

**OPTION AGREEMENT**

**BY AND BETWEEN**

**ION MEDIA NETWORKS, INC.**

**AS BUYER**

**AND**

**TRINITY BROADCASTING OF INDIANA, INC.**

**TRINITY CHRISTIAN CENTER OF SANTA ANA, INC.**

**AS SELLER**

**DATED AS OF NOVEMBER 14, 2017**

## OPTION AGREEMENT

THIS OPTION AGREEMENT (this “**Agreement**”), dated as of November 14, 2017 (the “**Effective Date**”), is by and among (i) Trinity Christian Center of Santa Ana, Inc., d/b/a Trinity Broadcasting Network (and Trinity Broadcasting Network, Inc.), a California nonprofit church corporation (“**Trinity Broadcasting**”), (ii) Trinity Broadcasting of Indiana, Inc., an Indiana nonprofit church Corporation (“**Trinity Indiana**”) (collectively Trinity Broadcasting and Trinity Indiana are “**Seller**” and each a “**Seller Entity**”), and (iii) ION Media Networks, Inc., a Delaware corporation (“**Buyer**”).

### RECITALS:

**WHEREAS**, Seller owns, operates, and is the FCC licensee of, the following broadcast television stations, and owns certain related material assets used and useful in the business and operation thereof, including the Towers with respect thereto, with each Covered Station serving the Designated Market Area (“**DMA**”) set forth opposite thereto:

**WDLI-TV**, Canton, OH (Fac. ID 67893),  
Cleveland, OH (“**WDLI-Cleveland Station**”)

**WKOI-TV**, Richmond, IN (Fac. ID 67869),  
Dayton, OH (“**WKOI-Dayton Station**”)

**WSFJ-TV**, Newark, OH (Fac. ID 11118),  
Columbus, OH (“**WSFJ-Columbus Station**”)

**WCLJ-TV**, Bloomington, IN (Fac. ID 68007),  
Indianapolis, IN (“**WCLJ-Indianapolis Station**”)

The WDLI-Cleveland Station, the WSFJ-Columbus Station, the WKOI-Dayton Station, and the WCLJ-Indianapolis Station collectively, the “**Covered Stations**” and each a “**Covered Station**.”

**WHEREAS**, Seller participated in the broadcast incentive auction conducted by the FCC pursuant to Section 4603 of the Middle Class Tax Relief and Job Creation Act (Pub. L. No. 112- 96, §6403, 126 Stat. 156, 225-230 (2012)) (the “**Incentive Auction**”), with respect to each Covered Station, and as a result of the Incentive Auction, will be relinquishing the Spectrum associated with each Covered Station, while retaining the remaining rights under the FCC License for each Covered Station;

**WHEREAS**, Seller and Buyer intend for this Agreement, and the related transactions and procedures hereunder, to be executed consistent with the requirements of the FCC’s orders and public notices in GN Docket No. 12-268 and in ET Docket No. 10-235; relevant FCC regulations, including without limitation 47 C.F.R. §§ 1.2200-1.2209 and 73.3700, as amended; and any subsequent FCC orders, public notices and rules adopted in these dockets or related to channel sharing (collectively the “**Auction and Channel Sharing Rules**”);

**WHEREAS** each Covered Station is eligible, in accordance with the Auction and Channel Sharing Rules, to enter into a Channel Sharing Agreement as a “sharee” (as such term is defined in the Auction and Channel Sharing Rules) in connection with the Incentive Auction, including with respect to the right to file an application for a construction permit as contemplated by the Auction and Channel Sharing Rules (“**Channel Sharing Eligibility Rights**”);

**WHEREAS**, as of the time immediately prior to the execution and delivery of this Agreement, Buyer and Seller have entered into those certain Channel Sharing Agreements with respect to the WDLI-Cleveland Station and WCLJ-Indianapolis Station dated as of the date hereof (the “**Mutual Channel Sharing Agreements**”), pursuant to which Seller and Buyer will jointly use the six (6) MHz television channel assigned by the FCC to each applicable Host Station (as such term is defined in each Mutual Channel Sharing Agreement) as of the date set forth in each Mutual Channel Sharing Agreement;

**WHEREAS**, Seller (i) has, as of the time immediately prior to the execution and delivery of this Agreement, entered into that certain Channel Sharing Agreement, dated as of the date hereof, with Word of God Fellowship, Inc., licensee of Class A broadcast television station WCLL-CD, Columbus, Ohio (Facility ID 30244), with respect to the WSFJ-Columbus Station, a copy of which is set forth as *Exhibit G* (the “**Columbus CSA**”), and (ii) anticipates entering into a Channel Sharing Agreement on substantially similar terms with respect to the WKOI-Dayton Station within the time period required for commencement of channel sharing pursuant to the Auction and Channel Sharing Rules (the foregoing clauses (i) and (ii), collectively, “**Third Party Channel Sharing Agreement**” and, collectively with the Mutual Channel Sharing Agreements, the “**Covered Channel Sharing Agreements**”) pursuant to which Seller will jointly use the six (6) MHz television channel assigned by the FCC to each applicable Host Station (as such term is defined in each Third Party Channel Sharing Agreement) as of the date set forth in each Third Party Channel Sharing Agreement;

**WHEREAS**, as contemplated in the Covered Channel Sharing Agreements, Seller intends to file such applications required under the Auction and Channel Sharing Rules to modify the FCC License of each respective Covered Station to operate on a shared basis on a shared channel under each Covered Channel Sharing Agreement, including (i) applications for construction permits to move each Covered Station to shared facilities under the Covered Channel Sharing Agreements (each a “**Sharee Construction Permit Application**”) and (ii) applications for licenses to cover such construction permits (each a “**Sharee License Application**” and, collectively with the Sharee Construction Permit Applications, the “**Shared Channel Modification Applications**”);

**WHEREAS**, in further consideration of the Mutual Channel Sharing Agreements and pursuant to the terms and subject to the conditions of this Agreement, Seller desires to grant to Buyer, and Buyer desires to acquire from Seller, an exclusive option to purchase certain designated assets relating to the Covered Stations, including such Covered Stations’ FCC Licenses and Seller’s rights as sharee under the Covered Channel Sharing Agreements, together with certain designated assets relating to the WWTO-Chicago Station, which option is exercisable solely during the period from and after action by the FCC granting the Sharee Construction Permit Applications for all of the Covered Stations (the “**CP Grant**”);

**WHEREAS**, Seller owns, operates, and is the FCC licensee of, broadcast television station WWTO-TV, Chicago, IL (Fac. ID 998), which serves the Chicago DMA (the “**WWTO-Chicago Station**”), owns the Tower used in connection with the operation of the WWTO-Chicago Station, and, as consideration, *inter alia*, for the execution and delivery of the Mutual Channel Sharing Agreements, Seller desires to grant to Buyer, and Buyer desires to acquire from Seller, an exclusive option hereunder to purchase the Tower used by the WWTO-Chicago Station; and

**WHEREAS**, in further consideration of the Mutual Channel Sharing Agreements and pursuant to the terms and subject to the conditions of this Agreement, Seller desires to grant to Buyer, and Buyer desires to acquire from Seller, an exclusive option to cause the parties to enter into a time brokerage agreement with respect to each Covered Station in the form attached hereto as *Exhibit E* (the “*TBA*”).

