

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made as of October 20, 2017, between Granite Broadcasting LLC and KBWB License, LLC, each a Delaware limited liability company (collectively, "Seller"), and Stryker Media 2 LLC, a Delaware limited liability company ("Buyer").

Recitals

A. Seller owns and operates the following television broadcast station (the "Station") pursuant to certain authorizations issued by the Federal Communications Commission (the "FCC"):

KOFY-TV, San Francisco, California (FCC Facility ID #51189)

B. Seller has been designated as a winning bidder for the Station in FCC Auction 1001, conducted pursuant to the Middle Class Tax Relief and Job Creation Act of 2012, Pub. L. No. 112-96, §§ 6402 (codified at 47 U.S.C. § 309(j)(8)(G)), 6403 (codified at 47 U.S.C. § 1452), 126 Stat. 156 (2012) and rules and regulations promulgated thereunder (the "Incentive Auction"), with a bid to surrender the Station's spectrum and cease broadcasting on a dedicated frequency.

C. 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).

D. Poquito Mas Communications, LLC ("PMC"), an affiliate of Buyer, owns and operates Digital Class A Television Station KCNZ-CD (formerly KFTL-CD), San Francisco, California ("KCNZ") pursuant to certain authorizations issued by the FCC.

E. Contemporaneously with the execution of this Agreement, Seller and PMC are entering into a channel sharing agreement with respect to the Station and KCNZ (the "Channel Share Agreement").

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, hereby agree as follows:

ARTICLE 1: SALE AND PURCHASE

1.1 Station Assets. On the terms and subject to the conditions hereof, on the Closing Date (defined below), 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 the following assets, properties, interests and rights of Seller, real and personal, tangible and intangible, that are used or held for use in the operation of the Station, except the Excluded Assets (defined below) (the "Station Assets"):

(a) all licenses, permits and other authorizations issued to Seller by the FCC with respect to the Station (the “FCC Licenses”), including those described on *Schedule 1.1(a)*, including any renewals or modifications thereof between the date hereof and Closing (defined below) (including the construction permit and covering license contemplated by the Channel Share Agreement), it being understood that the FCC Licenses shall not include the Relinquished Spectrum (as defined in Section 1.2) or any rights or interests associated with the Relinquished Spectrum;

(b) all of Seller’s equipment, transmitters, antennas, cables, towers, vehicles, furniture, fixtures, spare parts and other tangible personal property of every kind and description that are exclusively used or held for use in the operation of the Station (the “Tangible Personal Property”), including without limitation those items listed on *Schedule 1.1(b)*;

(c) all of Seller’s leases, licenses or similar agreements under which Seller is lessee or licensee of, or holds, uses or operates, any real property in the business or operation of the Station (including any appurtenant easements and improvements located thereon) that are listed on *Schedule 1.1(c)* (the “Real Property Lease”);

(d) the Channel Share Agreement and all agreements listed on *Schedule 1.1(d)* attached hereto (the “Station Contracts”);

(e) all of Seller’s rights in and to the Station’s call letters and Seller’s rights in and to the trademarks, trade names, service marks, copyrights, domain names, computer software, jingles, slogans, logos, and other intangible property that is used or held for use in the operation of the Station that is listed on *Schedule 1.1(e)* attached hereto (the “Intangible Property”);

(f) Seller’s rights in and to all the files, documents, records, and books of account (or copies thereof) relating to the operation of the Station, including the Station’s local public files, programming information and studies, blueprints, technical information and engineering data, advertising studies, marketing and demographic data, sales correspondence, lists of advertisers, credit and sales reports, and logs; and

(g) all claims (including warranty claims) and Seller’s goodwill in, and the going concern value of, the Station, as well as any deposits or prepaid expenses for which Seller receives a credit under Section 1.6.

The Station Assets shall be transferred to Buyer free and clear of liens, claims and encumbrances (“Liens”) except for the Assumed Obligations (defined below), liens for taxes or other governmental assessments not yet due and payable, rights of the lessor under the Real Property Lease, and with respect to the real property subject to the Real Property Lease, any easements, rights of way, building and use restrictions and other exceptions of record that do not in any material respect impair the use of such real property (collectively, “Permitted Encumbrances”).

1.2 Excluded Assets. Notwithstanding anything to the contrary contained herein, the Station Assets shall not include Seller's rights, title and interest in cash and cash equivalents, accounts receivable existing as of the Adjustment Time (defined below) (the "A/R"), any agreements not listed on *Schedule 1.1(c)* or *Schedule 1.1(d)* at Closing, the Station's studio lease, insurance policies and all coverages and proceeds thereunder and all rights in connection therewith, employee benefit plans and contracts, any non-transferable shrink-wrapped computer software and any other non-transferable computer licenses that are not material to the operation of the Station, Seller's corporate and trade names, Seller's organizational documents and books and records relating to the organization, existence or ownership of Seller, and duplicate copies of the records of the Station (collectively, including the Relinquished Spectrum (as defined below) and the Spectrum Proceeds (as defined below), the "Excluded Assets"). Notwithstanding anything to the contrary contained herein, Buyer acknowledges that Seller has agreed, as part of the FCC's Incentive Auction, to relinquish the spectrum rights associated with the Station's current broadcast operations on Channel 20 and Buyer accepts and agrees that for the purposes of this Agreement, the Station Assets to be conveyed from Seller to Buyer shall not include (a) the spectrum rights associated with the FCC Licenses that were surrendered in the Incentive Auction (the "Relinquished Spectrum") or (b) any portion of the amounts paid in respect of the surrender of such spectrum rights in the Incentive Auction ("Spectrum Proceeds").

1.3 Assumed Obligations.

a. On the Closing Date, Buyer shall assume the obligations of Seller: (1) arising on or after Closing under the FCC Licenses, (2) arising on or after Closing under the Station Contracts and (3) related to the Channel Share Agreement (collectively, the "Assumed Obligations"). For purposes of clarification, Buyer and Seller agree that the total of the Assumed Obligations under the Station Contracts shall not exceed Two Million Dollars (\$2,000,000), and anything in excess of such amount shall be a Retained Liability (defined below). *Schedule 1.3(a)* sets forth a list of the Assumed Obligations under Section 1.3(a)(2) as of the date of this Agreement.

b. Except for the Assumed Obligations, Buyer does not assume and will not be deemed by execution and delivery of this Agreement or any agreement, instrument or document delivered pursuant to or in connection with this Agreement or otherwise by reason of the consummation of the transactions contemplated hereby, to have assumed, any liabilities, obligations or commitments of Seller of any kind, whether or not disclosed to Buyer, including, without limitation, any liability or obligation of Seller under any contracts not included in the Station Contracts (collectively, the "Retained Liabilities").

