

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT is dated as of the 3rd day of June, 2005, by and between SOUTHERN BROADCAST CORPORATION OF SARASOTA, a Florida Corporation (the “Purchaser”), and MEDIA VENTURE MANAGEMENT, INC., a Virginia Corporation (the “Seller”).

WHEREAS, the Seller owns and operates a commercial television broadcast station licensed in Tallahassee, Florida and operating under the call letters WTXL-TV (the “Station”) pursuant to licenses and other authorizations issued by the Federal Communications Commission (the “FCC”); and

WHEREAS, the Seller desires to sell, and Purchaser desires to buy, substantially all of the assets that are used or useful in the business or operations of the Station for the price and on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements, covenants and provisions set forth herein, and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1 Definitions. As used in this Agreement, the following terms shall have the following meanings:

“Act” means the Communications Act of 1934, as amended.

“Adjustment Time” has the meaning set forth in Section 2.8.

“Affiliate” means a Person who controls or who is controlled by or who is under common control with, another Person.

“Agreement” means this Asset Purchase Agreement, including any Exhibits and Schedules hereto, as the same may be modified, supplemented or amended from time to time in accordance with the terms set forth herein.

“Application” has the meaning set forth in Section 5.2(b).

“Assets” means all real and personal, tangible and intangible assets used or held in connection with the business or operation of the Station, excluding the Excluded Assets.

“Assumed Licenses” has the meaning set forth in Section 2.1(c).

“Assumed Contracts” means all Contracts that are used or useful in the business and operations of the Station as currently conducted, including all Leases and all of the Station’s cash time sales agreements, and (a) that are in force on the date hereof or (b) entered into by the Seller between the date of this Agreement and the Closing Date in the ordinary course of the Station’s business.

“Assumed Liabilities” has the meaning set forth in Section 2.3(a).

“Business Day” means a day (other than a Saturday or Sunday) on which banks generally are open in Florida for the conduct of substantially all of their commercial lending activities.

“Claim” has the meaning set forth in Section 9.4(a).

“Closing Date” has the meaning set forth in Section 2.7.

“Closing” has the meaning set forth in Section 2.7.

“COBRA” means the Consolidated Omnibus Budget Reconciliation Act of 1985 including those provisions relating to continuation of health plan coverage codified at Title 29 United States Code Sections 1161 et seq.

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

“Consent” shall mean any consent, approval, authorization or other order of, or action or exemption by, or filing with or notification of, any Person.

“Contract” means any agreement (including any amendment and other modification thereto) to which the Seller is a party and which relates to or affects the business or operations of the Station.

“Employee Benefit Plans” means each employee benefit plan, within the meaning of Section 3(3) of ERISA, whether or not subject to ERISA, and each stock option, equity-based compensation, incentive, bonus, profit-sharing, savings, deferred compensation, health, medical, dental, life insurance, disability, accident, supplemental unemployment or retirement, employment, severance or salary or benefits continuation or fringe benefit plan, program, arrangement, agreement or commitment maintained by a Person (including any predecessors to the Person and all employers (whether or not incorporated) that would be treated together with the Person as a single employer within the meaning of Section 414 of the Code) or to which the Person contributes (or has any obligation to contribute), has any liability or is a party.

“Environmental Assessment” has the meaning set forth in Section 6.7.

“Environmental Laws” means all federal, state and local statutes, codes, rules, ordinances or regulations as well as common law decisions concerning public health and safety, worker health and safety, and pollution or protection of the environment, including but not limited to all those relating to the presence, use, production, generation, handling, transport, treatment,

storage, disposal, distribution, labeling, testing, processing, discharge, release, threatened release, control or cleanup of any hazardous or otherwise regulated materials, substances or wastes, chemical substances or mixtures, pesticides, pollutants, contaminants, toxic chemicals, petroleum products or byproducts, asbestos, polychlorinated biphenyls, noise or electromagnetic radiation.

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

“Excluded Assets” has the meaning set forth in Section 2.2.

“FCC” has the meaning set forth in the recitals to this Agreement.

“FCC Consent” means the FCC’s consent to the assignment of the FCC Licenses to the Purchaser as contemplated by this Agreement.

“FCC Licenses” means all Licenses issued by the FCC to, or filed with the FCC by, the Seller in connection with the business or operations of the Station.

“Final Order” means an action by the FCC that has not been reversed, stayed, enjoined, set aside, annulled, or suspended, and with respect to which no requests are pending for administrative or judicial review, reconsideration, appeal, or stay, and the time for filing any such requests and the time for the FCC to set aside the action on its own motion have expired.

“Governmental Authority” means any court or other tribunal, any authority, agency, board, body, bureau, commission or instrumentality of any government, or any other entity exercising legislative, judicial, regulatory or administrative functions of or pertaining to government.

“Intangibles” means all copyrights, trademarks, trade names, service marks, service names, licenses, patents, permits, jingles, proprietary information, technical information and data, machinery and equipment warranties, and other similar intangible property rights and interests (and any goodwill associated with any of the foregoing) applied for, issued to, or owned by the Seller or under which the Seller is licensed or franchised and which are used or useful in the business and operations of the Station, together with any additions thereto between the date of this Agreement and the Closing Date, but excluding any of the foregoing that are included in the Excluded Assets.

“Law” means any federal, state, local or foreign law, statute, ordinance, regulation, rule, code, order, writ, judgment, injunction, decree, directive, stipulation, determination, award, requirement or other pronouncement having the effect of law, issued by or on behalf of any Governmental Authority.

“L/C” has the meaning set forth in Section 9.2(a).

“Leased Real Property” means Seller’s leasehold or license interests in all of the real property leased or licensed by Seller that is occupied, used or held for use by Seller in connection with the Station’s business or operations, and all improvements thereon.

“Leases” has the meaning set forth in Section 3.8(b).

“Licenses” means all licenses, permits, other authorizations and authority issued to or conferred upon the Seller by the FCC, the Federal Aviation Administration (the “FAA”), if any, or any other Governmental Authorities in connection with the conduct of the business or operations of the Station, together with (i) any additions thereto between the date of this Agreement and the Closing Date and (ii) any and all applications, registrations and notifications for modification or renewal thereof.

“Material Adverse Effect” means a material adverse effect on the condition of the Assets or on the Station’s operations, taken as a whole, or on the ability of Seller to perform its material obligations under this Agreement, excluding (i) any matters arising out of or resulting from Purchaser’s conduct and (ii) such effect resulting from changes in political or regulatory conditions or changes or conditions generally affecting the U.S. or Florida economy or financial markets or generally affecting the U.S. television broadcasting industry as a whole or the Tallahassee television market.

“Lien” means any mortgage, security interest, pledge, hypothecation, assignment, deposit arrangement, encumbrance, easement, lease, third-party interest, lien (statutory or otherwise), charge, preference, priority or security agreement, any option, warrant, attachment or right of first refusal and any preemptive, conversion, put, call, claim or right or restriction on transfer.

“Permitted Liens” means (a) Liens for taxes and assessments not yet due and payable, (b) liens, easements, rights of way, building and use restrictions, exceptions, reservations and limitations on the Station’s Leased Real Property that do not in any material respect detract from the value of the property subject thereto or impair the use of the Station’s Leased Real Property in the ordinary course of the business of the Station, (c) restrictions or rights retained by Governmental Authorities under applicable law, (d) mechanics and other statutory liens created in the ordinary course of business that secure obligations not delinquent, and (e) Liens otherwise expressly permitted by this Agreement.

“Person” means any individual, corporation, limited liability company, partnership, joint venture, firm, association, trust or any other business, organization or entity, or any Governmental Authority.

“Purchase Price” means the purchase price specified in Section 2.4(a).

“Purchase Price Allocation” has the meaning set forth in Section 2.5.

“Purchaser” has the meaning set forth in the preamble to this Agreement.

“Purchaser’s Knowledge” means the actual knowledge of the officers and directors of the

Purchaser.

“Required Consents” has the meaning set forth in Section 5.4.

“Retained Liabilities” has the meaning set forth in Section 2.3(b).

“Seller” has the meaning set forth in the preamble to this Agreement.

“Seller’s Knowledge” means the actual knowledge of the officers and directors of the Seller after reasonable inquiry of the Station’s general manager and those persons employed by Seller responsible for maintenance of the Station’s records.

“Station” has the meaning set forth in the recitals to this Agreement.

“Straddle Taxes” has the meaning set forth in Section 2.6(a).

“Tangible Personal Property” means the equipment, tools, vehicles, leasehold improvements, office equipment, inventory, spare parts, and other tangible personal property used or held in connection with the business and operations of the Station, including those set forth on Schedule 3.9 hereto, less any retirements or dispositions thereof made in the ordinary course of business or in connection with the acquisition of equivalent replacement property.

“Taxes” means any and all taxes, fees, levies, duties, tariffs, imposts, and other charges of any kind (together with any and all interest, penalties, additions to tax and additional amounts imposed with respect thereto) imposed by any Governmental Authority, including: taxes or other charges on or with respect to income, franchises, windfall or other profits, gross receipts, property, sales, use, capital stock, payroll, employment, social security, workers’ compensation, unemployment compensation, or net worth; taxes or other charges in the nature of excise, withholding, ad valorem, stamp, transfer, value added, or gains taxes; license, registration and documentation fees; and customs duties, tariffs, and similar charges.

“Title Commitment” has the meaning set forth in Section 6.6.

“Title Policy” has the meaning set forth in Section 6.6.

“Transfer Taxes” mean all transfer, transfer gains, documentary, sales, use, stamp, registration and other similar Taxes and fees (including penalties, interest and additions to tax attributable thereto and costs and expenses relating to such Taxes).

Section 1.2 Certain Rules of Construction.

(a) Any term defined herein in the singular form shall have a comparable meaning when used in the plural form, and vice versa.

(b) When used herein, the words “hereof,” “herein” and “hereunder” and words of similar import shall refer to this Agreement as a whole and not to any particular

provision of this Agreement. References to the Preamble, Recitals, Articles, Sections, Exhibits and Schedules shall refer respectively to the Preamble, Recitals, Articles, Sections, Exhibits or Schedules of this Agreement, unless otherwise expressly provided.

(c) When used herein, the terms “include,” “includes,” and “including” are not limiting.

(d) Unless the context requires otherwise, derivative forms of any term defined herein shall have a comparable meaning to that of such term.

(e) When a party’s consent is required hereunder, such party’s consent may be granted or withheld in such party’s sole discretion, unless otherwise specified.

