

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made as of May 6, 2013 by and between Sainte Partners II, L.P., a California limited partnership ("Seller"), and Broadcasting Communications, L.L.C., an Oregon limited liability company ("Buyer").

Recitals

WHEREAS, Seller owns and operates the low power television broadcast stations KFBI-LD, Medford, Oregon and KMCW-LP, Medford, Oregon (FCC Facility ID Nos. 130106 and 129043) (collectively, the "Stations"); and

WHEREAS, pursuant to the terms and subject to the conditions set forth in this Agreement, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, the Station Assets (defined below).

Agreement

NOW, THEREFORE, taking the foregoing into account, and in consideration of the mutual covenants and agreements set forth herein, the parties, intending to be legally bound, agree as follows:

ARTICLE 1: DEFINITIONS

- 1.1 ☐ "Accounts Payable" means the Stations' outstanding accounts payable for goods or services provided to Seller prior to the date hereof or otherwise arising during or attributable to any period prior to the date hereof.
- 1.2 ☐ "Agreement" has the meaning set forth in the preamble.
- 1.3 ☐ "Assumed Obligations" has the meaning set forth in Section 2.4.
- 1.4 ☐ "Buyer Ancillary Agreements" has the meaning set forth in Section 4.1.
- 1.5 ☐ "Buyer Indemnified Parties" has the meaning set forth in Section 10.2(a).
- 1.6 ☐ "Buyer" has the meaning set forth in the preamble.
- 1.7 ☐ "Claim" has the meaning set forth in Section 10.3(a).
- 1.8 ☐ "Closing" has the meaning set forth in Section 2.9.
- 1.9 ☐ "Closing Consents" has the meaning set forth in Section 6.4(a).
- 1.10 ☐ "Closing Date" means the date on which the Closing occurs.
- 1.11 ☐ "Code" shall mean the Internal Revenue Code of 1986, as amended.
- 1.12 ☐ "Communications Act" shall mean the Communications Act of 1934, as amended.

- 1.13 □ “Communications Laws” has the meaning set forth in Section 3.4(a).
- 1.14 □ “Confidential Information” has the meaning set forth in Section 6.1(a).
- 1.15 □ “Cure Period” has the meaning set forth in Section 11.2.
- 1.16 □ “Damages” has the meaning set forth in Section 10.2(a).
- 1.17 □ “Earnout Amount” has the meaning set forth in Section 2.6(a).
- 1.18 □ “Earnout Period” has the meaning set forth in Section 2.6(a).
- 1.19 □ “Excluded Assets” has the meaning set forth in Section 2.2.
- 1.20 □ “FCC” shall mean Federal Communications Commission.
- 1.21 □ “FCC Application” has the meaning set forth in Section 2.10(a).
- 1.22 □ “FCC Consent” means FCC consent to the assignment of the FCC Licenses to Buyer without conditions outside the ordinary course or other restrictions, in each case as would not impact the operation of the Stations in a material and adverse manner.
- 1.23 □ “FCC Licenses” has the meaning set forth in Section 2.1(a).
- 1.24 □ “Final Order” shall mean an action by the FCC upon any application for the FCC Consent filed by the parties hereto for consent, approval or authorization, which action has not been reversed, stayed, enjoined, set aside, annulled or suspended, and with respect to which action no protest, petition to deny, petition for rehearing or reconsideration, appeal or request for stay is pending, and as to which action the time for filing any such protest, petition, appeal or request and any period during which the FCC may reconsider or review such action on its own authority has expired.
- 1.25 □ “Financial Statements” has the meaning set forth in Section 3.5(a).
- 1.26 □ “GAAP” shall mean the United States generally accepted accounting principles.
- 1.27 □ “Intangible Property” has the meaning set forth in Section 2.1(d).
- 1.28 □ “Liens” shall mean all liens, claims and encumbrances.
- 1.29 □ “Local Marketing Agreement” means that certain local marketing agreement of even date herewith by and between Seller and Buyer.
- 1.30 □ “Material Adverse Effect” shall mean any material adverse effect on the business, results of operations or financial condition of the Stations or the Station Assets, taken as a whole, or the ability of Seller to consummate the transactions contemplated hereby, other than changes (a) relating to changes in generally applicable economic conditions in the United States or in the television broadcasting industry, so long as the Stations are not affected in a disproportionate and adverse manner, or (b) resulting from the execution of this Agreement or the consummation of the transactions contemplated hereby.

1.31 □ “Net Income” means the net income, determined in accordance with GAAP, in a manner consistent with the Stations’ past operations, derived from operations of the FCC Licenses.

1.32 □ “Permitted Liens” shall mean, collectively, the Assumed Obligations, liens for taxes not yet due and payable, liens that will be released at or prior to Closing (all of which are listed on Schedule 3.8) and such other easements, rights of way, building and use restrictions, exceptions, reservations and limitations that do not in any material respect detract from the value of the property subject thereto or impair the use thereof in the ordinary course of the business of the Stations and which are listed on Schedule 3.8.

1.33 □ “Purchase Price” has the meaning set forth in Section 2.5(a).

1.34 □ “Real Property” has the meaning set forth in Section 3.9.

1.35 □ “Real Property Leases” has the meaning set forth in Section 3.9.

1.36 □ “Restricted Period” has the meaning set forth in Section 5.1(a).

1.37 □ “Restricted Territory” has the meaning set forth in Section 5.1(a).

1.38 □ “Retained Obligations” has the meaning set forth in Section 2.4.

1.39 □ “Seller Ancillary Agreements” has the meaning set forth in Section 3.1.

1.40 □ “Seller Indemnified Parties” has the meaning set forth in Section 10.2(c).

1.41 □ “Seller” has the meaning set forth in the preamble.

1.42 □ “Stations” has the meaning set forth in the recitals.

1.43 □ “Station Assets” has the meaning set forth in Section 2.1.

1.44 □ “Station Contracts” has the meaning set forth in Section 2.1(c).

1.45 □ “Survival Period” has the meaning set forth in Section 10.1.

1.46 □ “Tangible Personal Property” has the meaning set forth in Section 2.1(b).