**NOW, THEREFORE**, in consideration of the mutual benefits to be derived from this Agreement and the execution and delivery of the Mutual Channel Sharing Agreements immediately prior hereto and of the representations, warranties, conditions, agreements and promises contained herein and therein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

## **ARTICLE I DEFINITIONS; INTERPRETATION**

**Section 1.1. Definitions.** Capitalized terms used herein shall have the meanings set forth in this Section 1.1.

“**Accounts Receivable**” means all of Seller’s accounts and notes receivable, deferred charges, chattel paper and other rights to receive payments, in each case, arising from the operation of the each Station, including the rights of Seller as of the Closing Date to payment for the sale of advertising time and other goods and services by each Station prior to the Closing Date and all other current assets of Seller that are goods or services receivable under any Contract pursuant to which Seller has sold or traded commercial air time of each Station in consideration for any property or services in lieu of or in addition to cash.

“**Additional Applications**” has the meaning set forth in Section 6.1(a).

“**Affiliate**” means, with respect to any Person, any other Person which, directly or indirectly, Controls, is Controlled by, or is under common Control with, the specified Person.

“**Agreement**” has the meaning set forth in the Preamble.

“**Ancillary Channel Sharing Applications**” has the meaning set forth in Section 6.2(c)(ii).

“**Application Filing Date**” has the meaning set forth in Section 6.1(a).

“**Assignment Applications**” means the applications to be filed with the FCC in order to obtain the consent of the FCC to an assignment to Buyer or, as may be designated by Buyer, or any Affiliate of Buyer, of the FCC Licenses.

“**Assumed Contracts**” has the meaning set forth in *Section 3.2(a)(iv)*.

“**Assumed Liabilities**” has the meaning set forth in Section 3.3(a).

**“Auction and Channel Sharing Rules”** has the meaning set forth in the Recitals.

**“Business”** means the non-profit religious mission and operational activities of a Station, taken as a whole, including the Covered Assets and the operations thereof, and the Assumed Liabilities to be sold or assumed pursuant to this Agreement at the Closing pursuant to the terms and subject to the conditions hereof.

**“Business Day”** means any day excluding Saturdays, Sundays and any day that is a legal holiday under the laws of the United States or that is a day on which banking institutions located in New York, New York are authorized or required by Law or action of a Governmental Authority to close.

**“Buyer”** has the meaning set forth in the Preamble.

**“Buyer’s Knowledge”** (and similar phrases) means the knowledge of any officer or director of Buyer, and the knowledge any such Person would have had if he had performed his services and duties in the ordinary course of business on behalf of Buyer in a reasonably diligent manner.

**“Channel Sharing Agreement”** means any channel sharing arrangement or other similar contractual arrangement that constitutes a channel sharing agreement within the meaning of 47 C.F.R. § 73.3700(a)(5).

**“Channel Sharing Commencement Date”** means, in respect of a Channel Sharing Agreement, the date on which channel sharing shall have commenced under such Channel Sharing Agreement.

**“Channel Sharing Eligibility Rights”** has the meaning set forth in the Recitals.

**“Closing”** has the meaning set forth in Section 3.4.

**“Closing Date”** has the meaning set forth in Section 3.4.

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

**“Columbus Channel Sharing Extension Request”** means that certain waiver contemplated by, and described in, Section 1.2(a) of the Columbus CSA.

**“Columbus CSA”** has the meaning set forth in the Recitals.

**“Communications Act”** means collectively, the Communications Act of 1934, as amended, and the rules, regulations and policies of the FCC promulgated thereunder.

**“Commencement Payment”** has the meaning ascribed thereto in the TBA.

**“Contracts”** means contracts, commitments, arrangements, agreements, leases, licenses, purchase orders for the sale or purchase of goods or services and any other understandings.

**“Control”** including its various tenses and derivatives (such as **“Controlled”** and **“Controlling”**) means (i) when used with respect to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such entity, whether through the ownership of voting securities, by Contract or otherwise and (ii) when used with respect to any security, the possession, directly or indirectly, of the power to vote, or to direct the voting of, such security or the power to dispose of, or to direct the disposition of, such security.

**“Covered Assets”** has the meaning set forth in Section 3.2(a).

**“Covered Assets Option”** has the meaning set forth in Section 2.1(a).

**“Covered Assets Option Exercise Notice”** has the meaning set forth in Section 2.1(d).

**“Covered Assets Option Period”** has the meaning set forth in Section 2.1(b).

**“Covered Channel Sharing Agreements”** has the meaning set forth in the Recitals.

**“Covered Expenses”** means, in respect of a Channel Sharing Agreement, all reasonable operating expenses with respect to a Covered Station incurred by Seller in the ordinary course of business consistent with past practice and in connection the performance of its obligations pursuant to the terms and subject to the conditions of this Agreement, including (a) all costs for utilities supplied to such Station’s transmitter sites, and (b) all other operating costs, including costs required to be paid by Seller to maintain the Stations’ broadcast operations in accordance with FCC rules and policies and applicable law, expressly including, Seller’s music license fee, FCC regulatory fees (prorated), and insurance.

**“Covered Station”** has the meaning set forth in the Recitals.

**“Covered Station Call Signs”** has the meaning set forth in Section 3.2(a)(v).

**“Covered Towers”** has the meaning set forth in Section 3.2(a)(ii).

**“Covered Transmission Equipment”** means the antenna, transmitter and all associated transmission equipment, lines and facilities located at the Towers relating to a Station.

**“CP Grant”** has the meaning set forth in the Recitals.

**“Cure Notice Deadline”** has the meaning set forth in Section 6.7(c).

**“Effective Date”** has the meaning set forth in the Preamble.

**“Environmental Law”** means any Law relating to (i) pollution or protection of the environment, including natural resources, disposal of pollutants, toxic, hazardous, or other waste, and discharge and treatment of stormwater or sanitary and industrial wastewater; (ii) health and safety, including exposure of employees or other persons, to toxic or Hazardous Substances; (iii) protection of the public health or welfare from the effects of by-products, wastes, emissions, discharges or releases of any chemical or other substances from industrial or commercial activities; or (iv) regulation of the manufacture, use or introduction into commerce of chemical or other substances, including their manufacture, importation, exportation, formulation, labeling, distribution, transportation, handling, storage, treatment, recycling, removal and disposal, specifically including petroleum and petroleum derived products.

**“Excluded Assets”** has the meaning set forth in Section 3.2(b).

**“Excluded Liabilities”** has the meaning set forth in Section 3.3(b).

**“Exercise Price”** has the meaning set forth in *Schedule 2.1(c)(i)*.

**“Exercise Price Allocation”** has the meaning set forth in Section 3.6.

**“Exit Payment”** means an amount equal to Five Hundred Thousand Dollars (\$500,000) less the TBA Commencement Fee if previously paid pursuant to the TBA.

**“Expiration Date”** has the meaning set forth in Section 9.7(b).

**“FAA”** means the United States Federal Aviation Administration.

**“FCC”** means the United States Federal Communications Commission.

**“FCC Applications”** has the meaning set forth in Section 6.1(a).

**“FCC Consent”** means action by the FCC granting its consent to the FCC Applications and the consummation of the transactions contemplated hereby.

**“FCC Licenses”** means all of the licenses, construction permits and other authorizations issued by or pending before the FCC which permits the acquisition, construction, ownership or operation of the Covered Stations, including (i) any renewals, extensions or modifications thereof and additions thereto between the date hereof and the Closing Date, and (ii) all Channel Sharing Eligibility Rights relating thereto.