1.4 Purchase Price. The cash purchase price to be paid for the Station Assets shall be the sum of Six Million Dollars (\$6,000,000), with the Cash Portion (defined below) subject to adjustment pursuant to Section 1.6 and this Section 1.4 (the "Purchase Price"). The Purchase Price shall be paid at Closing as follows: (i) Four Million Dollars (\$4,000,000) (the "Cash Portion"), in cash in immediately available funds pursuant to the written instructions of Seller to be delivered by Seller to Buyer at least three (3) business

days prior to Closing and (ii) assumption of the Assumed Obligations. If the Assumed Obligations under the Station Contracts do not equal Two Million Dollars (\$2,000,000) at Closing, the Cash Portion shall be increased by the difference between \$2,000,000 and the aggregate Assumed Obligations under the Station Contracts.

1.5 Escrow. Within three (3) business days of the date of this Agreement, Buyer shall deposit Two Hundred Thousand Dollars (\$200,000) (the “Deposit”) with Kalil & Co. (the “Escrow Agent”) pursuant to an Escrow Agreement (the “Escrow Agreement”) of even date herewith among Buyer, Seller and the Escrow Agent. At Closing, the Deposit shall be disbursed to Seller and applied to the Purchase Price (and any interest accrued thereon shall be disbursed to Buyer). If this Agreement is terminated by Seller pursuant to Section 10.1(c), then the Deposit shall be disbursed to Seller as liquidated damages and the sole and exclusive remedy of Seller (and any interest accrued thereon shall be disbursed to Buyer). Seller hereby waives all other legal and equitable remedies it may otherwise have as a result of any breach or default by Buyer under this Agreement. If this Agreement is terminated for any other reason, the Deposit and any interest accrued thereon shall be disbursed to Buyer. Buyer and Seller shall each instruct the Escrow Agent to disburse the Deposit and all interest accrued thereon to the party or parties entitled thereto and shall not, by any act or omission, delay or prevent any such disbursement.

1.6 Prorations.

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

(b) Such prorations shall include, without limitation, all ad valorem, real estate and other property taxes (except transfer taxes as provided by Section 11.1), music and other license fees, FCC regulatory fees, utility expenses, rent and other amounts under Station Contracts and similar prepaid and deferred items. To the extent not known, FCC regulatory fees, real estate and personal property taxes shall be apportioned on the basis of FCC regulatory fees, real estate and personal property taxes assessed for the preceding year. Sales commissions related to the sale of advertisements broadcast on the Station prior to Closing shall be the responsibility of Seller, and sales commissions related to the sale of advertisements broadcast on the Station after Closing shall be the responsibility of Buyer. Prorations and adjustments shall be made at Closing to the extent practicable. As to those prorations and adjustments not capable of being ascertained at Closing, a final adjustment and proration shall be made by the parties in good faith within ninety (90) calendar days after Closing and any payment due as a result thereof shall be paid to the entitled party within five (5) business days thereof.

1.7 Allocation. Buyer and Seller shall allocate the Purchase Price for tax purposes in accordance with the respective fair market values of the Station Assets and

the goodwill being purchased and sold in accordance with the requirements of Section 1060 of the Internal Revenue Code of 1986, as amended (the “Code”). Seller and Buyer shall negotiate in good faith to agree on an allocation schedule at or prior to Closing, with Seller making the initial allocation proposal. If Seller and Buyer are unable to agree upon the allocation of the Purchase Price within thirty (30) days after Closing, the parties shall each be permitted to make their own allocation of the Purchase Price for tax purposes.

1.8 Closing. The consummation of the sale and purchase of the Station Assets pursuant to this Agreement (the “Closing”) shall take place on a mutually agreeable date within seven (7) business days after the date that the FCC Consent (defined below) is initially granted, subject to the satisfaction or waiver of the last of the conditions required to be satisfied or waived pursuant to Articles 6 or 7 below (other than those requiring a delivery of a certificate or other document, or the taking of other action, at Closing). The date on which Closing is to occur is referred to herein as the “Closing Date.”

1.9 FCC Consent.

(a) Within three (3) business days after the date Seller files an application for a covering license on FCC Form 2100 with respect to the CP (as defined in the Channel Share Agreement), or on any other date mutually agreed by Buyer and Seller, Buyer and Seller shall file an application (the “FCC Application”) requesting FCC consent to the assignment of the FCC Licenses from Seller to Buyer (the “FCC Consent”). Seller and Buyer shall diligently prosecute the FCC Application. Each party shall promptly provide the other with a copy of any pleading, order or other document served on it relating to the FCC Application or the Channel Share Agreement, and shall furnish all information required by the FCC. Buyer and Seller shall notify each other of all documents filed with or received from any governmental agency with respect to this Agreement, the Channel Share 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.

(b) Buyer and Seller shall negotiate in good faith to enter into commercially reasonable amendments to this Agreement or the Channel Share Agreement or into any new commercially reasonable customary agreements, in order to implement any modifications to the transactions contemplated hereby that may be reasonably requested by the FCC to obtain the FCC Consent without any material adverse conditions or material delays, while maintaining to the greatest extent possible the benefit of the bargain contemplated by this Agreement; provided, however, that no party shall be obligated to execute any amendment or new agreement that materially increases the cost of the transactions contemplated by this Agreement and Seller shall not be obligated to execute any amendment or new agreement that would impose liability on Seller after the Closing.

ARTICLE 2: SELLER REPRESENTATIONS AND WARRANTIES

Seller represents and warrants to Buyer as follows:

2.1 Organization. Seller is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization and to the extent required by applicable law, is qualified to do business in the State of California. Seller has the requisite power and authority to own and operate the Station, to carry on the Station's business as now conducted by it, and to execute, deliver and perform this Agreement and the documents to be made pursuant hereto.