ARTICLE II

PURCHASE AND SALE

Section 2.1 Purchase and Sale. Subject to the terms and conditions set forth in this Agreement, the Seller hereby agrees to sell, assign, convey, transfer, and deliver to the Purchaser, and the Purchaser agrees to purchase and assume, all of the Seller’s rights, title and interest in and to the Assets including the following:

(a) the Tangible Personal Property;

(b) the Leased Real Property;

(c) all Licenses, including all FCC Licenses, but excluding other Licenses which, by their nature or in accordance with their term, are incapable of assignment (the “Assumed Licenses”);

(d) the Assumed Contracts;

(e) the Intangibles and the goodwill of the Station, if any;

(f) all of the Seller’s records relating to the Assets and the business of the Station and its technical information and data, machinery and equipment warranties, maps, computer discs and tapes, plans, diagrams, blueprints, and schematics relating to the business and operation of the Station; and

(g) all of Seller’s books and records relating to the business or operations of the Station, other than those described in Section 2.2(b), including all records required by the FCC to be kept by the Station.

Seller agrees that at Closing it shall convey the Assets to Purchaser free and clear of all Liens of any kind except for Permitted Liens.

Section 2.2 Excluded Assets. The Assets shall exclude the following assets (the “Excluded Assets”):

- (a) the Seller’s cash on hand as of the Closing and all other cash in any of the Seller’s bank or savings accounts, any insurance policies, letters of credit, or other similar items and cash surrender value in regard thereto, and any stocks, bonds, certificates of deposit and similar investments;
- (b) Seller’s corporate name, charter documents and all books, records and proprietary information that pertain to the Seller’s organization or ownership or other internal matters and all tax records;
- (c) any Employee Benefit Plans and any collective bargaining agreements;
- (d) claims of the Seller with respect to matters occurring prior to the Closing Date;
- (e) all assets or property of the Seller not used or held in connection with the business or operation of the Station, duplicate copies of records of the Station, and all records not relating to the operation of the Station;
- (f) all Contracts not included in the Assumed Contracts, including Contracts that are terminated or expire prior to Closing in the ordinary course of business of Seller;
- (g) all Licenses not included in the Assumed Licenses;
- (h) all accounts receivable arising prior to Closing related to income-producing leases of space on the Station’s tower; and
- (i) all other property listed on Schedule 2.2 hereto.

Section 2.3 Assumed Liabilities.

(a) The Purchaser shall assume on and as of the Closing Date, and shall thereafter pay, perform and discharge when due (or cause to be paid, performed and discharged when due), the following liabilities and obligations of the Seller, relating to or arising out of the conduct of the Station’s business (collectively, the “Assumed Liabilities”):

- (i) all liabilities and obligations of the Seller under or pursuant to each Assumed Contract and Assumed License relating to any period on or after the Closing Date; and
- (ii) all liabilities and obligations arising out of the business or operations of the Station on and after the Closing Date (except to the extent such obligations and liabilities relate to Excluded Assets).

(b) Seller shall retain, and Purchaser shall not assume or be responsible for, all obligations and or liabilities of the Seller other than the Assumed Liabilities (the “Retained Liabilities”), including, but not limited to:

(i) any obligations or liabilities under any Contract not included in the Assumed Contracts (if any);

(ii) any obligations or liabilities under any License not included in the Assumed Licenses (if any);

(iii) any liabilities or obligations under or pursuant to any Assumed Contract or Assumed License relating to the period prior to the Closing Date;

(iv) any claims, litigation or proceedings arising out of the operation of the Station prior to the Closing Date, regardless of whether such claims, litigation or proceedings are asserted or instituted before, on, or after the Closing Date;

(v) any claims, litigation or proceedings relating to compliance by the Seller or the Station with the FCC Licenses prior to the Closing Date, regardless of whether such claims, litigation or proceedings are asserted or instituted before, on or after the Closing Date;

(vi) any obligations for employees of the Seller who are not hired by the Purchaser, including, but not limited to, COBRA coverage;

(vii) any obligations or liabilities arising under capitalized leases or other financing agreements not assumed by the Purchaser;

(viii) any obligations or liabilities of the Seller relating to or arising from any employee pension, retirement, profit-sharing or other employee benefit plan or any collective bargaining agreement;

(ix) all obligations of the Seller pursuant to Section 6.1 hereof;

(x) any obligation or liability of Seller to any officer, director or shareholder of Seller or their Affiliates; and

(xi) any liability on the books of the Station, to the extent the liability neither arises out of an Assumed Contract nor is subject to adjustments pursuant to Section 2.8 hereof.

All Retained Liabilities shall remain and be the obligations and liabilities solely of the Seller.

Section 2.4 Purchase Price. At the Closing, the Purchaser shall pay to the Seller Twelve Million Dollars (\$12,000,000.00), adjusted as provided herein (the “Purchase Price”) by wire transfer of immediately available funds pursuant to wire instructions delivered by the Seller to the Purchaser at least two Business Days prior to the Closing Date. Four Hundred and Fifty

Thousand Dollars (\$450,000) of the Purchase Price shall be paid to the Indemnification Escrow Agent at Closing as provided in Section 9.3(b). In connection with the prorations and adjustments pursuant to Section 2.8, at Closing, the Purchase Price shall be increased by an amount equal to the outstanding Working Capital owed to Seller under the Station's Outsourcing Agreement.

Section 2.5 Allocation of Purchase Price. The Seller and the Purchaser shall use their reasonable best efforts to agree upon an allocation of the Purchase Price (the "Purchase Price Allocation") in accordance with Section 1060 of the Code for federal, state, local and foreign tax purposes on or prior to the Closing Date, which allocation shall be annexed as Schedule 2.5 of this Agreement at the Closing. As soon as reasonably practicable after the date hereof, the Seller shall deliver to the Purchaser a proposed allocation of the Purchase Price for the Purchaser's review and approval, and the Purchaser shall promptly review and deliver written notice to Seller of its approval or disapproval of such allocation. If the Purchaser disapproves of the proposed allocation, then the Purchaser shall promptly deliver to the Seller a written adjustment to the Seller's proposed allocation. The Seller and the Purchaser shall use their reasonable best efforts to agree upon any adjustments to the Purchase Price Allocation. If the Purchaser and the Seller agree upon an allocation pursuant to this Section 2.5, each party shall file its tax returns reflecting such allocation and neither the Purchaser nor the Seller shall take any position inconsistent with such allocation, except as may be required by Law, without the consent of the other party.

Section 2.6 Taxes.

(a) Taxes that are imposed on a periodic basis with respect to the Station and the Assets and are payable for any taxable period that begins on or before but ends after the Adjustment Time, other than Taxes based on (or measured by) net income, ("Straddle Taxes") shall (i) in the case of any sales, use, employment, payroll and other similar Straddle Taxes which are based on or related to sales, receipts or disbursements, be allocated between the Seller and the Purchaser based upon the amount which would be payable if the relevant taxable period ended at Adjustment Time, and (ii) in the case of all other Straddle Taxes (including real property and personal property Taxes), be allocated between the Seller and the Purchaser based upon the relative number of days in the portion of the taxable period up to and including the Adjustment Time and the relative number of days in the portion of the taxable period subsequent to the Adjustment Time. Any refund or credit of Straddle Taxes shall be allocated between the Seller and the Purchaser in a manner consistent with the preceding sentence. In the case of any Straddle Taxes prepaid by the Seller, the Purchaser shall pay to the Seller at the Closing (or if not at Closing, then in connection with the adjustments pursuant to Section 2.8), the Seller's allocable share of such Straddle Taxes. In the case of all other Straddle Taxes, the party paying such Straddle Taxes shall provide a written notice to the other party indicating the amount of such Straddle Taxes so paid (including a copy of any return relating to, and evidence of payment of, such Straddle Taxes) and such other party shall (after review and approval of such Taxes, which approval shall not be unreasonably withheld) promptly pay to the paying party such other party's allocable share of such Straddle Taxes.

(b) All Transfer Taxes incurred in connection with the consummation of the

transactions contemplated by this Agreement shall be paid one-half by Purchaser and one-half by Seller. The parties shall prepare and timely file all necessary tax returns and other documentation with respect to all such Transfer Taxes.

Section 2.7 Closing. Subject to the satisfaction or, to the extent permissible by Law, waiver (by the party for whose benefit the condition is imposed) on the date scheduled for the Closing, of the conditions precedent set forth in Sections 7.1 and 7.2, the closing of the transactions contemplated by this Agreement (the “Closing”) shall take place at the offices of Leibowitz & Associates, P.A., 1 SE 3rd Avenue, Suite 1450, Miami, Florida, on a mutually acceptable date which shall be not more than ten Business Days after the FCC Consent becomes a Final Order or at such other place, time and/or date as the parties may mutually agree in writing (the date of the Closing, the “Closing Date”). Notwithstanding anything in this Section 2.7 to the contrary, the Purchaser may, upon ten Business Days prior notice to the Seller, require that the Closing be held at any time after the FCC has provided public notice of the FCC Consent and before the FCC Consent becomes a Final Order (if all of the conditions precedent set forth in Sections 7.1 and 7.2 have been satisfied or, to the extent permissible by Law, waived by the party for whose benefit the condition is imposed). At the Closing:

(a) the Seller shall deliver to the Purchaser the various certificates, instruments and documents referred to in Section 7.1;

(b) the Purchaser shall deliver to the Seller the various certificates, instruments and documents referred to in Section 7.2;

(c) the Seller shall execute, acknowledge (if appropriate) and deliver to the Purchaser:

(i) assignments of the Intangibles, Assumed Licenses and Assumed Contracts in form and substance reasonably satisfactory to Purchaser; and

(ii) such other instruments of sale, deeds, transfers, conveyances and assignments that may be reasonably necessary to convey, transfer and assign the Assets from Seller to Purchaser;

(d) the Purchaser shall execute, acknowledge (if appropriate) and deliver to the Seller:

(i) an assumption of the Assumed Liabilities in form and substance reasonably satisfactory to the Seller; and

(ii) such other instruments of assumption that may be reasonably necessary to assume the Assumed Liabilities; and

(e) the Purchaser shall pay the Purchase Price to the Seller, as set forth in Section 2.4.