**“FCC Rules”** means the rules, regulations, orders and promulgated and published policy statements of the FCC.

**“Final Order”** means an action by the FCC or other Governmental Authority having jurisdiction (i) with respect to which action no timely request for stay, motion or petition for reconsideration or rehearing, application or request for review or notice of appeal or other judicial petition for review is pending and (ii) as to which the time for filing any such request,

motion, petition, application, appeal or notice and for the entry of orders staying, reconsidering or reviewing on the FCC's or such other Governmental Authority's own motion has expired.

**“Governmental Authority”** means any federal, state, local or foreign government, legislature, governmental or administrative agency or commission, any self-regulatory association or authority, any court or other tribunal of competent jurisdiction, or any other governmental authority or instrumentality anywhere in the world.

**“Hazardous Substances”** means any and all pollutants, contaminants, hazardous substances, hazardous wastes, toxic pollutants, toxic substances, caustics, radioactive substances or materials, hazardous materials, chemicals, industrial wastes, and any and all other sources of pollution or contamination, or terms of similar import that are identified, listed, regulated under any Environmental Law and including under any Federal Law, including those with respect to crude oil, petroleum and its derivatives, products and by-products, natural or synthetic gas, any other hydrocarbons, heavy metals, asbestos, asbestos-containing materials, lead, lead-based paint, urea formaldehyde, pesticides, nuclear fuel and polychlorinated biphenyls.

**“Incentive Auction”** has the meaning set forth in the Recitals.

**“Indemnified Party”** has the meaning set forth in Section 9.4(a).

**“Indemnifying Party”** has the meaning set forth in Section 9.4(a).

**“Independent Auditor”** has the meaning set forth in Section 3.6.

**“Initial Exercise Deadline”** has the meaning set forth in Section 2.1(b).

**“Intellectual Property”** means all copyrights, patents, trademarks, trade names, domain names, service marks, service names, licenses, jingles, proprietary information, technical information and data and other intangible property rights and interests.

**“Law”** means any federal, state, local or foreign constitution, treaty, law, statute, ordinance, rule, regulation, interpretation, directive, policy, order, writ, decree, injunction, judgment, stay or restraining order, provisions and conditions of permits, licenses, registrations and other operating authorizations, any ruling or decision of, agreement with or by, or any other requirement of, any Governmental Authority.

**“Leased Real Property”** has the meaning set forth in Section 3.2(a)(iii).

**“Lien”** means any lien (statutory or otherwise), claim, charge, option, security interest, pledge, mortgage, restriction, financing statement or similar encumbrance of any kind or nature whatsoever (including any conditional sale or other title retention agreement and any lease having substantially the same effect as any of the foregoing and any assignment or deposit arrangement in the nature of a security device).

**“Losses”** has the meaning set forth in Section 9.1.



**“Material Adverse Effect”** means (i) any effect that is materially adverse to the business, assets, operations, condition (financial or otherwise), or results of operations of the Covered Assets as applicable to the Stations, and excluding any such effect resulting from or arising in connection with (A) changes or conditions generally affecting the broadcast television industry (except in the case of this clause (A) if the impact on the Business of each Station is materially disproportionate to the impact on broadcast television) or (B) changes in United States general economic, regulatory or political conditions, (ii) any effect with respect to the Covered Assets, that materially impacts, materially delays or prevents the consummation of the transactions contemplated hereby, including the grant of the FCC Consent, (iii) an effect that creates a material limitation on the ability of Buyer to use or operate the Covered Assets as applicable to each Station as conducted immediately prior to the Closing or (iv) an effect that creates a limitation in the ability of Buyer to acquire valid and marketable title to the Covered Assets free and clear of all Liens (other than Permitted Liens).

**“Modified License Grant”** means the action by the FCC granting the Sharee License Applications for all of the Covered Stations.

**“Mutual Channel Sharing Agreements”** has the meaning set forth in the Recitals.

**“MVPD”** means any multi-channel video programming distributors, including cable systems, telephone companies, and direct broadcast satellite systems.

**“Non-Assignable Right”** has the meaning set forth in Section 3.5.

**“Notice of Termination”** has the meaning set forth in Section 8.2(a).

**“Options”** has the meaning set forth in Section 2.2(a).

**“Option Periods”** has the meaning set forth in Section 2.2(b).

**“Outside Date”** has the meaning set forth in Section 6.1(b).

**“Permits”** means all licenses, permits, construction permits, approvals, concessions, franchises, certificates, consents, qualifications, registrations, privileges and other authorizations and other rights, other than the FCC Licenses, from any Governmental Authority to Seller currently in effect and used in connection with the Stations in connection with the use of any Covered Assets, together with any additions thereto between the Effective Date and the Closing Date.

**“Permitted Liens”** means (i) Liens for Taxes or assessments which are not yet due or which are being contested in good faith by appropriate proceedings, and (ii) statutory mechanics’, materialmen’s, contractors’, warehousemen’s’, repairmen’s’ and other similar statutory Liens arising in the ordinary course of business and which are not delinquent.

**“Person”** means a human being, labor organization, partnership, firm, enterprise, association, joint venture, corporation, limited liability company, cooperative, legal representative, foundation, society, political party, estate, trust, trustee, trustee in bankruptcy, receiver or any other organization or entity whatsoever, including any Governmental Authority.

**“Real Property”** means, collectively, the Covered Towers and the Leased Real Property.

**“Real Property Inspection”** has the meaning set forth in Section 6.7(a).

**“Real Property Objection”** has the meaning set forth in Section 6.7(b).

**“Related Party”** has the meaning set forth in Section 8.2(b).

**“Required Consents”** means the consent of third parties required to effectuate the assignment to Buyer of any Assumed Contract, as set forth on *Schedule 3.2(a)(iv)*.

**“Satellite Waiver”** has the meaning set forth in Section 6.2(a)(ii).

**“Seller”** has the meaning set forth in the Preamble.

**“Seller Entity”** has the meaning set forth in the Preamble.

**“Seller’s Knowledge”** (and similar phrases) means the knowledge of any officer or director of Seller, and the knowledge any such Person would have had if he had performed his services and duties in the ordinary course of business on behalf of Seller in a reasonably diligent manner.

**“Shared Channel Modification Application”** has the meaning set forth in the Recitals.

**“Sharee Construction Permit Application”** has the meaning set forth in the Recitals.

**“Sharee License Application”** has the meaning set forth in the Recitals.

**“Spectrum”** means FCC-licensed electromagnetic spectrum for commercial and noncommercial educational full power and Class A television stations.

**“Stations”** means the WWTO-Chicago Station and all of the Covered Stations taken together, individual and collectively.

**“Straddle Period”** has the meaning set forth in Section 6.6(b).

**“Tax”** means any federal, state, local, or foreign income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental (including taxes under Section 59A of the Code), customs duties, capital stock, franchise, profits, withholding, social security (or similar), unemployment, disability, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum,

estimated, or other tax of any kind whatsoever, including any interest, penalty, or addition thereto, whether disputed or not.

**“Tax Return”** means any return, declaration, report, claim for refund, information return or statement relating to Taxes, including any schedule or attachment thereto, filed or maintained, or required to be filed or maintained, in connection with the calculation, determination, assessment or collection of any Tax and shall include any amended returns required as a result of examination adjustments made by the Internal Revenue Service or other Tax authority.