2.2 Authorization. The execution, delivery and performance of this Agreement and the documents to be made pursuant hereto have been duly authorized and approved by all necessary action of Seller (the "Seller Authorization") and does not require any further authorization or consent of Seller. This Agreement and the documents to be made pursuant hereto are legal, valid and binding agreements of Seller enforceable in accordance with their respective 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).

2.3 No Conflicts. The execution, delivery and performance by Seller of this Agreement and the documents to be made pursuant hereto does not conflict with any organizational documents of Seller or any law, judgment, order, or decree to which Seller is subject, and, except for the FCC Consent (and related FCC consummation notice) and counter-party consent to assign certain Station Contracts as designated on *Schedule 1.1(c)* and *Schedule 1.1(d)*, do not require the consent, approval or authorization, or filing with, any third party or any court or governmental authority.

2.4 FCC Licenses.

(a) Seller holds the FCC Licenses listed and described on *Schedule 1.1(a)*. Such FCC Licenses constitute all of the authorizations required under the Communications Act of 1934, as amended (the "Communications Act"), or the rules, regulations and policies of the FCC for the present operation of the Station. The FCC Licenses are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired. Except for the modifications contemplated in connection with the Incentive Auction, the Relinquished Spectrum and the Channel Share Agreement, there is not pending or, to Seller's knowledge, threatened any action by or before the FCC to revoke, suspend, cancel, rescind or modify any of the FCC Licenses (other than proceedings relating to FCC rules of general applicability), and there is no order to show cause, notice of violation, notice of apparent liability, or notice of forfeiture or complaint pending or, to Seller's knowledge, threatened against Seller or the Station by or before the FCC. Seller and the Station are in compliance in all material respects with the FCC Licenses, the Communications Act and the rules, regulations and policies of the FCC. The Station is operating at full power in accordance with its FCC-licensed parameters.

(b) Seller and the Station Assets are in compliance in all material respects with all rules and regulations of the Federal Aviation Administration applicable

to the Station. All reports and filings required to be filed with, and all regulatory fees required to be paid to, the FCC by Seller with respect to the Station (including without limitation all required equal employment opportunity reports) have been timely filed and paid. All such reports and filings are accurate and complete in all material respects. Seller maintains public files for the Station as required by FCC rules.

(c) Seller accepted a winning bid for the FCC Licenses in the Incentive Auction and reserved post-auction channel sharing rights.

(d) All of the multichannel video program distributors carrying the Station's signal ("MVPDs") are described on *Schedule 2.4*, together with the name of the MVPD operator, channel position and must-carry status. Seller has provided to Buyer copies of all must-carry election letters for the current must-carry/retransmission consent election cycle sent to MVPDs on which the Station is entitled to carriage. All of the Station's retransmission consent agreements with MVPDs are included in the Station Contracts, and Seller has provided to Buyer true and complete copies of all such agreements. Since January 1, 2015, (i) no MVPD has provided written notice to Seller of any material signal quality issue or has failed to respond to a request for carriage or sought any form of relief from carriage of the Station from the FCC, (ii) Seller has received no written notice from any MVPD of such MVPD's intention to delete the Station from carriage or to change the Station's channel position, (iii) to Seller's knowledge, there exists no material signal quality issue that would cause any MVPD within the Station's DMA to deny the Station must-carry status and (iv) to Seller's knowledge, no MVPD that had previously carried the signal of the Station ceased to carry the signal of the Station for a period of more than 24 hours for any reason.

2.5 Taxes. Seller has filed all foreign, federal, state, county and local income, excise, property, sales, use, franchise and other tax returns and reports which are required to have been filed by it under applicable law in connection with the Station's business, and has paid all taxes which have become due pursuant to such returns or pursuant to any assessments which have become payable (subject, in each case, to any timely filed extensions).

2.6 Personal Property. *Schedule 1.1(b)* contains a list of all material items of Tangible Personal Property included in the Station Assets. All Tangible Personal Property shall be conveyed to Buyer at Closing "as is, where is" without any other representation or warranty as to condition.

2.7 Real Property. *Schedule 1.1(c)* contains a description of all real property used or held for use in the business or operation of the Station. Seller owns no real property that is used or held for use in the operation of the Station. The Real Property Lease provides sufficient access to the Station's facilities without need to obtain any other access rights. To Seller's knowledge, no part of any real property subject to the Real Property Lease is subject to any pending or threatened suit for condemnation or other taking by any public authority. No hazardous or toxic substance or waste or other material regulated under environmental laws has been generated, stored, transported or released by Seller, or to Seller's knowledge by any other party, on, in, from or to the real

property subject to the Sutro Tower Lease (as defined on *Schedule 1.1(c)*) in violation of environmental laws.

2.8 Contracts. Each of the Station Contracts (including without limitation each Real Property Lease) is in effect and is 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 material default thereunder, and to Seller's knowledge, no other party to any of the Station Contracts is in default thereunder in any material respect. Seller has delivered to Buyer true and complete copies of each Station Contract (including each Real Property Lease), together with all amendments thereto.

2.9 Station Assets. Except for the Excluded Assets and any assets that will be acquired or required for the Channel Share Agreement, the Station Assets constitute all the assets used or held for use in the business or operation of the Station. Seller has good and marketable title to the Station Assets, free and clear of Liens, except for Permitted Encumbrances or liens that will be released at or prior to Closing. Seller maintains sufficient insurance policies with respect to the Station and the Station Assets.

2.10 Compliance with Law. Seller is in compliance in all material respects with all laws, regulations, rules, writs, injunctions, ordinances, franchises, decrees or orders of any court or of any foreign, federal, state, municipal or other governmental authority which are applicable to the Station or the Station Assets. There is no action, suit or proceeding pending or, to Seller's knowledge, threatened against Seller in respect of the Station or the Station Assets or which questions the legality or propriety of the transactions contemplated by this Agreement or would be reasonably likely to materially adversely affect the ability of Seller to perform its obligations hereunder. To Seller's knowledge, there are no claims or investigations pending or threatened against Seller in respect of the Station or the Station Assets.

2.11 Financial Statements. Seller has provided to Buyer true and complete copies of the unaudited balance sheet of the business of the Station as of August 31, 2017, and the related unaudited statement of income for the calendar year to date then ended ((i) and (ii), collectively, the "Financial Statements"). The Financial Statements have been prepared in accordance with GAAP consistently applied, are true, correct and complete in all material respects, and present fairly the financial position and results of operations of the Station as of their respective dates and for the respective periods covered thereby. Except as set forth in the Financial Statements (and other current obligations of similar kind and amount incurred in the ordinary course of business since the date of such balance sheet), there are no material liabilities associated with the business of the Station that would be assumed by Buyer hereunder.