Section 2.8 Adjustments. Except as otherwise provided herein, the operation of the Station and the revenue and operating expenses attributable thereto until 11:59 p.m. on the date preceding the Closing Date (the "Adjustment Time") shall be for the account of the Seller and thereafter for the account of the Purchaser, and Station revenue and expenses shall be prorated between the Seller and the Purchaser as of the Adjustment Time in accordance with generally accepted accounting principles, and the Purchase Price shall be adjusted accordingly. Such prorations shall include deferred and prepaid items such as rent, business and license fees, music and other license fees (including any retroactive adjustments thereof), Straddle Taxes as provided by Section 2.6(a), vacation and sick leave for Station employees hired by Purchaser, utility expenses, amounts due or to become due under Assumed Contracts, and similar prepaid and deferred items. All special assessments, similar charges and Liens imposed against the Assets in respect of any period of time through the Adjustment Time, whether payable in installments or otherwise, shall be the responsibility of the Seller, and all amounts payable with respect to such special assessments, charges or Liens in respect of any period of time after the Adjustment Time shall be the responsibility of the Purchaser, and such charges shall be adjusted accordingly. Sales commissions related to the sale of advertising broadcast on the Station prior to Closing shall be the responsibility of Seller, and sales commissions related to the sale of advertising broadcast on the Station after Closing shall be the responsibility of Purchaser. With respect to barter, trade and similar agreements for the sale of broadcast time assumed by Purchaser, Purchaser shall receive a proration in its favor in the amount that the value of the advertising time to be run on the Station on or after the Closing Date (based upon the value of Seller's rates at Closing) exceeds the fair market value of the consideration to be received by Purchaser. Notwithstanding anything herein to the contrary, the prorations and adjustments made pursuant to this Section shall include an adjustment in Seller's favor for the network satellite conversion costs paid by Seller prior to Closing that have not been reimbursed by ABC. To the extent that any of the foregoing prorations and adjustments cannot be determined as of the Closing Date, the Purchaser and the Seller shall conduct a final accounting and make any further payments, as required on a date mutually agreed upon, within 90 days after the Closing.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF THE SELLER

As an inducement to the Purchaser to enter into this Agreement, the Seller hereby represents and warrants to the Purchaser as of the date hereof and as of the Closing Date as follows:

Section 3.1 Organization and Power. The Seller is a corporation, duly formed, validly existing and in good standing under the laws of the State of Virginia and is qualified to do business in the State of Florida. The Seller has all requisite corporate power and authority to own, lease, and use those Assets that are owned, leased and used by it, as now owned, leased, and used and to carry on the business and operations of the Station as it is now being conducted. The Seller has all requisite corporate power to execute and deliver this Agreement and the documents contemplated hereby, and to perform and comply with all of the terms, covenants, and conditions to be performed and complied with by the Seller hereunder.

Section 3.2 Authorization, Execution and Binding Effect. The execution, delivery, and performance by the Seller of this Agreement and the documents contemplated hereby have been duly authorized by all necessary corporate actions on the part of the Seller. This Agreement has been duly executed and delivered by the Seller and constitutes the legal, valid, and binding obligation of the Seller, enforceable against the Seller in accordance with its terms, except as the enforceability of this Agreement may be affected by bankruptcy, insolvency, or similar laws affecting creditors' rights generally and by judicial discretion in the enforcement of equitable remedies.

Section 3.3 Absence of Conflicts. Subject to obtaining the FCC Consent and the Consents listed on Schedule 3.4, the execution, delivery and performance by the Seller of this Agreement and the documents contemplated hereby and the consummation of the transactions contemplated hereby will not (a) conflict with or violate the Articles of Incorporation or By-Laws of the Seller; (b) conflict with, violate, constitute grounds for termination of, result in any breach of or any default under, result in any termination or modification of, or cause any acceleration of any obligation under (in each case, with or without the giving of notice, the lapse of time, or both), any material agreement, instrument, license, or permit to which the Seller is a party or by which it is bound or by which any of its assets are subject; or (c) violate any statute, law, rule, regulation, judgment, decree, injunction, order, policy or ruling of any Governmental Authority applicable to the Seller.

Section 3.4 Consents. Except as set forth on Schedule 3.4 and the FCC Consent, no Consent is required to be obtained or made by the Seller in connection with the execution, delivery and performance by the Seller of this Agreement or the consummation of the transactions contemplated hereby.

Section 3.5 Governmental Licenses. Schedule 3.5 includes a list of (a) all FCC Licenses, and (b) all applications pending before the FCC for permits or other authorizations to be used in conjunction with the Station, true and complete copies of which have been provided to the Purchaser. All FCC Licenses have been validly issued, and the Seller is the authorized legal holder thereof. The Licenses listed in Schedule 3.5 comprise all of the material Licenses required for the lawful conduct of the business and operations of the Station as currently operated and as currently contemplated (including authorizations for the construction of digital television facilities). Each FCC License is in full force and effect. The FCC Licenses are not subject to any conditions other than those set forth on the face of the FCC Licenses or those that are applicable to television stations of the same type and class as the Station. The Seller and the conduct of the business and operations of the Station are in compliance in all material respects with the terms and conditions of the Licenses as well as the Act and the policies and rules promulgated by the FCC thereunder. Except as set forth in Schedule 3.5 and proceedings of a general nature affecting the television industry, there is no complaint, petition, investigation, or other proceeding pending, or, to the Seller's Knowledge, threatened by or before the FCC or a court of competent jurisdiction with respect to the Seller, the Station or the FCC Licenses. Other than facts disclosed by Seller to Purchaser in writing, to the Seller's knowledge there are no facts related to Seller or the Station that would prevent the FCC's renewal of the FCC Licenses for a full term in the ordinary course of business.

Section 3.6 Reports. All material returns, reports, and statements required to be filed by the Seller with respect to the Station with the FCC or with any other Governmental Authority have been filed, and all reporting requirements of the FCC and other Governmental Authorities having jurisdiction over the Seller and the Station have been complied with by the Seller in all material respects. All of such returns, reports, and statements are complete and correct as filed in all material respects. The Seller has paid to the FCC all annual regulatory fees required to be paid by the Seller with respect to the FCC Licenses.

Section 3.7 Compliance with Laws. The Seller is in compliance in all material respects with the Licenses and Laws applicable to it relating to the ownership or operation of the Assets. Neither the ownership nor operation of the Assets by the Seller conflicts in any material respect with the rights of any other person or entity.

Section 3.8 Real Property.

(a) Seller owns no real property that is used or held for use by Seller in connection with the Station's business or operations. The Leased Real Property comprises all of the real property interests held by Seller and used or useful in the conduct of the business and operations of the Station as currently conducted.

(b) Schedule 3.8 is a true and complete list of each lease, sublease, license, or other contract with respect to all Leased Real Property (the "Leases"). Seller has provided Purchaser with a true and complete copy of each of the Leases. Seller is the sole owner and holder of all of the rights granted by the Leases. Except as noted in Schedule 3.8, Seller has not granted any oral or written right to any Person other than Seller to lease, sublease, license or otherwise occupy any of the Leased Real Property through the end of the applicable Leases. Seller has, and on the Closing Date, Purchaser will receive possession under the Leases, with respect to the Leased Real Property. Seller has not received any notice of default under any Lease with respect to the Leased Real Property that remains outstanding or uncured. To Seller's Knowledge, there exists no event which now constitutes, or which upon the giving of notice or the passage of time, or both, would give rise to, any material default in the performance by Seller of any obligation under any Lease.

(c) To Seller's Knowledge, the Leased Real Property and all appurtenances and improvements thereto or thereon owned by Seller, as used in the manner currently operated by Seller, conform in all material respects to applicable Laws (including all building, fire, health and Environmental Laws) and no notices of violation of any such Laws have been received by Seller with respect to any Leased Real Property. To Seller's knowledge, no condition exists with respect to the Leased Real Property which could reasonably be expected to interfere with the use and operation thereof in the manner used and operated by Seller. The Leased Real Property is available for immediate use in the conduct of the Station's business and operations.

(d) Except as set forth on Schedule 3.8, to Seller's Knowledge, all towers, buildings (including transmitter buildings) and other structures and improvements used in connection with the operation of the Station and owned by Seller (collectively, "Transmission Structures") are located entirely on the Leased Real Property. The Leases provide access to the

Station's facilities. To Seller's Knowledge, none of the Transmission Structures or the use thereof violates any restrictive covenants or encroaches on any property owned by any other Person. Except as noted on Schedule 3.8, to Seller's Knowledge, all Transmission Structures are constructed in conformity with all "set back" lines, easements and other restrictions or rights of record. No condemnation or eminent domain proceeding is pending or, to Seller's Knowledge, threatened which could reasonably be expected to preclude or impair in any material way the use of any Leased Real Property. There are no material structural or other material defects in the Transmission Structures and all such Transmission Structures have been maintained in accordance with generally accepted standards in the broadcast industry.

(e) No Governmental Authority has issued or, to Seller's Knowledge, threatened to issue, any notice or order that could reasonably be expected to affect adversely the use or operations of any Leased Real Property in any material respect in the manner used or operated by Seller, or require any repairs, alterations, additions or improvements thereto, or the payment or dedication of any money, fee, exaction or property.

(f) The improvements located on the Leased Real Property that are owned by Seller are sufficient for their present purposes and are in working order in all material respects.

(g) No shareholder of Seller is a "foreign person" as defined in Section 1445 of the Code.

Section 3.9 Tangible Personal Property. Except as described in Schedule 3.9, the Seller owns and has good title to each item of Tangible Personal Property, and none of the Tangible Personal Property is subject to any Lien, except for Permitted Liens and liens set forth on Schedule 3.9. Each item of Tangible Personal Property is available for immediate use in the business and operations of the Station as currently conducted, unless disposed of prior to Closing in the ordinary course of business. All items of transmitting equipment currently in use and included in the Tangible Personal Property (a) are in good condition and working order, ordinary wear and tear excepted, (b) meet any and all requirements specified in the published FCC rules and polices, including but not limited to those relating to RF radiation, and (c) will permit the Station to operate in compliance in all material respects with the terms of the FCC Licenses and the Act, as well as the published rules, regulations and policies of the FCC, and with all other applicable Law.

Section 3.10 Intangibles. Schedule 3.10 is a true and complete list of all material Intangibles (exclusive of those listed in Schedule 3.5), all of which are valid and in good standing and uncontested. To the Seller's Knowledge, the Seller is not infringing upon or otherwise acting adversely to any trademarks, trade names, service marks, service names, copyrights, patents, patent applications, know-how, methods, or processes owned by any other Person or Persons.

Section 3.11 Title to Assets.

(a) The Seller owns or leases all of the Assets. Except as set forth on Schedule 3.11, the Seller has good and marketable title to all of the properties and assets

included in the Assets other than any leased property or, in the case of the Leased Real Property and any other leased property included in the Assets, valid and subsisting leasehold interests in such property free and clear of all Liens other than the Liens set forth on Schedule 3.11 and Permitted Liens.

(b) Except for the Excluded Assets, the Assets constitute all properties, assets and rights used or useful in the conduct of the business of the Station in the manner conducted as of the date hereof.

(c) Upon consummation of the Closing (and assuming the obtaining of all Consents), the Purchaser will own, free and clear of all Liens (other than Permitted Liens and Liens imposed at the direction of the Purchaser), or lease, under valid and subsisting leases, the Assets.

Section 3.12 Assumed Contracts. Schedule 3.12 constitutes a list of all material Assumed Contracts in existence on the date of this Agreement (other than cash time sales agreements). The Seller has delivered to the Purchaser true and complete copies of each of the Assumed Contracts listed on Schedule 3.12. All of the Assumed Contracts are in full force and effect. The Seller is in compliance in all material respects with the terms of each Assumed Contract and has not received any notice from any other party to any of the Assumed Contracts concerning any violation or breach thereof by the Seller. To the Seller's Knowledge, there is not under any Assumed Contract any material default by any other party thereto or any event that, after notice or lapse of time or both, would constitute a material default. Except for the need to obtain the Consents listed in Schedule 3.4, the Seller has full legal power and authority to assign its rights under the Assumed Contracts to the Purchaser in accordance with this Agreement.

