixture.

“SESAC” means the Society of European Stage Authors & Composers.

“Subsidiary” means, with respect to any Person who is not a natural person, any corporation, limited liability company, partnership, association, trust or other entity of which securities or other ownership interests representing fifty percent (50%) or more of the equity or fifty percent (50%) or more of the ordinary voting power (or, in the case of a limited partnership, fifty percent (50%) or more of the general partnership interests) are, as of such date, owned by such Person or one or more Subsidiaries of such Person or by such Person and one or more Subsidiaries of such Person.

“Tax” or “Taxes” means all federal, state, local or foreign income, excise, gross receipts, ad valorem, sales, use, employment, franchise, profits, gains, property, transfer, use, payroll, intangible or other taxes, fees, stamp taxes, duties, charges, levies or assessments of any kind whatsoever (whether payable directly or by withholding) imposed by a Governmental Authority, together with any interest and any penalties, additions to tax or additional amounts imposed by any Tax authority with respect thereto.

“Tax Returns” means all returns and reports (including elections, declarations, disclosures, schedules, estimates and information returns) required to be supplied to a Tax authority relating to Taxes.

“Trade Secrets” means all proprietary information of Seller that is not generally known and is used or useful in the operation of the Station, as to which reasonable efforts have been made to prevent unauthorized disclosure, and which provides a competitive advantage to those who know or use such information.

“Trademarks” means all trade names, trademarks, service marks, trade dress, jingles, slogans, logos, other source or business identifiers, trademark and service mark registrations and trademark and service mark applications owned, used, licensed by or leased by Seller and used or useful in the operation of the Station, including those set forth on Schedule 3.06(a), and the goodwill appurtenant thereto.

“Tradeout Agreement” means any Contract, other than film and program barter agreements, pursuant to which Seller has agreed to sell or trade commercial air time or commercial production services of the Station in consideration for any property or service in lieu of or in addition to cash.

“Transfer Taxes” means all excise, sales, use, value added, registration stamp, recording, documentary, conveying, franchise, property, transfer, gains and similar Taxes, levies, charges and fees.

“Union Employees” means all Employees the terms of whose employment are governed by a Bargaining Agreement.

“Working Capital Amount” means Five Hundred Thousand Dollars (\$500,000).

Section 1.02 Cross Reference Table. The following terms defined in this Agreement in the sections set forth below shall have the respective meaning therein defined:

Accounting Firm	1.01
Accounts Receivable.....	1.01
Action.....	1.01
Active Employees	0
Affiliate	1.01
Agreement.....	Preamble
Ancillary Agreements	1.01
ASCAP.....	1.01
Assumed Contracts	II(c)
Assumed Liabilities	2.03
Balance Sheet Date	1.01
BMI.....	1.01
Business Day.....	1.01
Buyer.....	Preamble
Buyer FSA Plan	0
Buyer Indemnified Parties	12.03(a)
Buyer Prorated Amount	2.09(a)
Buyer Warranty Breach	12.02(a)(i)
Buyer's 401(k) Plan	8.02
Cap	12.02(b)
Cash and Cash Equivalents	1.01
Closing	2.08
Closing Date.....	2.08
Closing Transactions.....	2.08
Code	1.01
Collection Period	6.02(a)
Communications Act	1.01
Contracts	1.01
Control	1.01
Copyrights.....	1.01
Deductible	12.02(b)
Effective Time	1.01
Employee Plan	1.01
Employees.....	1.01
Employment Commencement Date	0
Environmental Laws	1.01
Equipment	1.01
ERISA	1.01
Escrow Agent.....	2.07
Escrow Agreement.....	2.07
Escrow Deposit	2.07
Estimated Adjustment.....	1.01
Estimated Settlement Statement	2.09(d)
Excluded Assets	2.02

Excluded Contracts	2.02(k)
Excluded Liabilities	2.04
FCC Application	7.01(b)
FCC Consent	1.01
FCC Licenses	1.01
Final Adjustment	1.01
Final Settlement Statement	2.09(h)
GAAP	1.01
Governmental Authority	1.01
Governmental Order	1.01
Hazardous Material	1.01
Inactive Employees	0
Income Taxes	1.01
Indebtedness	1.01
Indemnified Party	12.04(a)
Indemnifying Party	12.04(a)
Intangible Property	1.01
Knowledge of Seller	1.01
Law	1.01
Lien	1.01
Losses	12.02(a)
Market	1.01
Material Adverse Effect	1.01
Material Assumed Contract	3.05(a)
Material Contract	1.01
MVPDs	1.01
Net Prorated Amount	2.09(a)
Notice of Disagreement	2.09(h)
Permitted Liens	1.01
Person	1.01
Post-Closing Tax Period	1.01
Pre-Closing Tax Period	1.01
Program Rights	1.01
Program Rights Obligations	1.01
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Remitted Payments	6.02(b)
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Seller Indemnified Parties	12.02(a)
Seller Prorated Amount	2.09(a)
Seller Warranty Breach	12.03(a)(i)
SESAC	1.01
Settlement Statement	2.09(e)

Solvent	4.10
Specified Payment	6.02(a)
Specified Payments	6.02(a)
Station Assets	0
Subsidiary	1.01
Tax	1.01
Tax Returns	1.01
Taxes	1.01
Termination Date	11.01(b)(i)
Trade Secrets	1.01
Trademarks	1.01
Tradeout Agreement	1.01
Transfer Taxes	1.01
Transferred Employees	0
Unaudited Interim Financial Statements	3.08(a)
WARN Act	8.09
Working Capital Amount	2.09(a)

Section 1.03 Terms Generally. (a) Words in the singular shall be held to include the plural and vice versa and words of one gender shall be held to include the other gender as the context requires, (b) the terms “hereof,” “herein,” and “herewith” and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole (including the Schedules and exhibits hereto) and not to any particular provision of this Agreement unless the context expressly conveys otherwise, (c) the word “including” and words of similar import when used in this Agreement means “including, without limitation,” unless otherwise specified, and (d) the conjunctive shall include the disjunctive and vice versa.

ARTICLE II

PURCHASE AND SALE

Section 2.01 Purchase and Sale. Pursuant to the terms and subject to the conditions of this Agreement, Buyer agrees to purchase from Seller and Seller agrees to sell, convey, transfer, assign and deliver, or cause to be sold, conveyed, transferred, assigned and delivered, to Buyer at the Closing, free of all Liens other than Permitted Liens, all of Seller’s right, title and interest in, to and under all of its assets, Contracts, and properties, whether tangible or intangible, other than the Excluded Assets, in each case as and to the extent located at the Station or used, or held for use by Seller, in the operation of the Station, including the following assets, as the same shall exist on the date of this Agreement and not disposed of in accordance with Section 5.01, and all similar assets located at the Station, or used or useful in the operation of the Station and acquired by Seller between the date hereof and the Closing (collectively, the “Station Assets”):

- (a) All Owned Real Property, Leases and Real Property Leases;
- (b) all Equipment;
- (c) all rights under all Contracts used or useful in the operation of the Station to which Seller is a party that (i) are listed on Schedule 3.05(a) or Schedule 3.13(a), (ii) are not

required by the terms thereof to be listed on Schedule 3.05(a) but are used or held for use in connection with the operation of the Station, (iii) may result from the television broadcasting industry-wide negotiations with SESAC, ASCAP and BMI, (iv) are referenced in other subsections to this Section 2.01 or the corresponding Section in the Schedules, or (v) are entered into after the date hereof by Seller pursuant to the terms and subject to the conditions of Section 5.01 (collectively, the “Assumed Contracts”) with the understanding that Assumed Contracts shall in no event include Excluded Contracts;

(d) all prepaid expenses and deposits (other than prepaid Income Taxes) (if and to the extent that Seller receives an appropriate credit in the Buyer Prorated Amount);

(e) all of Seller’s rights, claims, credits, causes of action or rights of set-off against third parties relating to the Station 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;

(f) all Intangible Property, including all related income, royalties, damages and payments due as of the date of this Agreement or any time thereafter in perpetuity, regardless of whether such income, royalties, damages or payments relate to the time period prior to the date of this Agreement;

(g) all Internet web sites and related agreements, content and databases and domain name registrations used or useful in the operation of the Station, as set forth on Schedule 2.01(g);

(h) the FCC Licenses, along with all transferable municipal, state and federal franchises, licenses, permits, franchises, certificates, approvals and other authorizations issued by any Governmental Authority other than the FCC (collectively, the “Permits”) used or useful in the operation of the Station;

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

(j) to the extent relating to the operation of the Station, all information and data, 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 (including, without limitation, all electronic data relating to the Station, including current and historical electronic data relating to the Station’s traffic and historical financial information wherever that information is located);

(k) to the extent relating to the operation of the Station, all management and other systems (including computers and peripheral equipment), databases, computer software, computer disks and similar assets, and all licenses and rights in relation thereto;

(l) the entertainment package set forth in Schedule 2.01(l) (the “Entertainment Package”). and

(m) all other items listed on Schedule 2.01(m).

Section 2.02 Excluded Assets. The following assets and properties of Seller (the “Excluded Assets”) shall not be acquired by Buyer and are excluded from the Station Assets:

(a) all of Seller’s Cash and Cash Equivalents;

(b) all bank and other depository accounts of Seller;

(c) insurance policies relating to the Station, and all claims, credits, causes of Action or rights, including rights to insurance proceeds, thereunder;

(d) all interest in and to refunds of Taxes relating to Pre-Closing Tax Periods or the other Excluded Assets;

(e) any cause of action or claim relating to any event or occurrence prior to the Effective Time (other than as specified in Schedule 2.02(e));

(f) all Accounts Receivable;

(g) intercompany accounts receivable and intercompany accounts payable of Seller;

(h) all (i) books, records, files and papers, whether in hard copy or computer format, relating to the preparation of this Agreement or the transactions contemplated hereby, (ii) all minute books and company records of Seller and its Affiliates and (iii) duplicate copies of records of the Station;

(i) all rights of Seller arising under this Agreement, the Ancillary Agreements or the transactions contemplated hereby and thereby;

(j) any Station Asset sold or otherwise disposed of prior to Closing as permitted hereunder;

(k) Contracts that are not Assumed Contracts and Contracts identified on Schedule 2.02(k) (collectively, the “Excluded Contracts”);

(l) other than as specifically set forth in Article VIII, any Employee Plan and any assets of any Employee Plan sponsored by Seller or any of its Affiliates including any amounts due to such Employee Plan from Seller or any of its Affiliates;

(m) all Tax records, other than real and personal property and sales and use Tax records;

(n) all real and personal, tangible and intangible assets of Seller and its Affiliates that are neither located at nor used or held for use in the operation of the Station, including those material items of that are listed on Schedule 2.02(n);

(o) all of Seller's rights, title and interest in and to (i) Seller's name, service names and trade names, (ii) all URLs and internet domain names consisting of or containing any of the foregoing; and (iii) any variations or derivations of, or marks confusingly similar to, any of the foregoing; and

(p) all capital stock or other equity securities of Seller or Subsidiaries of Seller or its Affiliates and all other equity interests in any entity that are owned beneficially or of record by Seller or its Affiliates.

Section 2.03 Assumed Liabilities. Upon the terms and subject to the conditions of this Agreement, at the Effective Time, Buyer will assume, pay and perform only the following liabilities of Seller (the "Assumed Liabilities"):

(a) the liabilities and obligations arising with respect to the operation of the Station, including the owning or holding of the Station 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); and

(b) any liability or obligation to the extent of the amount of credit received by Buyer under Section 2.09(a); and

(c) all liabilities with respect to Transferred Employees and Employee Plans expressly assumed under Article VIII.

Section 2.04 Excluded Liabilities. Notwithstanding any provision in this Agreement to the contrary, Buyer shall assume only the Assumed Liabilities and shall not assume any other liability or obligation of Seller or any of its Affiliates of whatever nature, whether presently in existence or arising hereafter. All such other liabilities and obligations shall be retained by and remain obligations and liabilities of Seller (all such liabilities and obligations not being assumed being herein referred to as the "Excluded Liabilities"), and, notwithstanding anything to the contrary in Section 2.03, none of the following shall be Assumed Liabilities for the purposes of this Agreement:

(a) any liability or obligation under or with respect to any Assumed Contract, Permit, Governmental Order, or Real Property Lease relating to the period prior to the Effective Time or required by the terms thereof to be discharged prior to the Effective Time or as set forth on Schedule 2.04(a);

(b) any liability or obligation for which Seller has already received or will receive the partial or full benefit of the Station Asset to which such liability or obligation relates, but only to the extent of such benefit received;

(c) the liability related to the Indebtedness, including, without limitation, as set forth on Schedule 2.04(c);

(d) any liability or obligation relating to or arising out of any of the Excluded Assets or any Employee Plan (other than an Employee Plan included as a Station Asset pursuant to Section 2.01(l));

(e) any Tax liability or obligation (except as expressly provided in Section 2.09(b) or Section 9.02) related to Pre-Closing Tax Periods;

(f) any liability to indemnify, reimburse or advance amounts to any officer, member, Employee or agent of Seller, or any direct or indirect Subsidiary thereof, other than any liability to any Transferred Employee incurred on or after the applicable Employment Commencement Date;

(g) the liabilities and obligations arising or with respect to the operation of the Station, including the owning or holding of the Station Assets, prior to the Effective Time;

(h) any liability of Seller under this Agreement or any document executed in connection therewith, including the Ancillary Agreements; and

(i) any liability or obligation relating to or arising out of any stay-bonus, severance payments or similar payments made or owed to any Employee prior to Closing or related to or arising out of the transactions contemplated hereby.

Section 2.05 Assignment of Contracts and Rights.

(a) Anything in this Agreement to the contrary notwithstanding, this Agreement shall not constitute an agreement to assign any Station Asset or any claim or right or any benefit arising thereunder or resulting therefrom if such assignment, without the consent of a third party thereto, would constitute a breach or other contravention of such Station Asset or in any way adversely affect the rights of Buyer or Seller thereunder. Seller and Buyer shall use their commercially reasonable efforts to obtain such consents after the execution of this Agreement until each such consent is obtained. If any such consent is not obtained prior to the Closing Date, Seller and Buyer shall use their commercially reasonable efforts to obtain such consent as soon as possible after the Closing Date.

(b) Seller and Buyer will cooperate in a mutually-agreeable arrangement under which Buyer will obtain the benefits and assume the obligations thereunder in accordance with this Agreement, including sub-contracting, sub-licensing, occupancy and use agreements or sub-leasing to Buyer and enforcement by Seller for the benefit of Buyer of any and all rights of such Seller against a third party thereto. Notwithstanding the foregoing, neither Seller, Buyer nor any of their respective Affiliates shall be required to pay consideration to any third party to obtain any consent.

Section 2.06 Purchase Price. In consideration for the sale of the Station Assets, Buyer shall, at the Closing, in addition to assuming the Assumed Liabilities, pay to Seller the sum of Six Million Five Hundred Thousand Dollars (\$6,500,000), which includes a transfer of all rights to the Escrow Deposit (the "Purchase Price"), by wire transfer of immediately available federal funds (other than the Escrow Deposit, which will be held under the Indemnity Escrow Agreement) pursuant to wire instructions that Seller shall provide to Buyer.

Section 2.07 Escrows.

(a) Within three business days of execution of this Agreement, Buyer shall deliver to US Bank (the “Escrow Agent”), the amount equal to ten percent (10%) of the Purchase Price to be held as an earnest money deposit (“Escrow Deposit”) pursuant to an Escrow Agreement of even date herewith (the “Escrow Agreement”). The Escrow Deposit (less any interest earned thereon prior to Closing or termination of this Agreement, which shall be paid to Buyer) shall be credited to Seller 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 11.03(b) and Section 11.03(c) hereof.