## ARTICLE 2: □ PURCHASE OF ASSETS

2.1. □ Station Assets. Subject to the terms and conditions hereof, at Closing, except for the Excluded Assets, Seller shall sell, assign, transfer, convey and deliver to Buyer, and Buyer shall purchase and acquire from Seller all right, title and interest of Seller in and to all assets and properties of Seller, real and personal, tangible and intangible, that are used or held for use in the operation of the Stations and which are described below and listed on the Schedules hereto (the “Station Assets”):

(a) □ all licenses, permits, registrations, consents, authorizations, and other approvals issued to Seller by the FCC with respect to the Stations and the K4IID translator

station and all pending applications therefor (the “FCC Licenses”), which are listed on Schedule 3.4, including any renewals or modifications thereof between the date hereof and Closing;

(b) ☐ all of Seller’s equipment, transmitters, antennas, cables, towers, vehicles, computers, furniture, fixtures, spare parts and other tangible personal property of every kind and description that are used or held for use in the operation of the Stations, which are listed on Schedule 3.8 (the “Tangible Personal Property”);

(c) ☐ all network affiliation agreements, programming contracts, cable retransmission agreements, servicing and maintenance contracts and all other contracts, agreements and leases used in the Stations’ business, which are listed on Schedule 3.10 (the “Station Contracts”);

(d) ☐ all of Seller’s rights in and to the Stations’ call letters and Seller’s rights in and to the trademarks, trade names, service marks, internet domain names, copyrights, licenses, programs and programming material, jingles, slogans, logos, and other intangible property which are used or held for use in the operation of the Stations, which are listed on Schedule 3.11 (the “Intangible Property”);

(e) ☐ all programs and programming materials and elements of whatever form or nature owned by Seller and used or held for use in connection with the business and operation of the Stations, whether recorded on tape or any other substance or intended for live performance, and whether completed or in production, and all related copyrights owned by or licensed to Seller and used exclusively in connection with the business and operation of the Stations which are listed on Schedule 2.1(e);

(f) ☐ all prepaid expenses and deposits of Seller relating to the business and operation of the Stations, which are listed on Schedule 2.1(f);

(g) ☐ Seller’s rights in and to all the files, documents, records, and books of account (or copies thereof) relating to the operation of the Stations, including the Stations’ local public files, programming information and studies, market, news, programming and other research relating to the Stations, engineering data, advertising studies, marketing and demographic data, sales correspondence, lists of advertisers, credit and sales reports, and logs, but excluding records relating to Excluded Assets (defined below); and

(h) ☐ Any and all intangible assets and going concern value related to the assets listed in subsections (a) through (g) above; provided that such intangible assets shall not include goodwill, if any, reflected on the balance sheet of Seller.

2.2. ☐ Excluded Assets. Notwithstanding anything to the contrary contained herein, the Station Assets shall not include the following assets or any rights, title and interest therein (the “Excluded Assets”):

(a) ☐ all cash and cash equivalents of Seller, including without limitation certificates of deposit, commercial paper, treasury bills, marketable securities, money market accounts and all such similar accounts or investments;

(b) ☐ all Station Contracts that are terminated, cancelled or expire prior to Closing in accordance with Article 5;

(c) ☐ Seller's corporate and trade names unrelated to the operation of the Stations, charter documents, and books and records relating to the organization, existence or ownership of Seller, duplicate copies of the records of the Stations, and all records not relating to either the Station Assets or the operation of the Stations;

(d) ☐ all contracts of insurance, all coverages and proceeds thereunder and all rights in connection therewith, including without limitation rights arising from any refunds due with respect to insurance premium payments to the extent related to such insurance policies, except that any cash proceeds of insurance actually received before or after the Closing Date relating to Station Assets that are not in normal working condition as of the Closing Date shall be included as Station Assets;

(e) ☐ all pension, profit sharing plans and trusts and the assets thereof and any other employee benefit plan or arrangement and the assets thereof, if any, maintained by Seller or any direct or indirect parent of Seller;

(f) ☐ any intercompany receivable of Seller from any of its affiliates;

(g) ☐ any computer software and programs used in the operation of the Stations that are not transferable, all of which are listed on Schedule 2.2(g) hereto;

(h) ☐ all rights and claims of Seller, whether mature, contingent or otherwise, against third parties with respect to the Stations and the Station Assets, to the extent arising during or attributable to any period prior to the Closing Date;

(i) ☐ all claims of Seller with respect to any tax refunds;

(j) ☐ except as provided in the Local Marketing Agreement, the Stations' accounts receivable and any other rights to payment of cash consideration for goods or services sold or provided prior to the Closing Date or otherwise arising during or attributable to any period prior to the Closing Date

(k) ☐ all assets of Seller used or held for use in the operation of any stations other than the Stations; and

(l) ☐ the assets listed on Schedule 2.2(k).

2.3. ☐ Permitted Liens. All Station Assets shall be delivered free and clear of all Liens of any nature whatsoever, except the Permitted Liens.

2.4. ☐ Liabilities of Seller. At Closing, Buyer will assume the liabilities and obligations arising after the Closing under the Station Contracts and those liabilities listed on Schedule 2.4 hereof (collectively, the "Assumed Obligations"). Except for the Assumed Obligations and except as provided in the Local Marketing Agreement, Buyer does not assume, and will not be deemed by the execution and delivery of this Agreement or the consummation of the transactions

contemplated hereby to have assumed, any other liabilities or obligations of Seller (the “Retained Obligations”).

2.5.□ Purchase Price.

(a)□ Purchase Price. In consideration for the sale, transfer, conveyance, assignment and delivery of the Station Assets, Buyer shall assume the Assumed Obligations and shall pay to Seller an amount equal to Two Hundred Thousand Dollars (\$200,000) (the “Purchase Price”); provided, however, that, if at the election of the Seller, the network affiliation agreement with Telemundo is not included in the Station Assets, the Purchase Price shall decrease by Twenty Five Thousand Dollars (\$25,000) and shall be One Hundred Seventy Five Thousand Dollars (\$175,000).

(b)□ Payment of Purchase Price.

(i)□ At Closing, Buyer shall deliver the Purchase Price to Seller by wire transfer of immediately available funds.

(ii)□ At Closing, the Buyer shall assume the Assumed Obligations described in Section 2.4 hereof.

2.6.□ Earn-out.

(a)□ Buyer shall pay Seller ten percent (10%) of the Net Income of the Stations (the “Earnout Amount”) for the eighteen (18) month period following the Closing (the “Earnout Period”); provided, however, that in no case shall the Earnout Amount be less than Five Thousand Dollars (\$5,000) or more than Ten Thousand Dollars (\$10,000). The Earnout Amount shall be paid to Seller within sixty (60) days of the end of the Earnout Period. Seller shall have the right, at its own expense, to review the books and records of Buyer but solely to the extent needed to verify the calculation of the Earnout Amount.

(b)□ Seller acknowledges and agrees that (i) upon the Closing, Buyer has the right to operate the business as Buyer deems appropriate in Buyer’s sole discretion, (ii) Buyer is not obligated to operate the business in the manner in which Seller operated the business prior to the Closing Date, and (iii) Buyer owes no fiduciary duty or express or implied duty to Seller, including no implied duty of good faith and fair dealing, other than any duties to Seller expressly set forth in this Agreement.