Section 3.13 Programming Contracts. Schedule 3.13 sets forth a correct and complete list of all Contracts pursuant to which the Seller has obtained rights to broadcast programming on the Station and each other Contract with respect to programming by which the Seller is bound, each of which is an Assumed Contract.

Section 3.14 Cable and Satellite Carriage.

(a) Schedule 3.14(a) sets forth, to the Seller's Knowledge, a correct and complete list of (i) all cable television systems that carry the Station's signals on the date hereof under the FCC's "must carry" rules and (ii) all cable television systems that carry the Station's signal pursuant to retransmission consent agreements, all of which constitute Assumed Contracts.

(b) Schedule 3.14(b) sets forth, to the Seller's Knowledge, a correct and complete list of (i) all satellite television systems that carry the Station's signals on the date hereof under applicable Law and (ii) all satellite television systems that carry the Station's signals pursuant to retransmission consent agreements, all of which constitute Assumed Contracts.

Section 3.15 Insurance. Seller maintains insurance policies covering the Assets, and such policies are in full force and effect.

Section 3.16 Personnel.

(a) Schedule 3.16 contains a true and complete list of all employees of the Seller who are employed at the Station, their job titles, dates of hire and current salaries.

(b) The Seller is not a party to or subject to any collective bargaining agreements with respect to the Station. The Seller does not have any written contract of employment with any employee of the Station. The Seller has complied in all material respects with all laws, rules, and regulations relating to the employment of labor, including those related to wages, hours, collective bargaining, occupational safety, discrimination, and the payment of social security and other payroll related taxes. No labor union or other collective bargaining unit represents or, to the Seller's Knowledge, claims to represent any of the Seller's employees at the Station. To the Seller's Knowledge, there is no union campaign being conducted to solicit cards from employees to authorize a union to request a National Labor Relations Board certification election with respect to the Seller's employees at the Station.

Section 3.17 Employee Benefits. Upon request therefor by Purchaser, Seller shall deliver or cause to be delivered to the Purchaser copies of each Employee Benefit Plan maintained by it, together with all amendments thereto, and, to the extent applicable, (i) all current summary plan descriptions; (ii) the annual report on Internal Revenue Service Form 5500-series, including any attachments thereto, for each of the last three plan years; (iii) the most recent determination letter; and (iv) all other handbooks, policies and procedures relating to all aspects of employment, including, but not limited to, compensation, benefits, equal opportunity and safety.

Section 3.18 Taxes. The Seller has filed all federal, state and local tax returns required to be filed by the Seller and has paid or accrued for in full on the Closing Date all Taxes shown on those returns to the extent such taxes have become due or tax liability has accrued with respect to any Taxes, except for those Taxes that are being challenged in good faith in accordance with established procedures and for which adequate reserves have been made. There are no proceedings pending pursuant to which the Seller is or could be made liable for any Taxes, penalties, interest, or other charges, the liability for which could extend to the Purchaser as transferee of the Assets or as operator of the Station following the Closing, and, to the Seller's Knowledge, no event has occurred and no condition exists that could impose on the Purchaser (either as a transferee or the owner of the Assets) any transferee liability for any Taxes, penalties, or interest due or to become due from the Seller.

Section 3.19 Litigation. Except as set forth on Schedule 3.19, there is no material claim, legal action, counterclaim, suit, arbitration, governmental investigation or other legal, administrative, or tax proceeding, nor any material order, decree or judgment pending or, to the Seller's Knowledge, threatened, against the Seller or the Station. Except as set forth on Schedule 3.19, no pending claim, legal action, counterclaim, suit, arbitration, governmental investigation, other legal, administrative, or tax proceeding, order, decree or judgment is likely to result in (a)

any injunction or other court order restraining or prohibiting the consummation of the transactions contemplated by this Agreement, or (b) have a Material Adverse Effect.

Section 3.20 Environmental Matters.

(a) To the Seller's Knowledge, the Seller is in compliance in all material respects with all Environmental Laws and the Seller has not received any written notice of a charge, complaint, action, suit, proceeding, hearing, investigation, claim, demand, or notice having been filed or commenced against the Seller in connection with its operation of the Station alleging any failure to comply with any Environmental Law.

(b) To the Seller's Knowledge, the Seller has not released or threatened the release of any hazardous or toxic substances on, in or from the Assets.

(c) To the Seller's Knowledge, the Seller holds and is in compliance in all material respects with all of the terms and conditions of all permits, licenses, and other authorizations which are required under, and is in compliance with all other limitations, restrictions, conditions, standards, prohibitions, requirements, obligations, schedules, and timetables which are contained in, the Environmental Laws.

Section 3.21 Insolvency. No insolvency proceedings of any character, including, without limitation, bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, affecting the Seller or any of the Assets is pending or, to the Seller's Knowledge, threatened, and the Seller has not made any assignment for the benefit of creditors, nor taken any actions with a view to, or which would constitute the basis for, the institution of any such insolvency proceedings.

Section 3.22 No Material Omission. The Seller has not failed to disclose any material fact known to the Seller that would make any warranty or representation in this Agreement inaccurate or misleading in any material respect.

Section 3.23 No Brokers. Neither the Seller nor any Person acting on the Seller's behalf has incurred any liability for any finders' or brokers' fees or commissions in connection with the transactions contemplated by this Agreement, except that CobbCorp LLC is owed a brokers fee which shall be paid by the Brian E. Cobb Trust at Closing.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

As an inducement to the Seller to enter into this Agreement, the Purchaser hereby represents and warrants to the Seller as of the date hereof and as of the Closing Date as follows:

Section 4.1 Organization and Power. The Purchaser is a corporation, duly organized, validly existing and in good standing under the laws of the State of Florida and is qualified to conduct business in the State of Florida. The Purchaser has all requisite corporate power to

execute and deliver this Agreement and the documents contemplated hereby, and to perform and comply with all of the terms, covenants, and conditions to be performed and complied with by the Purchaser hereunder.

Section 4.2 Authorization, Execution and Binding Effect. The execution, delivery, and performance by the Purchaser of this Agreement and the documents contemplated hereby have been duly authorized by all necessary corporate actions on the part of the Purchaser. This Agreement has been duly executed and delivered by the Purchaser and constitutes the legal, valid, and binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its terms, except as the enforceability of this Agreement may be affected by bankruptcy, insolvency, or similar laws affecting creditors' rights generally and by judicial discretion in the enforcement of equitable remedies.

Section 4.3 Absence of Conflicts. Subject to obtaining the FCC Consent and the Consents listed on Schedule 4.4, the execution, delivery and performance by the Purchaser of this Agreement and the documents contemplated hereby and the consummation of the transactions contemplated hereby will not (a) conflict with or violate the Articles of Incorporation, By-Laws, or other organizational documents of the Purchaser; (b) conflict with, violate, constitute grounds for termination of, result in any breach of or any default under, result in any termination or modification of, or cause any acceleration of any obligation under (in each case, with or without the giving of notice, the lapse of time, or both), any material agreement, instrument, license, or permit to which the Purchaser is a party or by which it is bound or by which any of its assets are subject; or (c) violate any statute, law, rule, regulation, judgment, decree, injunction, order, policy or ruling of any Governmental Authority applicable to the Purchaser.

Section 4.4 Consents. Except as set forth on Schedule 4.4 and the FCC Consent, no Consent is required to be obtained or made by the Purchaser in connection with the execution, delivery and performance by the Purchaser of this Agreement or the consummation by the Purchaser of the transactions contemplated hereby.

Section 4.5 Purchaser Qualification. The Purchaser is, and as of the Closing will be, legally, financially and otherwise qualified to perform its obligations hereunder and to be the licensee of and to acquire, own and operate the Station under the Act and the rules, regulations and policies of the FCC. No waiver of any FCC rule or policy is required for the grant of the FCC Consent. To Purchaser's knowledge, there are no facts that would, under existing Law and existing rules, regulations, policies and procedures of the FCC disqualify Purchaser as an assignee of the FCC Licenses or as owner and operator of the Station.

Section 4.6 Insolvency. No insolvency proceedings of any character, including, without limitation, bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, affecting the Purchaser is pending or, to the Purchaser's Knowledge, threatened, and the Purchaser has not made any assignment for the benefit of creditors, nor taken any actions with a view to, or which would constitute the basis for, the institution of any such insolvency proceedings.

Section 4.7 No Material Omission. Purchaser has not failed to disclose any material

fact known to Purchaser that would make any warranty or representation in this Agreement inaccurate or misleading in any material respect.

Section 4.8 No Brokers. Neither the Purchaser nor any Person acting on the Purchaser's behalf has incurred any liability for any finders' or brokers' fees or commissions in connection with the transactions contemplated by this Agreement.

ARTICLE V

COVENANTS PRIOR TO THE CLOSING

Section 5.1 Conduct of Business. From the date hereof until the Closing, the Seller shall:

(a) carry on the business of the Station and keep its books and accounts, records and files in the usual and ordinary manner in which the business has been conducted in the past;

(b) subject to the Outsourcing Agreement with WTWC, Inc., use commercially reasonable efforts to preserve the business organization of the Station and shall cooperate with the Purchaser to preserve the goodwill of the Station's suppliers, customers, and others having business relations with the Station;

(c) operate the Station in compliance in all material respects with the terms of the Licenses and all applicable Laws, including but not limited to the Act, and the published policies, rules and regulations promulgated by the FCC thereunder;

(d) maintain the Licenses in full force and effect without adverse modification and timely file and prosecute any applications, registrations, notification or other filings, as necessary for renewal of the Licenses and for maintenance of the Station's DTV replication/maximization rights;

(e) comply in all material respects with all laws, published policies, rules, and regulations applicable or relating to the ownership or operation by the Seller of the Station;

(f) perform in all material respects its obligations under, and maintain in effect, the Assumed Contracts (unless any of such contracts are terminated in the ordinary course of business);

(g) maintain all Tangible Personal Property and Leased Real Property included in the Assets in good operating condition (ordinary wear and tear excepted), repair and maintain adequate and usual supplies of inventory, office supplies, spare parts and other materials as have been customarily maintained in the past by Seller, and maintain in effect its existing casualty and liability insurance on the Assets;

(h) take any and all commercially reasonable actions, and not fail to take any

commercially reasonable actions, necessary or appropriate to preserve the Station's carriage on the cable television systems identified in Schedule 3.14(a) and the satellite television systems identified in Schedule 3.14(b);

(i) maintain its books and records relating to the Station in all material respects in accordance with past practices;

(j) obtain Purchaser's written consent (which shall not be unreasonably withheld, conditioned or delayed) prior to entering into an Assumed Contract other than time sale agreements entered into for cash in the ordinary course of business; and

(k) cooperate with Purchaser to construct, in a timely fashion and at Purchaser's expense and in accordance with the following paragraph, digital television ("DTV") facilities preserving the Station's replication/maximization rights.