(b) At the Closing, the parties shall execute an agreement (the “Indemnity Escrow Agreement”) in the form attached hereto as Exhibit A-1 to govern Seller’s payment of indemnification claims to Buyer pursuant to Article XII hereof, and the Escrow Deposit shall be retained by the Escrow Agent under the terms of this Agreement and the Indemnity Escrow Agreement as the “Indemnity Escrow Deposit” and shall be available to satisfy Seller’s indemnification obligations pursuant to Article XII hereof for a period of twelve (12) months following the Closing Date, except to the extent earlier released to Seller as provided herein or to the Buyer Indemnified Parties to satisfy any indemnity obligations of Seller to the Buyer Indemnified Parties under this Agreement. Notwithstanding the foregoing, the Indemnity Escrow Agreement shall provide that (i) on and as of the date that is eight (8) months following the Closing Date, the Escrow Agent shall release to Seller from the Indemnity Escrow Fund an amount equal to five percent (5%) of the Purchase Price less the amount of any claims by the Buyer Indemnified Parties for indemnification under this Agreement outstanding and unpaid as of such date and (ii) on and as of the date that is twelve (12) months following the Closing Date, the Escrow Agent shall release to Seller the amount equal to the amount of funds then held by the Escrow Agent as the Indemnity Escrow Deposit (together with interest earned thereon) less the amount of any claims by the Buyer Indemnified Parties for indemnification under this Agreement outstanding and unpaid as of such date, if any

(c) Seller and Buyer shall each instruct the Escrow Agent to disburse the Escrow Deposit and the Indemnity Escrow Deposit, as applicable, and all interest thereon, in accordance with the terms of this Agreement, the Escrow Agreement and the Indemnity Escrow Agreement and shall not, by any act or omission, delay or prevent any such disbursement.

Section 2.08 Closing. The consummation of the transactions contemplated by this Agreement (the “Closing”) shall take place at the offices of Thomas & Libowitz, 100 Light St Baltimore, MD 21202 on the fifth (5th) Business Day following full satisfaction or waiver of all of the Closing conditions set forth in Article X hereof (other than those required to be satisfied at the Closing) or on such other date or at such other location as is mutually agreeable to Buyer and Seller. The date and time of the Closing are herein referred to as the “Closing Date.” Subject to the terms and conditions set forth in this Agreement, the parties hereto shall consummate the following “Closing Transactions” at the Closing:

(a) Buyer shall deliver to Seller:

(i) the certificate described in Section 10.02(a);

- (ii) the documents described in Section 10.02(d); and
 - (iii) the Purchase Price in accordance with Section 2.06 by wire transfer of immediately available federal funds (and delivery of the Escrow Deposit under the Indemnity Escrow Agreement); and
 - (iv) such other documents and instruments as Seller has determined to be reasonably necessary to sell the Station Assets and for the Buyer to assume the Assumed Liabilities.
- (b) Seller shall deliver, or cause to be delivered, to Buyer:
- (i) the certificate described in Section 10.03(a);
 - (ii) the documents described in Section 10.03(d);
 - (iii) a duly executed Bill of Sale, substantially in the form of Exhibit A-2 annexed hereto;
 - (iv) a duly executed special warranty deed for each Owned Real Property (without any exceptions noted thereon) from Company ;
 - (v) such other documents and instruments as Buyer has determined to be reasonably necessary for it acquire the Station Assets and assume the Assumed Liabilities.
- (c) Seller and Buyer shall execute and deliver to each other:
- (i) a duly executed Assignment and Assumption of FCC Licenses, substantially in the form of Exhibit A-3 annexed hereto;
 - (ii) a duly executed Assignment and Assumption of Intangible Property, substantially in the form of Exhibit A-4 annexed hereto, if any owned and registered Intangible Property is included in the Station Assets;
 - (iii) a duly executed Assignment and Assumption Agreement, substantially in the form of Exhibit A-5 annexed hereto;
 - (iv) a duly executed Assignment and Assumption Agreement for the Real Property Leases, substantially in the form of Exhibit A-6 annexed hereto, or, in the event that necessary consents to assignment have not been obtained prior to the Closing, appropriate subleases, occupancy or use agreements pursuant to Section 2.05 hereof; and
 - (v) such other documents as set forth in Section 10.02 and Section 10.03.

Section 2.09 General Proration.

- (a) All Station Assets that would be classified as current assets in accordance with GAAP, and all Assumed Liabilities that would be classified as current liabilities in

accordance with GAAP, shall be prorated between Buyer and Seller as of the Effective Time, including by taking into account the elapsed time or consumption of an asset during the month in which the Effective Time occurs (respectively, the “Prorated Station Assets” and the “Prorated Assumed Liabilities”). Such Prorated Station Assets and Prorated Assumed Liabilities relating to the period prior to the Effective Time shall be for the account of Seller and those relating to the period on and after the Effective Time for the account of Buyer and shall be prorated accordingly. In accordance with this Section 2.09, (i) the “Buyer Prorated Amount” will be equal to the amount of any Prorated Station Assets previously paid for by Seller, to the extent Buyer will receive a current benefit on and after the Effective Time, provided that such amount should not have been recognized as an expense in accordance with GAAP prior to the Effective Time and (ii) the “Seller Prorated Amount” will be equal to the amount of any Prorated Assumed Liabilities to the extent they arise with respect to the operation of the Station prior to the Effective Time and are not assumed or paid for by Seller. The “Net Prorated Amount” (which may be a positive or negative number) will be equal to the amount determined by subtracting the Seller Prorated Amount from the Buyer Prorated Amount. If the Net Prorated Amount is less than Five Hundred Thousand Dollars (\$500,000) (the “Working Capital Amount”), the difference between the Working Capital Amount and the Net Prorated Amount shall be paid by Seller to Buyer. If the Net Prorated Amount exceeds the Working Capital Amount, the difference between the Net Prorated Amount and the Working Capital Amount shall be paid by Buyer to Seller. Such payment by Buyer or Seller, as the case may be, shall be made within ten (10) Business Days after the Final Settlement Statement becomes final and binding upon the parties.

(b) The prorations contemplated by this section shall include all ad valorem and other property Taxes, FCC regulatory fees, utility expenses, liabilities and obligations under Contracts (including all Program Rights Agreements), rents and similar prepaid and deferred items, reimbursable expenses and all other expenses and obligations, such as deferred revenue and prepayments and sales commissions, attributable to the ownership and holding of the Station Assets or the operation of the Station that straddles the period before and after the Effective Time. Notwithstanding anything in this Section 2.09 to the contrary, except as set forth in this clause (b), with respect to Tradeout Agreements for the sale of time for goods or services assumed by Buyer, if at the Effective Time, the Station has an aggregate negative barter balance (*i.e.*, the amount by which the value of air time to be provided by the Station after the Effective Time exceeds the fair market value of corresponding goods and services to be received after such date), there shall be no proration or adjustment, unless the aggregate barter balance of the Station is negative, in which event it shall be treated as prepaid time sales of Seller, and adjusted for as a proration in Buyer’s favor. In determining barter balances, the value of air time shall be based upon Seller’s rates as of the Effective Time, and corresponding goods and services shall include those to be received by the Station after the Effective Time plus those received by the Station before the Effective Time to the extent conveyed by Seller to Buyer as part of the Station Assets. There shall be no proration under this Section 2.09 to the extent there is an aggregate positive barter balance with respect to Tradeout Agreements. There shall also be no proration under this Section 2.09 for Program Rights agreements except to the extent that any payments or performance due under such Program Rights agreements relate to (A) a payment period before the Effective Time, (B) a payment period that straddles the Effective Time, or (C) a payment period after the Effective Time relating to performance under such Program Rights agreements prior to the Effective Time. There shall be a proration in Buyer’s favor to the extent that, and equal to, the amount by which the value of the commercial spots for bonus weight advertising is

owed to advertisers as of the Effective Time. For purposes of this Section 2.09(b), commercial spots shall be valued at the Average Unit Rate realized by Seller in the applicable market for the twelve month period ended as of the most recent full calendar month prior to the Closing Date. “Average Unit Rate” is calculated as (a) the total booked net revenue for commercial spots in a period divided by (b) the total number of commercial spots booked (including in such number bonus weight advertising spots granted in connection with such booked commercial spots) by third party advertising customers in such period.

(c) Accrued vacation and sick leave for Transferred Employees that is assumed by Buyer shall be included as a credit to Buyer in the prorations.

(d) At least five (5) Business Days prior to the Closing Date, Seller shall provide Buyer with a good faith estimate of the prorations contemplated by this Section 2.09 (the “Estimated Settlement Statement”). Any payment required to be made by either party pursuant to such preliminary estimate shall be made by the appropriate party at the Closing in accordance therewith. Seller will afford Buyer reasonable access to all records and work papers used in preparing the Estimated Settlement Statement, and Buyer shall notify Seller of any good faith disagreement with such calculation within two (2) Business Days of receiving the Estimated Settlement Statement. At the Closing, (i) Buyer shall be required to pay to Seller the amount equal to the Estimated Adjustment if the Estimated Adjustment is a positive number or (ii) Seller shall be required to pay to Buyer the amount equal to the Estimated Adjustment if the Estimated Adjustment is a negative number, and in such case the Estimated Adjustment payable by Seller shall be credited against the Purchase Price on a dollar-for-dollar basis.

(e) Within ninety (90) days after the Closing Date, Buyer shall prepare and deliver to Seller a proposed proration of assets and liabilities in the manner described in this Section 2.09 (the “Settlement Statement”) setting forth the Seller Prorated Amount, the Buyer Prorated Amount and the Net Prorated Amount, together with a schedule setting forth, in reasonable detail, the components thereof.

(f) Seller shall provide reasonable access to such employees, books, records, financial statements, and its independent auditors as Buyer reasonably believes is necessary or desirable in connection with its preparation of the Settlement Statement.

(g) During the thirty (30)-day period following the receipt of the Settlement Statement, Seller and its independent auditors shall be permitted to review and make copies reasonably required of (i) the financial statements relating to the Settlement Statement, (ii) the working papers relating to the Settlement Statement, (iii) the books and records relating to the Settlement Statement, and (iv) any supporting schedules, analyses and other documentation relating to the Settlement Statement.

(h) The Settlement Statement shall become final and binding upon the parties (and thereby deemed to be the “Final Settlement Statement”) on the 45th day following delivery thereof, unless Seller gives written notice of its disagreement with the Settlement Statement (the “Notice of Disagreement”) to Buyer prior to such date. The Notice of Disagreement shall specify in reasonable detail the nature of any disagreement so asserted. If a Notice of Disagreement is given to Buyer within such 45-day period, then the Settlement Statement (as

revised in accordance with clause (i) or (ii) below) shall become the Final Settlement Statement on the earlier of (i) the date Buyer and Seller resolve in writing any differences they have with respect to the matters specified in the Notice of Disagreement or (ii) the date any disputed matters are finally resolved in writing by the Accounting Firm as provided herein.

(i) Within ten (10) Business Days after the Settlement Statement becomes the Final Settlement Statement, (i) Buyer shall be required to pay to Seller the amount, if any, by which the Final Adjustment is higher than the Estimated Adjustment or (ii) Seller shall be required to pay to Buyer the amount, if any, by which the Estimated Adjustment is higher than the Final Adjustment, as the case may be. All payments made pursuant to this Section 2.09(i) must be made via wire transfer in immediately available funds to an account designated by the recipient party, together with interest thereon at the prime rate (as reported by *The Wall Street Journal* or, if not reported therein, by another mutually-agreeable source) as in effect from time to time from the Effective Time to the date of actual payment.

(j) Notwithstanding the foregoing, in the event that Seller delivers a Notice of Disagreement, Seller or Buyer, as applicable, shall within ten (10) Business Days of the receipt of the Notice of Disagreement make payment to the other by wire transfer in immediately available funds of such undisputed amount owed by Seller or Buyer to the other, as the case may be, together with interest thereon, calculated as described above.

(k) During the thirty (30)-day period following the delivery of a Notice of Disagreement to Buyer that complies with the preceding paragraphs, Buyer and Seller shall seek in good faith to resolve in writing any differences they may have with respect to the matters specified in the Notice of Disagreement. During such period (i) Buyer and its independent auditors, at Buyer's sole cost and expense, shall be, and Seller and its independent auditors, at Seller's sole cost and expense, shall be, in each case permitted to review and make copies reasonably required of (w) the financial statements reflecting the operation of the Station, in the case of Buyer, and Buyer, in the case of Seller, relating to the Notice of Disagreement, (x) the working papers of Seller, in the case of Buyer, and Buyer, in the case of Seller, and such other party's auditors, if any, relating to the Notice of Disagreement, (y) the books and records of Seller, in the case of Buyer, and Buyer, in the case of Seller, relating to the Notice of Disagreement, and (z) any supporting schedules, analyses and documentation relating to the Notice of Disagreement; and (ii) Seller, in the case of Buyer, and Buyer, in the case of Seller, shall provide reasonable access, upon reasonable advance notice and during normal business hours, to such employees of such other party and such other party's independent auditors, as such first party reasonably believes is necessary or desirable in connection with its review of the Notice of Disagreement.

(l) If, at the end of such thirty (30)-day period, Buyer and Seller have not resolved such differences, Buyer and Seller shall submit to the Accounting Firm for review and resolution any and all matters that remain in dispute and that were properly included in the Notice of Disagreement. Within sixty (60) days after selection of the Accounting Firm, Buyer and Seller shall submit their respective positions to the Accounting Firm, in writing, together with any other materials relied upon in support of their respective positions. Buyer and Seller shall use commercially reasonable efforts to cause the Accounting Firm to render a decision resolving the matters in dispute within thirty (30) days following the submission of such

materials to the Accounting Firm, it being understood that the Accounting Firm shall only decide the specific items under dispute with respect to the calculations or methodology in determination of the Final Settlement Statement and not disputes related to other provisions of this Agreement or the interpretation of any provision of this Agreement. The determination of the Accounting Firm shall be final and binding on the parties and enforceable in any court of competent jurisdiction. Except as specified in the following sentence, the cost of any arbitration (including the fees and expenses of the Accounting Firm) pursuant to this Section 2.09 shall be borne by Buyer and Seller in inverse proportion as they may prevail on matters resolved by the Accounting Firm, which proportional allocations shall also be determined by the Accounting Firm at the time it renders its determination. The fees and expenses (if any) of Buyer's independent auditors and attorneys incurred in connection with the review of the Notice of Disagreement shall be borne by Buyer, and the fees and expenses (if any) of Seller's independent auditors and attorneys incurred in connection with their review of the Settlement Statement shall be borne by Seller.

Section 2.10 Multi-Station Contracts. In the event that one or more Other Seller Stations is party to, or has rights or obligations with respect to, an Assumed Contract (a "Multi-Station Contract"), the rights and obligations under such Multi-Station Contract that are assigned to and assumed by Buyer (and included in the Purchased Assets and Assumed Liabilities, as the case may be) shall include only those rights and obligations under such Multi-Station Contract that are applicable to the Station. The rights of each Other Seller Station with respect to such Contract and the obligations of each Other Seller Station to such Contract shall not be assigned to and assumed by Buyer (and shall be Excluded Assets and Excluded Liabilities, as applicable). For purposes of determining the scope of the rights and obligations of the Multi-Station Contracts, the rights and obligations under each Multi-Station Contract shall be equitably allocated among (1) the Station, on the one hand, and (2) the Other Seller Stations, on the other hand, in accordance with the following equitable allocation principles:

- (a) any allocation set forth in the Multi-Station Contract shall control;
- (b) if there is no allocation in the Multi-Station Contract as described in clause (a) hereof, then any reasonable allocation previously made by Seller or its Affiliates in the ordinary course of business and disclosed on Disclosure Schedule Section 2.10(b) shall control;
- (c) if there is no reasonable allocation as described in clause (b) hereof, then the quantifiable proportionate benefits and obligations to be received and performed, as the case may be, by Seller and Buyer after the Effective Time (to be determined by mutual good faith agreement of Seller and Buyer) shall control; and
- (d) if there are no quantifiable proportionate benefits and obligations as described in clause (c) hereof, then reasonable accommodation (to be determined by mutual good faith agreement of Seller and Buyer) shall control.
- (e) Subject to any applicable third-party Consents, such allocation and assignment with respect to any Multi-Station Contract shall be effectuated, at the election of Seller, by termination of such Multi-Station Contract in its entirety with respect to the Station and the execution of new contracts with respect to the Station or by an assignment to and

assumption by Buyer of the related rights and obligations under such Multi-Station Contract. The parties shall use commercially reasonable efforts to obtain any such new contracts or assignments to, and assumptions by, Buyer in accordance with this Section 2.10 and Section 2.05; provided, that, completion of documentation of any such allocation under this Section 2.10 is not a condition to Closing unless such Multi-Station Contract is listed on and disclosed on Disclosure Schedule Section 10.03(c).