2.12 Employees. Seller has provided to Buyer a list of all Station employees available for Buyer to hire and their position and rate of compensation. There are no employment agreements or independent contractor agreements included in the Station Contracts. Seller has complied with and is in compliance in all materials respects with all

labor and employment laws, rules and regulations applicable to the Station's business, including without limitation those which relate to prices, wages, hours, discrimination in employment and collective bargaining, and is not liable for any arrears of wages or any taxes or penalties for failure to comply with any of the foregoing. There is no unfair labor practice charge or complaint against Seller in respect of the Station's business pending or, to Seller's knowledge, threatened before any court or governmental authority, and there is no strike, dispute, request for representation, slowdown or stoppage pending or, to Seller's knowledge, threatened in respect of the Station's business. Seller is not party to any collective bargaining, union or similar agreement with respect to the employees of Seller at the Station, and no union represents or claims to represent or is attempting to organize such employees.

2.13 No Finder. Except for Kalil & Co., no broker, finder or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Seller or any party acting on Seller's behalf. Payment of Kalil & Co. or any other broker engaged by Seller shall be Seller's sole cost and expense.

ARTICLE 3: BUYER REPRESENTATIONS AND WARRANTIES

Buyer represents and warrants to Seller as follows:

3.1 Organization. Buyer is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and if such qualification is necessary, is (or will be at Closing) qualified to do business in each jurisdiction in which the Station Assets are located. Buyer has the requisite power and authority to execute, deliver and perform this Agreement and the documents to be made pursuant hereto.

3.2 Authority. The execution, delivery and performance of this Agreement and the documents to be made pursuant hereto have been duly authorized and approved by all necessary action of Buyer (the "Buyer Authorization") and does not require any further authorization or consent of Buyer. This Agreement and the documents to be made pursuant hereto are legal, valid and binding agreements of Buyer enforceable in accordance with their respective 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. The execution, delivery and performance by Buyer of this Agreement and the documents to be made pursuant hereto does not conflict with any organizational documents of Buyer or any law, judgment, order, or decree to which Buyer is subject, any contract or agreement to which Buyer is a party or by which it is bound, and does not require the consent, approval or authorization, or filing with, any third party or any court or governmental authority, except the FCC Consent.

3.4 Qualification. Buyer is legally, financially and otherwise qualified to be the licensee of, acquire, own and to hold the FCC Licenses under the Communications Act and the rules, regulations and policies of the FCC. There are no facts relating to Buyer that are known to Buyer that, under existing law and the existing rules, regulations, policies and procedures of the FCC, (a) could reasonably be expected to prevent or delay the FCC from granting the FCC Consent or (b) would disqualify Buyer as an assignee of the FCC Licenses. To Buyer's knowledge, no waiver of any FCC rule or policy relating to Buyer is necessary for the FCC Consent to be obtained. 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 would be reasonably likely to materially adversely affect the ability of Buyer to perform its obligations hereunder.

3.5 KCNZ. PMC holds the FCC license for KCNZ (the "KCNZ License"). The KCNZ License is in full force and effect and has not been revoked, suspended, canceled, rescinded or terminated and has not expired. There is not pending or, to Buyer's knowledge, threatened any action by or before the FCC to revoke, suspend, cancel, rescind or modify the KCNZ License (other than proceedings relating to FCC rules of general applicability and other than an application for a transfer of control of PMC), and there is no order to show cause, notice of violation, notice of apparent liability, or notice of forfeiture or complaint pending or, to Buyer's knowledge, threatened against PMC or KCNZ by or before the FCC. PMC and KCNZ are in compliance in all material respects with the KCNZ License, the Communications Act and the rules, regulations and policies of the FCC.

3.6 No Finder. No broker, finder or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Buyer or any party acting on Buyer's behalf. Payment of any broker engaged by Buyer shall be Buyer's sole cost and expense.

3.7 Purchase Price. At Closing, Buyer will have available all funds necessary to pay the Purchase Price at Closing.

ARTICLE 4: SELLER COVENANTS

4.1 Covenants. From the date hereof until Closing, Seller shall:

(a) except for actions taken in furtherance of the Channel Share Agreement and the Incentive Auction, operate the Station in the ordinary course of business and keep its books and accounts, records and files in the ordinary course, and preserve the business and goodwill of the Station and the Station Assets (including, without limitation, using commercially reasonable efforts to retain employees, advertisers, customers and vendors);

(b) operate the Station in accordance with the terms of the FCC Licenses and in compliance in all material respects with the Communications Act, FCC

rules, regulations and policies, and all other applicable laws, rules and regulations, and maintain the FCC Licenses in full force and effect, subject to the Incentive Auction and the Relinquished Spectrum;

(c) maintain the Tangible Personal Property in the ordinary course of business consistent with past practice, and maintain in effect its current insurance policies with respect to the Station and the Station Assets;

(d) at the request of Buyer, from time to time give Buyer access during normal business hours to all Station employees, facilities, properties, accounts, books, deeds, title papers, insurance policies, licenses, agreements, contracts, commitments, records and files, equipment, machinery, fixtures, furniture, vehicles and all other Station Assets, and provide Buyer all other information concerning the Station as Buyer may reasonably request (any investigation or examination by Buyer shall not in any way diminish any representations or warranties of Seller made in this Agreement);

(e) deliver to Buyer copies of internal operating statements for the Station consistent with the statements previously delivered by Seller to Buyer;

(f) use commercially reasonable efforts to maintain the Sutro Tower Lease in full force and effect;

(g) use commercially reasonable efforts to maintain the existing carriage of the Station's signal by MVPDs located in the Station's designated market area, promptly provide Buyer with true and complete copies of all correspondence between the Station or Seller and any MVPD, and obtain Buyer's approval of any channel position agreement providing for carriage on any channel other than that on which the Station historically has been carried;