2.7.□ Offset. On five (5) days advance written notice to Seller, Buyer will be able to use the Earnout Amount to offset any amount owing by Seller with respect to any liabilities of the Stations remaining unpaid as of the Closing Date, excluding amounts owing for liabilities which Buyer is obligated to reimburse to Seller under the Local Marketing Agreement. Notwithstanding the foregoing, Buyer shall have no obligations with respect to any such liabilities.

2.8.□ Allocation of Purchase Price. Buyer and Seller shall use commercially reasonable efforts to agree upon an allocation of the Purchase Price among the Purchased Assets within ninety (90) days after the Closing Date, and said allocation is intended by Buyer and Seller to comply with Section 1060 of the Code. Buyer and Seller shall file Form 8954 with their respective federal

income tax returns in a manner consistent with the agreed upon allocation, or if the parties are unable to reach an agreement, in a manner as directed by their professional advisors.

2.9. ☐ Closing. The consummation of the sale and purchase of the Station Assets provided for in this Agreement (the "Closing") shall take place no later than the tenth business day after the date that the FCC Consent pursuant to the FCC's initial order shall have become a Final Order (or on such earlier day after such consent as Buyer and Seller may mutually agree), subject to the satisfaction or waiver of the conditions set forth in Articles 7 or 8 below; provided, however, that if approved by Buyer's lender, Buyer will agree to consummate the Closing within thirty (30) days of receiving the FCC initial grant.

2.10. ☐ FCC Consent.

(a) ☐ As promptly as practicable after the date of this Agreement, but in any event within ten (10) calendar days thereafter, Buyer and Seller shall file an application with the FCC (the "FCC Application") requesting FCC consent to the assignment of the FCC Licenses to Buyer. Buyer and Seller will cooperate in the preparation of the FCC Application, diligently prosecute the FCC Application, and take, or cooperate in the taking of, all commercially reasonable steps, provide any additional information reasonably required and otherwise use their commercially reasonable efforts to obtain the FCC Consent as soon as possible.

(b) ☐ Buyer and Seller shall notify each other of all documents filed with or received from any governmental agency with respect to this Agreement or the transactions contemplated hereby. Buyer and Seller shall furnish each other with such information and assistance as the other may reasonably request in connection with their preparation of any governmental filing hereunder.

ARTICLE 3: ☐ SELLER REPRESENTATIONS AND WARRANTIES

Seller hereby represents and warrants to Buyer as of the date hereof:

3.1. ☐ Organization. The Seller is a limited partnership duly organized, validly existing and in good standing under the laws of the State of California, and is qualified to do business in each jurisdiction in which the Stations Assets are located or wherever the nature of the business of the Stations require such qualification. Seller has the full power and authority to carry on its business as it is now being conducted and to own and lease the Station Assets. Seller has the requisite power and authority to execute, deliver and perform this Agreement and all of the other agreements and instruments to be made by Seller pursuant hereto (collectively, the "Seller Ancillary Agreements") and to consummate the transactions contemplated hereby and thereby.

3.2. ☐ Authorization. The execution, delivery and performance of this Agreement and the Seller Ancillary Agreements by Seller has been duly authorized and approved by all necessary action of Seller and do not require any further authorization or consent of Seller. This Agreement is, and each Seller Ancillary Agreement when made by Seller and the other parties thereto will constitute, a legal, valid and binding agreement of Seller enforceable in accordance with its terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of

equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

3.3. ☐ No Conflicts; Governmental Consent. Except for any consents which may be required to assign the Station Contracts to Buyer, as set forth in Schedule 3.3 and except for the FCC Consent, the execution, delivery and performance by Seller of this Agreement and the Seller Ancillary Agreements and the consummation by Seller of any of the transactions contemplated hereby and thereby does not require the consent or approval of, or a filing by Seller with, any governmental or regulatory authority or any third party. The Agreement, the Seller Ancillary Documents and the FCC Consents do not conflict with any organizational documents of Seller or any law, judgment, order, or decree to which Seller is subject.

3.4. ☐ FCC Licenses.

(a) ☐ Schedule 3.4 contains a true and complete list of all FCC Licenses. Seller is the holder of the FCC Licenses described on Schedule 3.4. The FCC Licenses are validly held and in full force and effect, are unimpaired by any condition outside the ordinary course, and have not been revoked, suspended, canceled, rescinded or terminated and have not expired. There is not pending any action by or before the FCC to revoke, suspend, cancel, rescind or materially adversely modify any of the FCC Licenses (other than actions or proceedings affecting television broadcast stations generally). There is not issued, outstanding, or threatened by or before the FCC any order to show cause, notice of violation, notice of apparent liability, order of forfeiture, complaint, investigation, or proceeding against the Stations or against Seller with respect to the Stations, and Seller is not aware of any facts or circumstances that could reasonably be expected to result in such order to show cause, notice of violation, notice of apparent liability, order of forfeiture, complaint, investigation, or proceeding. The Stations are operating in compliance in with the FCC Licenses, the Communications Act, and the rules, regulations and policies of the FCC (together with the Communications Act, the “Communications Laws”), except where the failure to be in compliance would not reasonably be expected to have a Material Adverse Effect, and, to Seller’s knowledge, any Person holding an attributable interest in the FCC Licenses is in compliance in all material respects with the Communications Laws.

(b) ☐ There are no facts, conditions, or events relating to the Seller or the Stations that would give the FCC a legally valid basis not to renew the FCC Licenses in the ordinary course.

(c) ☐ All material reports, statements, and other documents relating to the Stations required to be filed by Seller with the FCC in connection with, or as a result of, the operations of the Stations have been filed and complied with and were true, correct and complete in all material respects when filed. Seller has paid all fees related to the Stations required to be paid by the FCC or the Communications Laws.

3.5. ☐ Financial Statements.

(a) ☐ Attached hereto as Schedule 3.5(a) are true, correct and complete copies of Seller’s unaudited December 31, 2012 statements of revenue and expenses for the Stations, for the twelve-month periods then ended and the unaudited January 31, 2013 statements of revenue



and expenses for the Stations, for the and one-month periods then ended (the “Financial Statements”).

(b)□ Since January 31, 2013, Seller has not incurred any liabilities in excess of Ten Thousand Dollars (\$10,000) outside of the ordinary course of business.

3.6.□ Operation of the Business. Since October 31, 2012, (i) Seller has operated the Stations in the ordinary course of business consistent with past practices.

3.7.□ Taxes.