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF SELLER

Except as set forth in the correspondingly numbered section of the Disclosure Schedules, Seller represents and warrants to Buyer as follows:

Section 3.01 Company Existence and Power. Seller is duly incorporated, validly existing and in good standing under the laws of the state of its organization. Seller is qualified to do business and is in good standing in each jurisdiction where such qualification is necessary, except where the failure to so qualify would not reasonably be expected to have a Material Adverse Effect. Seller has the requisite power and authority to own and hold the Station Assets and to operate the Station as currently operated.

Section 3.02 Company Authorization; Voting Requirements.

(a) The execution and delivery by Seller of this Agreement and the Ancillary Agreements (to which Seller is or will be a party), the performance by Seller of its obligations hereunder and thereunder and the consummation by Seller of the transactions contemplated hereby and thereby are within Seller's corporate powers and have been duly authorized and approved by all requisite corporate action by Seller, and no other action on the part of Seller is necessary to authorize and approve the execution, delivery and performance by Seller of this Agreement and the Ancillary Agreements (to which Seller is or will be a party) and the consummation by Seller of the transactions contemplated hereby and thereby.

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

Section 3.03 Governmental Authorization. The execution, delivery and performance by Seller of this Agreement and each Ancillary Agreement (to which Seller is or will be a party) and the consummation of the transactions contemplated hereby and thereby require no action by or in respect of, or filing with or notification to, any Governmental Authority other than compliance with the Communications Act and with the FCC Rules.

Section 3.04 Noncontravention. The execution, delivery and performance of this Agreement and each Ancillary Agreement (to which Seller is or will be a party) by Seller and the consummation of the transactions contemplated hereby and thereby do not and will not (a) violate or conflict with the articles of incorporation and bylaws of Seller currently in effect; (b) assuming compliance with the matters referred to in Section 3.03, conflict with or violate in any material respect any material Law or Governmental Order applicable to Seller or any of the Station Assets; (c) require any consent or any Person under, constitute a material default under, give to any Person any rights of termination, amendment, acceleration, cancellation of any material right or obligation of Seller under, any provision of any Assumed Contract; or (d) result in the creation or imposition of any Lien (except for Permitted Liens) on any of the Station Assets.

Section 3.05 Assumed Contracts.

(a) Schedule 3.05(a) identifies all of the following Assumed Contracts (each an “Assumed Contract”):

(i) any Assumed Contract for the sale of broadcast time for advertising or other purposes for cash that was not made in the ordinary course of business consistent with past practices;

(ii) any Assumed Contract relating to Program Rights;

(iii) any Assumed Contract involving the purchase or sale of real property that has not closed as of the date hereof;

(iv) any Assumed Contract entered into after January 1, 2015 relating to the acquisition or disposition of any material Station Asset (whether by merger, sale of stock, sale of assets or otherwise) that has not closed as of the date hereof;

(v) any Assumed Contract involving construction, architecture, engineering or other agreements relating to uncompleted construction projects, in each case that involve payments in excess of \$30,000;

(vi) any mortgage, pledge or security agreement, deed of trust or other instrument granting a Lien (other than Permitted Liens) upon any Station Asset, other than those that will be paid off at Closing;

(vii) any Assumed Contract involving a partnership, joint venture or similar agreement with another party;

(viii) any Assumed Contract (other than at will Assumed Contracts) involving compensation to any employee, independent contractor, or consultant in excess of \$30,000 per year;

(ix) any Assumed Contract involving any labor agreement or collective bargaining agreement of Seller;

(x) any Assumed Contract that contains a covenant restricting the ability of Seller to compete in any business or with any Person or in any geographic area in which the Station operates;

(xi) any Assumed Contract that is a local marketing agreement, joint sales agreement or similar agreement;

(xii) any Assumed Contract with a Governmental Authority which imposes any material obligation or restriction on Seller;

(xiii) any Assumed Contract relating to the use of the Station's digital bit stream; and

(xiv) all other Assumed Contracts (including all programming contracts) that involve the cash payment or potential cash payment, pursuant to the terms of any such Contract, by or to Seller of more than \$25,000 per year that cannot be terminated within thirty (30) days after giving notice of termination without resulting in any material cost or penalty to Seller.

(b) Schedule 3.05(a) identifies all of the following Contracts:

(i) any Contract pursuant to which any Indebtedness for borrowed money of Seller is outstanding or may be incurred or pursuant to which Seller has guaranteed any Indebtedness for borrowed money of any other Person;

(ii) any Contract with any Subsidiary, or their Affiliates, of Seller; and

(iii) any Employee Plan.

(c) To the Knowledge of Seller, neither Seller nor any other party is in material breach or default under any Assumed Contract.

(d) Each Assumed Contract is in full force and effect and constitutes a legal, valid and binding obligation of Seller and, to the Knowledge of Seller, each other party thereto (except to the extent that the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or other Laws from time to time in effect relating to creditors' rights and remedies generally and general principles of equity).

(e) Seller has Made Available to Buyer accurate and complete copies of all Assumed Contracts required to be listed on Schedule 3.05, and all amendments thereto.

Section 3.06 Intangible Property.

(a) All material owned and registered Copyrights, Trademarks and domain names used, or held for use by Seller, for the operation of the Station is listed on Schedule 3.06(a).

(b) Seller has not received any notice of any pending material claims, demands or Actions by any third party which challenges Seller's right to use any of the Intangible Property or which claims that any Intangible Property or any services provided or process used by Seller conflicts with, infringes upon, or otherwise violates the material rights of such third party.

(c) The Station Assets include all material Intangible Property, including rights in and to call letters, used in the operation of the Station, and to Seller's Knowledge no third party has materially infringed or is materially infringing on any of the Intangible Property.

(d) Seller has not received any notice that any of the Intangible Property is the subject of any Governmental Order, outstanding judicial or administrative finding, opinion or office action that restricts the use thereof by Seller or which has adjudged such Intangible Property to be invalid, unenforceable or unregistrable in whole or in part.

Section 3.07 Real Property Leases.

(a) Schedule 3.07(a)(i) describes each Real Property owned by Seller and identifies the primary use of such property and all buildings, structures, fixtures and other improvements thereon (the "Owned Real Property"). The Seller entity set forth on Disclosure Schedule Section 3.07(a)(i) has a valid fee simple title to the Owned Real Property identified therein, which constitutes each parcel of real property which is owned by the Seller and such real property, together with all buildings, structures, fixtures and other improvements thereon free and clear of all Liens other than Permitted Liens. Schedule 3.07(a)(ii) includes a list of each Real Property Lease in effect as of the date of this Agreement. Seller has a valid leasehold interest in, or a valid license to occupy, the real property conveyed by the Real Property Leases as of the date of this Agreement. The Owned Real Property and the Real Property Leases identified on Schedule 3.07(a) encompass all the real property used or held for use in the operation of the Station.

(b) Disclosure Schedule Section 3.07(b) includes a list of all the Leases, including each lease, sublease, license, or similar agreement (including any and all assignments, amendments, and other modifications of such leases, subleases, licenses and other occupancy agreements) pertaining to the use or occupancy of the Real Property in which Seller has an interest as a tenant, licensee, subtenant or sub-licensee.

(c) The Real Property provide sufficient access to the Station's facilities. Seller (i) has not received any notice of any material violation of applicable Law affecting the Owned Real Property, the Real Property Leases, the Leases or Seller's use thereof, (ii) is not in material default under any Lease or Real Property Lease, (iii) within the past five (5) years, has received no notice of material default under or termination of any Real Property Lease or Lease, and (iv) has no Knowledge of any current material default by any third party under any Real Property Lease or Lease. Seller has Made Available to Buyer true and correct copies of the Real Property Leases and Leases, together with all amendments thereto.

(d) Within the past five (5) years, Seller has not received written notice of any existing plan or study by any Governmental Authority or by any other Person that challenges or

otherwise adversely affects the continued use or operation of any Real Property, Real Property Lease or Lease and has no Knowledge of any such plan or study with respect to which it has not received written notice.

(e) All material improvements, installations, equipment and facilities utilized in connection with the operation of the Station (and included within the Station Assets), including material studios, towers and transmission equipment, are (i) located entirely on the real property conveyed by the Real Property Leases, (ii) maintained in compliance in all material respects with all applicable material Laws, Permits or other arrangements or requirements, and (iii) in normal operating condition and repair in all material respects for the uses for which they are currently employed (normal wear and tear excepted). To the Knowledge of Seller, the Owned Real Property is in material compliance with all applicable material building, zoning, subdivision, health and safety and other land use Laws, including The Americans with Disabilities Act of 1990, as amended.

(f) (i) The real property utilized in conjunction with each Real Property Lease has ingress and egress to a public street, and (ii) such access is not dependent on any real property interest which is not included in a Real Property Lease.

Section 3.08 Financial Information

(a) The reviewed unaudited balance sheet of Seller as of December 31, 2015, the related reviewed unaudited statement of operations for the 2015 fiscal year and the unaudited balance sheet as of March 31, 2016 and the related unaudited statement of operation as of March 31, 2016 for three months then ended (the “Financial Statements”), complete and correct copies of which are set forth in Schedule 3.08(a)(i), were prepared in accordance with the books and records of Seller and with GAAP, consistently applied during the applicable periods and present fairly in all material respects the financial position of Seller as of the applicable dates, and the results of operations of the Station for each of the applicable periods (except as may be indicated in the notes thereto), subject to the absence of statements of cash flows, other comprehensive income (loss), stockholders’ equity (deficiency), and footnotes, for the periods covered by the Financial Statements and subject to normal year-end reviewed unaudit adjustments relating to the Financial Statements consistent with past practices. The costs and expenses of corporate services performed by Seller, its Affiliates, and/or its Subsidiaries for the operation of the Station are set forth in Schedule 3.08(a)(ii).

(b) Seller has no liabilities that relate to the operation of the Station or to which the Station Assets would be subject which would be required to be reflected or reserved against on a balance sheet of Seller prepared in accordance with GAAP or the notes thereto, except liabilities (i) reflected or reserved against on the Financial Statements in the ordinary course of business, (ii) that are Excluded Liabilities, (iii) liabilities to be performed after the date hereof pursuant to the Material Contracts, or (iv) as contemplated by this Agreement.

Section 3.09 Absence of Certain Changes or Events.

(a) Since the Balance Sheet Date, Seller has operated the Station in the ordinary course of business consistent with past practices.

(b) Since the Balance Sheet Date through the date hereof, and except as contemplated by this Agreement, there has not been:

- (i) any Material Adverse Effect;
- (ii) any damage, destruction or loss, whether or not covered by insurance, with respect to any Station Asset having a replacement cost of more than \$50,000;
- (iii) (x) the entry into (including renewals or amendments to existing Contracts) or relinquishment of any individual Program Rights agreement with a term of one (1) year or more or that involves cash payments or cash receipts of \$25,000, or (y) the entry into (including renewals or amendments to existing Contracts) of any other agreement or commitment (other than advertising sales contracts for cash only) with a term of one (1) year or more or that involves cash payments or cash receipts of \$25,000 or more per year, in the case of clause (x) or (y), other than agreements and commitments specifically contemplated by this Agreement;
- (iv) any material change in the programming policies of the Station;
- (v) the creation or other incurrence by Seller of any Lien on any Station Asset other than Permitted Liens;
- (vi) any (x) establishment of any bonus, employment, severance, deferred compensation, retirement or other employee benefit plan (or any amendment to any such existing agreement), (y) grant of any severance or termination pay to any officer or Employee of Seller, or (z) increase or change to the rate or nature of the compensation (including wages, salaries and bonuses) payable to any Person employed by Seller, except in each case (A) as may be required by applicable Law or existing Contracts, including applicable collective bargaining agreements, and (B) in the ordinary course of business consistent with past practices;
- (vii) any labor dispute, other than routine individual grievances, or any activity or Action by a labor union or representative thereof to organize any Employees of Seller, which Employees were not subject to a collective bargaining agreement at the Balance Sheet Date, or any lockouts, strikes, concerted work stoppages or slowdowns, or threats thereof by or with respect to any Employees of Seller;
- (viii) any transfer, conveyance or termination of rights in the Owned Real Property, Leases or Real Property Leases;
- (ix) any change in any method of accounting or accounting practice by Seller except for any such change required by reason of a concurrent change in GAAP; or
- (x) any agreement or commitment to do anything set forth in this Section 3.09(b).

Section 3.10 Absence of Litigation. There is no material Action pending against or, to the Knowledge of Seller, threatened against or affecting Seller, or the Station Assets that would be reasonably expected to restrain, enjoin or otherwise prevent the consummation of the

transactions contemplated by this Agreement or the Ancillary Agreements or that would, as of the date of this Agreement, reasonably be expected to result in damages in excess of \$20,000.

Section 3.11 Compliance with Laws. To Seller's Knowledge, it is not in material violation of, and, is not under investigation with respect to and has not been threatened in writing to be charged with, any material violation of any material applicable Law or Governmental Order. Seller holds all the Permits. The Permits constitute all the licenses, franchises, permits, certificates, approvals and other authorizations from any Governmental Authority other than the FCC necessary for the lawful conduct of the operation of the Station, and all such Permits are valid and in full force and effect Seller is in material compliance with the terms of such Permits.

Section 3.12 FCC Matters; Qualifications.

(a) Schedule 3.12(a) contains a true and complete list of all the FCC Licenses, including antenna structure registrations of towers owned or held by Seller that are used or useful in the operation of the Station. Seller has Made Available true, correct and complete copies of the FCC Licenses to Buyer, including any and all amendments and modifications thereto. The FCC Licenses are validly held by Seller and are in full force and effect. The FCC Licenses have been issued for the full terms customarily issued to a broadcast television station in the state in which the Station's community of license is located, and the FCC Licenses are not subject to any condition except for those conditions appearing on the face of the FCC Licenses and conditions applicable to broadcast television licenses generally or otherwise disclosed in Schedule 3.12(a).

(b) There are no applications pending before the FCC relating to the operation of the Station.

(c) Seller has (i) operated the Station in compliance with the Communications Act, FCC Rules and the FCC Licenses in all material respects, (ii) timely filed all material registrations and reports required to have been filed with the FCC, (iii) timely paid all FCC regulatory fees due in respect to the Station, and (iv) completed the construction of all facilities or changes contemplated by any of the FCC Licenses issued to the Station or Seller. There are no applications, petitions, or other Actions pending or, to the Knowledge of Seller, threatened before the FCC relating to the Station, other than proceedings affecting broadcast television stations generally. Seller has not (x) entered into a tolling agreement or otherwise waived any statute of limitations during which the FCC may assess any forfeiture or take any other action or (y) otherwise agreed to any extension of time with respect to any FCC Action.

(d) Seller is qualified under the Communications Act and FCC Rules to assign the FCC Licenses to Buyer. To the Knowledge of Seller, there is no fact or circumstance relating to the Station or Seller or any of its Affiliates that would cause the FCC to deny the FCC Application. Seller has no reason to believe that the FCC Application will be challenged or will not be granted by the FCC in the ordinary course due to any fact or circumstance relating to Seller's operation of the Station.

Section 3.13 Cable and Satellite Matters.

(a) Schedule 3.13(a) contains a list of all retransmission consent or copyright indemnification agreements with MVPDs with more than 1,000 subscribers with respect to the

Station as of the date of this Agreement. Since January 1, 2014, no such MVPD has provided written notice to Seller of any signal quality issue or failed to respond to a request for carriage or, to the Knowledge of Seller, sought any form of relief from carriage of the Station from the FCC. Since January 1, 2015, Seller has not received any written notice of any MVPD's intention to delete the Station from carriage or to change the channel position of the Station. Seller has timely made retransmission consent elections and entered into retransmission consent agreements with respect to each MVPD in the Market. As of the Closing, Seller has properly delivered effective non-duplication letters with respect to each applicable MVPD in the Market.

(b) Schedule 3.13(b) contains a list as of the date hereof of the MVPDs that, to the Knowledge of Seller, carry the Station outside the Station's Market.