(h) coordinate and cooperate with Buyer to timely make must-carry/retransmission consent elections with respect to the Station for the 2018-2020 cycle, and ensure that no agreements executed prior to Closing waive any of the Station's must carry rights for the 2018-2020 election cycle (Seller confirms that prior to Closing, Buyer may contact MVPDs solely with respect to implementation of the Channel Share Agreement, but Buyer shall not represent to such MVPDs that it may negotiate on behalf of Seller);

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

(i) sell, lease or otherwise dispose of any Station Assets except for non-material dispositions in the ordinary course of business of items which are replaced by assets of comparable or superior kind, condition and value (for the avoidance of doubt, there shall be no such limit on the Seller's actions with respect to Excluded Assets);

(ii) create, assume or permit to exist any Liens on the Station Assets, and not dissolve, liquidate, merge or consolidate with any other entity;

(iii) increase the compensation or benefits payable to any employee of the Station, or enter into any employment, labor or union agreement or plan (or amendments of any such existing agreements or plan) that will be binding upon Buyer after Closing, except for increases to employee compensation (including base salary and bonus or incentive compensation or hourly wage) made in the ordinary course of business and not exceeding 2% of such employee's salary and bonus or incentive compensation or hourly wage, as applicable, or make or commit to make any payment for severance or bonus to any Station employee that will be binding on Buyer after Closing;

(iv) modify any of the FCC Licenses, except in accordance with the Incentive Auction and the Relinquished Spectrum or pursuant to the Channel Share Agreement;

(v) take any action or inaction that will materially adversely affect the existing carriage of the Station's signal; or

(vi) amend any of the Station Contracts, or enter into any contract, lease or agreement with respect to the Station except for (A) ordinary course cash time sales agreements at customary rates which are cancelable on no more than sixty (60) days' notice, (B) any other agreements entered into in the ordinary course of business that will be paid and performed in full before Closing, (C) trade or barter contracts to replace expiring agreements in the ordinary course of business with terms not to exceed one year and (D) any amendment to the Sutro Tower Lease (as defined on *Schedule 1.1(c)*) that reduces the remaining obligations thereunder (and makes no other changes to such lease, unless agreed by Buyer).

ARTICLE 5: JOINT COVENANTS

5.1 Confidentiality. Subject to the requirements of applicable law, all non-public information regarding the parties and their business and properties that is disclosed in connection with the negotiation, preparation or performance of this Agreement shall be confidential and shall not be disclosed to any other person or entity, except on a confidential basis to the parties' attorneys, accountants, investment bankers, investors and lenders and their respective attorneys for the purpose of consummating the transaction contemplated by this Agreement.

5.2 Announcements. Prior to Closing, no party shall, without the prior written consent of the other, issue any press release or make any other public announcement 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 advance notice to the other, and except as necessary to enforce rights under or in connection with this Agreement. Notwithstanding the foregoing, the parties acknowledge that this Agreement and the terms hereof will be filed with the FCC Application and thereby become public.

5.3 Control. Consistent with FCC rules, the control, supervision and direction of the operation of the Station prior to Closing shall remain the ultimate responsibility of Seller as the holder of the FCC Licenses.

5.4 Risk of Loss. The risk of loss of or damage to any of the Station Assets shall remain with Seller at all times until 12:01 a.m. local time on the day of Closing, and prior to Closing Seller shall repair and replace any lost or damaged Station Assets.

5.5 [Intentionally omitted].

5.6 Consents. Prior to Closing, Seller shall obtain the Required Consent (defined below), and Seller shall use commercially reasonable efforts to obtain the other consents noted on *Schedule 1.1(c)* and *Schedule 1.1(d)* hereto. In addition, Seller shall use commercially reasonable efforts to obtain customary estoppel certificates from the lessors under each Real Property Lease. To the extent that any Station Contract may not be assigned without the consent of any third party, and such consent is not obtained prior to Closing, this Agreement and any assignment executed at Closing pursuant hereto shall not constitute an assignment thereof, but to the extent permitted by law shall constitute an equitable assignment by Seller and assumption by Buyer of Seller's rights and obligations under the applicable Station Contract, with Seller making available to Buyer the benefits thereof and Buyer performing the obligations thereunder on Seller's behalf; provided, however, that *Schedule 1.1(c)* identifies those consents the receipt of which is a condition precedent to Buyer's obligation to close under this Agreement (the "Required Consent").

5.7 Employees. Buyer may (but is not obligated to) offer post-Closing employment to any of the Station's employees. With respect to each such employee who accepts Buyer's offer of employment, Seller shall be responsible for all compensation and benefits arising prior to Closing (in accordance with Seller's employment terms), and Buyer shall be responsible for all compensation and benefits arising after Closing (in accordance with Buyer's employment terms). With respect to such employees, in connection with the prorations under Section 1.6, an adjustment shall be made in favor of Buyer in an amount equal to the value of any accrued vacation time and any accrued sick leave. Buyer does not assume any of Seller's employee obligations (including any severance obligations), all of which are Retained Liabilities and not Assumed Obligations. Nothing in this Agreement gives any rights to any employee, and no employee may enforce any provision of this Agreement against any of the parties hereto. Buyer will notify Seller of any Station employees it intends to hire within sixty (60) days after the date of filing the FCC Application.

5.8 Receivables. Seller shall deliver to Buyer, promptly after the Closing, a statement of the A/R as of the Closing Date. During the ninety (90) day period following Closing (the "Collection Period"), Buyer shall use reasonable efforts, consistent with its usual collection practices (but without obligation to institute proceedings or use any other extraordinary means of collection) to collect the A/R. Buyer shall remit such collections to Seller on a monthly basis. Seller shall not attempt to collect any of the A/R during the Collection Period. If Seller receives a payment from an account debtor of the Station, Seller shall promptly notify Buyer thereof. At the end of the Collection Period, Buyer shall turn back to Seller any uncollected A/R, and Buyer shall have no further obligation with respect to the A/R. To the extent Buyer receives a payment from a customer of the Station that has A/R outstanding with Seller, then (i) if the payment is tied to a particular invoice, then the A/R shall be applied as payment of such invoice and (ii) if the payment

is not tied to a particular invoice, then Buyer shall apply such payment the accounts receivable for such customer outstanding for the longest amount of time.