Purchaser acknowledges that by July 1, 2006 the Station's DTV facilities must meet the applicable FCC replication/maximization requirements in order to maintain full interference protection. All work (whether before or after Closing) necessary for the Station to timely comply with these requirements (including without limitation labor, purchase of towers and equipment and preparation and prosecution of FCC filings) ("DTV Construction") shall be at Purchaser's expense. Seller shall commence DTV Construction in the ordinary course of business prior to Closing in accordance with specifications reasonably satisfactory to Purchaser, and in such event, any DTV Construction costs shall either be (i) paid directly by Purchaser or (ii) if Seller pays any such costs with Purchaser's prior written consent then Purchaser shall reimburse Seller within seven (7) business days after Seller incurs any such costs or at Closing, whichever first occurs. If this Agreement is terminated pursuant to Section 8.2, and Purchaser is not then in material default of this Agreement, then Seller shall reimburse Purchaser for all reasonable DTV Construction costs incurred by Seller prior to termination.

Nothing contained in this Agreement shall give the Purchaser any right, directly or indirectly, to control, supervise, direct, or attempt to control, supervise, or direct, the operations of the Station prior to Closing; such operations, including complete control and supervision of all of the Station programs, employees, and policies, shall be the sole responsibility of the Seller until the Closing.

Section 5.2 FCC Consent.

(a) The assignment of the FCC Licenses in connection with the purchase and sale of the Assets pursuant to this Agreement shall be subject to the FCC Consent.

(b) Within ten Business Days after the date of this Agreement, the Seller and the Purchaser shall jointly prepare and file with the FCC a Form 314 application (the "Application") for consent to the assignment of the FCC Licenses from the Seller to the Purchaser. All FCC filing fees shall be borne one-half by Seller and one-half by Purchaser. The parties to the Application shall prosecute such Application with all reasonable diligence and otherwise use their commercially reasonable efforts to obtain a grant of the Application as

expeditiously as practicable. Each party shall promptly provide the other party with copies of any pleadings or other documents received by such party (that are not also separately provided to or served upon such other party) with respect to the Application. Each party agrees to comply with any condition imposed on it by the FCC Consent, except that no party shall be required to comply with a condition if such compliance would have a material adverse effect on such party or any of its affiliates. The Purchaser and the Seller shall cooperate with each other and otherwise employ commercially reasonable efforts to oppose any requests for reconsideration or judicial review of the FCC Consent. If the Closing shall not have occurred for any reason within the original effective period of the FCC Consent, and neither party shall have terminated this Agreement in accordance with the terms hereof, the parties shall jointly request an extension of the effective period of the FCC Consent.

Section 5.3 Access to Facilities, Books and Records. From the date of this Agreement until the Closing, the Seller shall provide the Purchaser, as well as its representatives, (a) reasonable access to inspect during normal business hours and upon reasonable prior notice, all Assets and all records of Seller related thereto, and (b) all such other information concerning the Station or the Assets as the Purchaser may reasonably request, provided, however, that such access rights shall not be exercised in a manner that interferes with the operation of the Station. Any investigation or examination by the Purchaser shall not in any way diminish or obviate any representations or warranties of the Seller made in this Agreement.

Section 5.4 Consents to Assignment.

(a) From the date of this Agreement until the Closing, the Seller shall use commercially reasonable efforts to secure all Consents from third parties as shall be required, on behalf of the Seller, in order to enable the Purchaser to effect the transactions contemplated hereby without any materially adverse change in the terms or conditions of any Assumed Contract or Assumed License. Marked with an asterisk on Schedule 3.4 are the Consents designated by the parties as “Required Consents” (if any). Seller shall obtain all Required Consents prior to Closing, but no other Consents with respect to Assumed Contracts are conditions to Closing. Seller shall make an appropriate written request for consent to the assignment of the Station’s ABC Television Network Affiliation Agreement from Seller to Purchaser within ten business days of the execution of this Agreement, and Purchaser shall cooperate with any request by ABC with respect to such consent.

(b) The Seller shall promptly advise the Purchaser of any difficulties experienced in obtaining any of the Consents and of any conditions proposed, considered, or requested for any of the Consents. The Purchaser shall use commercially reasonable efforts to assist the Seller in obtaining the Consents, including, without limitation, executing such assumption instruments and other documents as may be reasonably required in connection with obtaining the Consents. To the extent that any Assumed Contract or Assumed License 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 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 Purchaser of Seller’s rights and obligations under the applicable Assumed Contract or Assumed License, with Seller making available to Purchaser the benefits

thereof and Purchaser performing the obligations thereunder on Seller's behalf.

Section 5.5 Notice of Certain Events.

(a) From the date of this Agreement until the Closing Date, the Seller shall give prompt notice to the Purchaser of any material adverse development of which the Seller has knowledge and which does or is likely to cause a breach of any of the Seller's representations and warranties in Article III.

(b) From the date of this Agreement until the Closing Date, the Purchaser will give prompt notice to the Seller of any material adverse development of which the Purchaser has knowledge and which does or is likely to cause a breach of any of the Purchaser's representations and warranties in Article IV.

Section 5.6 Notice of Proceedings.

(a) From the date of this Agreement until the Closing Date, the Seller shall promptly notify the Purchaser (and in any event within five Business Days) upon receipt of notice of any actual or threatened material claim, dispute, arbitration, litigation, complaint, judgment, order, decree, investigation, action or proceeding relating to the Seller, the Station, the Assets, or the consummation of this Agreement, other than proceedings or matters generally affecting the broadcasting industry.

(b) From the date of this Agreement until the Closing Date, the Purchaser shall promptly notify the Seller (and in any event within five Business Days) upon receipt of notice of any actual or threatened material claim, dispute, arbitration, litigation, complaint, judgment, order, decree, investigation, action or proceeding relating to the Purchaser or the consummation of this Agreement, other than proceedings or matters generally affecting the broadcasting industry.

Section 5.7 Risk of Loss.

(a) The risk of any loss, damage, impairment, confiscation or condemnation of any of the Assets, from any cause, other than as a result of any action or omission of the Purchaser or any of their agents, shall be borne by the Seller at all times prior to 12:01 a.m. local time on the Closing Date, and Purchaser shall bear the risk of loss or damage thereafter. If any loss, damage, impairment, confiscation, or condemnation of or to any of the Assets occurs prior to such time, the Seller shall repair, replace, or restore the Assets to their prior condition as soon thereafter as reasonably possible, and the Seller shall use the proceeds of any claim under any insurance policy solely to repair, replace, or restore any of the Assets that are lost, damaged, impaired, or destroyed prior to the Closing Date. In the event that the property is not completely repaired, replaced or restored on or before the scheduled Closing Date, the Purchaser may elect, at its option: (i) to postpone the Closing until such time as the property has been completely repaired, replaced or restored (and, if necessary, the Seller shall join the Purchaser in requesting from the FCC any extensions of time in which to consummate the Closing that may be required in order to complete such repairs); or (ii) to consummate the Closing and accept the property in

its then existing condition, in which event the Seller shall pay to the Purchaser all proceeds of insurance and assign to the Purchaser the right to any unpaid proceeds, Purchaser shall waive any claim against Seller with respect to such damage or destruction, and any representation of Seller in this Agreement with respect to the affected Assets shall be deemed qualified to take into account such damage or destruction. Except as provided in this Section 5.7, the Seller shall not make any material change in the Leased Real Property or in any building, structure, fixture or improvement on the Leased Real Property without Purchaser's consent.

(b) The Seller shall promptly notify the Purchaser upon learning that any of the Station's normal broadcast transmissions are interrupted, interfered with or impaired in any material respect for more than eight consecutive hours. The Seller shall provide the Purchaser with prompt written notice of the measures being taken to correct any such problems. If the Station ceases broadcast operations and does not resume broadcast operations within ten (10) days of such event or by the Closing Date, whichever first occurs then the Purchaser shall have the right to terminate this Agreement without penalty or further liability upon ten (10) days prior written notice to the Seller.

Section 5.8 Cooperation. From the date of this Agreement until the Closing Date, the Purchaser and the Seller shall cooperate fully with each other and their respective counsel and accountants in connection with any actions required to be taken as part of their respective obligations under this Agreement, and the Purchaser and the Seller shall execute such other documents as may be reasonably necessary and desirable to the implementation and consummation of this Agreement, and otherwise use their commercially reasonable efforts to consummate the transaction contemplated hereby and to fulfill their obligations under this Agreement. Notwithstanding the foregoing, the Purchaser shall have no obligation to agree to any material adverse change in any Assumed License or Assumed Contract to obtain a Consent required with respect thereto.

Section 5.9 Purchaser's Conduct. From the date of this Agreement until the Closing Date, the Purchaser shall not take any action or fail to take any action that would (a) disqualify the Purchaser from being the licensee of and owning and operating the Station under the Act and the rules, regulations and published policies of the FCC as in effect on the date hereof or (b) prevent the Purchaser from otherwise fulfilling its obligations hereunder.

Section 5.10 Publicity. Prior to the Closing Date, neither party shall publish any press release, make any other public announcement or otherwise communicate with any news media concerning this Agreement or the transactions contemplated hereby without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed; *provided, however*, that nothing contained herein shall prevent either party from making all over the air public notices and newspaper publications and all filings with Governmental Authorities or securities exchanges as may, in its judgment be required or advisable in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby or by Law or the rules and regulations of any securities exchange.

ARTICLE VI

ADDITIONAL COVENANTS

Section 6.1 Employment Matters.

(a) Except for Station employees having written employment agreements, the Purchaser shall not be obligated to employ any of the Seller's employees and any such employment by the Purchaser shall be at its sole discretion and, subject to the terms of this Section 6.1, shall be on terms, conditions and policies of employment established by the Purchaser. With respect to each employee of the Station not party to a written employment agreement, Purchaser shall notify Seller in writing at least 10 business days prior to Closing whether or not it is hiring such employee upon Closing.

(b) Seller shall retain the responsibility for payment of all compensation and benefits, including all medical, dental, health and disability claims incurred by Station employees prior to the Adjustment Time. Purchaser shall assume responsibility for payment of all compensation and benefits, including all medical, dental, health and disability claims incurred by Station employees in its employ on or after the Adjustment Time, which are covered under Purchaser's benefit plans in which the employee is a participant. Seller agrees that it shall retain all liabilities and obligations, if any (including, without limitation, the liability and obligation for all wages, salary, vacation pay and unemployment, medical, dental, health and disability benefits), for those former employees of Seller who retired or terminated employment prior to the Closing Date or otherwise do not become employees of Purchaser and for all other employees of the Seller accruing or arising prior to the Closing.