Section 3.14 Employees; Labor Matters.

(a) Seller has Made Available to Buyer a list, dated as of a date no earlier than five (5) days prior to the date of this Agreement, of all Employees, including the names, date of hire, current rate of compensation, employment status (*i.e.*, active, disabled, on authorized leave and reason therefor), department, title, whether covered by a collective bargaining agreement and whether full-time, part-time or per-diem. Such list, redacted to delete current rate of compensation and the reason for an employment status that is other than active status, is attached as Schedule 3.14(a).

(b) The Station is not subject to or bound by any labor agreement or collective bargaining agreement. To the Knowledge of Seller, there is no activity involving any Employee seeking to certify a collective bargaining unit or engaging in any other organizational activity.

(c) (i) Seller is not engaged in any unfair labor practice that would reasonably be expected to have a Material Adverse Effect; (ii) there are no labor strikes, material labor disputes, concerted work stoppages or lockouts pending or, to the Knowledge of Seller, threatened; (iii) there are no grievances, complaints or other legal proceedings pending, or to the Knowledge of Seller, threatened, against Seller in connection with the employment of its Employees, except those that would not reasonably be expected to result in a material liability; and (iv) Seller is in compliance with all applicable labor and employment Laws in connection with the employment of its Employees, except where any failure to comply would not reasonably be expected to result in a material liability.

Section 3.15 Employee Benefit Plans. With respect to Employee Plans that are applicable to any individual who is or has been employed by or provided services to the Station:

(a) Schedule 3.15(a) identifies each material Employee Plan as of the date of this Agreement.

(b) The Employee Plans are in compliance with all applicable requirements of ERISA, the Code, and other applicable Laws and have been administered in accordance with their terms and such Laws, disregarding for this purpose any failure to comply or administer that does not: (i) have a Material Adverse Effect, or (ii) impose upon Buyer any carryover or other liability with respect thereto. Each Employee Plan that is intended to be qualified within the meaning of Section 401(a) of the Code has received a favorable determination letter as to its

qualification, and nothing has occurred that could reasonably be expected to adversely affect such qualification.

(c) There is no contract, plan or arrangement (written or otherwise) covering any Employee or former Employee of the Station that, individually or collectively, could give rise to the payment of any amount that would not be deductible pursuant to the terms of Section 280G of the Code.

(d) There is no pending or, to the Knowledge of Seller, threatened Action relating to the Employee Plans (other than routine claims for benefits) that would reasonably be expected to have a Material Adverse Effect.

(e) No Employee Plan is, or has ever been, maintained or contributed to (or required to be contributed to) by Seller that is: (i) a defined benefit pension plan within the meaning of Section 414(j) of the Code, or (ii) subject to Title IV of ERISA or to the minimum funding standard within the meaning of Section 412 of the Code or Section 302 of ERISA and Seller has no liability under any such plan.

(f) With respect to each material Employee Plan, Seller has provided or Made Available to Buyer true and complete copies of the following documents: (i) the most recent Employee Plan document and all amendments thereto; (ii) the most recent summary plan description; and (iii) with respect to any Employee Plan to which Section 401(a) of the Code is applicable, the most recent determination letter issued by the IRS.

(g) The consummation of the transactions contemplated by this Agreement will not result in the acceleration of the vesting or timing of payment of any compensation or benefits payable under any Employee Plan to or in respect of any Employee of Seller.

(h) Seller maintains a group health plan under which Employees and their eligible dependents participate. No Employee Plan provides health, life or other coverage for former members, officers or Employees (or any spouse or former spouse or other dependent thereof), other than benefits required by Section 4980B of the Code, Part 6, Title I of ERISA, or similar provisions of state Law.

Section 3.16 Environmental Matters. Except as otherwise disclosed on Schedule 3.16:

(a) no citation, written notice, request for information, order, complaint or penalty has been received by Seller and to the Knowledge of Seller, no Action has been brought by any Governmental Authority alleging a material violation of, or liability under, any Environmental Laws for Releases at any Real Property owned, leased or used by Seller;

(b) Seller holds all Permits necessary for the operation of the Station to comply with applicable Environmental Laws in all material respects, and Seller is in material compliance with the terms of such Environmental Permits;

(c) Seller is in compliance with Environmental Laws in all material respects, including those relating to generation, storage, treatment, recycling, removal, cleanup, transport or disposal of Hazardous Materials;

(d) to the Knowledge of Seller, there have been no Releases of Hazardous Materials at, from, to, on or under any Real Property that give rise to an affirmative reporting or cleanup obligation under Environmental Laws; and

(e) to the Knowledge of Seller, there are no underground storage tanks at the Real Property and Seller does not utilize any underground storage tanks at the real property subject to the Real Property Leases.

Section 3.17 Equipment. Schedule 3.17(a) lists all material items of Equipment included in the Station Assets. Except as otherwise set forth in Schedule 3.17(b), all such material items of Equipment are in normal operating condition and repair in all material respects for the uses to which they are currently employed (ordinary wear and tear excepted), and to the Knowledge of Seller, are free from material defects (patent or latent) and have been maintained in accordance with normal industry practice. Seller owns or leases all Equipment included in the Station Assets free and clear of all Liens, except Permitted Liens. No Person other than Seller will, as of the Closing, have any right to use any of the Equipment or other tangible personal property included in the Station Assets, whether by lease or otherwise, other than set forth on Schedule 3.17(c).

Section 3.18 Brokers. No broker, investment banker, financial advisor or other Person is entitled to any broker's, finder's, financial advisor's or similar fee or commission, or the reimbursement of expenses in connection with the transactions contemplated hereby based upon arrangements made by or on behalf of Seller or any of its Affiliates.

Section 3.19 Taxes.

(a) Seller has filed on a timely basis all material Tax Returns (including, but not limited to, sales and use returns) in connection with any such material federal, state or local Tax required to be filed by it, all such Tax Returns are or will be, correct and complete in all material respects and prepared in substantial compliance with all applicable Laws, and Seller has or will have timely paid all such Taxes due (whether or not shown thereon) except which either (i) constitute Excluded Liabilities or (ii) are disclosed on Schedule 3.19(a). None of the Station Assets is subject to any Lien in favor of the United States pursuant to Section 6321 of the Code for nonpayment of federal Taxes, or any Tax Lien in favor of any state or municipality pursuant to any comparable provision of state or local Law, or any other U.S. federal, state or local Tax Law under which transferee liability might be imposed upon Buyer as a buyer of the Station Assets.

(b) There are no Liens against the Station Assets in respect of any Taxes, other than with respect to Taxes not yet due and payable.

(c) There is no material Action pending or, to the Knowledge of Seller, threatened by any Governmental Authority for assessment or collection of any Taxes of any nature affecting the Station Assets.

(d) None of the Station Assets has been financed with, or directly or indirectly secures, any industrial revenue bonds or debt, the interest on which is Tax exempt under Section 103(a) of the Code. None of the Station Assets consists of stock in a corporation. None

of the Station Assets is Tax-exempt use property within the meaning of Section 168(h) of the Code.

(e) Seller currently is not the beneficiary of any extension of time within which to file any material Tax Return relating to the Station Assets or the operation of the Station.

(f) There is no material dispute or claim concerning any Tax liability relating to the Station Assets or Seller's operation of the Station (i) which has been claimed or raised by any Governmental Authority in writing, or (ii) as to which Seller has Knowledge.

(g) Seller has not (i) waived any statute of limitations in respect of material Taxes relating to the Station Assets or the operation of the Station or (ii) agreed to any extension of time with respect to a material Tax assessment or deficiency which extension is currently in effect relating to the Station Assets or the operation of the Station.

Section 3.20 Station Assets. The Station Assets include all assets that are owned or leased by Seller and used or held for use in the operation of the Station in all material respects as currently operated, except for the Excluded Assets.

Section 3.21 Limitations on Representations and Warranties. Except as set forth in this Agreement and the Schedules, Seller makes no express or implied warranty of any kind whatsoever, including any representation as to physical condition or value of any of the Station, the Station Assets or the future profitability or future earnings performance of Seller or the Station. Except as set forth in this Agreement and the Schedules, Seller hereby disclaims any such other or implied representations and warranties, notwithstanding the delivery or disclosure to Buyer, its Affiliates and their respective officers, directors, employees and representatives of any documentation or other information.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller as follows:

Section 4.01 Existence and Power. Buyer is a corporation duly formed, validly existing and in good standing under the Laws of the State of Maryland and has all company powers and all governmental licenses, authorizations, permits, consents and approvals required to carry on its business as now conducted.

Section 4.02 Corporate Authorization.

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

(b) This Agreement has been, and each Ancillary Agreement (to which Buyer is or will be a party) will be, duly executed and delivered by Buyer. This Agreement (assuming due authorization, execution and delivery by Seller) constitutes, and each Ancillary Agreement (to which Buyer is or will be a party) will constitute when executed and delivered by Buyer, the legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms, except as such enforceability may be limited by 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).

Section 4.03 Governmental Authorization. The execution, delivery and performance by Buyer of this Agreement and each Ancillary Agreement and the consummation of the transactions contemplated hereby and thereby require no action by or in respect of, or filing with or notification to, any Governmental Authority other than compliance with the Communications Act and FCC Rules (including the FCC Consent requirements set forth herein).

Section 4.04 Noncontravention. The execution, delivery and performance of this Agreement by Buyer and each Ancillary Agreement to which Buyer will be a party and the consummation of the transactions contemplated hereby and thereby do not and will not (a) violate or conflict with the organizational documents of Buyer, (b) assuming compliance with the matters referred to in Section 4.03, conflict with or violate any Law or Governmental Order applicable to Buyer, (c) require any consent or other action by or notification to any Person under, constitute a default under, or give to any Person any rights of termination, amendment, acceleration or cancellation of any right or obligation of Buyer or to a loss of any benefit relating to Seller to which Buyer is entitled under, any provision of any note, bond, mortgage, indenture, contract, agreement, lease, license, permit, franchise or other agreement or instrument to which Buyer is a party or by which any of Buyer's assets is or may be bound or (d) result in the creation or imposition of any Lien (except for Permitted Liens) on any asset of Buyer, except, in the cases of clauses (b), (c) and (d), for any such violations, consents, actions, defaults, rights or losses as have not had, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on Buyer or on Buyer's ability to perform its obligations under this Agreement or the Ancillary Agreements.

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

Section 4.06 FCC Qualifications. Except as set forth in Schedule 4.06 with respect to Buyer's compliance with ownership limitations under FCC Rules, Buyer is legally, financially and otherwise qualified under the Communications Act and FCC Rules (as in effect on the date hereof) to acquire the FCC Licenses and own and operate the Station. Except as set forth on Schedule 4.06, (a) there are no facts known to Buyer that would disqualify Buyer as the assignee of the FCC Licenses or as owner and operator of the Station, (b) no waiver or exemption, whether temporary or permanent, of the Communications Act or FCC Rules is necessary for the FCC Consent to be obtained, (c) Buyer has no reason to believe that the FCC Application will be challenged or will not be granted by the FCC in the ordinary course due to any fact or

circumstance relating to Buyer or any of its Affiliates or any of their respective officers, directors, shareholders, members or partners, and (d) no waiver of or exemption, whether temporary or permanent, from any provision of the Communications Act or FCC Rules is necessary for the FCC Consent to be obtained.

Section 4.07 Brokers. There is no broker, finder, investment banker or other intermediary that has been retained by or is authorized to act on behalf of Buyer who is entitled to any fee or commission from either Buyer or any of its Affiliates upon consummation of the transactions contemplated by this Agreement and the Ancillary Agreements for which Seller could become liable.

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

Section 4.09 Projections and Other Information. Buyer acknowledges that, with respect to any projections, forecasts, business plans, budget information and similar documentation or information relating to Seller and the operation of the Station that Buyer has received from Seller or any of its Affiliates, (a) there are uncertainties inherent in attempting to make such projections, forecasts, plans and budgets, (b) Buyer is familiar with such uncertainties, (c) Buyer hereby accepts full responsibility for making its own evaluation of the adequacy and accuracy of all estimates, projections, forecasts, plans and budgets so furnished to it, and (d) Buyer does not have, and will not assert, any claim against Seller or any of its members, officers, Employees, Affiliates or Representatives, or hold Seller or any such Persons liable, with respect thereto. Buyer represents that, except as set forth in this Agreement and the Schedules, neither Seller nor any of its Affiliates nor any other Person has made any, and Buyer is not relying on any, and Buyer hereby specifically disclaims and renounces, any representation, warranty, certification or assertions, express or implied, as to the Station, the Station Assets, the accuracy or completeness of any information regarding Seller, or the transactions contemplated by this Agreement not expressly set forth in this Agreement, and neither Seller nor any of its Affiliates or any other Person will have or be subject to any liability to Buyer or any other Person resulting from the distribution to Buyer or its Representatives or Buyer's use of, any such information, including any confidential memoranda distributed on behalf of Seller relating to Seller or other publications or data room information provided to Buyer or its Representatives, or any other document or information in any form provided to Buyer or its Representatives in connection with the sale of the Station Assets and the transactions contemplated hereby. Notwithstanding anything herein to the contrary, nothing in this Section 4.09 will in any way limit Buyer's rights (including under Section 10.03(a) and Article XII) with respect to the express representations and warranties of Seller in this Agreement.

Section 4.10 Solvency. Buyer is not entering into the transactions contemplated hereby with the intent to hinder, delay or defraud either present or future creditors. Immediately after giving effect to all of the transactions contemplated hereby, including the payment of the Purchase Price and payment of all related fees and expenses, Buyer and its Affiliates will be Solvent. For purposes of this Section 4.10, the term "Solvent" with respect to any Person means

that, as of any date of determination, (a) the amount of the fair saleable value of the assets of such Person exceeds, as of such date, the value of all liabilities of such Person, including contingent and other liabilities, as of such date, as such quoted terms are generally determined in accordance with the applicable federal Laws governing determinations of the solvency of debtors, (b) such Person will not have, as of such date, an unreasonably small amount of capital for the operation of the business in which they are engaged or proposed to be engaged following such date, and (c) such Person will be able to pay its liabilities, including contingent and other liabilities, as they mature. For purposes of this definition, “not have an unreasonably small amount of capital for the operation of the business in which it is engaged or proposed to be engaged” means that the Person will be able to generate enough cash from operations, asset dispositions or refinancing, or a combination thereof, to meet their financial obligations as they become due.