5.9 Unwind.

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

(b) If the Closing shall have occurred and prior to becoming Final the FCC Consent is reversed or otherwise set aside, and there is a Final order of the FCC (or court of competent jurisdiction) requiring the re-assignment of the FCC Licenses to Seller, then the purchase and sale of the Station Assets shall be rescinded. In such event, Buyer shall reconvey to Seller the Station Assets, and Seller shall repay to Buyer the Purchase Price and reassume the Assumed Obligations. Any such rescission shall be consummated on a mutually agreeable date within thirty (30) days of such Final order (or, if earlier, within the time required by such order). In connection therewith, Buyer and Seller shall each execute such documents (including execution by Buyer of instruments of conveyance of the Station Assets to Seller and execution by Seller of instruments of assumption of the Assumed Obligations) and make such payments (including repayment by Seller to Buyer of the Purchase Price) as are necessary to give effect to such rescission.

5.10 1031 Exchange. To facilitate a like-kind exchange under Section 1031 of the Internal Revenue Code, Buyer may assign its rights under this Agreement (in whole or in part) to a “qualified intermediary” under section 1.1031(k)-1(g)(4) of the treasury regulations (but such assignment shall not relieve Buyer of its obligations under this Agreement) and any such qualified intermediary may re-assign to Buyer. If Buyer gives notice of such assignment, Seller shall provide Buyer with a written acknowledgment of such notice prior to Closing and convey the Station Assets (or such portion thereof as is designated in writing by the qualified intermediary) to or on behalf of the qualified intermediary at Closing and otherwise reasonably cooperate therewith. Buyer shall be solely responsible for any costs due to the qualified intermediary or otherwise owed as a result of the 1031 exchange.

5.11 Channel Share Agreement. Buyer and Seller shall comply, and Buyer shall cause PMC to comply, in all material respects with the Channel Share Agreement.

ARTICLE 6: SELLER CLOSING CONDITIONS

The obligation of Seller to consummate Closing is subject to satisfaction of the following conditions at or prior to Closing:

6.1 Bringdown. The representations and warranties of Buyer made in this Agreement shall be true and correct in all material respects as of Closing, Buyer shall have performed the obligations to be performed by it under this Agreement at or prior to Closing in all material respects, and Seller shall have received a certificate dated as of Closing from Buyer (executed by an authorized officer) to the effect that the conditions set forth in this section have been satisfied (the "Buyer Bringdown Certificate").

6.2 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.

6.3 FCC Consent. The FCC Consent shall have been granted.

6.4 Deliveries. Buyer shall have made the deliveries to be made by it at Closing under this Agreement.

6.5 Channel Share Agreement. The Channel Share Agreement shall be in full force and effect, the Station shall be channel sharing pursuant to the Channel Share Agreement, and Seller shall have filed an FCC license application to cover the CP described therein.

ARTICLE 7: BUYER CLOSING CONDITIONS

The obligation of Buyer to consummate Closing is subject to satisfaction of the following conditions at or prior to Closing:

7.1 Bringdown. The representations and warranties of Seller made in this Agreement shall be true and correct in all material respects as of Closing, Seller shall have performed the obligations to be performed by it under this Agreement at or prior to Closing in all material respects, and Buyer shall have received a certificate dated as of Closing from Seller (executed by an authorized officer) to the effect that the conditions set forth in this section have been satisfied (the "Seller Bringdown Certificate").

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 Consent. The FCC Consent shall have been granted.

7.4 Deliveries. Seller shall have made the deliveries to be made by it at Closing under this Agreement.

7.5 Consents. The Required Consent has been obtained.

7.6 Construction Permit. The FCC shall have granted a Shared Television Broadcast Station Construction Permit for the Station to permit channel sharing as contemplated by the Channel Share Agreement (the "Construction Permit Approval").

7.7 Channel Share Agreement. The Channel Share Agreement shall be in full force and effect, the Station shall be channel sharing pursuant to the Channel Share Agreement, and Seller shall have filed an FCC license application to cover the CP described therein.

ARTICLE 8: CLOSING DELIVERIES

8.1 Seller Deliveries. At Closing, Seller shall deliver or cause to be delivered to Buyer:

- (a) a good standing certificate issued by each Seller's jurisdiction of formation;
- (b) a certified copy of the Seller Authorization;
- (c) the Seller Bringdown Certificate;
- (d) an Assignment of FCC Licenses assigning the FCC Licenses to Buyer;
- (e) an Assignment and Assumption of Contracts assigning the Station Contracts to Buyer;
- (f) an Assignment and Assumption of Leases assigning the Real Property Lease to Buyer;
- (g) domain name transfers assigning the Station's domain name from Seller to Buyer following customary procedures of the domain name administrator;
- (h) endorsed vehicle titles conveying the vehicles included in the Tangible Personal Property (if any) to Buyer;
- (i) a bill of sale conveying the Station Assets to Buyer;
- (j) the Required Consent;
- (k) any estoppel certificates and other consents to assignment obtained by Seller;
- (l) customary payoff letters and other appropriate documents necessary to release all Liens (except for Permitted Encumbrances) on the Station Assets;
- (m) a joint escrow release notice; and
- (n) any other documents and instruments of conveyance, assignment and transfer that may be reasonably necessary to convey, transfer and assign the Station Assets to Buyer, free and clear of Liens, except for Permitted Encumbrances. Buyer acknowledges and agrees that certain items of Tangible Personal Property may be located

at the Station's studio site at Closing and Buyer shall be responsible for removing such assets (and shall pay all associated costs for such removal) from the studio site on a date to be mutually agreed upon by Buyer and Seller, but no later than March 31, 2018.

8.2 Buyer Deliveries. At the Closing, Buyer shall deliver to Seller:

- (a) a good standing certificate issued by Buyer's jurisdiction of formation;
- (b) the Purchase Price in accordance with the terms of this Agreement, including a joint escrow release notice;
- (c) a certified copy of the Buyer Authorization;
- (d) the Buyer Bringdown Certificate;
- (e) an Assignment and Assumption of Contracts assuming the obligations arising after Closing under the Station Contracts;
- (f) an Assignment and Assumption of Leases assuming the obligations arising after Closing under the Real Property Lease;
- (g) domain name transfers assigning the Station's domain name from Seller to Buyer following customary procedures of the domain name administrator; and
- (h) any other documents and instruments of assumption that may be reasonably necessary to assume the Assumed Obligations.