(a)□ All tax returns (taking into account any valid extension of time within which to file such tax returns) in respect of taxes required to be filed through the date hereof with respect to Seller and the Station Assets have been timely filed and Seller has paid all taxes, interest and penalties, assessments and deficiencies with respect to Seller’s business which have become due or which have been claimed to be due, except for any sales tax due as a result of the transaction contemplated by this Agreement. All such tax returns are true and correct in all material respects and accurately reflect all liabilities for taxes for the periods covered and all taxes reflected therein have been paid. Except as set forth in Schedule 3.7:

(i)□ Seller is not a party to or bound by any tax allocation agreement that concerns the Station Assets, with any affiliate of Seller or any other person;

(ii)□ There is no legal action, suit, proceeding, audit or, investigation with respect to taxes now in progress, pending, or, to Seller’s knowledge, threatened against or with respect to Seller, and no claims have been asserted relating to taxes against Seller; and

(iii)□ There is no claim made against Seller by a taxing authority in a jurisdiction where Seller does not pay taxes or file tax returns that Seller is or may be subject to taxes assessed by such jurisdiction.

3.8.□ Station Assets; Personal Property.

(a)□ Schedule 3.8 contains a list of items of Tangible Personal Property included in the Station Assets having value of at least \$1,000.

(b)□ Except as set forth on Schedule 3.8, Seller has good and marketable title to the Station Assets, free and clear of all Liens, other than Permitted Liens.

(c)□ Except as set forth on Schedule 3.8, all items of Tangible Personal Property are in normal operating condition, ordinary wear and tear excepted and fit for the purposes for which they are ordinarily used. Except as set forth on Schedule 3.8, the Station Assets are all of the assets used by Seller in the operation of the Stations and are all of the assets necessary for the continued operation of the business of the Stations in a manner consistent with past practices.

3.9.□ Real Property. Schedule 3.9 contains a description of all of Seller's real property, whether owned or leased, used in the operation of the Stations (the "Real Property") included in the Station Assets. Schedule 3.9 includes a description of each lease of Real Property or similar agreement included in the Station Contracts (the "Real Property Leases"). Seller has good and marketable title to all owned Real Property free and clear of Liens other than Permitted Liens. The Real Property is not subject to any suit for condemnation or other taking by any public authority.

3.10.□ Contracts. Schedule 3.10 contains a true and complete list of the Station Contracts. Except as set forth on Schedule 3.10, each of the Station Contracts (including without limitation each of the Real Property Leases) is in full force and effect and is valid and binding upon Seller and, to Seller's knowledge, the other parties thereto (subject to bankruptcy, insolvency, reorganization or other similar laws relating to or affecting the enforcement of creditors' rights generally). Seller has performed its obligations under each of the Station Contracts in all material respects, and is not in default thereunder, and to Seller's knowledge, no other party to any of the Station Contracts is in default thereunder.

3.11.□ Environmental; Health and Safety Matters. Except as set forth on Schedule 3.11, to Seller's knowledge, (i) except in compliance in all material respects with applicable law, no hazardous or toxic substance or waste regulated under any applicable environmental, health or safety law has been generated, stored, transported or released on, in, from or to the Real Property included in the Station Assets, and (ii) Seller has materially complied and is in material compliance with all environmental, health and safety laws applicable to the Stations.

3.12.□ Intangible Property.

(a)□ Generally. Schedule 3.12(a) sets forth a complete and correct list of the Intangible Property. Schedule 3.12(a) sets forth a complete list of all licenses and other rights granted by Seller with respect to any of the above.

(b)□ Ownership; Infringement. Except as set forth on Schedule 3.12(b), (i) Seller owns and possesses all right, title and interest in and to, and has a valid and enforceable right to use each of the call letters and other items listed on Schedule 3.12(a), free and clear of all Liens (other than Permitted Liens), (ii) Seller has no knowledge of, nor is Seller aware of any facts or circumstance which indicates a likelihood of, any infringement or misappropriation by, or any conflict with, any third party with respect to any of the items listed on Schedule 3.12(a), and (iii) Seller has not committed, and is not aware of, any act of infringement, misappropriation or other conflict with any intellectual property rights of any third party which has occurred or will occur as a result of the operation of Seller's business as currently conducted.

3.13.□ Employees and Consultants. Seller has no current employees and consultants dedicated solely to the operation of the Stations as of the date of this Agreement.

3.14.□ Licenses and Permits; Compliance with Law. Seller holds all licenses, certificates, permits, franchises and rights from all appropriate federal, state or other public authorities material for the conduct of Seller's business and the use of the Station Assets. Except as set forth on Schedule 3.14, (i) Seller is in compliance in all material respects with all applicable material laws, rules and regulations, and all decrees and orders of any court or governmental

authority, and (ii) there are no governmental claims or investigations pending or, to Seller's knowledge, threatened against Seller in respect of the Station Assets or the business or operation of the Stations except those affecting broad segments of the television broadcast industry.

3.15. ☐ Litigation. Except as set forth on Schedule 3.15, there is no action, suit, claim, investigation or proceeding pending or, to Seller's knowledge, threatened against Seller or affecting the Station Assets or the business of the Stations.

3.16. ☐ Business Relations. Schedule 3.16 sets forth (1) all customers of the Seller individually representing five percent (5%) or more of the Seller's revenues for the past twelve (12) months and (2) all suppliers of the Seller individually representing five percent (5%) or more of Seller's Accounts Payable for the past twelve (12) months. To Seller's knowledge, no customer or supplier of the Seller will cease or has threatened to cease to do business after the consummation of the transactions set forth herein. Seller is not required to provide any bonding or other security in connection with any transactions with the customers and suppliers of Seller's business.

3.17. ☐ Schedules. All Schedules attached hereto are true, correct and complete as of the signing of this Agreement.

3.18. ☐ Brokers' Fees. Except for Kalil & Co., Inc., the fees of which will be the sole responsibility of Seller (and for which Seller shall indemnify and hold harmless Buyer from any claims from any third parties for such fees), no broker, finder, investment banker or other person is entitled to any brokerage fee, finders' fee or other commission in connection with the transactions contemplated by this Agreement based upon arrangements made by Seller or any of its affiliates.

#### ARTICLE 4: ☐ BUYER REPRESENTATIONS AND WARRANTIES

Buyer makes the following representations and warranties to Seller:

4.1. ☐ Organization. Buyer is duly organized, validly existing and in good standing under the laws of the State of Oregon. Buyer has the requisite power and authority to execute, deliver and perform this Agreement and all of the other agreements and instruments to be executed and delivered by Buyer pursuant hereto (collectively, the "Buyer Ancillary Agreements") and to consummate the transactions contemplated hereby and thereby.

4.2. ☐ Authorization. The execution, delivery and performance of this Agreement and the Buyer Ancillary Agreements by Buyer have been duly authorized and approved by all necessary action of Buyer and do not require any further authorization or consent of Buyer. This Agreement is, and each Buyer Ancillary Agreement when made by Buyer and the other parties thereto will be, a legal, valid and binding agreement of Buyer enforceable in accordance with its terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

4.3.□ No Conflicts; Governmental Consent. Except for the FCC Consent, the execution, delivery and performance by Buyer of this Agreement and the Buyer Ancillary Agreements and the consummation by Buyer of any of the transactions contemplated hereby and thereby does not require the consent or approval of, or a filing by Buyer with, any governmental or regulatory authority or any third party. The Agreement, the Buyer Ancillary Documents and the FCC Consents do not conflict with any organizational documents of Buyer or any law, judgment, order, or decree to which Seller is subject.