ARTICLE V

COVENANTS OF SELLER

Section 5.01 Operations Pending Closing. Except (i) as contemplated or required by this Agreement, (ii) as set forth on Schedule 5.01, (iii) as required by applicable Law or by a Governmental Authority of competent jurisdiction, or (iv) with the prior written consent of Buyer, in Buyer’s sole discretion, and subject to the provisions of Section 7.04 regarding control of the Station, from and after the date of this Agreement until the Closing, Seller shall:

(a) continue to operate the Station in compliance in all material respects with the Communications Act, the FCC Licenses, FCC Rules and all applicable Laws;

(b) not cause or permit, or agree or commit to cause or permit, by act or failure to act, any of the FCC Licenses to expire or to be revoked, suspended or modified, or take or fail to take any action that would cause the FCC or any other Governmental Authority to institute any Action to suspend, revoke or modify any of the FCC Licenses listed on Schedule 3.12(a);

(c) not sell, lease, license or otherwise dispose of or encumber any Station Asset except (i) pursuant to or in accordance with existing Assumed Contracts set forth on Schedule 5.01(c) or (ii) immaterial Station Assets in the ordinary course of business consistent with past practices;

(d) except as set forth on Schedule 5.01(d), operate the Station in the ordinary course consistent with past practices (except where such conduct would conflict with the following covenants or with Seller’s other obligations under this Agreement) and use commercially reasonable efforts to preserve substantially intact the relationships of Seller with its respective customers, suppliers, licensors, licensees, distributors and others with whom Seller deals;

(e) not make any change in any method of accounting or accounting practice utilized in the preparation of the Financial Statements except for any such change required by reason of a concurrent change in GAAP;

(f) maintain the Equipment in normal operating condition in conformity in all material respects with all applicable FCC Rules, ordinary wear and tear excepted;

(g) (i) not increase the rate or nature of, or prepay, the compensation (including wages, salaries and bonuses) or severance that is paid or payable to any Employee, except (A) in the ordinary course of business consistent with past practices or pursuant to existing compensation and fringe benefit plans, Employee Plans, practices and arrangements and (B) as may be required by applicable Law or existing Contracts, including applicable collective bargaining agreements; (ii) not enter into, renew or allow the renewal of or entering into, any employment or consulting agreement or other Contract (written or oral) with respect to the performance of personal services for the Station that is not terminable at will except in the ordinary course of business consistent with past practice; and (iii) not agree or commit to do any of the foregoing;

(h) except as set forth on Schedule 5.01(h), not enter into, or become obligated under, any Contract except for: (x) any individual Program Rights Contract with a term of one (1) year or less or that involve cash payments or cash receipts of \$20,000 or less with the understanding that Seller shall not, in any event, enter into Program Rights Contracts that in the aggregate involve cash payments or cash receipts of \$5,000 or more; and (y) any other Contract (other than advertising sales Contracts for cash only) with a term of one (1) year or less or that involve cash payments or cash receipts of \$20,000 or less per year, with the understanding that Seller shall not, in any event, enter into such other Contracts that in the aggregate involve cash payments or cash receipts of \$20,000 or more; and (z) any exercise of a renewal option under a Real Property Lease that would otherwise terminate or expire, or where the deadline to exercise such renewal option would lapse, within one (1) year of the anticipated Closing Date;

(i) (i) not enter into or agree or commit to enter into any new Tradeout Agreement relating to the Station with a value in excess of \$5,000, or \$10,000 in the aggregate prior to Closing that will not be fully performed prior to the Closing, and (ii) not make any guarantee of commercial ratings other than in the ordinary course of business consistent with past practice;

(j) (i) utilize the Program Rights only in the ordinary course of business consistent with past practices and (ii) not sell or otherwise dispose of any such Program Rights;

(k) promptly notify Buyer of any attempted or actual collective bargaining organizing activity with respect to the applicable Employees;

(l) except as set forth on Disclosure Schedule Section 5.01(l), not make or agree or commit to make any capital expenditure in excess of \$10,000;

(m) keep in full force and effect insurance comparable in amount and scope of coverage to that now maintained;

(n) except as set forth on Schedule 5.01(n) or as set forth in Section 5.01(h) above, not enter into or become obligated under any new Contract which would be required to be listed on Schedule 3.05(a) by virtue of Section 3.05(a) hereof or amend, modify, terminate or

waive any material right under any Assumed Contract (including any Real Property Lease or employment Contract), other than as expressly permitted hereunder;

(o) not extend credit to advertisers other than in accordance with Seller's usual and customary policy with respect to extending credit for the sale of broadcast time and collecting Accounts Receivable;

(p) promote the programming of the Station (both on-air and using third-party media) in a manner generally consistent with historical practice;

(q) not enter into any Assumed Contract with any Affiliate or Subsidiary of Seller that survives the Closing;

(r) not cause or allow any MVPD to delete the Station from carriage or to change the channel position of the Station;

(s) not enter into any new retransmission consent or copyright indemnification agreements with MVPDs; and

(t) not agree or commit, whether in writing or otherwise, to take any of the actions specified in the foregoing clauses.

Section 5.02 Access to Information.

(a) Subject to applicable Laws relating to the exchange of information, from the date hereof until the Closing Date, upon reasonable notice, Seller shall (i) give Buyer, its counsel, financial advisors, auditors and other authorized representatives (collectively, "Representatives") reasonable access during normal business hours to the Station's key Employees (including the president and chief financial officer of Seller and the general manager, sales managers, business manager and chief engineer (or person holding a similar position) of the Station), and the offices, properties, books and records of the Station, including access in connection with Buyer's performance of this Agreement and its conduct Phase I Environmental Site Assessments of the Real Property in accordance with Section 5.02(a); provided, that Buyer and its Representatives may not conduct any environmental sampling or other intrusive investigation unless permitted by Seller in its sole discretion, (ii) as promptly as practicable after the end of each month after the date of this Agreement, furnish to Buyer (A) a monthly combined balance sheet reflecting the operation of the Station (without any allocations or adjustments reflected on the balance sheets included in the Financial Statements) and the related combined statement of operations prepared by Seller in the ordinary course of business consistent with past practices, and (B) monthly profit and loss statements for the Station prepared in the ordinary course of business consistent with past practices, and (iii) instruct its key Employees, counsel and financial advisors of Seller to cooperate with Buyer in its activities and access pursuant to this Section 5.02(a); provided, that Buyer's access pursuant to clause (i) shall be with Seller's prior written consent, which consent shall not be unreasonably withheld or delayed. All such requests for access shall be directed to Seller's president or his designee. Buyer's activities and access pursuant to this Section 5.02(a) shall be conducted in such manner as not to unreasonably interfere with the operation of the Station or any of the businesses or operations of Seller or any of its Affiliates. Seller shall not be obligated to provide such access or information if Seller

determines, in its reasonable judgment, that doing so would violate applicable Law, jeopardize the protection of an attorney-client privilege or expose Seller or any of its Affiliates to liability for disclosure of personal information. Until the Closing, the information provided will be subject to Section 7.02 hereof, and, without limiting the generality of the foregoing, Buyer shall not, and shall cause its Representatives not to, use such information for any purpose unrelated to the consummation of the transactions contemplated hereby.

(b) For a period of three (3) years after the Closing Date, Seller and its Affiliates will hold, and will use their commercially reasonable efforts to cause their respective officers, members, Employees, and Representatives to hold, in confidence, unless compelled to disclose by judicial or administrative process or by other requirements of applicable Law, all confidential documents and information concerning the Station.

(c) On and after the Closing Date, Seller will promptly provide Buyer and its Representatives reasonable access to its books of account, financial and other records (including accountant's work papers), information, Employees and auditors to the extent necessary for Buyer in connection with any audit, investigation, dispute or litigation or any other reasonable business purpose relating to the Station; provided, that any such access by Buyer shall not unreasonably interfere with the conduct of the businesses or operations of Seller or any of its Affiliates.

(d) After the Closing, Buyer shall cooperate with Seller in the investigation, defense or prosecution of any Action which is pending or threatened against Seller or its Affiliates with respect to the Station or Seller, whether or not any party has notified the other of a claim for indemnification with respect to such matter. Without limiting the generality of the foregoing, Buyer shall make available its employees to give depositions or testimony and shall preserve and furnish all documentary or other evidence that Seller may reasonably request.

Section 5.03 Title Commitments, Surveys. Seller shall deliver to Buyer, at Seller's expense, within sixty (60) days of the date of this Agreement, title commitments for owner's and lender's title insurance policies on the Owned Real Property and all Real Property that is leased pursuant to a Real Property Lease sufficient in form to allow Buyer to obtain, at Buyer's sole cost and expense, a standard form of, (a) owner's and lender's title insurance policies on the Owned Real Property and lessee's and lender's title insurance policies for all Real Property that is leased pursuant to a Real Property Lease (collectively the "Title Commitments"), and (b) an ALTA survey on each parcel of Real Property (the "Surveys"). The Title Commitments will evidence a commitment to issue an ALTA title insurance policy insuring good, marketable and indefeasible fee simple (or leasehold, if applicable) title to each parcel of the Real Property contemplated above for such amount as Buyer directs. Seller shall reasonably cooperate with Buyer in obtaining such Title Commitments and Surveys. If the Title Commitments or Surveys reveal any Lien on the title other than Assumed Liabilities or Permitted Liens, Buyer shall notify Seller in writing of such objectionable matter as soon as Buyer becomes aware that such matter is not an Assumed Liability or Permitted Lien, and Seller agrees to use commercially reasonable efforts that are necessary to remove such objectionable matter as required pursuant to the terms of this Agreement. Seller shall deliver to Buyer customary estoppel certificates reasonably acceptable to Buyer from lessors under the Real Property Leases.

Section 5.04 [Intentionally Omitted]

Section 5.05 Risk of Loss. Seller shall bear the risk of casualty loss or damage to any of the Station Assets prior to the Effective Time, and Buyer shall bear such risk on and after the Effective Time. In the event of any casualty loss or damage to the Station Assets prior to the Effective Time, Seller shall use commercially reasonable efforts to repair or replace (as appropriate under the circumstances) any lost or damaged Station Asset (the “Damaged Asset”) unless such Damaged Asset was obsolete and unnecessary for the continued operation of the Station consistent with Seller’s past practice. If Seller is unable to repair or replace a Damaged Asset by the Effective Time, Seller shall credit Buyer at Closing for all reasonable out-of-pocket costs necessary to repair or replace such Damaged Assets (as mutually agreed to in good faith by Buyer and Seller) and assign to Buyer the applicable portion of any insurance proceeds not previously expended by Seller to repair or replace the Damaged Asset; provided, that if the parties are unable to agree in good faith prior to Closing on the amount necessary to restore such Damaged Asset to its condition prior to such loss or damage, Seller shall promptly reimburse Buyer after Closing for all reasonable out-of-pocket costs incurred by Buyer in repairing or replacing such Damaged Asset, and such payments shall not be subject to Deductible or the Cap (as such terms are hereinafter defined).

Section 5.06 No Negotiation. Until such time as this Agreement shall be terminated pursuant to Section 11.01, Seller, its Affiliates, and their respective members, officers, investment bankers and agents shall cease any discussions or negotiations with, and shall not, directly or indirectly, solicit, initiate, encourage or entertain any inquiries or proposals from, discuss or negotiate with, provide any nonpublic information to or consider the merits of any inquiries or proposals from any Person (other than Buyer) relating to the sale of all or substantially all of Station Assets (whether by sale of assets, equity, or otherwise); provided, that if Buyer and Seller jointly determine that the FCC Consent is not likely to be obtained by the Outside Date identified in Section 11.01(b)(i) because of circumstances that do not involve a breach by either party of any representation, warranty, covenant, or other obligation under this Agreement, the parties shall execute a document suspending the applicability of this section. Seller shall notify Buyer of any such inquiry or proposal referenced herein within one (1) Business Day of receipt or Seller’s Knowledge of the same.

Section 5.07 No-Hire. During the period beginning on the date hereof and ending on the first (1st) anniversary of the Closing Date, Seller, and its Affiliates nor any entity owned, controlled or managed by Larry Miller will not, directly or indirectly, solicit to employ or hire any Employee who is contemplated to be or is a Transferred Employee, unless Buyer first terminates the employment of such employee, such employee voluntarily terminates without inducement by Seller or its Affiliates, or Buyer gives its written consent to such employment or offer of employment.

Section 5.08 Interim Reports. Within thirty (30) days after the end of each calendar month during the period from the Balance Sheet Date through the Closing, Seller shall provide to Buyer the unaudited balance sheet for the Station as of the end of such month and the related combined unaudited statement of operations for such month ended for the Station. Such reports shall be prepared on the same basis as the Financial Statements. Seller shall also provide to

Buyer weekly pacing reports for each of the Station promptly following the end of each week during the period from the date hereof through the Closing.

Section 5.09 Non-Duplication Letters. Seller shall deliver to Buyer at Closing copies of properly delivered and effective non-duplication letters delivered to each MVPD with more than 1,500 subscribers in the Market and proof of receipt by each such MVPD.

ARTICLE VI

COVENANTS OF BUYER

Section 6.01 Access to Information. After the Closing Date, upon reasonable notice, Buyer will promptly provide Seller and its agents reasonable access to its properties, books, records, employees and auditors, at the sole cost and expense of Seller, solely to the extent necessary to permit Seller to determine any matter relating to its rights and obligations (or those of its Affiliates) hereunder or to any period ending on or before the Closing Date; provided, that Seller will hold, and will cause its agents to hold, in confidence, all confidential or proprietary information to which it has had access to pursuant to this Section 6.01; provided further, that such access shall not unreasonably interfere with Buyer's business or operations.

Section 6.02 Accounts Receivable.

(a) Seller shall deliver to Buyer, on or promptly after the Closing Date, a statement of the Accounts Receivable. Buyer shall use commercially reasonable efforts (without receipt of any additional consideration from Seller) to collect the Accounts Receivable during the period (the "Collection Period") beginning on the Closing Date and ending on the 90th day thereafter, in the same manner that Buyer uses to collect its own accounts receivable; provided, that Buyer shall be not commence any Action to effect collection or employ any collection agency, legal counsel, or other third party, or take any other extraordinary means of collections or pay any expenses to third parties to collect the Accounts Receivable without obtaining the written authorization of Seller, and, even if Seller provides such written authorization, Buyer shall have no obligation to commence any such Action. Buyer shall send all payments received on the Accounts Receivable to Seller by check or, at Buyer's election, deposit such payments by wire transfer of immediately available funds into an account designated by Seller (the "Seller Account"), in either case within fifteen (15) Business Days of receipt. On the twentieth (20th) day of each calendar month during the Collection Period (and, if the Collection Period ends on a day other than the last day of a calendar month, within twenty (20) days after expiration of the Collection Period), Buyer shall furnish Seller with a list (the "Aging Report") to show the amounts received by Buyer with respect to the Accounts Receivable during the preceding calendar month (or, if the Collection Period ends on a day other than the last day of a calendar month, the month in which the Collection Period expired) and the amount remaining outstanding under each particular Account Receivable. Any payment received by Buyer during the Collection Period from a customer of the Station that was or is also a customer of Seller and that is obligated with respect to any Accounts Receivable, shall be deposited by Buyer in the Seller Account (each such payment, a "Specified Payment" and, collectively, the "Specified Payments"), unless the customer disputes such Accounts Receivable in writing. If during the Collection Period a dispute arises with regard to an account included among the Accounts Receivable, Buyer shall promptly advise Seller thereof and shall return that account to Seller.

Any payments that are made directly to Seller during the Collection Period relating to the Accounts Receivable shall be retained by Seller. Buyer shall not discount, adjust or otherwise compromise any Accounts Receivable; provided, that if any Transferred Employee is due a commission for such collected payments due to a pre-Effective Time sale order, then Buyer shall have the right to use that collected payment to pay the owed commissions to such Transferred Employees and then remit the remainder of the collected Accounts Receivable to Seller (with documentation reflecting the payment of commissions to such Transferred Employees).

(b) Each Specified Payment received by Seller from Buyer pursuant to Section 6.02(a) that is not specifically designated in writing as a payment of a particular invoice or invoices shall be applied by Seller to the Accounts Receivable for such customer outstanding for the longest amount of time until paid in full, and any portion of each such Specified Payment that remains (each such portion, a “Remitted Payment,” and, collectively, the “Remitted Payments”) shall be promptly remitted by Seller to Buyer.

(c) Seller shall send all Remitted Payments by check, or at Seller’s election, shall deposit all Remitted Payments (without offset) into an account identified by Buyer in immediately available funds by wire transfer within fifteen (15) Business Day following the receipt by Seller thereof. On the twentieth day of each calendar month during the Collection Period (and, if the Collection Period ends on a day other than the last day of a calendar month, within twenty (20) days after expiration of the Collection Period), Seller shall furnish Buyer with a list of the amounts received directly by Seller with respect to the Accounts Receivable during the preceding calendar month (or, if the Collection Period ends on a day other than the last day of a calendar month, the month in which the Collection Period expired), and Buyer shall use that information in the submission of the Aging Reports to be supplied to Seller pursuant to subsection (a) of this Section.

(d) Buyer and Seller shall each be entitled during the sixty (60)-day period following expiration of the Collection Period to inspect and audit the records maintained by the other party pursuant to this Section 6.02, upon reasonable advance notice and during normal business hours.

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

(f) Buyer acknowledges that Seller may maintain all established cash management lockbox arrangements in place at the Effective Time for remittance until such time as Seller deems it appropriate to close such lockboxes. The Aging Reports submitted by Buyer to Seller under subsection (a) of this Section will reflect all Seller lockbox receipts, and Seller will cooperate with Buyer to keep the Aging Reports current.

(g) Seller shall promptly pay over to Buyer any monies received by Seller through its lockbox that are intended as a payment on Buyer's receivables.