**“TBA”** has the meaning set forth in the Recitals.

**“TBA Exchange”** has the meaning set forth in Section 2.2(d).

**“TBA Option”** has the meaning set forth in Section 2.2(a).

**“TBA Option Exercise Notice”** has the meaning set forth in Section 2.2(c).

**“TBA Option Period”** has the meaning set forth in Section 2.2(b).

**“Third Party Channel Sharing Agreements”** has the meaning set forth in the Recitals.

**“Towers”** means with respect to a broadcast television station, all antenna support structures, including any guy anchors and guy wires, used or useful in connection with the operation of such station, and all transmitter buildings or transmitter building space corresponding thereto.

**“Transfer Date”** means with respect to an Assumed Contract requiring the consent of any Person for assignment thereof to Buyer, the date such consent is obtained and such Assumed Contract is duly assigned to Buyer.

**“Transfer Taxes”** has the meaning set forth in Section 6.6(a).

**“Trinity Broadcasting”** has the meaning set forth in the Preamble.

**“Trinity Indiana”** has the meaning set forth in the Preamble.

**“WCLJ-Indianapolis Station”** has the meaning set forth in the Recitals.

**“WDLI-Cleveland Station”** has the meaning set forth in the Recitals.

**“WKOI-Dayton Station”** has the meaning set forth in the Recitals.

**“WSFJ-Columbus Station”** has the meaning set forth in the Recitals.

**“WWTO-Chicago Station”** has the meaning set forth in the Recitals.

**Section 1.2. Interpretation.** A reference in the singular shall be deemed to include the plural, and the plural shall be deemed to include the singular. A reference to one gender shall include any other gender. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” All references to “party” and “parties” shall be deemed references to parties to this Agreement unless the context shall otherwise require. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in the construction or interpretation of this Agreement. Except as expressly otherwise provided in this Agreement, a reference to a Section, the Schedules or any Exhibit is a reference to a Section of this Agreement or the Schedules or Exhibits hereto, and the terms “hereof,” “herein,” and other like terms refer to this Agreement as a whole, including the schedules and exhibits to this Agreement. The term “or” is used in its inclusive sense (“and/or”). All references to “Dollars” and “\$” refer to the currency of the United States. The division of this Agreement into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

## **ARTICLE II PURCHASE AND SALE OPTION; TBA OPTION**

### ***Section 2.1. Option to Acquire Covered Assets.***

(a) *Option.* Seller hereby gives, grants, transfers and conveys to Buyer, and its successors and assigns (including pursuant to the terms and subject to the conditions of Section 10.8), the sole and exclusive right and option to purchase on the terms and conditions hereinafter set forth and exercisable during the Covered Assets Option Period, all right, title and interest of Seller in and to the Covered Assets (the “**Covered Assets Option**”). The Covered Assets Option is non-severable and exercise by Buyer shall include all Covered Assets simultaneously.

(b) *Covered Assets Option Period.* The Covered Assets Option shall be exercisable by Buyer during the period (the “**Covered Assets Option Period**”) commencing on the date of the CP Grant and ending on the date that is twelve (12) months following the date of the Modified License Grant (the “**Initial Exercise Deadline**”); *provided, however*, that the Covered Assets Option Period shall be extended automatically without further action of the parties if the TBA Option has been exercised, pursuant to the terms and subject to the conditions of Section 2.2, and, thereafter, the Covered Assets Option Period shall continue for so long as the TBA is in effect (the “**Extended Time**”).

(c) *Exercise of Covered Assets Option; Withdrawal.* Buyer may exercise the Covered Assets Option at any time during the Covered Assets Option Period which exercise shall be effective upon delivery of written notice thereof (the “**Covered Assets Option Exercise Notice**”) to Seller. Upon the exercise of the Covered Assets Option, Buyer and Seller shall be obligated to enter into the transactions to be consummated hereunder at the Closing, pursuant to the terms and subject to the conditions of this Agreement. In the event that Buyer shall have exercised the right to cause the withdrawal or dismissal of the FCC Applications pursuant to Section 6.1(b), then Buyer may withdraw any Covered Assets Option Exercise Notice by written notice to Seller of such withdrawal. No such withdrawal (and no withdrawal of any subsequent Covered Assets Option Exercise Notice) will affect Buyer’s right subsequently to exercise the

Covered Assets Option by delivering to Seller during the Covered Assets Option Period one or more other Covered Assets Option Exercise Notice.

(d) *Covered Assets Option Exercise Price*. In connection with the exercise of the Covered Assets Option, in consideration of the sale of the Covered Assets and Seller's other covenants and obligations hereunder, at the Closing, Buyer agrees, pursuant to the terms and subject to the conditions hereof, to (i) pay Seller an amount equal to the Exercise Price as determined and paid in such a manner as set forth on *Schedule 2.1(c)(i)*, and (ii) assume the Assumed Liabilities.

## ***Section 2.2. TBA Option.***

(a) *TBA Option*. Seller hereby gives, grants, and delivers to Buyer, and its successors and assigns (including pursuant to the terms and subject to the conditions of Section 10.8), the sole and exclusive right and option, on the terms and conditions hereinafter set forth, effective as of the Effective Date and exercisable during the TBA Option Period, to cause the parties to enter into a TBA with respect to each Covered Station, substantially in the form of *Exhibit E* (the "***TBA Option***" and, collectively with the Covered Assets Option, the "***Options***"). For the avoidance of doubt, the TBA Option is non-severable and exercise by Buyer shall include all Covered Stations simultaneously.

(b) *TBA Option Period*. The TBA Option shall be exercisable by Buyer during the period commencing on the date of the CP Grant and ending on the date that is twelve (12) months following the date of the Modified License Grant (the "***TBA Option Period***" and, collectively with the Covered Assets Option Period, the "***Option Periods***").

(c) *Exercise of TBA Option*. Subject to the requirements of Section 2.2(b), Buyer may exercise the TBA Option at any time during the TBA Option Period which exercise shall be effective upon delivery of written notice thereof (the "***TBA Option Exercise Notice***") to Seller. Upon the exercise of the TBA Option, Buyer and Seller shall be obligated to enter into a TBA with respect to each Covered Station, substantially in the form of *Exhibit E*, to be executed and delivered pursuant to the terms and subject to the conditions of Section 2.2(e).

(d) *TBA Exchange*. Upon, and not more than five (5) Business Days following, the exercise of the TBA Option, on a date designated by Buyer, the parties shall exchange or cause the exchange of an executed TBA in respect of each Covered Station individually by and between the applicable Seller Entity and licensee of such Covered Station, on the one hand, and Buyer or any Affiliate of Buyer designated by Buyer, on the other hand (the "***TBA Exchange***"), dated and effective as of the Commencement Date (as such term is defined in the TBA), which Commencement Date, with respect to each TBA, shall be a date that is designated in writing by Buyer and that is no less than ten (10) days, and no more than thirty (30) days, from the date of the TBA Option Exercise Notice. Upon such execution and delivery of the TBA, the TBA Fee shall be due and payable as provided therein.

(e) *TBA Option Exercise Price*. Upon the exercise of the TBA Option, upon the TBA Exchange, and pursuant to the terms and subject to the conditions set forth in this Agreement, Buyer shall make such payments as shall be due and payable under the TBA.