ARTICLE 9: SURVIVAL AND INDEMNIFICATION

9.1 Survival. The representations and warranties in this Agreement shall survive Closing for a period of nine (9) months from the Closing Date at which time they shall expire and be of no further force or effect, except (i) those under Section 2.5 (Taxes), which shall survive until the expiration of any applicable statute of limitations, (ii) those with respect to title to the Station Assets, which shall survive indefinitely and (iii) that if within such applicable 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.

9.2 Indemnification.

(a) From and after Closing, Seller shall defend, indemnify and hold harmless Buyer from and against any and all losses, costs, damages, liabilities and expenses, including reasonable attorneys' fees and expenses ("Damages") incurred by Buyer arising out of or resulting from:

- (i) any breach by Seller of its representations and warranties under this Agreement;
- (ii) any default by Seller of its covenants and agreements under this Agreement;
- (iii) the Retained Liabilities; or
- (iv) without limiting the foregoing, the business or operation of the Station prior to Closing (including any third party claim arising from such operations).

Notwithstanding the foregoing, Seller shall not be liable for any Damages under Section 9.2(a)(i) until the aggregate amount of Buyer's Damages exceeds \$20,000 (after which Seller shall be liable for all Damages including such threshold), and the maximum liability of Seller under Section 9.2(a)(i) shall be an amount equal to 25% of the Purchase Price.

(b) From and after Closing, Buyer shall defend, indemnify and hold harmless Seller from and against any and all Damages incurred by Seller arising out of or resulting from:

- (i) any breach by Buyer of its representations and warranties under this Agreement;
- (ii) any default by Buyer of its covenants and agreements under this Agreement;
- (iii) the Assumed Obligations; or
- (iv) without limiting the foregoing, the business or operation of the Station from and after Closing (including any third party claim arising from such operations).

9.3 Procedures.

(a) The indemnified party shall give prompt written notice to the indemnifying party of any demand, suit, claim or assertion of liability by a third party 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 reasonably satisfactory to the parties. 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.

(c) Notwithstanding anything herein to the contrary:

(i) the indemnified party shall have the right, at its own cost and expense, to participate in the defense, opposition, compromise or settlement of any Claim, and shall have the right to consult with the indemnifying party and its counsel concerning any Claim, and the indemnifying party and the indemnified party shall cooperate in good faith with respect to any Claim; and

(ii) the indemnifying party shall not, without the indemnified party's written consent, settle or compromise any Claim or consent to entry of any judgment which does not include a full release of the indemnified party from all liability in respect of such Claim.

ARTICLE 10: TERMINATION AND REMEDIES

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

(a) by mutual written consent of Buyer and Seller;

(b) by written notice of Buyer to Seller if Seller:

(i) does not perform the obligations to be performed by it under this Agreement on the Closing Date; or

(ii) otherwise breaches in any material respect any of its representations or warranties or defaults in any material respect in the performance of any of its covenants or agreements contained in this Agreement and such breach or default is not cured within the Cure Period (defined below);

(c) by written notice of Seller to Buyer if Buyer:

(i) does not perform the obligations to be performed by it under this Agreement on the Closing Date; or

(ii) otherwise breaches in any material respect any of its representations or warranties or defaults in any material respect in the performance of any of its covenants or agreements contained in this Agreement and such breach or default is not cured within the Cure Period;

(d) by written notice of Buyer to Seller, or of Seller to Buyer, if the FCC shall have denied (1) the FCC Application or (2) any other FCC application to assign or transfer a main station license for a broadcast television station whose licensee submitted a winning bid to relinquish the station's spectrum rights in the Incentive Auction, provided that the termination right set forth in clause (2) of this Section 10.1(d)

shall be automatically extinguished upon the FCC's consent to assign any main station license for a broadcast television station whose licensee submitted a winning bid to relinquish the station's spectrum rights in the Incentive Auction;

(e) at any time prior to the grant of the Construction Permit Approval, by written notice of Seller to Buyer, if the Closing does not occur by the date that is the earlier of (i) four (4) months from the date hereof or (ii) November 24, 2017; or

(f) at any time after the grant of the Construction Permit Approval, by written notice of Buyer to Seller, or of Seller to Buyer, if the Closing does not occur by the date that is ten (10) months from the date hereof.

The term "Cure Period" as used herein means a period commencing the date Buyer or Seller receives from the other written notice of breach or default hereunder and continuing until the earlier of (i) thirty (30) calendar days thereafter or (ii) the Closing Date determined under Section 1.8. Except for the payment of liquidated damages in accordance with Section 1.5, 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, Sections 1.5 (Escrow), 5.1 (Confidentiality), 5.2 (Announcements) and 11.1 (Expenses) shall survive any termination of this Agreement.

10.2 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 an injunction restraining such failure or threatened failure and, subject to obtaining any necessary FCC consent, to enforcement of this Agreement by a decree of specific performance requiring compliance with this Agreement. Except as set forth in the foregoing sentence, if a party brings an action to enforce specific performance under this Agreement, the other party shall waive the defense that there is an adequate remedy at law. Notwithstanding the foregoing, the remedy of specific performance shall only be available to Seller in the event of any failure by Buyer to comply with Sections 1.9(a) as to filing the FCC Application, 5.1, 5.2 or 5.3, in which event Seller shall be entitled to all available rights and remedies, including without limitation specific performance. For the avoidance of doubt, and notwithstanding anything herein to the contrary, nothing in this Section 10.2 shall restrict the right of Buyer to pursue any remedy available to it under law or in equity.

ARTICLE 11: MISCELLANEOUS.

11.1 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, except that (i) the FCC filing fee applicable to the FCC Application and fees owed to the Escrow Agent shall be shared equally by Buyer and Seller, (ii) any out-of-pocket costs associated with the Channel Share Agreement that are reasonably incurred by Seller shall be paid by Buyer as part of the Assumed Obligations (other than Seller's legal fees, which shall be paid by Seller)

and (iii) any governmental taxes, fees and charges applicable to the transfer of the Station Assets under this Agreement shall be paid by Seller.

11.2 Further Assurances. After Closing, each party hereto shall execute all such instruments and take all such actions as any other party may reasonably request, without payment of further consideration, to effectuate the transactions contemplated by this Agreement, including without limitation the execution and delivery of confirmatory and other transfer documents in addition to those to be delivered at Closing.