(c) This Section 6.1 shall operate exclusively for the benefit of the parties to this Agreement and is not intended for the benefit of any other person, including, without limitation, any current or former employee of any party hereto.

Section 6.2 Confidentiality. Except as necessary for the consummation of the transactions contemplated by this Agreement, and except as and to the extent required by law, any securities exchange or the FCC, each party will keep confidential any information obtained from the other party in connection with the transactions contemplated by this Agreement. If this Agreement is terminated, each party will return to the other party all such information obtained by such party from the other party in connection with the transactions contemplated by this Agreement, and neither the Seller nor the Purchaser shall disclose to third parties (except to their respective agents and representatives, who will be bound by this section) any confidential information received from the other or its agents in the course of investigating, negotiating, and consummating the transactions contemplated by this Agreement; *provided* that no information shall be deemed to be confidential that (a) becomes publicly known or available other than through disclosure by the disclosing party; (b) is rightfully received by the disclosing party from a third party; or (c) is independently developed by the disclosing party. Promptly upon any termination of this Agreement, all originals of all confidential material provided by either party or its agents shall be returned and all copies thereof shall be destroyed.

Section 6.3 Further Assurances. The Purchaser and the Seller shall each, from time to time after the Closing, at the reasonable request of the other and without further consideration,

execute and deliver such further documents and instruments of assignment, transfer, license or assumption and take such further action in order more effectively to transfer, reduce to possession and record title to any of the Assets, to permit the Purchaser to operate the Station or to implement the assumption of the Assumed Liabilities.

Section 6.4 Books and Records. The Purchaser, on the one hand, and the Seller, on the other hand, shall each, on the request of the other, make available to such other party from time to time on a reasonable basis for a period of three years after the Closing Date records and other documents substantially relating to the Assets and the Station (including records or documents relating to Straddle Taxes or Transfer Taxes). Such records and other documents shall be held by the party in possession of such documents for seven years after the Closing Date and copies shall be delivered to the other party upon such other party's reasonable request at any time and at the requesting party's out-of-pocket expense.

Section 6.5 Tax Matters. After the Closing Date, the parties shall cooperate with one another in connection with the preparation and filing of tax returns and any audits or proceedings relating to Straddle Taxes or Transfer Taxes, including furnishing or making available books and records relating to such Taxes and making employees reasonably available on a mutually convenient basis and upon reasonable prior notice to provide explanations of any such books and records.

Section 6.6 Title Commitment. The Purchaser shall have the option, at its sole cost and expense, to obtain within sixty (60) days after the date of this Agreement a current preliminary leasehold title report or leasehold title insurance commitment (the "Title Commitment") for each parcel of Leased Real Property for the issuance of a leasehold title insurance policy for such Leased Real Property (the "Title Policy").

Section 6.7 Environmental Assessment. Prior to the Closing Date, the Purchaser shall have the option, at its sole cost and expense, to conduct a Phase I Environmental Site Assessment of the Station's leased tower site (included in the Leased Real Property) and of the operations and facilities of the Station located at such site, all within sixty (60) days after the date of this Agreement (the "Environmental Assessment"), which Environmental Assessment may be conducted by a third party of the Purchaser's choice. During such time period, the Seller agrees to grant to the Purchaser and its consultants and other agents access to such operations, facilities and property as are reasonably necessary to conduct the Environmental Assessment (subject to any landlord consent, if necessary) upon reasonable prior notice to Seller. Purchaser shall promptly provide a copy of any Environmental Assessment to Seller and notify Seller of any good faith objections thereto within five (5) business days after Purchaser's receipt of any such Environmental Assessment.

ARTICLE VII

CONDITIONS

Section 7.1 Conditions to the Obligations of the Purchaser. The obligations of the Purchaser hereunder to purchase the Assets and assume the Assumed Liabilities shall be subject

to the satisfaction (or waiver by the Purchaser) on or prior to the Closing Date of each of following conditions:

(a) All representations and warranties of the Seller contained in Article III of this Agreement shall be true and correct in all material respects at and as of the Closing Date as though made at and as of that time except for (i) any inaccuracy that does not have or would not reasonably be expected to have a Material Adverse Effect (with the understanding that a consummation of the transactions contemplated to occur at the Closing notwithstanding any such inaccuracy of the Seller's representations or warranties shall not constitute a waiver of the Purchaser's rights under Section 9.2 hereof), (ii) any representation or warranty that is expressly stated only as of a specified earlier date, in which case such representation or warranty shall be true as of such earlier date, (iii) changes in any representation or warranty that are contemplated by this Agreement, and (iv) changes in any representation or warranty as a result of any act or omission of the Purchaser or its successors, assigns and agents;

(b) The Seller shall have performed and complied in all material respects with all covenants, agreements, and conditions required by this Agreement to be performed or complied with by it prior to or on the Closing Date, except to the extent such noncompliance results from any act or omission of the Purchaser or its successors, assigns and agents (with the understanding that a consummation of the transactions contemplated to occur at the Closing notwithstanding any such noncompliance shall not constitute a waiver of the Purchaser's rights under Section 9.2 hereof);

(c) The Required Consents set forth on Schedule 3.4 (if any) shall have been obtained and delivered to the Purchaser without any material adverse change in the terms or conditions of the associated Leases;

(d) The FCC Consent shall have been granted without the imposition on the Purchaser of any conditions that need not be complied with by the Purchaser under Section 5.2 hereof, the FCC Consent shall have become a Final Order, and the Seller shall have complied with or tendered compliance with any conditions imposed on it by the FCC Consent;

(e) The Purchaser shall have received duly executed warranty deeds, bills of sale, motor vehicle titles, assignments, and other transfer documents which shall be sufficient to vest good and marketable title to the Assets in the name of the Purchaser, free and clear of all Liens, except for Permitted Liens;

(f) The Purchaser shall have received a certificate in form and substance reasonably satisfactory to the Purchaser dated as of the Closing Date and executed by an appropriate officer of the Seller, certifying compliance by the Seller with the conditions set forth in Sections 7.1(a) and (b);

(g) The Purchaser shall have received certified copies of appropriate resolutions of the Seller's Board of Directors, certified by an appropriate officer of the Seller, authorizing the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated herein;

(h) If the Purchaser chooses to obtain the Title Commitment in accordance with Section 6.6, the Purchaser shall have received evidence that the Title Commitment contains no exceptions other than Permitted Liens; and

(i) If the Purchaser chooses to obtain the Environmental Assessment in accordance with Section 6.7, the results of such Environmental Assessment shall not reflect any material violations of Environmental Laws to which Purchaser objected on a timely basis that Seller is unwilling or unable to cure in all material respects prior to Closing.

Section 7.2 Conditions to the Obligations of the Seller. The obligations of the Seller hereunder to sell the Assets shall be subject to the satisfaction (or waiver by the Seller) on or prior to the Closing Date of each of the following conditions:

(a) All representations and warranties of the Purchaser contained in Article IV of this Agreement shall be true and correct in all material respects at and as of the Closing Date as though made at and as of that time, except for (i) any inaccuracy that does not have or would not reasonably be expected to have a material adverse effect on the Purchaser's ability to perform its obligations hereunder (with the understanding that a consummation of the transactions contemplated to occur at the Closing notwithstanding any such inaccuracy of the Purchaser's representations or warranties shall not constitute a waiver of the Seller's rights under Section 9.3 hereof), (ii) any representation or warranty that is expressly stated only as of a specified earlier date, in which case such representation or warranty shall be true as of such earlier date, (iii) changes in any representation or warranty that are contemplated by this Agreement, and (iv) changes in any representation or warranty as a result of any act or omission of the Seller or its successors, assigns and agents;

(b) The Purchaser shall have performed and complied in all material respects with all covenants, agreements, and conditions required by this Agreement to be performed or complied with by it prior to or on the Closing Date, except to the extent such noncompliance results from any act or omission of the Seller or its successors, assigns and agents (with the understanding that a consummation of the transactions contemplated to occur at the Closing notwithstanding any such noncompliance shall not constitute a waiver of the Seller's rights under Section 9.3 hereof);

(c) The FCC Consent shall have been granted and have become effective without the imposition on the Seller of any conditions that need not be complied with by the Seller under Section 5.2 hereof, and the Purchaser shall have complied with any conditions imposed on it by the FCC Consent;

(d) The Seller shall have received appropriate assumption agreements pursuant to which the applicable the Purchaser shall assume and undertake to perform the Seller's obligations under the Assumed Licenses and Assumed Contracts as provided in Section 2.3(a);

(e) The Seller shall have received a certificate dated as of the Closing Date

and executed by an appropriate officer of the Purchaser, certifying compliance by the Purchaser with the conditions set forth in Sections 7.2(a) and (b); and

(f) The Seller shall have received certified copies of appropriate resolutions of the Purchaser's Board of Directors, certified by an appropriate officer of the Purchaser, authorizing the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated herein.

ARTICLE VIII

TERMINATION

Section 8.1 Termination by the Seller. This Agreement may be terminated by the Seller, if the Seller is not then in material default, upon written notice to the Purchaser upon the occurrence of any of the following:

(a) If, on the date that would otherwise be the Closing Date, there is in effect any judgment, decree, or order that would prevent or make unlawful the Closing.

(b) If the Closing shall not have occurred on or prior to the first anniversary of the date hereof.

(c) If the Purchaser does not perform in any material respect the obligations to be performed by it under this Agreement on the Closing Date, or 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 30 days after the Purchaser received written notice of such failure from the Seller.

Section 8.2 Termination by the Purchaser. This Agreement may be terminated by the Purchaser, if the Purchaser is not then in material default, upon written notice to the Seller, upon the occurrence of any of the following:

(a) If, on the date that would otherwise be the Closing Date, there is in effect any judgment, decree, or order that would prevent or make unlawful the Closing.

(b) If the Closing shall not have occurred on or prior to the first anniversary of the date hereof.

(c) If the Seller does not perform in any material respect the obligations to be performed by it under this Agreement on the Closing Date, or 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 30 days after the Seller received written notice of such failure from the Purchaser.

(d) In accordance with Section 5.7(b).

Section 8.3 Rights on Termination.

(a) If this Agreement is terminated pursuant to Section 8.1 or Section 8.2 and neither party is in material breach of this Agreement, the parties hereto shall not have any further liability to each other with respect to the purchase and sale of the Assets, but no termination of this Agreement shall relieve a party of any liability for breach or default under this Agreement prior to the date of termination. Notwithstanding anything herein to the contrary, Section 6.2 (Confidentiality), Sections 9.2(a) and (b) (Escrow Deposit and Liquidated Damages), and Section 10.1 (Expenses) shall survive any termination of this Agreement.

(b) If this Agreement is terminated by the Purchaser due to the Seller's material breach of this Agreement, the Purchaser shall have all rights and remedies available at law or equity including the remedy of specific performance as specified in Section 9.3.

(c) If this Agreement is terminated by the Seller due to the Purchaser's material breach of this Agreement, the Seller shall have the rights and remedies specified in Section 9.2.