## ARTICLE III PURCHASE AND SALE

**Section 3.1. Purchase and Sale of Assets; Exercise Price.** Upon exercise of the Covered Assets Option, pursuant to the terms and subject to the conditions of this Agreement, at the Closing, Seller shall sell, convey, transfer and assign to Buyer, free and clear of all Liens (other than Permitted Liens), and Buyer shall purchase from Seller, the Covered Assets.

**Section 3.2. Covered Assets; Excluded Assets.**

(a) *Covered Assets.* The term “**Covered Assets**” means all of Seller’s rights, title and interest in and to the following:

(i) (A) all rights and interests of Seller in the FCC Licenses, (B) all Permits, and (C) each Covered Station’s local FCC public inspection file, filings with the FCC relating to each Covered Station, and all such other related information and data, FCC logs and other compliance records, correspondence, technical information and engineering data, maintenance, operating and production records, local public files, quality control records and manuals, blueprints, regulatory files, and all other books, documents and records used or held for use in connection with or relating to the Covered Assets, wherever located, but excluding all financial, public charity support, and donor records, ledgers, books, and receipts;

(ii) all Towers used in connection with the Stations, including all of the land, buildings, structures, improvements, fixtures and other real property and the easements, rights of way, appurtenances thereon or thereto and other similar rights and interests relating to the Towers owned by Seller as set forth on *Schedule 3.2(a)(ii)* (the “**Covered Towers**”) and the Covered Transmission Equipment;

(iii) Seller’s leasehold or license interest in all of the real property leased or licensed by Seller that is occupied, used or held for use in connection with the Covered Towers and the Covered Transmission Equipment, and all improvements thereon as set forth on *Schedule 3.2(a)(iii)* (the “**Leased Real Property**”);

(iv) all rights in and to (A) those certain licenses and leases relating to the Leased Real Property to which Seller is a party, (B) the Covered Channel Sharing Agreements and (C) any other Contracts set forth on *Schedule 3.2(a)(iv)* (the “**Assumed Contracts**”); and

(v) all goodwill of or relating to the Covered Stations or the Covered Assets, as well as the exclusive ownership of and right to use the call signs associated with the Covered Stations (collectively and individually, the “**Covered Station Call Signs**”), and any derivative of the foregoing.

Notwithstanding anything herein to the contrary, in the event that the existence or condition of any asset (including an asset which, but for this sentence, would be deemed to be a Purchased Asset) constitutes or arises out of a breach or inaccuracy of any representation or warranty or the non-fulfillment or breach of any covenant, agreement or obligation of Seller hereunder, then Buyer shall have the right to elect at any time to deem such asset to be an Excluded Asset for purposes hereof.

(b) *Excluded Assets*. Upon the Closing, Seller shall retain and Buyer shall not acquire, the rights, title, and interest in all tangible and intangible assets other than those certain assets designated as Covered Assets (any and all such assets, the “*Excluded Assets*”), which Excluded Assets, for the avoidance of doubt, include the following.

(i) any of the rights of Seller under this Agreement and the other agreements, certificates and documents delivered in connection herewith;

(ii) The Spectrum allocated to each Covered Station as of the date hereof subject to surrender (exclusive, for the avoidance of doubt, of any rights of Seller under or in respect of each such Covered Station under and pursuant to the Channel Sharing Eligibility Rules), and any amounts payable to Seller by the FCC in respect of the surrender of the Spectrum of such Covered Station, in connection with the Incentive Auction and pursuant to the Auction and Channel Sharing Rules;

(iii) all claims for refunds of monies paid to any Governmental Authority prior to the Closing Date and all claims for copyright royalties for broadcasts prior to the Closing Date;

(iv) any Contract that is not an Assumed Contract;

(v) any rights of Seller under any insurance policies owned by Seller, except to the extent that any such policies cover any Assumed Liability, including in respect of a Covered Station;

(vi) refunds or claims for refunds with respect to Taxes paid or to be paid by Seller with respect to the period through the Closing Date;

(vii) all tangible assets and properties owned, used or held for use by or on behalf of Seller in connection with the Business of each Station other than the Covered Transmission Equipment;

(viii) all Intellectual Property other than as set forth in Section 3.2(a)(v).

(ix) the Accounts Receivable;

(x) all of Seller’s prepayments, deposits, claims for refunds and prepaid expenses relating to the Business of each Station, the Covered Assets or the Assumed Liabilities;

(xi) all of the cash and cash equivalents, bank accounts, investment and other securities of Seller and each Station on hand and in accounts; and

(xii) all of Seller’s rights under all insurance policies of Seller to the extent that such policies cover any Assumed Liabilities.

***Section 3.3. Assumed Liabilities; Excluded Liabilities.***

(a) *Assumed Liabilities.* Pursuant to the terms and subject to the conditions of this Agreement, at the Closing, Seller shall sell, convey, transfer and assign to Buyer, and Buyer shall assume from Seller, only the Assumed Liabilities. “***Assumed Liabilities***” means the following (and only the following), and only to the extent not excluded pursuant to Section 3.3(b):

(i) all Taxes allocated to Buyer pursuant to the terms and subject to the conditions of Section 6.6; and

(ii) any obligation or liability (including arising out of any litigation, proceeding or claim by any Person) relating to any of the Covered Assets or the operation of the Covered Stations in connection with any events or circumstances that occur or arise on or after the Closing Date.

Notwithstanding anything herein to the contrary, in no event shall Buyer be deemed to have assumed any liability or obligation (including a liability or obligation which, but for this sentence, would be deemed to be an Assumed Liability) where the existence or nature of such liability or obligation constitutes or arises out of a breach or inaccuracy of any representation or warranty or the non-fulfillment or breach of any covenant, agreement or obligation of Seller hereunder.

(b) *Excluded Liabilities.* Buyer shall not be the successor to Seller, and Buyer expressly does not assume and shall not become liable to pay, perform or discharge, any obligation or liability whatsoever of Seller or relating to the Business of each Station or any of the Covered Assets other than the Assumed Liabilities. All obligations, liabilities and commitments other than the Assumed Liabilities are referred to herein as the “***Excluded Liabilities***.” Without limitation of the foregoing, the term Excluded Liabilities includes the following liabilities, whether accrued or fixed, absolute or contingent, known or unknown, determined or determinable, and, unless otherwise expressly provided herein, whenever arising:

(i) all liabilities and obligations relating to or arising out of the Excluded Assets;

(ii) all Taxes allocated to Seller pursuant to the terms and subject to the conditions of Section 6.6;

(iii) any claims, demands, liabilities or obligations of any nature whatsoever (including claims, demands, liabilities or obligations in respect of environmental matters, occupational safety, workers’ or workmen’s compensation, grievance proceedings or actual or threatened litigation, suits, claims, demands or governmental proceedings) which arose or were incurred on or before the Closing Date, or which arise from or are based on events occurring or conditions existing on or before the Closing Date;

(iv) all liabilities and obligations of Seller under this Agreement, the other agreements, certificates and documents delivered in connection herewith or otherwise in connection with the transactions contemplated hereby and thereby;



(v) any obligations, liabilities or commitments under the Assumed Contracts to the extent such obligations, liabilities and commitments relate to the period prior to the Closing Date or the Transfer Date (if consent to assignment thereof is required), and all obligations, liabilities and commitments under any Contract not assumed by Buyer;

(vi) except as otherwise provided in Section 3.3(a), any liability or obligation to third parties and claims from third parties to the extent based on circumstances existing on or prior to the Closing Date or the conduct of the Business of each Station to the extent such conduct occurred on or before the Closing Date; and

(vii) except as otherwise provided in Section 3.3(a), all other obligations and liabilities arising from the operation of the Business of each Station or the ownership of the Covered Assets on or prior to the Closing Date.