11.3 Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective successors and permitted assigns. Seller may not assign any of its rights or delegate any of its obligations hereunder, and any such attempted assignment or delegation without such consent shall be void. In addition to its rights set forth in Section 5.10, Buyer may assign its right to acquire the Station Assets (in whole or in part) to an affiliate, upon prior written notice to Seller, but without Seller's consent, provided that (i) any such assignment does not delay processing of the FCC Application, grant of the FCC Consent or Closing, (ii) any such assignee delivers to Seller a written assumption of this Agreement and (iii) Buyer shall remain liable for all of its obligations hereunder.

11.4 Notices. Any notice pursuant to this Agreement shall be in writing and shall be deemed delivered on the date of personal delivery or confirmed facsimile transmission or confirmed delivery by a nationally recognized overnight courier service, or on the third day after prepaid mailing by certified U.S. mail, return receipt requested, and shall be addressed as follows (or to such other address as any party may request by written notice):

if to Seller, then to: Granite Broadcasting LLC
750 Third Avenue, 9th floor
New York, NY 10017
Attention: Lawrence I. Wills
Facsimile: (212) 826-2858
Email: l.wills@granitetv.com

and: SP Granite LLC
c/o Silver Point Capital, L.P
Two Greenwich Plaza, 1st Floor
Greenwich, Connecticut 06830-6353
Attention: Anthony DiNello and David Reganato
Facsimile: (203) 542-4308
Email: adinello@silverpointcapital.com
dreganato@silverpointcapital.com
creditadmin@silverpointcapital.com

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

Cooley LLP

1299 Pennsylvania Avenue, NW Suite 700
Washington, DC 20004
Attn: John R. Feore
Telephone: (202) 776-2045
Fax: (202) 842-7899
Email: jfeore@cooley.com

if to Buyer, then to: Stryker Media 2 LLC
15200 Sunset Boulevard, Suite 202
Pacific Palisades, CA 90272
Attention: Randy Nonberg
Facsimile: (310) 573-1636

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

Wiley Rein LLP
1776 K Street, N.W.
Washington, D.C. 20006
Attention: Kathleen Kirby
 Jessica Rosenthal
Facsimile: (202) 719-7049

11.5 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.

11.6 Governing Law. The construction and performance of this Agreement shall be governed by the laws of the State of Delaware without giving effect to the choice of law provisions thereof. The prevailing party in a lawsuit brought to enforce the performance or compliance of any provision of this Agreement may recover reasonable attorneys' fees and costs from the non-prevailing party.

11.7 Miscellaneous. No amendment or waiver of compliance with any provision hereof or consent pursuant to this Agreement shall be effective unless in a writing signed by the party against whom enforcement of such amendment, waiver, or consent is sought. This Agreement, including the Schedules hereto, constitutes the entire agreement and understanding of the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings with respect to the subject matter hereof (including without limitation the letter of intent executed by the -269, an. 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 respective successors and permitted assigns. This Agreement may be executed in separate counterparts, each of which shall be deemed to be an original and all of which together constitute one and the same agreement.

11.8 Non-Recourse. No past, present or future director, officer, employee, incorporator, member, partner, equityholder, affiliate, agent, attorney or representative of Seller or any of its affiliates shall have any liability for any obligations or liabilities of Seller under this Agreement or for any claim (whether in contract or tort, in law or in equity, or based upon any theory that seeks to “pierce the corporate veil” or impose liability of an entity against its owners or affiliates or otherwise), liability or any other obligation arising under, based on, in respect of, in connection with, or by reason of, this Agreement or the transactions contemplated hereby, including its negotiation and/or execution, except in the case of any such person’s intentional fraud or willful misconduct.

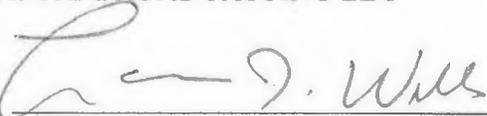
11.9 Actions Pursuant to the Channel Share Agreement. Notwithstanding anything contained in this Agreement to the contrary, Seller shall not be deemed to have breached any of its representations, warranties, covenants or agreements contained herein or to have failed to satisfy any condition precedent to the Buyer’s obligation to perform under this Agreement (nor shall the Seller have any indemnification or other liability or responsibility to the Buyer in respect of any such representations, warranties, covenants, agreements or conditions precedent), in each case to the extent that the inaccuracy of any such representation, the breach of any such warranty, covenant or agreement or the inability to satisfy any such condition precedent is principally caused by (i) any actions taken by or under the control of the Buyer or its affiliates (or any of their respective officers, directors, employees, agents or representatives) in connection with the Buyer’s performance of its obligations under the Channel Share Agreement or otherwise, or (ii) the failure of the Buyer to perform or discharge any of its obligations as required by the Channel Share Agreement. Notwithstanding anything contained in this Agreement to the contrary, Seller shall not have any indemnification or other liability or responsibility to the Buyer in respect of any obligations or liabilities assumed by the Buyer under the Channel Share Agreement or arising out of or caused by the Buyer’s actions in connection with the Channel Share Agreement or failure to perform or discharge its obligations as required by the Channel Share Agreement, unless, and solely to the extent, caused by Seller’s negligence, intentional misconduct or breach of the Channel Share Agreement.

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

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

SELLER:

GRANITE BROADCASTING LLC

By: 

Name: Lawrence I. Wills

Title: Chief Financial Officer

KBWB LICENSE, LLC

By: 

Name: Lawrence I. Wills

Title: Vice President

BUYER:

STRYKER MEDIA 2 LLC

By: _____

Name: Randy E. Nonberg

Title: Manager

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

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

SELLER:

GRANITE BROADCASTING LLC

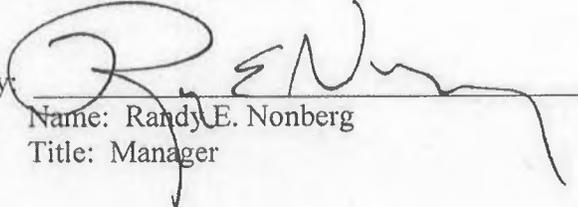
By: _____
Name:
Title:

KBWB LICENSE, LLC

By: _____
Name:
Title:

BUYER:

STRYKER MEDIA 2 LLC

By:  _____
Name: Randy E. Nonberg
Title: Manager