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

(i) All amounts received by Seller (other than amounts representing Remitted Payments) pursuant to this Section 6.02 shall not be required to be refunded or repaid by Seller for any circumstance

Section 6.03 Termination of Rights to the Names and Marks. As soon as practicable after the Closing Date (and in any event within ninety (90) days thereafter), Buyer shall, and shall cause each of its Affiliates, to cease and discontinue all uses of, and delete or remove from all products, signage, vehicles, properties, technical information and promotional materials, the names and marks set forth on Schedule 6.03.

Section 6.04 Insurance Policies. All of the insurance policies with respect to the Station shall be cancelled by Seller promptly following the Closing Date, and any refunded premiums shall be retained by Seller. Buyer will be solely responsible for acquiring and placing its casualty insurance, business interruption insurance, liability insurance and other insurance policies for the Station, including the Station Assets and Assumed Liabilities, for periods on and after the Effective Time.

ARTICLE VII **JOINT COVENANTS**

Section 7.01 Commercially Reasonable Efforts; Further Assurances.

(a) Subject to the terms and conditions of this Agreement, Buyer and Seller will each use commercially reasonable efforts to take, or cause to be taken, all actions, and do, or cause to be done, all efforts reasonably necessary or desirable under applicable Law to consummate the transactions contemplated by this Agreement; provided, that notwithstanding the foregoing or any other provisions in this Agreement, neither Buyer nor any of its Affiliates will be required to commence, join, initiate or otherwise prosecute any Action against any lender, arranger or any other provider of financing to Buyer (individually and collectively, "Lender") for the transactions contemplated by this Agreement.

(b) In furtherance and not in limitation of Section 7.01(a), Buyer and Seller shall prepare and file with the FCC as soon as practicable but in no event later than ten (10) Business Days after the date hereof the requisite applications (collectively, the "FCC Application") and other necessary instruments or documents requesting the FCC Consent and thereupon prosecute the FCC Application with all reasonable diligence to obtain the requisite FCC Consent; provided, that, except as set forth in the following sentence, neither Buyer 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. 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. Neither Seller nor Buyer shall take any intentional action, or intentionally fail to take any action, which would reasonably be expected to materially delay the receipt of the FCC Consent. To the extent necessary, Seller shall promptly enter into a tolling agreement or other arrangement if requested by the FCC with respect to any complaints regarding the FCC Licenses, and, subject to the indemnification obligation set forth in Section 12.03(a)(iii), Buyer shall accept liability in connection with any enforcement Action by the FCC with respect to such complaints as part of such tolling or other arrangement. If the Closing shall not have occurred for any reason within the original effective period of the FCC Consent, and neither party shall have terminated this Agreement under Article XI, Buyer and Seller shall jointly request an extension of the effective period of the FCC Consent. No extension of the FCC Consent shall limit the right of either party to exercise its rights under Article XI.

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

(d) Buyer shall use its commercially reasonable best efforts to have sufficient cash, available lines of credit or other sources of immediately available funds to enable it to make the timely payment of the Purchase Price and any other amounts to be paid by it in accordance with this Agreement and the Ancillary Agreements, as the case may be, at the Closing; provided, that, notwithstanding the foregoing or any other provisions in this Agreement, neither Buyer nor any of its Affiliates will be required to commence, join, initiate or otherwise prosecute any kind of Action against any lender, arranger or any other provider of financing for the transactions contemplated by this Agreement.

Section 7.02 Confidentiality. Except as may be required by applicable Law, each party shall hold, and shall cause its officers, members, directors, employees, and Representatives who obtain such information to hold, in confidence, and not use for any purpose other than evaluating and completing the transactions contemplated by this Agreement and/or enforcing such party's rights hereunder, any confidential information of another party obtained through the investigations permitted hereunder, which for the purposes hereof shall not include any

information which (i) is or becomes generally available to the public other than as a result of disclosure by the party (and its Affiliates) which alleges the information is confidential, (ii) becomes available to a party on a non-confidential basis from a source, other than the party (and its Affiliates) which alleges the information is confidential, which has represented that such source is entitled to disclose it, or (iii) was known to a party on a non-confidential basis prior to its disclosure to such party hereunder. If this Agreement is terminated, each party shall deliver, and cause its officers, members, directors, employees, agents, and Representatives who obtain confidential information of another party pursuant to investigations permitted hereunder to deliver to such other party all such confidential information that is written (including copies or extracts thereof), whether such confidential information was obtained before or after the execution.

Section 7.03 Certain Filings; Further Actions. Seller and Buyer shall cooperate with one another (a) in determining whether any Action by or in respect of, or filing with, any Governmental Authority is required, or any Actions, consents, approvals or waivers are required to be obtained from parties to any Assumed Contracts, in connection with the consummation of the transactions contemplated by this Agreement and (b) in taking such actions or making any such filings, furnishing information required in connection therewith and seeking timely to obtain any such actions, consents, approvals or waivers; provided, that Seller and Buyer shall not be required to pay consideration to obtain any such consent, approval or waiver.

Section 7.04 Control Prior to Closing. This Agreement and, without limitation, the covenants in Article V, are not intended to and shall not be construed to transfer control of the Station or to give Buyer any right, directly or indirectly, to control, supervise or direct, or attempt to control, supervise or direct, the personnel, programming or finances, or any other matter relating to the operation of the Station prior to the Closing, and Seller shall have ultimate control and supervision of all aspects of Station operations up to the time of the Closing.

Section 7.05 Public Announcements. The parties shall agree on the terms of any press release, if any, that announces the transactions contemplated hereby and each party will obtain the other party's prior written consent before issuing any press release or making any public announcement regarding this Agreement or the transactions contemplated hereby; provided, that either party shall be permitted without the consent of the other to issue any press releases or public statements which may be required by applicable Law or any listing agreement with any national securities exchange; provided further, that prior to the issuance of such press release or public statement, the other party shall be provided notice and an opportunity to comment on such press release or public statement. Notwithstanding anything to the contrary in this Section 7.05, the parties acknowledge that this Agreement and the FCC Application will be filed with the FCC and a local public notice will be broadcast on the Station and published in a local newspaper pursuant to applicable FCC Rules.

Section 7.06 Notices of Certain Events. From the date hereof until the earlier to occur of the Closing Date and such time as this Agreement is terminated in accordance with Article XI, Seller, on the one hand, and Buyer, on the other hand, shall each promptly notify the other of:

(a) any notice or other communication from any Governmental Authority in connection with the transactions contemplated by this Agreement;

(b) in the case of Seller, (i) the occurrence or non-occurrence of any event which, to its Knowledge, has caused any representation or warranty made by it herein to be untrue or inaccurate in any material respect at any time on or after the date hereof and prior to the Closing and (ii) any material failure on the part of Seller to comply with or satisfy any covenant, condition or agreement set forth herein to be complied with or satisfied by Seller hereunder on or after the date hereof and prior to the Closing; and

(c) in the case of Buyer, (i) the occurrence or non-occurrence of any event which, to its Knowledge, has caused any representation or warranty made by it herein to be untrue or inaccurate, in any material respect at any time on or after the date hereof and prior to the Closing and (ii) any material failure on the part of Buyer to comply with or satisfy any covenant, condition or agreement set forth herein to be complied with or satisfied by Buyer hereunder on or after the date hereof and prior to the Closing.

Section 7.07 Retention of Records; Post-Closing Access to Records.

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

(b) Notwithstanding anything to the contrary contained in this Agreement, for a period of one (1) year after the Closing Date, Seller and its Affiliates shall maintain, and provide Buyer and its Representatives reasonable access to, those records of Seller and its Affiliates insofar as they relate to the Station Assets that relate to periods prior to the consummation of the Closing, during normal business hours and on at least ten (10) Business Days' prior written notice (or such shorter time period as necessitated by the urgency of the underlying facts and circumstances). If Seller or any of its Affiliates shall desire to dispose of any of such books and records prior to the expiration of such one (1)-year period in accordance with the record retention policies of Seller then in effect, Seller shall, prior to such disposal, give Buyer ten (10) Business Days' prior notice to enable Buyer, at Buyer's expense, to segregate and remove such books and records as Buyer may select, subject to destruction of correspondence and other similar documents in the ordinary course, in accordance with customary retention policies and applicable Law.

Section 7.08 Cooperation in Litigation. Buyer and Seller shall (and shall cause their respective Affiliates to) reasonably cooperate with each other at the requesting party's expense in the prosecution or defense of any Action arising from or related to the operation of the Station and involving one or more third parties. The party requesting such cooperation shall pay the reasonable out-of-pocket expenses (excluding internal costs) incurred in providing such cooperation (including reasonable legal fees and disbursements) by the party providing such

cooperation and by its Affiliates and its and their officers, members, directors, employees and agents.

Section 7.09 Transition Services. Seller will provide transition services to Buyer at no cost on such terms as expressly provided in a transition services agreement substantially in the form attached hereto as Exhibit A-7 (the “Transition Services Agreement”).

ARTICLE VIII

PENSION, EMPLOYEE AND UNION MATTERS

Section 8.01 Employment. On or before the Closing Date, Buyer may, but it is not required to offer employment as of the Closing Date to each Employee employed immediately prior to the Closing Date who is listed on Schedule 8.01, and who is not on authorized or unauthorized leave of absence, sick leave, short or long-term disability leave, military leave or layoff with recall rights (“Active Employees”). Employees who are on authorized leave of absence, sick leave, short or long-term disability leave, military leave or layoff with recall rights (collectively, “Inactive Employees”) may be offered employment by Buyer only if they return to active employment immediately following such absence and within six (6) months of the Closing Date, or such later date as required under applicable Law. For the purposes hereof, all Active Employees, or Inactive Employees who accept Buyer’s offer of employment and commence employment on the applicable Employment Commencement Date are hereinafter referred to collectively as the “Transferred Employees.” The “Employment Commencement Date” as referred to herein shall mean (i) as to those Transferred Employees who are Active Employees hired upon the Closing Date, the Closing Date, and (ii) as to those Transferred Employees who are Inactive Employees, the date on which the Transferred Employee begins employment with Buyer.

(b) If and to the extent any Seller has entered into or is bound by any Bargaining Agreements, Buyer and Seller shall cooperate fully in the assignment and assumption of such Bargaining Agreements and in any negotiations with respect thereto such that, as of the Closing Date, Buyer shall have (whether through such an assumption, negotiations or otherwise) the same rights and obligations with respect to the Union Employees who are Transferred Employees as Seller had immediately before such date.

Section 8.02 Savings Plan. Buyer shall cause a tax-qualified defined contribution plan established or designated by Buyer (a “Buyer’s 401(k) Plan”) to accept rollover contributions from the Transferred Employees of any account balances distributed to them by Seller’s 401(k) Plan. Buyer shall allow any such Transferred Employees’ outstanding plan loan to be rolled into Buyer’s 401(k) Plan. The distribution and rollover described herein shall comply with applicable Law, and each party shall make all filings and take any actions required of such party by applicable Law in connection therewith. Buyer’s 401(k) Plan shall credit Transferred Employees with service credit for eligibility and vesting purposes for service recognized for the equivalent purposes under Seller’s 401(k) Plan.

Section 8.03 Employee Welfare Plans. Seller shall retain responsibility for and continue to pay all medical, life insurance, disability and other welfare plan expenses and benefits for each Transferred Employee with respect to claims incurred under the terms of the

Employee Plans by such Employees or their covered dependents prior to the Employment Commencement Date. Expenses and benefits with respect to claims incurred by Transferred Employees or their covered dependents on or after the Employment Commencement Date shall be the responsibility of Buyer, subject to the terms and conditions of Buyer's welfare plans. With respect to any welfare benefit plans maintained by Buyer for the benefit of Transferred Employees on and after the Employment Commencement Date, to the extent permitted by applicable Law, Buyer shall (a) cause there to be waived any eligibility requirements or pre-existing condition limitations to the same extent waived generally by Buyer with respect to its employees and (b) give effect, in determining any deductible and maximum out-of-pocket limitations, amounts paid by such Transferred Employees with respect to similar plans maintained by Seller.

Section 8.04 Vacation. To the extent Buyer has received a credit in the prorations for Transferred Employees' accrued vacation, Buyer will assume all liabilities up to the amount of that credit for unpaid, accrued vacation of each Transferred Employee as of the Employment Commencement Date, giving service credit under Buyer's vacation policy for service with Seller, and shall permit Transferred Employees to use their vacation entitlement accrued as of the Closing Date in accordance with Buyer's policy for carrying over unused vacation. To the extent that, following the Closing Date, Buyer's policies do not permit a Transferred Employee to use any accrued and unused vacation for which Buyer has assumed the liabilities hereunder (other than as a result of such Transferred Employee's failure to use such vacation despite his or her eligibility to do so, without adverse consequences, under Buyer's policies), Buyer will pay such Transferred Employee for any such vacation. Service with both Seller and Buyer shall be taken into account in determining Transferred Employees' vacation entitlement under Buyer's vacation policy after the Closing Date. Notwithstanding any provision in this Agreement to the contrary, no Transferred Employee shall be entitled to receive duplicate credit for the same period of service.

Section 8.05 Sick Leave. To the extent Buyer has received a credit in the prorations for Transferred Employees' accrued sick leave, Buyer shall grant credit to such Transferred Employees (up to the amount of such prorations) for all unused sick leave accrued by Transferred Employees on the basis of their service during the current calendar year as employees of Seller in accordance with Buyer's policy on sick leave.

Section 8.06 No Further Rights. Without limiting the generality of Section 13.08, nothing in this Article VIII, express or implied, is intended to confer on any Person (including any Transferred Employees and any current or former Employees of Seller) other than the parties hereto and their respective successors and permitted assigns any rights, benefits, remedies, obligations or liabilities under or by reason of this Article VIII. Accordingly, notwithstanding anything to the contrary in this Article VIII, this Agreement is not intended to create a Contract between Buyer, Seller and any of their respective Affiliates on the one hand and any Employee of Seller on the other hand, and no Employee of Seller may rely on this Agreement as the basis for any breach of contract claim against Buyer or Seller.

Section 8.07 Flexible Spending Plan. As of the Employment Commencement Date, Seller shall transfer from the Employee Plans that are medical and dependent care account plans (each, a "Seller FSA Plan") to one or more medical and dependent care account plans established

or designated by Buyer (collectively, the “Buyer FSA Plan”) the account balances (positive or negative) of Transferred Employees, and Buyer shall be responsible for the obligations of the Seller FSA Plans to provide benefits to the Transferred Employees with respect to such transferred account balances at or after the Employment Commencement Date (whether or not such claims are incurred prior to, on or after such date). Each Transferred Employee shall be permitted to continue to have payroll deductions made as most recently elected by him or her under the applicable Seller FSA Plan. As soon as reasonably practicable following the end of the plan year for the Buyer FSA Plan, including any grace period, Buyer shall promptly reimburse Seller for benefits paid by the Seller FSA Plans to any Transferred Employee prior to the Employment Commencement Date to the extent in excess of the payroll deductions made in respect of such Transferred Employee at or prior to the Employment Commencement Date but only to the extent that such Transferred Employee continues to contribute to the Buyer FSA Plan the amount of such deficiency. This Section 8.07 shall be interpreted and administered in a manner consistent with Rev. Rul. 2002-32.

Section 8.08 Payroll Matters. Seller and Buyer shall utilize the following procedures for preparing and filing Internal Revenue Service Forms W-2 (Wage and Tax Statements), as described in Revenue Procedure 2004-53 for Transferred Employees:

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

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

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

for Buyer to make the payroll deductions and payments to the authorized payee as required by this Section 8.08(c).

Section 8.09 WARN Act. Buyer shall not take any action on or after the Effective Date that would cause any termination of employment of any Employees by Seller that occurs before the Closing to constitute a “plant closing” or “mass layoff” under the Worker Adjustment and Retraining Act of 1988, as amended (the “WARN Act”) or any similar state or local Law, or to create any liability to Seller for any employment terminations under applicable Law. The Assumed Liabilities shall include all liabilities with respect to any amounts (including any severance, fines or penalties) payable under or pursuant to the WARN Act or any similar state or local Law with respect to any Employees who do not become Transferred Employees as a result of Buyer’s failure to extend offers of employment or continued employment as required by Section 8.01 or in connection with events that occur from and after the Closing, and Buyer shall reimburse Seller for any such amounts.