**Section 3.4. Closing.** Upon the exercise of the Covered Assets Option, pursuant to the terms and subject to the conditions of this Agreement, the consummation of the transactions contemplated by this Agreement (the “**Closing**”) shall take place (a) by the electronic exchange of documents within five (5) Business Days after the date on which all conditions set forth in Article VII shall have been satisfied or waived or such other date designated by Buyer upon five (5) Business Days advance written notice to Seller, or (b) at such other place, time or date as the parties may mutually agree upon in writing (such date of the Closing hereinafter referred to as the “**Closing Date**”); *provided* that in no event shall the Closing Date be a date prior to January 1, 2018.

**Section 3.5. Procedures for Certain Covered Assets Not Freely Transferable.** If any Assumed Contract is not assignable or transferable to Buyer either by virtue of the provisions thereof or under applicable Law without the consent of one or more third Persons (each, a “**Non-Assignable Right**”), Seller shall use its reasonable best efforts, at Seller’s sole cost and expense, to obtain such consents after the execution of this Agreement until such consent is obtained. If any such consent in respect of a Non-Assignable Right cannot be obtained prior to the Closing Date and the Closing shall occur, (a) this Agreement and the related instruments of transfer shall not constitute an assignment or transfer thereof, but (i) Seller shall use its reasonable best efforts to obtain such consent as soon as possible after the Closing Date and (ii) Buyer shall cooperate, to the extent commercially reasonable and at its sole cost and expense, with Seller in Seller’s efforts to obtain such consents; and (b) at Buyer’s election, (i) the Non-Assignable Right shall be an Excluded Asset and Buyer shall have no obligation pursuant to Sections 2.2(a) or 2.3(a) or otherwise with respect to any such Non-Assignable Right or any liability with respect thereto or (ii) Seller shall use its reasonable best efforts to obtain for Buyer substantially all of the practical benefit and burden of such property or rights, including by (A) entering into appropriate and reasonable alternative arrangements on terms mutually agreeable to Buyer and Seller and (B) subject to the consent and control of Buyer, enforcement, at the cost and for the account of Buyer, of any and all rights of Seller against the other party thereto arising out of the breach or cancellation thereof by such other party or otherwise.

**Section 3.6. Exercise Price Allocation.** The Exercise Price, along with any liabilities assumed by Buyer and any other item treated as transaction consideration, shall be allocated for federal

income Tax purposes in accordance with *Schedule 3.6* in accordance with the requirements of Section 1060 of the Code (the “**Exercise Price Allocation**”).

#### **ARTICLE IV REPRESENTATIONS AND WARRANTIES OF SELLER**

In order to induce Buyer to enter into this Agreement and to purchase the Covered Assets and assume the Assumed Liabilities, Seller, jointly and severally, hereby represents and warrants to Buyer as follows, with each such representation and warranty subject only to such exceptions, if any, as are set forth in the applicable section of the disclosure Schedule:

**Section 4.1. Organization, Standing and Power.** Each Seller Entity is a non-profit church corporation duly organized, validly existing and in good standing under the laws of the state of its organization, and has all requisite corporate power and authority to own, lease and operate its properties and to carry on its business as now being conducted. Each Seller Entity is duly qualified to do business and is in good standing in each jurisdiction in which such qualification is necessary because of the property owned, leased or operated by it or because of the nature of its business as now being conducted, except where any failure, individually or in the aggregate, to be so qualified or in good standing could not reasonably be expected to have a Material Adverse Effect.

**Section 4.2. Authority; Binding Agreements.** The execution and delivery of this Agreement and the other agreements, certificates and documents delivered in connection herewith and the consummation of the transactions contemplated hereby and thereby have been duly and validly authorized by all necessary corporate action on the part of Seller. Seller has all requisite corporate power and authority to enter into this Agreement and the other agreements, certificates and documents delivered in connection herewith and to consummate the transactions contemplated hereby and thereby, and this Agreement and the other agreements, certificates and documents delivered in connection herewith have been, or upon execution and delivery thereof will be, duly executed and delivered by Seller. This Agreement and the other agreements, certificates and documents delivered in connection herewith are, or upon execution and delivery thereof will be, the valid and binding obligations of Seller, enforceable against Seller in accordance with their respective terms except as enforceability may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting the enforcement of creditor’s rights generally and the application of general principles of equity (regardless of whether that enforceability is considered in a proceeding at law or in equity).

**Section 4.3. Conflicts; Consents.** The execution and delivery of this Agreement and the other agreements, certificates and documents contemplated hereby, the consummation of the transactions contemplated hereby or thereby and compliance by Seller, and each Seller Entity, with any of the provisions hereof or thereof do not and will not (a) violate or conflict with the organizational documents of Seller or each Seller Entity; (b) subject to the receipt of the FCC Consent, violate or conflict with the terms, conditions, or provisions of any applicable Law; (c) violate or conflict with any agreement or instrument to which Seller or a Seller Entity is a party, or by which Seller or a Seller Entity is bound, including any Assumed Contract; or (d) result in the creation or imposition of any Lien (other than Permitted Liens) upon any of the Covered Assets; or (e) except for requirements listed in *Schedule 4.8* in respect of certain of the

Permits and except for the FCC Consent, require the consent or approval by, or any notification of or filing with, any Governmental Authority.

**Section 4.4. Absence of Changes.** Except as set forth in *Schedule 4.4*, as of and since the Effective Date, Seller has operated the Stations in the ordinary course of business consistent with past practice, and there has not been in connection with or related to the Covered Assets:

- (a) any Material Adverse Effect;
- (b) any obligation or liability (whether absolute, accrued, contingent or otherwise, and whether due or to become due) incurred by Seller, other than current obligations and liabilities incurred in the ordinary course of business and consistent with past practice;
- (c) except in the ordinary course of business, any amendment, modification or termination of any Assumed Contract;
- (d) any creation of any material claim or Lien (other than Permitted Liens) on any property of Seller;
- (e) any material write-down of the value of any of the Covered Assets;
- (f) any period of two (2) or more consecutive days during which a Covered Station was off the air for any reason or a period of fifteen (15) or more days during which such Covered Station operated at substantially reduced power;
- (g) any material damage, destruction or loss (whether or not covered by insurance) affecting the Covered Assets;
- (h) any cancellation, delinquency or loss of any permit, approval, franchise, concession, license or other governmental authorization;
- (i) any agreement or action not otherwise referred to in items (a) through (h) above entered into or taken that is material to the Covered Assets; or
- (j) any agreement or commitment, whether in writing or otherwise, to take any of the actions specified in the foregoing items (a) through (i).

**Section 4.5. Good Title.** Except as set forth in *Schedule 4.5*, Seller has good and marketable title to, or valid contract rights to, as applicable, all of the Covered Assets, free and clear of all Liens (other than Permitted Liens and Liens to be discharged at Closing pursuant to the terms and subject to the conditions set forth in this Agreement). At the Closing, Buyer will acquire from Seller, good and marketable title to, or valid contract rights to, as applicable, all of the Covered Assets, free and clear of all Liens (other than Permitted Liens and Liens to be discharged at Closing pursuant to the terms and subject to the conditions set forth in this Agreement).