4.4.□ Litigation. There is no action, suit or proceeding pending or, to Buyer's knowledge, threatened against Buyer which questions the legality or propriety of the transactions contemplated by this Agreement or could materially adversely affect the ability of Buyer to perform its obligations hereunder.

4.5.□ Qualification. Buyer is legally, financially and otherwise qualified to be the licensee of, acquire, own and operate the Stations and enter into the Local Marketing Agreement as the programmer under the Communications Laws. There are no facts that would, under existing Communications Laws, disqualify Buyer as an assignee of the FCC Licenses or as the owner and operator of the Stations.

#### ARTICLE 5:□SELLER COVENANTS

##### 5.1.□ Covenant Not to Compete.

(a)□ For a period equal to five (5) years following the Closing (the "Restricted Period"), except as permitted in this Section 5.1, Seller agrees that it will not engage in, directly or indirectly, whether independently or in association with any other Person, own any equity or other ownership interest in any Person engaged in, the business of operating a television broadcasting station in the Medford, Oregon Designated Market Area (the "Restricted Territory"). The restrictions set forth in this Section 5.1 shall not be construed to prohibit or restrict any investment by Seller in any class of debt or equity securities of any company operating a television broadcasting station in the Restricted Territory so long as Seller does not hold at any time during the Restricted Period an aggregate amount of more than one percent (1%) of the issued and outstanding equity securities of such publicly traded company, or one percent (1%) of the aggregate principal amount of such class outstanding.

(b)□ Seller covenants not to offer such employees, at any time prior to or, if such employees are actually hired by Buyer at Closing, for a period of one (1) year following the Closing, alternative employment without the prior written consent of Buyer, except those employees to whom Buyer did not make an offer of employment at Closing.

(c)□ Seller acknowledges that the consideration being paid to Seller hereunder is adequate consideration for the covenants contained in this Section 5.1. It is further recognized and acknowledged by Seller that a breach of the covenants contained in this Section 5.1 will cause irreparable damage to Buyer, the exact amount of which will be difficult or impossible to ascertain, and that the remedies at law for any such breach will be inadequate. Accordingly, Seller agrees that in the event of a breach of any of the covenants contained in this Section 5.1, in addition to any other remedy which may be available at law or in equity, Buyer will be entitled to seek specific performance and injunctive relief.

5.2.□ Due Diligence. From the date hereof until the Closing Date, Seller agrees to permit Buyer, its employees and agents to inspect the assets and books and records of Seller during Seller's normal business hours and upon reasonable notice. From the date hereof until the Closing Date, Seller shall cooperate with Buyer by making available to Buyer all financial information or other information relating to the contemplated transaction and operation of Seller or Seller's business to the extent such information exists as may be reasonably requested by Buyer.

5.3.□ Exclusivity. From the date hereof until the earlier of the Closing or the termination of this Agreement in accordance with the terms hereof, Seller shall not, and shall not authorize or permit any of its directors officers, employees, affiliates, agents and advisors (including without limitation attorneys, accountants, consultants, bankers and financial advisors) to (i) offer, or seek to offer, or entertain any offer, to sell the Stations or all or a substantial portion of the Stations Assets, or deal in such regard with any person other than Buyer and its representatives, or (ii) solicit or enter into or continue any discussion, negotiations or agreement with, or provide information to, any person other than Buyer relating to any transaction described in the preceding clause (i).

5.4.□ Local Marketing Agreement. Seller and Buyer shall enter into the Local Marketing Agreement on the date hereof.

#### ARTICLE 6:□JOINT COVENANTS

Buyer and Seller hereby covenant and agree as follows:

##### 6.1.□ Confidentiality.

(a)□ Prior to the Closing, Buyer will, and will cause its respective affiliates and representatives to, hold in confidence all confidential information concerning the Station Assets or the Assumed Obligations (the "Confidential Information"), except to the extent that such information can be shown to have been in the public domain prior to Closing through no fault of Buyer or any of its affiliates or any of its respective representatives. If, prior to the Closing, Buyer or any of its affiliates or any of its representatives are legally required to disclose any Confidential Information, Buyer shall to the extent permitted by law (A) promptly notify Seller so as to permit Seller, at its expense, to seek a protective order or take other appropriate action and (B) cooperate as reasonably requested by Seller in Seller's efforts to obtain a protective order or other reasonable assurance that confidential treatment will be accorded such Confidential Information, but only at Seller's sole cost and expense. If, after the Closing and in the absence of a protective order, Buyer or any of its affiliates or any of representatives are compelled as a matter of law to disclose any such Confidential Information to a third party, such person may disclose to the third party compelling disclosure only the part of such Confidential Information as is required by law to be disclosed; provided, however, that to the extent permitted by law, prior to any such disclosure, such person consults in good faith with Seller and its legal counsel as to such disclosure and the nature and wording of such disclosure.

(b)□ After the Closing, Seller will, and will cause its respective affiliates and representatives to, hold in confidence the Confidential Information, except to the extent that such information can be shown to have been (i) in the public domain prior to the Closing or (ii) in the

public domain at or after the Closing through no fault of Seller or any of its affiliates or any of its respective representatives. If, after the Closing, Seller or any of its affiliates or any of its representatives are legally required to disclose any Confidential Information, Seller shall to the extent permitted by law (A) promptly notify Buyer so as to permit Buyer, at its expense, to seek a protective order or take other appropriate action and (B) cooperate as reasonably requested by Buyer in Buyer's efforts to obtain a protective order or other reasonable assurance that confidential treatment will be accorded such Confidential Information, but only at Buyer's sole cost and expense. If, after the Closing and in the absence of a protective order, Seller or any of its affiliates or any of its representatives are compelled as a matter of law to disclose any such Confidential Information to a third party, such person may disclose to the third party compelling disclosure only the part of such Confidential Information as is required by law to be disclosed; provided, however, that to the extent permitted by law, prior to any such disclosure, such person consults in good faith with Buyer and its legal counsel as to such disclosure and the nature and wording of such disclosure.

6.2.□ Publicity. Prior to Closing, no party shall, without the prior written consent of the other, issue any press release concerning the transactions contemplated by this Agreement, except to the extent that such party is so obligated by law, in which case such party shall give reasonable advance notice to the other.

6.3.□ Risk of Loss. Except as otherwise provided in the Local Marketing Agreement, Seller shall bear the risk of any loss of or damage to any of the Station Assets at all times until the Closing, and Buyer shall bear the risk of any such loss or damage thereafter.

6.4.□ Consents.