ARTICLE IX

INDEMNIFICATION/LIQUIDATED DAMAGES/SPECIFIED PERFORMANCE

Section 9.1 Survival of Representations and Warranties/Limitation on Liability.

(a) All representations and warranties contained in this Agreement and in any Exhibit, Schedule, instrument or certificate delivered pursuant hereto, shall be deemed continuing representations and warranties and shall survive the Closing for a period of one (1) year from Closing; *provided, however*, Seller's indemnification of Purchaser for liability under Bulk Transfer Laws shall continue indefinitely. All covenants and agreements contained in this Agreement and in any Exhibit, Schedule, instrument or certificate delivered pursuant hereto shall survive until performed.

(b) No claim may be brought under this Agreement unless written notice describing in reasonable detail the nature and basis of such claim is given on or prior to the last day of the applicable survival period. In the event such notice is given, the right to indemnification with respect thereto shall survive the applicable survival period until such claim is finally resolved and any obligations thereto are fully satisfied. No investigation by or on behalf of any party shall constitute a waiver as to enforcement of any representation, warranty, or covenant contained in this Agreement, and no notice or information delivered by Seller or any of its Affiliates shall affect Purchaser's right to rely on any representation or warranty made by Seller or any of its Affiliates or relieve Seller or any of its Affiliates of any obligations under this Agreement.

(c) the maximum aggregate liability Purchaser or Seller may have to the other

for a breach of the covenants, representations or warranties contained in this Agreement or in any document delivered pursuant to this Agreement shall be an amount equal to Four Hundred and Fifty Thousand Dollars (\$450,000).

Section 9.2 Seller Remedies

(a) Escrow Deposit. Concurrently with the execution and delivery of this Agreement by all parties, Purchaser will deposit with Leibowitz and Associates, P.A., ("Earnest Money Escrow Agent"), an irrevocable Letter of Credit (the "L/C") in the amount of Six Hundred Thousand Dollars (\$600,000.00) US issued by a bank reasonably satisfactory to Seller, without draw conditions, listing Seller as the beneficiary and with an expiry date of not less than one year (and otherwise in a form reasonably satisfactory to Seller) (the "Earnest Money Escrow Deposit"). The Earnest Money Escrow Deposit shall be held and disbursed by Earnest Money Escrow Agent pursuant to the terms of this Agreement and the Earnest Money Escrow Agreement, appended hereto as Exhibit 9.2 (the "Earnest Money Escrow Agreement"), which Earnest Money Escrow Agreement has been entered into by the Seller, Purchaser and Earnest Money Escrow Agent. If the Earnest Money Escrow Deposit is to be disbursed to Seller as provided in this Agreement and the Earnest Money Escrow Agreement, then the parties shall give the Earnest Money Escrow Agent joint written instructions directing the Earnest Money Escrow Agent to present the L/C to Seller (who may draw the entire stated amount). If the L/C is not extended prior to the date one month before its expiry date, then the Earnest Money Escrow Agent shall present the L/C to the issuing bank and draw the entire stated amount and such proceeds shall be held by the Earnest Money Escrow Agent as a cash deposit as provided by the Earnest Money Escrow Agreement.

At Closing, the Earnest Money Escrow Deposit shall be returned to Purchaser upon payment of the Purchase Price. If this Agreement is terminated pursuant to Section 8.1(c), Purchaser and Seller shall execute written instructions to the Earnest Money Escrow Agent directing it to deliver the Earnest Money Escrow Deposit to Seller as liquidated damages, as provided in Section 9.2(b). If this Agreement is terminated pursuant to Section 8.2(c), Purchaser and Seller shall execute written instructions to the Earnest Money Escrow Agent directing it to deliver the Earnest Money Escrow Deposit to Purchaser.

Notwithstanding anything herein to the contrary, Purchaser may make the Earnest Money Escrow Deposit by wire transfer of \$600,000 cash on the date of this Agreement rather than by delivery of the L/C. In such event, Purchaser shall have the option to substitute the L/C (in the form described above and otherwise reasonably satisfactory to Seller) for the \$600,000 cash deposit as the Earnest Money Escrow Deposit at any time after the date hereof upon at least three (3) business days prior written notice to Seller. If no such substitution of the L/C for the \$600,000 cash deposit is made, then at Closing, the Earnest Money Escrow Deposit shall be disbursed to Seller and applied to the Purchase Price and any interest accrued thereon shall be disbursed to Purchaser.

The parties shall each instruct the Earnest Money Escrow Agent to disburse the Earnest Money Escrow Deposit and all interest thereon to the party entitled thereto and shall not, by any act or omission, delay or prevent any such disbursement. Any failure by Purchaser to

make the Earnest Money Escrow Deposit on the date hereof constitutes a material default as to which the cure period under Section 8.1(c) does not apply entitling Seller to immediately terminate this Agreement.

(b) Liquidated Damages. If this Agreement is terminated by Seller pursuant to Section 8.1(c), the parties agree and acknowledge that Seller will suffer damages that are not practicable to ascertain. Accordingly, in such event, Seller shall be entitled to the sum of \$600,000.00, as liquidated damages, payable solely and exclusively pursuant to the terms of this Agreement and the Earnest Money Escrow Agreement, and the parties shall give the Earnest Money Escrow Agent joint written instructions pursuant to the Earnest Money Escrow Agreement directing the Earnest Money Escrow Agent to present the L/C to Seller (who may draw the entire stated amount). The parties agree that the foregoing liquidated damages are reasonable considering all the circumstances existing as of the date hereof and constitute the parties' good faith estimate of the actual damages reasonably expected to result from the termination of this Agreement pursuant to Section 8.1(c). Seller agrees that, to the fullest extent permitted by law, the right to receive the Earnest Money Escrow Deposit shall be its sole and exclusive remedy if the Closing does not occur with respect to any damages whatsoever that Seller may suffer or allege to suffer as a result of any claim, suit, proceeding, litigation, or cause of action asserted by Seller relating to or arising from breaches of the representations, warranties or covenants of Purchaser contained in this Agreement and to be made or performed at or prior to the Closing.

(c) Post-Closing Indemnification.

(i) From and after the Closing Date, Purchaser shall defend, indemnify and hold Seller, its officers, directors, employees, agents and Affiliates, and its assigns harmless from and against all costs, suits, actions, claims, settlements, judgments, losses and damages (including reasonable attorneys fees at all levels) incurred by Seller or such officers, directors, employees, agents, Affiliates or assigns as a result of or arising out of (A) the breach by Purchaser of any of its representations and warranties contained in this Agreement, (B) the failure by Purchaser to perform its covenants set forth in this Agreement, (C) the conduct of the business or operations of the Stations or the use or ownership of the Station and the Assets on or after the Closing Date, including any and all liabilities arising under any of the Licenses or Assumed Contracts which relate to events occurring after the Closing Date, (D) any acts or omissions of negligence, gross negligence, illegal or wrongful conduct, or any claims for personal injury, death, or property damage committed by Purchaser or its agents, servants, and employees, which accrued on or after the Closing Date, and (E) the Assumed Liabilities. Seller shall make no settlement, compromise, admission or acknowledgment that would give rise to liability on the part of the Purchaser without the prior written consent of Purchaser.

(ii) Any claim for indemnification under Section 9.2 must be made within the applicable period specified in Section 9.1 hereto and shall be subject to the limitations on maximum liability set out therein.

(iii) Seller shall give prompt written notice to Purchaser of any claim asserted by Seller hereunder; *provided, however*, that failure to give such notice or delaying such

notice shall not affect Seller's right to indemnification and Purchaser's obligation to indemnify as set forth in this Agreement, except to the extent Purchaser's ability to remedy, contest, defend or settle with respect to such claim is thereby prejudiced. The obligations and liabilities of the parties with respect to any claim asserted hereunder shall be subject to Section 9.1.

(iv) Notwithstanding anything in this Agreement to the contrary, after the Closing, Purchaser shall not have any liability for any claim brought by Seller under this Section 9.2 unless and until the aggregate amount of all claims of Seller is at least \$50,000, whereupon any claims, including the first \$50,000 of such claims may be brought by such party.

Section 9.3 Purchaser Remedies

(a) Specific Performance. In addition to any other remedies which Purchaser may have at law or in equity, Seller hereby acknowledges that the Station and the Assets are unique, and that the harm to Purchaser resulting from a breach by the Seller of its obligations to sell the Station and the Assets to Purchaser cannot be adequately compensated by damages. Accordingly, Seller agrees that Purchaser shall have the right to have this Agreement specifically performed by Seller and hereby agrees not to assert any objections to the imposition of the remedy of specific performance by any court of competent jurisdiction.

(b) Post-Closing Indemnification.

(i) From and after the Closing Date, Seller shall defend, indemnify and hold Purchaser, its officers, directors, employees, agents and Affiliates, and its assigns harmless from and against all costs, suits, actions, claims, settlements, judgments, losses and damages (including reasonable attorneys fees at all levels) incurred by Purchaser or such officers, directors, employees, agents, Affiliates or assigns as a result of or arising out of (A) the breach by Seller of any of its representations and warranties contained in this Agreement (B) the failure by Seller to perform its covenants set forth in this Agreement (C) the conduct of the business or operations of the Stations or the use or ownership of the Station and the Assets before the Closing Date, including any and all liabilities arising under any of the Licenses or Contracts which relate to events occurring prior to the Closing Date, (D) any acts or omissions of negligence, gross negligence, illegal or wrongful conduct, or any claims for personal injury, death or property damage committed by Seller or its agents, servants, and employees, which accrued prior to the Closing Date, and (E) the Retained Liabilities (collectively the "Purchaser Indemnified Costs"). Purchaser shall make no settlement, compromise, admission or acknowledgment that would give rise to liability on the part of the Seller without the prior written consent of Seller.

(ii) On the Closing Date, Purchaser and Seller will enter into the Indemnification Escrow Agreement in the form of Exhibit 9.3 hereto in accordance with which Purchaser shall at Closing deposit Four Hundred and Fifty Thousand Dollars (\$450,000) of the Purchase Price (the "Indemnification Escrow Deposit") with the escrow agent identified in the Indemnification Escrow Agreement (the "Indemnification Escrow Agent").

(iii) Purchaser shall be entitled to payment out of the Indemnification Escrow Deposit pursuant to the terms of this Section 9.3 and the Indemnification Escrow

Agreement for all amounts due to Purchaser with respect to any resolved claim by Purchaser against Seller for liabilities of Seller payable under this Section with respect to Purchaser Indemnified Costs.

(iv) Seller hereby covenants and agrees that at any time Seller is or becomes obligated to indemnify Purchaser under this Section 9.3(b), Seller will execute and deliver to the Indemnification Escrow Agent written instructions to draw down on the Indemnification Escrow Deposit and release to Purchaser sufficient funds to indemnify Purchaser for the Purchaser Indemnified Costs, unless such claim is reasonably disputed by Seller.