**Section 4.6. Real Property Matters.**

(a) *Schedule 3.2(a)(ii)* sets forth a true and complete description of all Covered Towers and *Schedule 3.2(a)(iii)* sets forth a true and complete description of all Leased Real Property. The Real Property comprises all real property interests of Seller with respect to the Covered Assets.

(b) Seller is the sole owner or holder of and has good and marketable fee simple title to all Covered Towers and has a good, valid and existing leasehold estate in each Leased Real Property, in each case, insurable at standard rates and free and clear of all Liens affecting title to or the use and occupancy of such Covered Towers or Leased Real Property, as applicable, except for Permitted Liens.

(c) *Schedule 4.6(c)* sets forth a true and complete list of (i) all leasehold insurance policies, deeds, and other documentation evidencing ownership of all Covered Towers, (ii) all surveys in the possession or under the control of Seller related to the Covered Towers, and (iii) all Assumed Contracts or documentation related to appurtenances or improvements to the Covered Towers, true and complete copies of which, in each case, have been provided to Buyer.

(d) Seller has provided Buyer with true and complete copies of each of the Assumed Contracts with respect to all Leased Real Property, and Seller is the sole owner and holder of all of the leasehold interests and estates purported to be granted by such Assumed Contracts. Neither Seller nor any other Person has granted any oral or written right to any Person other than Seller to lease, sublease, license or otherwise use or occupy any of the Leased Real Property through the end of the applicable periods of any Assumed Contracts relating thereto. Seller has, and on the Closing Date Buyer will enjoy, peaceful and undisturbed possession under all Assumed Contracts with respect to the Leased Real Property. Seller has not received, nor sent to any tenant, subtenant, or licensee of Seller, any notice of default under any Assumed Contract with respect to the Leased Real Property that remains outstanding or uncured as of the Effective Date. Seller has no knowledge of any event which now constitutes, or which upon the giving of notice or the passage of time, or both, would give rise to, any default in the performance by it or any tenant, subtenant, or licensee of Seller of any obligation under any Assumed Contract with respect to the Leased Real Property.

(e) The Real Property and all appurtenances and improvements thereto or thereon, as used, constructed or maintained by Seller at any time, conform to applicable Laws (including all building, fire, health and Environmental Laws) and no notices of violation of any such Laws have been issued by any Governmental Authority with respect to any Real Property. Each Real Property (including the improvements thereon) (i) is in good operating condition and repair (ordinary wear and tear excepted) and no condition exists which could reasonably be expected to interfere with the customary use and operation thereof and (ii) is available for immediate use by Buyer in connection with the operation and use of the Covered Assets.

(f) All Covered Towers are included in the Covered Assets and to the extent specified in *Schedule 4.6(f)* are located entirely on the Leased Real Property. *Schedule 4.6(f)* identifies the specific parcel of Leased Real Property on which the Covered Towers are located. Seller has, and upon the Closing Buyer shall acquire from Seller, full legal and practical access to the Leased Real Property, and each parcel of Leased Real Property is accessible without charge by a public right of way or is otherwise reasonably accessible for purposes of conducting

the use of each such property, as currently conducted, including reasonable access between and among each Covered Tower, each transmitter building corresponding thereto, and, if applicable, each guy anchor supporting each such Covered Tower. All ingress and egress to, from, between and among each Covered Tower, the transmitter building corresponding thereto, and, if applicable, each guy anchor supporting each such Covered Tower is located entirely on the Leased Real Property; *provided* that to the extent that any Covered Tower, transmitter building, or, if applicable, guy anchor supporting any Covered Tower is located on an easement comprising the Leased Real Property, such easement (and corresponding Covered Tower, the transmitter building, or guy anchor thereon) is identified and described on *Schedule 4.6(f)*.

(g) No part of any Real Property is subject to any building or use restrictions that could reasonably be expected to restrict or prevent the present use and operation of such Real Property, and each parcel of Real Property is properly and duly zoned for its current use, and such current use is in all respects a conforming use. 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 operation of any Real Property, or require any repairs, alterations, additions or improvements thereto, or the payment or dedication of any money, fee, exaction or property. There is no actual, or to Seller's Knowledge, pending, imposition of any assessments for public improvements with respect to any Real Property and, to Seller's Knowledge, no such improvements have been constructed or planned that would be paid for by means of assessments upon any Real Property.

(h) Each part of the Real Property is located on public roads and streets, and all utility systems required in connection with the use, occupancy and operation of each parcel of Real Property are sufficient for their present purposes and are fully operational and in working order. Each Real Property consists of sufficient land, parking areas, sidewalks, driveways and other improvements to permit the continued use of such Real Property in the manner and for the purposes to which each is currently used.

**Section 4.7. Contracts.** Each Assumed Contract identified in *Schedule 3.2(a)(iv)* is valid and binding on, and enforceable in accordance with its terms against, Seller and, to Seller's Knowledge, any other party thereto, and is in full force and effect. Seller is not, and to Seller's Knowledge, no other party to any such Assumed Contract is, in material default under such Assumed Contract. Seller has not received any written notice that any party to any Assumed Contract identified on *Schedule 3.2(a)(iv)* intends to cancel or terminate such Assumed Contract. Seller has made available to Buyer true and complete copies of all written Assumed Contracts listed on *Schedule 3.2(a)(iv)*, including all amendments, modifications and supplements thereto, and any assignments thereof. Each Required Consent with respect to an Assumed Contract set forth on *Schedule 3.2(a)(iv)* is denoted with an asterisk on such schedule.

**Section 4.8. Compliance with Law; Permits.** The business and operations of each Covered Station as then currently conducted as of the date hereof and as of the Closing Date by or on behalf of Seller, including with respect to the Covered Towers, is so conducted in all material respects in compliance with all applicable Laws. *Schedule 4.8* sets forth a true and complete list of all of the Permits (true and complete copies of which are attached thereto). Other than the FCC Licenses, the Permits set forth on *Schedule 4.8* constitute all permits, approvals, franchises, concessions, licenses or other governmental authorizations of every character whatsoever that are

required by applicable Law or Governmental Authorities for the lawful ownership and operation of the Covered Assets. Seller is in compliance in all material respects with the terms of all of the Permits, the Permits are in full force and effect, and no violations are or have been recorded in respect of any thereof. No proceeding is pending or, to Seller's Knowledge, threatened, to cancel, suspend, revoke or limit any of the Permits and, to Seller's Knowledge, there is no basis for any such proceeding.

***Section 4.9. Regulatory Matters.***

(a) *Qualifications.* Seller is, and at all times from and after the date of this Agreement to and including the Closing Date will be, legally, financially and otherwise qualified under the Communications Act to perform its obligations hereunder, to be the licensee of, and to own and operate the Covered Stations. To Seller's Knowledge, no fact or circumstance exists relating to the FCC qualifications of Seller that (i) could reasonably be expected to prevent or delay the FCC from granting the FCC Consent or (ii) would otherwise disqualify Seller as the licensee, owner, operator or transferee of each Covered Station.

(b) *FCC Licenses.* *Schedule 4.9(b)* contains a true and complete list of all FCC Licenses and all material pending applications filed with the FCC by Seller with respect to the Covered Stations. Seller has made available true, correct and complete copies of the FCC Licenses to Buyer, including any and all amendments and modifications thereto. The FCC Licenses are validly held by the Seller Entities identified on *Schedule 4.9(b)*, and such FCC Licenses are in full force and effect. With respect to each Covered Station, the FCC Licenses have been issued for the full terms customarily issued to a broadcast television station in the state in which such Covered Station's community of license is located, and the FCC Licenses are not subject to any condition except for those conditions appearing on the face of the FCC Licenses and conditions applicable to broadcast television licenses generally or otherwise set forth on *Schedule 4.9(b)*. Except as set forth on *Schedule 4.9(b)*, Seller does not have any applications pending before the FCC relating to the operation of the Covered Stations.