(a)□ Seller agrees to use its commercially reasonable efforts to obtain the waiver, consent, authorization and approval of third parties to the Station Contracts, as set forth on Schedule 6.4, whose waiver, consent, authorization or approval is required in order to consummate the transactions contemplated by this Agreement. Schedule 6.4 shall note which consents shall be required to be obtained prior to Closing (the "Closing Consents"), and such consents shall be produced at Closing, as a condition to Closing, and in a form and content reasonably satisfactory to Buyer.

(b)□ With respect to the Station Contracts for which consent, waiver or approval is not obtained prior to Closing, this Agreement and any assignment executed at Closing shall not constitute an assignment thereof, but to the extent permitted by law shall constitute and equitable assignment by Seller and assumption by Buyer of Seller's rights and obligations under such Station Contracts with Seller making available the benefits thereof and Buyer performing all of Seller's obligations and assuming all of Seller's liabilities under such Station Contracts, but only to the extent that such delegation of duties may be made without violation thereof. Any payments pursuant to such Station Contracts received by Seller following Closing shall be promptly remitted to Buyer.

6.5.□ Preservation of Records. Seller and Buyer agree that each of them shall preserve and keep the books and records held by them or their affiliates relating to the Stations for a period of five years from the Closing Date and shall make such records available to the other as may be reasonably requested by such party in connection with any insurance claims by, legal

proceedings or tax audits against or governmental investigations of Seller or Buyer or any of their affiliates or in order to enable Seller or Buyer to comply with their respective obligations under this Agreement.

6.6. Prorations and Adjustments

(a) Except as provided in the Local Marketing Agreement, Seller shall file all federal, state and local tax returns and shall be liable for and shall pay all taxes with respect to the Station Assets or the business and operations of the Stations attributable to periods (or portions thereof) ending on or prior to the Closing Date. Buyer shall file all federal, state and local tax returns and shall be liable for and shall pay all taxes with respect to the Station Assets or the business and operations of the Stations attributable to periods (or portions thereof) beginning after to the Closing Date. Seller shall pay all sales tax with respect to the transfer of Station Assets, if any. Buyer shall prepare, subject to review and approval of Seller, any tax returns or other documents respecting such sales taxes.

(b) Except as provided in the Local Marketing Agreement, all prepaid and deferred income and expenses relating to the Station Assets arising from the operations of the Stations, including property and ad valorem taxes, FCC regulatory fees, leasehold rentals, utility charges and other customarily prorable items relating to the Station Assets which are payable subsequent to the Closing Date and relating to a period of time both prior to and subsequent to the Closing Date will be estimated and prorated as of the close of business on the day before the Closing Date between Buyer and Seller and the Purchase Price paid on the Closing Date shall be adjusted accordingly. On or prior to the date which ninety (90) days after the Closing, Buyer and Seller shall work together in good faith to finalize all proration calculations and pay any resulting discrepancies between the estimated prorations and the final prorations.

6.7. Notices. Buyer and Seller shall promptly notify the other party in the event that it learns of any event, circumstance or set of facts that would or would reasonably be likely to result in such party to be unable to satisfy the closing conditions set forth in Article 8 (in the case of Buyer) or Article 7 (in the case of Seller).

6.8. Bulk Transfer Laws. Buyer and Seller hereby waive compliance with the provisions of any bulk sales or bulk transfer laws of any jurisdiction in connection with the sale of the Station Assets contemplated hereby. Seller shall indemnify Buyer for any Damages resulting from any failure to comply with such laws.

ARTICLE 7: SELLER CLOSING CONDITIONS

The obligation of Seller to consummate the Closing hereunder is subject to satisfaction, at or prior to Closing, of each of the following conditions (unless waived in writing by Seller):

7.1. Representations and Covenants.

(a) The representations and warranties of Buyer made in this Agreement shall be true and correct in all respects as of the date hereof and as of the Closing Date, except for such representations and warranties that relate to an earlier date (in which case such representations and warranties shall be true and correct in all respects as of such earlier date).

(b) ☐ The covenants and agreements to be complied with and performed by Buyer at or prior to Closing shall have been complied with or performed in all material respects.

(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 Sections 7.1(a) and (b) have been satisfied.

(d) ☐ Buyer has not breached the Local Marketing Agreement.

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

7.3. ☐ FCC Authorization. The FCC Consent shall have been obtained.

7.4. ☐ Deliveries. Buyer shall have complied with its obligations set forth in Section 9.2.

#### ARTICLE 8: ☐ BUYER CLOSING CONDITIONS

The obligation of Buyer to consummate the Closing hereunder is subject to satisfaction, at or prior to Closing, of each of the following conditions (unless waived in writing by Buyer):

8.1. ☐ Representations and Covenants.

(a) ☐ The representations and warranties of Seller made in this Agreement shall be true and correct in all respects as of the date hereof and as of the Closing Date, except for such representations and warranties that relate to an earlier date (in which case such representations and warranties shall be true and correct in all respects as of such earlier date) and representations and warranties that are not true and correct solely as a result of an action by Buyer under the Local Marketing Agreement.

(b) ☐ The covenants and agreements to be complied with and performed by Seller at or prior to Closing shall have been complied with or performed in all material respects.

(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 Sections 8.1(a) and (b) have been satisfied.

(d) ☐ Seller has not breached the Local Marketing Agreement.

8.2. ☐ Proceedings. Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

8.3. ☐ FCC Consent/Final Order. The FCC Consent shall have been obtained and shall have become a Final Order.

8.4. ☐ Closing Consents. Seller shall have obtained and delivered to Buyer the Closing Consents listed in Schedule 6.4.



8.5. ☐ Deliveries. Seller shall have complied with its obligations set forth in Section 9.1.

8.6. ☐ No Material Adverse Change. During the period from the date hereof to the Closing Date, there shall have been no Material Adverse Effect, other than a Material Adverse Effect resulting solely from any action of Buyer, including as Manager under the Local Marketing Agreement.

#### ARTICLE 9: ☐ CLOSING DELIVERIES

9.1. ☐ Seller Documents. At Closing, Seller shall deliver or cause to be delivered to Buyer:

(a) ☐ good standing certificates issued by the Secretary of State of Seller's jurisdiction of formation and the jurisdiction in which the Station Assets are located;

(b) ☐ certified copies of resolutions authorizing the execution, delivery and performance of this Agreement, including the consummation of the transactions contemplated hereby, together with certified copies of the charter documents of Seller;

(c) ☐ the officer's certificate described in Section 8.1(c);

(d) ☐ an approval from the FCC of the assignment of the FCC Licenses to Buyer;

(e) ☐ an assignment and assumption of contracts assigning the Station Contracts from Seller to Buyer;

(f) ☐ an assignment of marks assigning the Stations' registered intellectual property which constitute Station Assets from Seller to Buyer;

(g) ☐ domain name transfers assigning the Stations' domain names which constitute Station Assets from Seller to Buyer;

(h) ☐ a bill of sale conveying the other Station Assets from Seller to Buyer;

(i) ☐ a certificate of incumbency of the officers of Seller who are executing this Agreement and the other documents contemplated hereunder;

(j) ☐ evidence of the removal of any Liens which are not Permitted Liens;

(k) ☐ copies of any consents to the assignment of the Station Contracts listed on Schedule 6.4 hereto which have been received; and

(l) ☐ any other instruments of conveyance, assignment and transfer that may be reasonably necessary to convey, transfer and assign the Station Assets from Seller to Buyer, free and clear of Liens, except for Permitted Liens.