ARTICLE IX **TAX MATTERS**

Section 9.01 Bulk Sales. Seller and Buyer hereby waive compliance with the provisions of any applicable bulk sales law and no representations, warranty or covenant contained in this Agreement shall be deemed to have been breached as a result of such non-compliance; provided, that subject to Section 9.02, Seller shall be liable for any liability arising from such non-compliance solely in accordance with Buyer’s right to indemnification in accordance with Article XII.

Section 9.02 Transfer Taxes. All Transfer Taxes arising out of or in connection with the transactions effected pursuant to this Agreement shall be shared equally by Seller and Buyer. The party which has the primary responsibility under applicable Law for the payment of any particular Transfer Tax, shall prepare the relevant Tax Return and notify the other party in writing of the Transfer Taxes shown on such Tax Return. Such other party shall pay the party that paid the Transfer Tax an amount equal to fifty percent (50%) of such Transfer Taxes by check or wire transfer of immediately available funds no later than the date that is the later of (i) five (5) Business Days after the date of such notice or (ii) two (2) Business Days prior to the due date for such Transfer Taxes. Seller and Buyer shall cooperate in the preparation, execution and filing of all Transfer Tax Returns and shall cooperate in seeking to secure any available exemptions from such Transfer Taxes.

Section 9.03 FIRPTA Certificate. Seller shall deliver to Buyer on the Closing Date, duly completed and executed certificates of non-foreign status pursuant to section 1.1445-2(b)(2) of the Treasury regulations sufficient to exempt Buyer from the requirements of Code Section 1445(a). The sole remedy, including for purposes of Section 10.03 and Article XI or Article XII for failure to provide any such certificate shall be to permit Buyer to make any withholdings as are required pursuant to Section 1445 of the Code.

Section 9.04 Taxpayer Identification Numbers. The taxpayer identification numbers of Buyer and Seller are set forth on Schedule 9.04.

Section 9.05 Taxes and Tax Returns. Subject to Section 2.09, Seller shall be liable for payment of and shall prepare and properly file on a timely basis true, complete and accurate Tax Returns and other documentation for any and all Income Taxes incurred with respect to the Station Assets and the operation of the Station for any Pre-Closing Tax Period. Subject to Section 2.09, Buyer shall be liable for and payment of and shall prepare and properly file on a timely basis true, complete and accurate Tax Returns and other documentation for any and all Taxes incurred with respect to the Station Assets and the operation of the Station for any Post-Closing Tax Period.

Section 9.06 Purchase Price Allocation. The parties will agree to an allocation of the applicable portions of the Purchase Price paid to Seller among the Station Assets in accordance with Section 1060 of the Code and the Treasury Regulations promulgated thereunder (and any similar provisions of state, local, or foreign Law, as appropriate) and shall use such allocation in the filing of any and all Tax Returns and other relevant documents with any other Governmental Authority. Within one hundred twenty (120) days of the Closing Date, Buyer will prepare a draft schedule documenting such allocation and provide such draft schedule to Seller. Seller shall provide Buyer with any comments on such schedule within ten (10) Business Days after the date thereof, and Buyer and Seller agree to negotiate in good faith regarding the allocation of the Purchase Price (unless Seller does not provide any comments within the time period set forth herein, in which case Buyer's proposed allocation shall be deemed final). If the parties are unable to reach agreement with respect to such allocation then the parties shall have no further obligation under this Section 9.05 and each party shall make its own determination of such allocation for financial and Tax reporting purposes.

ARTICLE X

CONDITIONS TO CLOSING

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

- (a) No provision of any applicable Law and no Governmental Order shall prohibit the consummation of the Closing.
- (b) The FCC Consent shall have been granted provided, that Buyer shall have the right, in its sole discretion, to waive the condition that the FCC Consent becomes a Final Order).

Section 10.02 Conditions to Obligations of Seller. The obligation of Seller to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or waiver, at or prior to the Closing, of each of the following further conditions:

- (a) The representations and warranties of Buyer made in this Agreement shall be true and correct, disregarding all qualifiers and exceptions relating to materiality or Material Adverse Effect, as of the date of this Agreement and (except to the extent such representations and warranties speak as of an earlier date, in which case such representations and warranties shall have been true and correct, disregarding all qualifiers and exceptions relating to materiality

or Material Adverse Effect, as of such earlier date) as of the Closing Date as though made on and as of the Closing Date except, in both cases, (i) for changes expressly contemplated by this Agreement, or (ii) where any failure to be true and correct, individually or in the aggregate, has not had, and would not reasonably be expected to have, a Material Adverse Effect on the ability of Buyer to perform its obligations under this Agreement or any Ancillary Agreement.

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

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

(d) Seller shall have received the following documents:

(i) the certificate of incorporation (or equivalent organizational document) for Buyer, certified by the Secretary of State of the applicable jurisdiction of organization;

(ii) a certificate of good standing by the Secretary of State of Buyer's jurisdiction of organization dated within ten (10) days of the Closing;

(iii) a certificate of an officer of Buyer, given by such officer on behalf of Buyer and not in such officer's individual capacity, certifying as to the bylaws (or equivalent governing document) of Buyer and as to resolutions of the board of directors (or equivalent governing body) of Buyer authorizing the execution and delivery of this Agreement and the transactions contemplated hereby and thereby.

(e) Buyer shall have tendered the Purchase Price and made, or stand ready at Closing to make, the deliveries contemplated in Section 2.08(a) and Section 2.08(c) and each Ancillary Agreement.

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

(a) The representations and warranties of Seller made in this Agreement shall be true and correct, disregarding all qualifiers and exceptions relating to materiality or Material Adverse Effect, as of the date of this Agreement and (except to the extent such representations and warranties speak as of an earlier date, in which case such representations and warranties shall have been true and correct, disregarding all qualifiers and exceptions relating to materiality or Material Adverse Effect, as of such earlier date) as of the Closing Date as though made on and as of the Closing Date, except, in both cases, (i) for changes expressly contemplated or permitted by this Agreement, or (ii) where any failure to be true and correct, individually or in the aggregate, has not had, and would not reasonably be expected to have, a Material Adverse Effect.

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

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

(d) Buyer shall have received the following documents:

(i) the articles of incorporation (or equivalent organizational document) for Seller, certified by the Utah Division of Corporations & Commercial Code;

(ii) a certificate of good standing dated within ten (10) days of the Closing by the Secretary of State (or equivalent State authority) of each jurisdiction in which Seller is incorporated or qualified to do business as to their good standing; and

(iii) a certificate of an officer of Seller, given by each such officer on behalf of such Person and not in such officer's individual capacity, certifying as to the operating agreement of such Person and as to resolutions of the board of directors (or equivalent governing body) of such Person authorizing this Agreement and the transactions contemplated hereby and thereby.

(e) Seller shall have obtained (and in the case of an affirmative consent) and delivered the consents to assignment listed on Schedule 10.03(e) along with customary estoppel certificates reasonably acceptable to Buyer from lessors under the Real Property Leases.

(f) Seller shall have delivered to Buyer (i) a pay-off letter or similar document (executed by Seller's lender) conveying the commitment of Seller's lender to the discharge of such lender's Liens on the Station Assets upon payment in full of the Indebtedness of Seller to such lender and (ii) termination statements on Form UCC-3 or other appropriate releases (with lender's signature, if required), which when filed will release any and all Liens relating to the Indebtedness of Seller upon such payment to Seller's lender, together with authority for Buyer to file such termination statements or other releases upon such payment.

(g) The FCC Consent shall have become a Final Order; provided, that Buyer shall have the right, in its sole discretion, to waive the condition that the FCC Consent becomes a Final Order).

(h) Buyer shall have received Title Commitments that comply with the requirements set forth in Section 5.03 and estoppel certificates reasonably acceptable to Buyer from lessors under any Real Property Leases.

(i) Buyer shall have received the non-duplication letters that comply with the requirements set forth in Section 5.08.

(j) Seller shall have made, or stand ready at Closing to make, the deliveries contemplated in Section 2.08(b) and Section 2.08(c) and each Ancillary Agreement.

(k) Buyer shall have obtained the assignment of Seller's equity interest in DTV Utah, LC and any necessary approval relating thereto.

ARTICLE XI

TERMINATION

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

- (a) by the mutual written consent of Seller and Buyer;
- (b) either by Seller or by Buyer:
 - (i) if the Closing shall not have occurred on or before the twelve (12) month anniversary of the date of this Agreement (the “Outside Date”) so long as the terminating party is not then in breach of any of its representations, warranties, covenants or agreements contained in this Agreement to the extent that would give the other party the right not to close pursuant to Section 10.02 or Section 10.03, as the case may be;
 - (ii) if the FCC denies the FCC Application and FCC counsel for Seller and Buyer agree that the FCC Consent is not likely to be obtained by the Outside Date; and
 - (iii) 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.
- (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 condition set forth in Section 10.02(a) 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, that Seller shall not have the right to terminate this Agreement pursuant to this Section 11.01(c) 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 Article X;
 - (ii) if all of the conditions set forth in Section 10.01 and Section 10.03 have been satisfied (other than those conditions that by their nature cannot be satisfied other than at the Closing, including the condition set forth in Section 10.03(d)) and Buyer fails to consummate the transactions contemplated by this Agreement within the earlier of (i) two (2) Business Days after the date the Closing should have occurred pursuant to Section 2.08 and (ii) the later of the date the Closing should have occurred pursuant to Section 2.08 and one (1) Business Day before the Termination Date, and Seller stood ready, willing and able to consummate the transactions contemplated by this Agreement during such period; and

(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 10.03(a) would not be satisfied, unless such breach or untruth can be cured prior to Closing and after receipt of written notice thereof, Seller proceeds in good faith to cure such breach or untruth as promptly as practicable; provided, that Buyer shall not have the right to terminate this Agreement pursuant to this Section 11.01(d) if Buyer is then in breach of any of its representations, warranties, covenants or agreements contained in this Agreement to an extent which would give Seller the right not to close pursuant to Article X; or

(ii) if all of the conditions set forth in Section 10.01 and Section 10.02 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 the earlier of (i) two (2) Business Days after the date the Closing should have occurred pursuant to Section 2.08 and (ii) the later of the date the Closing should have occurred pursuant to Section 2.08 and one (1) Business Day before the Outside Date, 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 Section 11.01 (other than pursuant to Section 11.01(a)) shall give written notice of such termination to the other party.

Section 11.02 Notice of Breach. Notwithstanding anything to the contrary in this Article, (a) neither Seller nor Buyer shall be entitled to provide notice of termination pursuant to Section 11.01(c) or 11.01(d) unless Seller or Buyer, as the case may be, has provided the other party notice of the particular breach that would warrant termination of this Agreement and thirty (30) days to cure such breach; and (b) notwithstanding anything in subsection (a) to the contrary, in no event shall Buyer have any cure period for any failure to pay the Purchase Price in accordance with Section 2.06.

Section 11.03 Effect of Termination.

(a) In the event of a termination of this Agreement pursuant to Section 11.01, this Agreement (other than Section 7.02, Article XI, Article XII, and Article XIII, which shall remain in full force and effect) shall forthwith become null and void, and neither party hereto (nor any of their respective Affiliates, members, directors, officers or employees) shall have any liability or further obligation, except as provided in Sections 11.03(b), (c) and (d) below. A termination of this Agreement shall not terminate the confidentiality rights and obligations of the parties set forth in Section 7.02 hereof.

(b) If this Agreement is terminated by Seller pursuant to Section 11.01(c)(i) or Section 11.01(c)(ii), then Seller shall be entitled to the Escrow Deposit as liquidated damages, and the parties to the Escrow Agreement shall immediately deliver joint written instructions to

the Escrow Agent directing such disbursement. If this Agreement is terminated by Buyer pursuant to Section 11.01(d)(i) or Section 11.01(d)(ii), then (i) Buyer shall be entitled to specific performance and other equitable relief pursuant to Section 13.11 and/or (ii) Buyer shall be entitled to a payment equal to ten percent of the Purchase Price (the “Default Payment”) as liquidated damages, and Seller shall, within five (5) Business Day of delivery of notice of termination of this Agreement by Buyer, pay the Default Payment to Buyer by wire transfer of immediately available federal funds pursuant to wire instructions provided by Buyer to Seller. The party entitled to damages pursuant to this Section 11.02(b) (the “Terminating Party”) shall, in addition, be entitled to prompt payment on demand from the other part of the reasonable attorneys’ fees actually incurred by the Terminating Party in enforcing its rights under this Agreement. 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. Notwithstanding any other provision of this Agreement to the contrary and except for Buyer’s right to specific performance and other equitable relief pursuant to Section 13.11, in the event that Seller terminates this Agreement pursuant to Section 11.01(c)(i) or Section 11.01(c)(ii), or the Buyer terminates this Agreement pursuant to Section 11.01(d)(i) or Section 11.01(d)(ii), the payment of the Escrow Deposit or the Default Payment, as the case may be, together with any attorneys’ fees, pursuant to this Section 11.02(b), shall be the Terminating Party’s sole and exclusive remedy for damages of any nature or kind that the Terminating Party may suffer as a result of the other party’s breach or default under this Agreement or the other party’s failure to consummate the transactions contemplated by this Agreement, which would result in the Terminating Party’s right to terminate this Agreement under Section 11.01(c) or Section 11.01(d). The parties hereto acknowledge and agree that the liquidated damages amount is reasonable in light of the substantial but indeterminate harm anticipated to be caused by material breach or default under this Agreement, the difficulty of proof of loss and damages, the inconvenience and non-feasibility of otherwise obtaining an adequate remedy, and the value of the transactions to be consummated hereunder.

(c) If this Agreement is terminated under the provisions of this Article XI for any reason other than by Seller pursuant to Section 11.01(c)(i) or (ii), Seller and Buyer shall deliver joint written instructions to the Escrow Agent directing the disbursement of the Escrow Deposit (with all interest earned thereon) to Buyer.

ARTICLE XII

SURVIVAL; INDEMNIFICATION

Section 12.01 Survival. The representations and warranties of the parties hereto contained in or made pursuant to this Agreement or in any certificate or other writing furnished pursuant hereto or in connection herewith shall survive in full force and effect until the first anniversary of the Closing Date; provided, that the representations and warranties in the first sentence of Section 3.01, the first sentence of Section 4.01, and the representations and warranties in Section 3.02, Section 3.03 and Section 4.02 shall survive in perpetuity; provided further, that the representations and warranties in Section 3.01, Section 3.04, Section 3.10, Section 3.14, Section 3.16 and Section 3.19 shall survive for the applicable statute of limitations plus sixty (60) days. The agreements to indemnify in Section 12.02 and Section 12.03 shall survive Closing in perpetuity. Except as otherwise set forth in this Section 12.01, none of the covenants and agreements shall survive the Closing except to the extent such covenants and

agreements contemplate performance after the Closing, in which case such covenants and agreements shall survive until performed. No claim may be brought under this Agreement unless written notice describing in reasonable detail the nature and basis of such claim is given on or prior to the last day of the applicable survival period. In the event such notice is given, the right to indemnification with respect thereto shall survive the applicable survival period until such claim is finally resolved and any obligations thereto are fully satisfied.

Section 12.02 Indemnification by Buyer.

(a) Subject to Section 12.01, Buyer, jointly and severally, shall indemnify against and hold harmless Seller, its Affiliates and their respective employees, officers, directors, and Representatives (collectively, the “Seller Indemnified Parties”) from, and will promptly defend any Seller Indemnified Party from and reimburse any Seller Indemnified Party for, any and all losses, damages, costs, expenses, liabilities, obligations and claims of any kind (including any Action brought by any Governmental Authority or Person and including reasonable attorneys’ fees and expenses reasonably incurred) (collectively, “Losses”), which any Seller Indemnified Party may at any time suffer or incur, or become subject to, as a result of or in connection with:

(i) Buyer’s breach of any of its representations or warranties contained in this Agreement (each such breach, a “Buyer Warranty Breach”);

(ii) any breach or nonfulfillment of any agreement, obligation, or covenant of Buyer under the terms of this Agreement;

(iii) the Assumed Liabilities (which include assumption of the Assumed Contracts); and

(iv) the ownership, business or operation of the Station after the Effective Time.