(v) Any claim for indemnification under Section 9.3(b) must be made within the applicable period specified in Section 9.1 hereto and shall be subject to the limitations on maximum liability set out therein.

(vi) Purchaser shall give prompt written notice to Seller of any claim asserted by Purchaser hereunder, *provided, however*, that failure to give such notice or delaying such notice shall not affect Purchaser's right to indemnification and Seller's obligation to indemnify as set forth in this Agreement, except to the extent Seller's ability to remedy, contest, defend or settle with respect to such claim is thereby prejudiced. The obligations and liabilities of the parties with respect to any claim asserted hereunder shall be subject to Section 9.1.

(vii) Notwithstanding anything in this Agreement to the contrary, after the Closing, Seller shall not have any liability for any claim brought by Purchaser under this Section 9.3 unless and until the aggregate amount of all claims of Purchaser is at least \$50,000 whereupon any claims, including the first \$50,000 of such claims may be brought by such party.

Section 9.4 Additional Indemnification Procedures.

(a) In connection with any claim for indemnification by either Purchaser or Seller under this Agreement (each, a "Claim"), 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).

(b) Anything herein to the contrary notwithstanding:

(i) the indemnified party shall have the right, at its own cost and expense, to participate in the defense, opposition, compromise or settlement of the Claim;

(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 the giving by the claimant to the indemnified party of a release from all liability in respect of such Claim; 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.

ARTICLE X

MISCELLANEOUS

Section 10.1 Fees and Expenses. The Purchaser and the Seller shall each pay one-half of all filing fees required by the FCC. Except as provided in the preceding sentence, all federal, state and local Transfer Taxes arising from the conveyance of the Assets to the Purchaser shall be paid one-half by Purchaser and one-half by Seller. Except as otherwise provided in this Agreement, each party shall pay its own expenses incurred in connection with the authorization, preparation, execution, and performance of this Agreement, including all fees and expenses of counsel, accountants, agents, and representatives.

Section 10.2 Headings. The headings in this Agreement are for the sole purpose of convenience of reference and shall not in any way limit or affect the meaning or interpretation of any of the terms or provisions of this Agreement.

Section 10.3 [INTENTIONALLY OMITTED]

Section 10.4 Notices. All notices or other communications required or permitted by this Agreement shall be in writing and shall be deemed to have been duly received (a) if given by facsimile transmission, when transmitted and the appropriate telephonic confirmation is received if transmitted on a Business Day and during normal business hours of the recipient, and otherwise on the next Business Day following transmission, (b) if given by certified or registered mail, return receipt requested, postage prepaid, when received, (c) if given by nationally recognized overnight courier service, on the date of delivery, and (d) if given by courier or other means, when received or personally delivered, and, in any such case, addressed as set forth below (or as otherwise provided by prior notice to each other party):

If to the Purchaser to: J. Manuel Calvo
Southern Broadcast Corporation of Sarasota
1477 Tenth Street
Sarasota, Florida 34236
Facsimile: (941) 552-3011

with a copy to: Matthew L. Leibowitz
Leibowitz & Associates, P.A.
One SE Third Avenue, Suite 1450
Miami, FL 33131
Facsimile: (305) 530-9417

If to the Seller to: Mr. Brian Cobb
Media Venture Management, Inc.
800 Laurel Oak Drive, Suite 210
Naples, FL 34108
Facsimile: (941) 596-0660

with a copy to: Richard J. Bodorff, Esq.
Wiley Rein & Fielding LLP
1776 K Street, N.W.
Washington, DC 20006
Facsimile: (202) 769-7049

Copies to counsel unaccompanied by notices to principals shall not constitute notice.

Section 10.5 Governing Law, Jurisdiction, Waiver of Jury Trial.

(a) This Agreement shall be governed in all respects, including as to validity, interpretation and effect, by the internal laws of the State of Florida, without giving effect to its principles or rules of conflict of laws (to the extent that such principles or rules would require the application of the laws of another jurisdiction to the interpretation of the parties' rights and obligations hereunder).

(b) Each party hereby irrevocably waives all right to a trial by jury in any action, proceeding or counterclaim arising out of or relating to this Agreement or the transactions contemplated herein.

Section 10.6 Bulk Transfer Laws. The Seller shall indemnify and hold harmless the Purchaser against any and all liabilities that may be asserted by third parties against the Purchaser as a result of noncompliance with any bulk sales or similar law ("Bulk Transfer Law"), other than liabilities which the Purchaser shall have expressly assumed pursuant to this Agreement.

Section 10.7 Severability; Partial Invalidity. The invalidity or unenforceability of any provisions of this Agreement in any jurisdiction shall not affect the validity, legality or enforceability of the remainder of this Agreement in such jurisdiction or the validity, legality or enforceability of this Agreement, including any such provision, in any other jurisdiction, it being intended that all rights and obligations of the parties hereunder shall be enforceable to the fullest extent permitted by Law. Wherever possible, each provision of this Agreement shall be interpreted in a manner as to be effective and valid under applicable Law, but in case any one or more of the provisions contained in this Agreement shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such provision shall be ineffective to the extent, but only to the extent, of such invalidity, illegality or unenforceability without invalidating the remainder of such provision or provisions or any other provisions hereof, unless such a construction would be unreasonable.

Section 10.8 Amendments; Waivers.

(a) Any provision of this Agreement may be amended or waived if, but only if, such amendment or waiver is in writing and is signed, in the case of an amendment, by each party, or in the case of a waiver, by the party against whom the waiver is to be effective.

(b) No failure or delay on the part of any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof except as explicitly provided herein, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

Section 10.9 Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their successors and permitted assigns. No party may assign its rights or obligations under this Agreement without the prior written consent of the other parties which consent shall not be unreasonably withheld or delayed; *provided*, that the Purchaser may assign its rights and obligations under this Agreement to an entity owned and controlled by or under common ownership and control with the Purchaser without the prior consent of the Seller as long as (i) such assignment will not cause any delay in the processing of any Application filed with the FCC in accordance with the terms of this Agreement, grant of the FCC Consent or Closing, and (ii) any such assignee delivers to Seller a written assumption of this Agreement. No such assignment shall relieve the Purchaser of its obligations hereunder.

Section 10.10 Benefits Only to Parties. Nothing expressed or implied in this Agreement is intended or shall be construed to give any Person, other than the parties and their respective successors and assigns, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained. This Agreement and all conditions and provisions hereof are intended to be and are for the sole and exclusive benefit of the parties and their respective successors and assigns, and are for the benefit of no other Person.

Section 10.11 Counterparts; Facsimile Signatures. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall be one and the same instrument. This Agreement may be delivered by facsimile and signatures on any facsimile of this Agreement shall be valid and binding as an original signature. Each Party agrees that if its signature is delivered by facsimile, an original signature page of such Party shall subsequently be delivered to the other Party.

Section 10.12 Tax Cooperation. Purchaser, at Seller's expense, shall reasonably cooperate with Seller in facilitating tax and business planning transactions by Seller and Seller's members, including but not limited to completing one or more exchanges qualifying for nonrecognition of gain under Internal Revenue Code Section 1031 and related state tax provisions, if any, so long as such tax and business planning transactions are not reasonably likely to cause adverse tax consequences for Purchaser. Such tax planning may include the transfer of all or a portion of the Assets to one or more third parties and the conversion of the purchase and sale contemplated by this Agreement into one or more exchanges at any time before Closing. However, consummation of the purchase and sale contemplated by this Agreement is not conditioned on, and shall not be unreasonably delayed by, completion of any such tax and business

planning transaction or exchange. If any such tax or business planning transaction or exchange is undertaken, Purchaser shall promptly execute all escrow instructions, documents, agreements, and instruments reasonably requested by Seller to complete the same.

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[SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have duly executed this Asset Purchase Agreement as of the day and year first above written.

MEDIA VENTURE MANAGEMENT, INC.
a Virginia Corporation

By: Brian E. Cobb
Name: Brian Cobb
Title: President

**SOUTHERN BROADCAST CORPORATION
OF SARASOTA**
a Florida Corporation

By: _____
Name: J. Manuel Calvo
Title: President

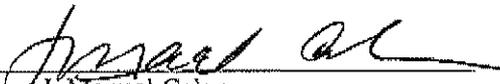
[SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have duly executed this Asset Purchase Agreement as of the day and year first above written.

MEDIA VENTURE MANAGEMENT, INC.
a Virginia Corporation

By: _____
Name: Brian Cobb
Title: President

**SOUTHERN BROADCAST CORPORATION
OF SARASOTA**
a Florida Corporation

By: 
Name: J. Manuel Calvo
Title: President

Following are the Schedules to the Asset Purchase Agreement (the “Agreement”) between Southern Broadcast Corporation of Sarasota, a Florida corporation (the “Purchaser”), and Media Venture Management, Inc., a Virginia corporation (the “Seller”) with respect to the following Station:

WTXL-TV, Tallahassee, Florida

Capitalized terms used herein have the meanings set forth in the Agreement. A disclosure on any of the attached Schedules is a disclosure for all purposes. Except as set forth herein, all disclosures are made as of the date of the Agreement. These Schedules qualify all representations, warranties and covenants set forth in the Agreement.

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Schedule 2.2
Excluded Assets

None.

Schedule 3.4
Seller Consents

See contracts marked with a diamond (◆) on *Schedules 3.12, 3.13 and 3.14(a)*.

The Required Consents are marked with an asterisk (*) on *Schedules 3.12, 3.13 and 3.14(a)*.

Schedule 3.5
FCC Licenses

Station: WTXL-TV, Channel 27, Tallahassee, Florida (Facility ID #41065)

<u>Call Sign</u>	<u>Type</u>	<u>Expiration</u>
WTXL-TV	Main	2/1/2005*
KB55999	TV Pickup	2/1/2005*
KZ2450	TV Pickup	2/1/2005*
WBS335	TV Intercity Relay	2/1/2005*
WBS336	TV Intercity Relay	2/1/2005*
WBS337	TV Intercity Relay	2/1/2005*
WLD431	TV Intercity Relay	2/1/2005*
WLD432	TV Intercity Relay	2/1/2005*
WPNF626	TV Intercity Relay	2/1/2005*
WPOL351	TV Intercity Relay	2/1/2005*
WPOV533	TV STL	2/1/2005*

Antenna Structure Registration Number: 1031204

* Seller's application for renewal of the FCC Licenses is pending at the FCC (FCC file #BRCT-20040930BHO).

DTV: WTXL-DT, Channel 22 – Construction Permit

Special Temporary Authority (FCC file #BEDSTA-20050408AEJ) expires
11/3/2005

Schedule 3.11
Liens

Some of the Assets are subject to a Lien under Seller's credit facility with InSouth Bank which will be released not later than Closing.

Schedule 3.19
Litigation

None.

Schedule 4.4
Buyer Consents

None.