9.2. ☐ Buyer Documents. At Closing, Buyer shall deliver or cause to be delivered to Seller:

(a) ☐ the Purchase Price in accordance with Section 2.5(b) hereof;

(b) ☐ good standing certificates issued by the Secretary of State of Buyer's jurisdiction of formation;

(c) ☐ certified copies of resolutions authorizing the execution, delivery and performance of this Agreement, including the consummation of the transactions contemplated hereby, together with certified copies of the charter documents of Seller;

(d) ☐ the officer's certificate described in Section 7.1(c);

(e) ☐ an assignment and assumption of contracts assuming the Station Contracts;

(f) ☐ domain name transfers assuming the Stations' domain names; and

(g) ☐ such other documents and instruments of assumption that may be necessary to assume the Assumed Obligations.

#### ARTICLE 10: SURVIVAL; INDEMNIFICATION

10.1. ☐ Survival. The representations and warranties in this Agreement shall survive Closing for a period of eighteen (18) months from the Closing Date; provided that the representations and warranties in Sections 3.1, 3.2, 3.7, 3.8(b), 3.11, 4.1 and 4.2 , shall survive for the applicable statute of limitations (the "Survival Period") whereupon they shall expire and be of no further force or effect, except that if within such period the indemnified party gives the indemnifying party written notice of a claim for breach thereof describing in reasonable detail the nature and basis of such claim, then such claim shall survive until the resolution of such claim. The covenants and agreements in this Agreement shall survive Closing until performed.

#### 10.2. ☐ Indemnification.

(a) ☐ Seller shall defend, indemnify and hold harmless Buyer, and its officers, directors, employees, affiliates, successors and assigns (the "Buyer Indemnified Parties"), from and against any and all losses, costs, damages, liabilities and expenses, including reasonable attorneys' fees and expenses ("Damages") incurred by any Buyer Indemnified Party arising out of or resulting from:

(i) any breach by Seller of its representations and warranties made under this Agreement;

(ii) any default by Seller of any covenant or agreement made under this Agreement;

(iii) Seller's ownership and operation of the Stations and the Station Assets prior to the Closing Date; and

(iv) the Retained Obligations.

Notwithstanding anything to the contrary contained in this Agreement, (i) Seller shall not be obligated to pay an amount for indemnification under clause (i) of Section 10.2(a) unless and

until the amount of all such Damages of Buyer Indemnified Parties exceeds \$15,000 in the aggregate (the “Seller’s Basket”) and if the Damages exceed the Seller’s Basket, Buyer shall only be entitled to recover those Damages over and above the amount of the Seller’s Basket.

(b) In no event shall “Damages” include any special, punitive or opportunity cost damages of any kind or the loss of anticipated or future profits (except to the extent any third party claim includes such damages).

(c) From and after Closing, Buyer shall defend, indemnify and hold harmless Seller and its officers, directors, employees, affiliates, successors and assigns (the “Seller Indemnified Parties”) from and against any and all Damages incurred by the Seller Indemnified Parties arising out of or resulting from:

(i) any breach by Buyer of its representations and warranties made under this Agreement;

(ii) any default by Buyer of any covenant or agreement made under this Agreement;

(iii) the Assumed Obligations; and

(iv) Buyer’s operation of the Stations and the Station Assets from and after the Closing.

#### 10.3. Procedures.

(a) The indemnified party shall give prompt written notice to the indemnifying party of any demand, suit, claim or assertion of liability by third parties that is subject to indemnification hereunder (a “Claim”), but a failure to give such notice or delaying such notice shall not affect the indemnified party’s rights or the indemnifying party’s obligations except to the extent the indemnifying party’s ability to remedy, contest, defend or settle with respect to such Claim is thereby prejudiced.

(b) The indemnifying party shall have the right to undertake the defense or opposition to such Claim with counsel selected by it. In the event that the indemnifying party does not undertake such defense or opposition in a timely manner, the indemnified party may undertake the defense, opposition, compromise or settlement of such Claim with counsel selected by it at the indemnifying party’s cost (subject to the right of the indemnifying party to assume defense of or opposition to such Claim at any time prior to settlement, compromise or final determination thereof).

(c) Anything herein to the contrary notwithstanding:

(i) the indemnified party shall have the right, to participate in the defense, opposition, compromise or settlement of the Claim, and the fees and expenses of counsel for the indemnified party shall be at the expense of the indemnified party unless (x) such participation is in accordance with Section 10.3(b) hereof; (y) such participation by the indemnified party has been specifically authorized by the indemnifying party; or (z) the named parties to any such action (including impleaded parties) include both the indemnified party and the indemnifying

party and the indemnified party shall have been advised by its counsel that there may be one or more good-faith legal defenses available to it which are different from or additional to those available to the indemnifying party;

(ii) the indemnifying party shall not, without the indemnified party's prior written consent, settle or compromise any Claim or consent to entry of any judgment; provided, however, that in the event such consent is withheld, then the liabilities of the indemnifying party shall be limited to the total sum representing the amount of the proposed compromise or settlement and the amount of counsel fees and expenses accumulated at the time such consent is withheld; and

(iii) in the event that the indemnifying party undertakes defense of or opposition to any Claim, the indemnified party, by counsel or other representative of its own choosing and at its sole cost and expense, shall have the right to consult with the indemnifying party and its counsel concerning such Claim and the indemnifying party and the indemnified party and their respective counsel shall cooperate in good faith with respect to such Claim.

10.4. ☐ Exclusive Remedy. Following the Closing Date, the parties' rights to indemnification pursuant to this Article 10 shall, except for equitable relief, be the sole and exclusive remedy available to the parties with respect to any matter arising under or in connection with this Agreement or the transactions contemplated hereby.

#### ARTICLE 11: ~~TERMINATION~~ AND REMEDIES

11.1. ☐ Termination. Subject to Section 11.4, this Agreement may be terminated prior to Closing as follows:

- (a) by mutual written consent of Buyer and Seller;
- (b) by written notice of Buyer to Seller if Seller breaches its representations or warranties or defaults in the performance of its covenants contained in this Agreement and such breach or default is material in the context of the transactions contemplated hereby and is not cured within the Cure Period;
- (c) by written notice of Seller to Buyer if Buyer breaches its representations or warranties or defaults in the performance of its covenants contained in this Agreement and such breach or default is material in the context of the transactions contemplated hereby and is not cured within the Cure Period; or
- (d) by written notice by Buyer to Seller or by Seller to Buyer if the Closing does not occur by the date which is nine (9) months after the date hereof.