(b) Notwithstanding any other provision to the contrary, Buyer shall not be required to indemnify and hold harmless any Seller Indemnified Party pursuant to Section 12.02(a): (i) unless such Seller Indemnified Party has asserted a claim with respect to such matters within the applicable survival period set forth in Section 12.01 and (ii) only if the aggregate amount of Seller Indemnified Parties’ Losses resulting from Buyer Warranty Breaches is in excess of One Hundred Thousand Dollars (\$100,000) (the “Deductible”); provided, that the cumulative indemnification obligation of Buyer under this Section 12.02(b) shall in no event exceed ten percent (10%) of the Purchase Price (the “Cap”); provided further, that neither the Deductible nor the Cap shall apply in the case of any indemnification under clauses (ii), (iii) and (iv) of Section 12.02(a).

Section 12.03 Indemnification by Seller.

(a) Subject to Section 12.01, Seller shall indemnify against and hold harmless Buyer, its Affiliates, and each of their successors and permitted assigns, and their respective employees, officers, directors and Representatives (collectively, the “Buyer Indemnified Parties”) from, and will promptly defend any Buyer Indemnified Party from and reimburse any Buyer

Indemnified Party for, any and all Losses which such Buyer Indemnified Party may at any time suffer or incur, or become subject to, as a result of or in connection with:

(i) Seller's breach of any of the representations or warranties contained in this Agreement (each such breach, a "Seller Warranty Breach");

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

(iii) the Excluded Liabilities (including any Losses which Buyer incurs as a result of accepting liability for any Action by the FCC relating to any period prior to the Effective Time), the Excluded Assets and, subject to Section 9.02, any failure to comply with laws relating to bulk sales; and

(iv) the ownership, business or operation of the Station prior to the Effective Time.

(b) Notwithstanding any other provision to the contrary, Seller shall not be required to indemnify and hold harmless any Buyer Indemnified Party pursuant to Section 12.03(a): (i) unless such Buyer Indemnified Party has asserted a claim with respect to such matters within the applicable survival period set forth in Section 12.01 and (ii) only the aggregate amount of Buyer Indemnified Parties' Losses resulting from Seller Warranty Breaches in excess of the Deductible; provided, that the cumulative indemnification obligation of Seller under this Section 12.03(b) shall in no event exceed the Cap; provided further, that neither the Deductible nor the Cap shall apply in the case of any indemnification under clauses (ii) and (iii), and (iv) of Section 12.03(a).

Section 12.04 Notification of Claims.

(a) A party entitled to be indemnified pursuant to Section 12.02 or Section 12.03 (the "Indemnified Party") shall promptly notify the party liable for such indemnification (the "Indemnifying Party") in writing of any claim or demand that the Indemnified Party has determined has given or could give rise to a right of indemnification under this Agreement; provided, that a failure to give prompt notice or to include any specified information in any notice will not affect the rights or obligations of either party hereunder except and only to the extent that, as a result of such failure, any party that was entitled to receive such notice was damaged as a result of such failure. Subject to the Indemnifying Party's right to defend in good faith third party claims as hereinafter provided, the Indemnifying Party shall satisfy its obligations under this Article XII within thirty (30) days after the receipt of written notice thereof from the Indemnified Party.

(b) If the Indemnified Party shall notify the Indemnifying Party of any claim pursuant to Section 12.04(a), the Indemnifying Party shall have the right to employ counsel of its choosing to defend any such claim asserted by any third party against the Indemnified Party for so long as the indemnifying party shall continue in good faith to diligently defend against such claim. The Indemnified Party shall have the right to participate in the defense of any such claim at its own expense. The Indemnifying Party shall notify the Indemnified Party in writing, as promptly as possible (but in any case five (5) Business Days before the due date for the answer

or response to a claim) after the date of the notice of claim given by the Indemnified Party to the Indemnifying Party under Section 12.04(a) of its election to defend in good faith any such third party claim. So long as the Indemnifying Party is defending in good faith any such claim asserted by a third party against the Indemnified Party, the Indemnified Party shall not settle or compromise such claim without the written consent of the Indemnifying Party, which consent shall not be unreasonably withheld, and the Indemnified Party shall make available to the Indemnifying Party or its agents all records and other material in the Indemnified Party's possession reasonably required by it for its use in contesting any third party claim. Regardless of whether the Indemnifying Party elects to defend any such claim, the Indemnified Party shall have no obligation to do so. In the event (i) the Indemnifying Party elects not to defend such claim; or (ii) the Indemnifying Party elects to defend such claim but fails to diligently defend such claim in good faith, the Indemnified Party shall have the right to conduct the defense thereof and to settle or compromise such claim or action without the consent of the Indemnifying Party, except that with respect to the settlement or compromise of such a claim, the Indemnified Party shall not settle or compromise any such claim without the consent of the Indemnifying Party (such consent not to be unreasonably withheld), unless the Indemnifying Party is given a full and complete release of any and all liability by all relevant parties relating thereto and has no obligation to pay any damages.

Section 12.05 Net Losses; Subrogation; Mitigation.

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

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

(c) Buyer and Seller shall use commercially reasonable efforts to mitigate any Losses, whether by asserting claims against a third party or by otherwise qualifying for a benefit that would reduce or eliminate an indemnified matter; provided, that neither party shall be required to use such efforts if they would be detrimental in any material respect to such party.

Section 12.06 Computation of Indemnifiable Losses. Any calculation of Losses for purposes of this Article XII shall be (a) reduced to take account of any net Tax benefit actually realized by the Indemnified Party arising from the deductibility of any such Loss in the year such Loss is incurred; and (b) increased to take account of any net Tax liability actually realized by the Indemnified Party arising from the receipt or accrual of any indemnity obligation hereunder; provided, that the mitigation provisions hereof shall not require either party to take any action with respect to any Tax filing or claim, even if such filing or claim would likely result in a net Tax benefit. To the extent permitted by applicable Law, all indemnity payments made pursuant to this Agreement shall be treated by the parties hereto as an adjustment to the Purchase Price.

Section 12.07 Exclusive Remedies. In the event the transactions contemplated by this Agreement are consummated, the indemnification provisions of this Article XII shall be the sole and exclusive remedies of Buyer and Seller for any breach of the representations or warranties or nonperformance of any covenants and agreements of Buyer or Seller contained in this Agreement or any Ancillary Agreement (other than the Transition Services Agreement), and neither party shall have any liability to the other party under any circumstances for special, indirect, consequential, punitive or exemplary damages, or lost profits, diminution in value, damages to reputation, loss of goodwill or any damages based on any type of multiple of earnings of any Indemnified Party to the extent that any of the foregoing damages described in this sentence are not otherwise recoverable under principles of Delaware contract law applicable to a breach of the underlying contractual provisions ; provided, that nothing contained in this Agreement shall relieve or limit the liability of either party from any liability or Losses arising out of or resulting from Fraud (defined below) in connection with the transactions contemplated in this Agreement or the Ancillary Agreements; provided, that, notwithstanding any statement in this section to the contrary, in no event shall either party's liability to other for any cause exceed the amount of the Purchase Price, and provided further, that no provision of this Agreement shall govern the rights or remedies that a Party may have under the Transition Services Agreement, which rights and remedies are exclusively set forth in, and shall be governed exclusively by, the Transition Services Agreement.

For purposes of this Section 12.07, "Fraud" means, with respect to a Party, the actual and intentional fraud with respect to the making of the representations and warranties pursuant to Article III or Article IV, as applicable, provided that such actual and intentional fraud of such Party shall only be deemed to exist if any of the individual listed in the definition of "Knowledge of Seller" (with respect to Seller) in their capacities so listed or Section 4 of the Disclosure Schedules (with respect to Buyer) had actual knowledge (as opposed to imputed or constructive knowledge) that the representations and warranties made by such Party pursuant to, in the case of Seller, Article III as qualified by the Disclosure Schedules, or, in the case of Buyer, Article IV, were actually breached when made, with the express intention that the other Party rely thereon to its detriment.

ARTICLE XIII

GENERAL PROVISIONS

Section 13.01 Expenses. Except as may be otherwise specified herein, all costs and expenses, including fees and disbursements of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated hereby shall be

paid by the party incurring such costs and expenses, whether or not the Closing shall have occurred.

Section 13.02 Notices. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be deemed to have been duly delivered and received (a) on the date of personal delivery, (b) on the date of transmission (with written confirmation of receipt), if sent by facsimile, or (c) one (1) Business Day after having been dispatched via a nationally-recognized overnight courier service, to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 13.02):

If to Seller:

Larry H. Miller Communications Corporation
301 W. South Temple
Salt Lake City, UT 84101
Attention: Steve Starks, President
Facsimile: (801) 325-2516

With a copy, which shall not constitute notice, to:

Larry H. Miller Communications Corporation
301 W. South Temple
Salt Lake City, UT 84101
Attention: Sam Harkness, General Counsel
Facsimile: (801) 325-2516

If to Buyer:

WSMH, Inc.
c/o Sinclair Broadcast Group, Inc.
10706 Beaver Dam Road
Cockeysville, MD 21030
Attention: President Facsimile: (410) 568-1533

With a copy, which shall not constitute notice, to:

Sinclair Broadcast Group, Inc.
10706 Beaver Dam Road
Cockeysville, MD 21030
Attention: Barry M. Faber, Executive Vice President &
General Counsel
Facsimile: (410) 568-1537

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

Section 13.04 Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced because of the application of any Law or the regulations and policies of any Governmental Authority or the decision by any Governmental Authority of competent jurisdiction (including any court), all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner adverse to either party hereto. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

Section 13.05 Entire Agreement. This Agreement and the Ancillary Agreements constitute the entire agreement of the parties hereto with respect to the subject matter hereof and thereof and supersede all prior agreements and undertakings, both written and oral, between Seller and Buyer with respect to the subject matter hereof and thereof, except as otherwise expressly provided herein. Notwithstanding anything to the contrary set forth in this Agreement, to the extent that Seller has filed an application to participate in the FCC's incentive auction of broadcast television spectrum authorized by the Middle Class Tax Relief and Job Creation Act of 2012 ("FCC Broadcast Incentive Auction"), Seller shall have sole control of its participation in the FCC Broadcast Station and shall be permitted to dispose of the Station's FCC Licenses in connection with the FCC Broadcast Incentive Auction in its sole discretion. Pursuant to FCC Public Notice DA 15-1129, Buyer hereby agrees to be bound by the actions of Seller in the FCC Broadcast Incentive Auction with respect to the FCC Licenses of the Station, provided that Buyer shall have the right to terminate this agreement if the FCC Licenses are disposed in the FCC Broadcast Incentive Auction. Further notwithstanding any other provision of this Agreement, during the period that such communications are prohibited by the FCC, neither party shall provide or communicate to the other or permit the other to have access to any information that would communicate, directly or indirectly, its bids or bidding strategies in the FCC Broadcast Incentive Auction in violation of the anti-collusion provisions of the FCC Broadcast Incentive Auction rules, as they may be interpreted from time to time by the FCC.

Section 13.06 Successors and Assigns.

(a) This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. Neither party may assign its rights under this Agreement without the other party's prior written consent; provided, that (a) Buyer may assign all or any portion of its rights and obligations hereunder to a third party or an Affiliate of Buyer upon written notice to, but without consent of, Seller if, but only if, (i) the assignee can make the representations and warranties of Buyer in Section 4.06 hereof without any qualification or exception and without any need for waiver of the multiple ownership rules in the FCC Rules, (ii) Buyer reasonably determines that such third party is eligible pursuant to the Communications Act and FCC Rules to be the assignee of the designated Station Assets, and (iii) Buyer shall remain liable for all of its obligations hereunder, and (b) after the Closing, Buyer may assign all or any of its rights under this Agreement to its lenders as collateral security without the consent of Seller or Seller's Affiliates.

(b) If Buyer elects to engage in a like-kind exchange with respect to a portion of the Purchased Assets and treat such Purchased Assets as property received in a like-kind exchange pursuant to Section 1031 of the Code, Buyer shall notify Seller of such election in writing no later than five (5) days prior to the Closing, identifying those Purchased Assets that Buyer intends to qualify as part of a like-kind exchange, and Seller shall undertake all actions reasonably requested by Buyer in writing in connection with Buyer's like-kind exchange, including consenting to Buyer's transfer of its rights in this Agreement to a "qualified intermediary", as defined in Treasury Regulation Section 1.1031(k)-1(g)(4); *provided, however*, that such actions do not impose any liabilities, including any monetary obligations or costs, on Seller and do not release Seller or Buyer from its obligations under this Agreement and that Buyer shall promptly reimburse Seller for any third-party costs reasonably incurred in connection with such election, including as the result of any subsequent review of such election or any attendant tax consequences by any governmental authority.

Section 13.07 No Recourse. Notwithstanding any of the terms or provisions of this Agreement, neither Seller nor Buyer, nor any Person acting on either party's behalf, may assert any Action against any employee, officer, director, member, Representative or trustee of the other party or stockholder, member or trustee of such other party in connection with or arising out of this Agreement or the transactions contemplated hereby.

Section 13.08 No Third-Party Beneficiaries. Except (a) as expressly provided in this Agreement, and (b) Buyer's Lenders, who are intended to be third party beneficiaries of Section 13.06 (to the extent of assignment as collateral), this Agreement is for the sole benefit of the parties hereto and their permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 13.09 Amendments and Waivers.

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

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

(c) No failure or delay by either party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by applicable Law.

Section 13.10 Governing Law; Jurisdiction. The construction and performance of this Agreement shall be governed by, and construed in accordance with, the Law of the State of

Delaware without regard to its principles of conflict of Law. The exclusive forum for the resolution of any disputes arising hereunder shall be the Delaware Chancery Court, and each party hereto irrevocably submits to the exclusive jurisdiction of such courts in any such Action and irrevocably waives the reference of an inconvenient forum to the maintenance of any such Action. Notwithstanding the foregoing, neither party will bring any Action, whether in law or in equity, whether in contract or in tort or otherwise, against the lenders of Seller or Buyer relating to this Agreement or any of the transactions contemplated by this Agreement, including but not limited to any dispute arising out of any commitment letter or the performance thereof, in any forum other than the Delaware Chancery Court or, if under applicable Law exclusive jurisdiction is vested in the Federal courts, the United States District Court located in Delaware (and appellate courts thereof).

Section 13.11 Specific Performance. The parties agree that, notwithstanding anything in this Agreement to contrary, Buyer would suffer irreparable damage for which monetary damages, even if available, would not be an adequate remedy in the event that Seller fails to fulfill its obligation under this Agreement to consummate the transactions contemplated by this Agreement in accordance with its terms. In such event, Buyer shall be entitled (in addition to any other remedy available at law or equity) to specific performance and other equitable relief to enforce Seller's obligation to consummate the transactions contemplated by this Agreement without posting bond or other security. In the event that Buyer seeks a decree of specific performance or other equitable relief to enforce Seller's obligation to consummate the transactions contemplated by this Agreement, Seller shall waive the defense that Buyer has an adequate remedy at law.

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

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

Section 13.14 No Presumption. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting or causing any instrument to be drafted.

Section 13.15 Disclosure Schedules.

(a) The matters reflected in the disclosure schedules (the "Schedules") shall not be deemed to constitute an acknowledgment by Seller that the matter is required to be disclosed by the terms of this Agreement and may include certain items and information solely for informational purposes.

(b) If and to the extent any information required to be furnished in any section of the Schedules is contained in the Agreement or in any section of the Schedules, such information shall be deemed to be included in all sections of the Schedules to the extent that the relevance of any such information to any other section of the Schedules is readily apparent from the text of such disclosure. Seller has disclosed the information contained in the Schedules solely for purposes of the Agreement, and no information contained therein shall be deemed to be an admission by any party thereto to any third party of any matter whatsoever, including any violation of Law or breach of any agreement referenced therein. The headings of the Schedules are for convenience of reference only and shall not be deemed to alter or effect the description of the sections of these Schedules as set forth in the Agreement.


[SIGNATURE PAGE FOLLOWS]

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

LARRY H. MILLER COMMUNICATIONS CORP.

By: 
Name: Steve Starks
Title: President

WSMH, INC.

By: 
Name: David B Amy
Title: Secretary / COO