11.2. ☐ Cure Period. Each party shall give the other party prompt written notice upon learning of any breach or default by the other party under this Agreement. The term "Cure Period" as used herein means a period commencing on the date Buyer or Seller receives from the other written notice of breach or default hereunder and continuing until the ten (10) calendar days thereafter; provided, however, that if the breach or default cannot reasonably be cured within such period but can be cured before scheduled Closing Date, and if diligent efforts to cure promptly

commence, then the Cure Period shall continue as long as such diligent efforts continue, but not beyond the scheduled Closing Date.

11.3. Restrictions on Termination. Neither party may terminate under Sections 11.1(b) or (c) if it is then in material default under this Agreement. The termination of this Agreement shall not relieve any party of any liability for breach or default under this Agreement prior to the date of termination. Notwithstanding anything contained herein to the contrary, Section 6.1 (Confidentiality) and Section 12.1 (Expenses) shall survive any termination of this Agreement.

11.4. Specific Performance. In the event of failure or threatened failure by either party to comply with the terms of this Agreement, the other party shall be entitled to seek an injunction restraining such failure or threatened failure and, subject to obtaining any necessary FCC consent or approval, to enforcement of this Agreement by a decree of specific performance requiring compliance with this Agreement.

## ARTICLE 12: MISCELLANEOUS

12.1. Expenses. Each party shall be solely responsible for all costs and expenses incurred by it in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement. All governmental fees and charges applicable to any requests for the FCC Consent shall be shared equally. Seller shall prepare and file any returns and documentation with respect to transfer, documentary, sales, use, stamp, registration and other such taxes, and all conveyance fees, recording charges and other fees in connection with the transfer of the business or Station Assets under this Agreement, which shall be paid one-half by Buyer and one-half by Seller.

12.2. Further Assurances. After Closing, each party shall from time to time, at the request of and without further cost or expense to the other, execute and deliver such other instruments of conveyance and assumption, and take such other actions, in each case as may reasonably be requested in order to more effectively consummate the transactions contemplated hereby.

12.3. Assignment. Neither party may assign this Agreement without the prior written consent of the other party hereto; provided that nothing herein shall prevent Buyer from assigning all (but not less than all) of its rights and obligations under this Agreement to any of its affiliates but any such assignment shall not serve to relieve the Buyer of its obligations hereunder. The terms of this Agreement shall bind and inure to the benefit of the parties' respective successors and any permitted assigns, and no assignment shall relieve any party of any obligation or liability under this Agreement.

12.4. Notices. Any notice pursuant to this Agreement shall be in writing and shall be deemed delivered on the date of personal delivery or electronic delivery or confirmed facsimile transmission or confirmed delivery by a nationally recognized overnight courier service, and shall be addressed as follows (or to such other address as any party may request by written notice):

if to Seller:

Sainte Partners II L.P.  
142 N. 9th St., Suite 8  
Modesto, CA 95350  
Attn: Rob Castro  
Chief Executive Officer  
Phone: (707) 443-6666  
Email: rcastro@sainte.tv

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

Edinger Associates PLLC  
1875 I. St., NW, Suite 500  
Washington, DC 20006  
Attn: J. Ladd Johnson  
Phone: (202) 747-1695  
Email: ljohnson@edingerlaw.net

if to Buyer:

Broadcasting Communications, L.L.C.  
2111 University Park Drive, Suite 605  
Okemos, MI 48864  
Attn: Brian Brady  
Phone: (517) 347-4242  
Email: brady@northwestbroadcasting.com

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

Brown Rudnick LLP  
601 13th St NW, Suite 600  
Washington, DC 20005  
Attn: Fred L. Levy  
Phone: (202) 536-1725  
Email: flevy@brownrudnick.com

12.5. ☐ Amendments. No amendment or waiver of compliance with any provision hereof or consent pursuant to this Agreement shall be effective unless evidenced by an instrument in writing signed by the party against whom enforcement of such amendment, waiver, or consent is sought.

12.6. ☐ Entire Agreement. This Agreement (including the Schedules and Exhibits hereto) constitutes the entire agreement and understanding among the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings with respect to the subject matter hereof, which shall remain in full force and effect. No party makes any representation or warranty with respect to the transactions contemplated by this Agreement except as expressly set forth in this Agreement or the agreements related hereto.

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

12.8. ☐ No Beneficiaries. Nothing in this Agreement expressed or implied is intended or shall be construed to give any rights to any person or entity other than the parties hereto and their successors and permitted assigns.

12.9. ☐ Governing Law. The construction and performance of this Agreement shall be governed by the laws of the State of Oregon without giving effect to the choice of law provisions thereof.

12.10. ☐ Neutral Construction. Buyer and Seller agree that this Agreement was negotiated at arms-length and that the final terms hereof are the product of the parties' negotiations. This Agreement shall be deemed to have been jointly and equally drafted by Buyer and Seller, and the provisions hereof should not be construed against a party on the grounds that the party drafted or was more responsible for drafting the provision.

12.11. ☐ Cooperation. After Closing, Buyer and Seller shall each reasonably cooperate with the other in the investigation, defense or prosecution of any action which is pending or threatened against Seller, Buyer or their affiliates with respect to the Stations, whether or not any party has notified the other of a claim for indemnity with respect to such matter. Without limiting the generality of the foregoing, Buyer and Seller shall make available their employees to give depositions or testimony and shall furnish all documentary or other evidence that Seller or Buyer may reasonably request. Seller shall reimburse Buyer, and Buyer shall reimburse Seller, for all reasonable and necessary out-of-pocket expenses incurred in connection with the performance of their obligations under this Section 12.11.

12.12. ☐ Counterparts. This Agreement may be executed in separate counterparts, each of which will be deemed an original and all of which together will constitute one and the same agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

**BUYER:**

BROADCASTING COMMUNICATIONS, L.L.C.

By: Northwest Broadcasting, Inc.

Its: Member

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

Name: Bill Quarles

Title: CFO

**SELLER:**

SAINTE PARTNERS II, L.P.

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

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

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



IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

**BUYER:**


BROADCASTING COMMUNICATIONS, L.L.C.

By: Northwest Broadcasting, Inc.  
Its: Member

By: \_\_\_\_\_  
Name: Bill Quarles  
Title: CFO

**SELLER:**

SAINTE PARTNERS II, L.P.

By:  \_\_\_\_\_  
Name: ROB CASTRO  
Title: CEO