(c) *Incentive Auction Matters.* With respect to each Covered Station, Seller participated in the Incentive Auction in compliance with the Auction and Channel Sharing Rules. Each Covered Station has full Channel Sharing Eligibility Rights. Seller has not entered into, nor is obligated to enter into (whether on a current or contingent basis), any Channel Sharing Agreement with respect to any Covered Station, other than the Covered Channel Sharing Agreements.

(d) *Compliance with FCC Rules.* Except as set forth on *Schedule 4.9(d)*, Seller has (i) operated each Covered Station in compliance with the Communications Act, the FCC Rules, and the FCC Licenses in all material respects, (ii) timely filed all material registrations and reports required to have been filed with the FCC, (iii) paid or caused to be paid, or is exempt from all FCC regulatory fees due in respect to each Covered Station and (iv) completed or caused to be completed the construction of all facilities or changes contemplated by any of the FCC Licenses or Permits issued to the Covered Stations. Except as set forth on *Schedule 4.9(d)*, there are no applications, petitions, proceedings, or other actions or, to the Seller's Knowledge, complaints or investigations, pending or, Seller's Knowledge, threatened before the FCC relating to any Covered Station, other than proceedings affecting broadcast television stations generally.

Except as set forth on *Schedule 4.9(d)*, neither Seller nor any of the Covered Stations, has entered into a tolling agreement or otherwise waived any statute of limitations relating to any Covered Station during which the FCC may assess any fine or forfeiture or take any other action or agreed to any extension of time with respect to any FCC investigation or proceeding.

(e) *Tower and Station Matters.* The Covered Towers are registered to the extent required by Law and all such Covered Towers have been constructed, and are operated and maintained, in compliance in all material respects with the FCC Licenses and all applicable Laws, including the Communications Act and those rules and requirements promulgated by the FAA (and including, to the extent applicable, all such Laws concerning the marking, painting, lighting, height and registration of the Towers). Each Station is operating at the effective radiated power authorized under the FCC Licenses. To Seller's Knowledge, no Station causes or receives any material interference that is in violation of the Communications Act or any other applicable Laws. All material Tower returns, reports and statements that Seller is currently required to file with the FCC or FAA have been filed.

***Section 4.10. Litigation.*** Except as set forth in *Schedule 4.10*, there are no claims, actions, suits, proceedings or investigations pending or, to Seller's Knowledge, threatened before any court, arbitrator or Governmental Authority which affect Seller, the Business of each Station or the Covered Assets or which could reasonably be expected to restrain, enjoin or otherwise prevent the consummation of the transactions contemplated by this Agreement or the other agreements, certificates and documents delivered in connection herewith, nor, to Seller's Knowledge, is there any reasonable basis on which any claim, action, suit, proceeding or investigation may be brought in the future which could reasonably be expected to restrain, enjoin or otherwise prevent the consummation of the transactions contemplated by this Agreement or the other agreements, certificates and documents delivered in connection herewith. Seller has made available to Buyer true and complete copies of all court papers and other documents with respect to the matters referred to in *Schedule 4.10*. Except as set forth in *Schedule 4.10*, there is no outstanding writ, judgment, stipulation, injunction, decree, determination, award or other order of any Governmental Authority against Seller relating to the Covered Assets or that adversely affects the condition (financial or otherwise), operations or prospects of the Business of each Station as it relates to the Covered Assets.

***Section 4.11. Environmental Matters.*** Except as disclosed in *Schedule 4.11*, (a) the operation of the Business of each Station and the use of the Covered Assets as heretofore operated and used are not in violation of any applicable Environmental Law; (b) no inspection or investigation by any Governmental Authority at or about the Real Property or, with respect to the Business of each Station, any other facility or property currently or previously owned or operated by Seller or any third party has resulted in a citation, complaint, notice of violation, or letter demanding cleanup of any Hazardous Substances pursuant to any Environmental Law that in any case Seller or such third party has failed to remedy, nor is any such citation, complaint, notice of violation, or letter threatened, nor, to Seller's Knowledge, does any condition or state of affairs exist with respect to any such Real Property or any other properties or facilities which could reasonably be expected to result in any such citation, complaint, notice of violation or letter; (c) Seller has (i) not disposed of, or stored for more than ninety (90) days, any Hazardous Substances on the Real Property, nor has there been any release, spill or leak of any Hazardous Substances at such sites reportable under any Environmental Law, and (ii) fully complied with all Environmental Laws

relating to the generation, storage, treatment, recycling, removal, cleanup, transport or disposal of all Hazardous Substances at such sites and otherwise with respect to the Business of each Station; and (d) there are no Hazardous Substances present at the surface or subsurface levels of the Real Property, or present in the air above, or the air and water immediately surrounding, such property which is in excess of any concentration levels or standards prescribed or permitted by any applicable Environmental Law, nor does any condition or state of affairs exist on or about such property that would now or in the future require remedial investigation, corrective action or closure under the provisions of any Environmental Law or that could reasonably be expected to constitute a nuisance or other violation of any Environmental Law.

**Section 4.12. Covered Transmission Equipment.** *Schedule 4.12* lists all items of the Covered Transmission Equipment included in the Covered Assets. Except as otherwise set forth in *Schedule 4.12*, all items of the Covered Transmission Equipment included in the Covered Assets used or useful in connection with the operation of the Covered Towers are in good working condition in all material respects (reasonable wear and tear excepted). Except as otherwise set forth in *Schedule 4.5*, Seller owns and has good title to the Covered Transmission Equipment included in the Covered Assets, and none of the Covered Transmission Equipment included in the Covered Assets is subject to any Liens, except for Permitted Liens.

**Section 4.13. Taxes.** Seller has, in respect of each Covered Station and the Covered Assets, filed all income and other material Tax Returns required to have been filed under applicable Law and has paid all Taxes which have become due pursuant to applicable Laws or pursuant to any assessments which have become payable. Seller is not a foreign person within the meaning of Section 1445 of the Code. Seller has received no written notice of any material action or proceeding or any unresolved claim for assessment or collection of Taxes against Seller with respect to any Covered Station.

**Section 4.14. Brokers.** No agent, broker, firm or other Person acting on behalf, or under the authority, of Seller is or will be entitled to any broker's or finder's fee or any other commission or similar fee directly or indirectly in connection with any of the transactions contemplated hereby.

## **ARTICLE V REPRESENTATIONS AND WARRANTIES OF BUYER**

In order to induce Seller to enter into this Agreement, Buyer hereby represents and warrants to Seller as follows, with each such representation and warranty subject only to such exceptions, if any, as are set forth in the particular disclosure Schedule numbered and captioned to correspond to, and referenced in, such representation or warranty:

**Section 5.1. Organization, Standing and Power.** Buyer is a corporation formed, validly existing and in good standing under the laws of the State of Delaware and has all requisite power and authority to own, lease and operate its properties and to carry on its business as now being conducted.

**Section 5.2. Authority; Binding Agreements.** The execution and delivery of this Agreement and the other agreements, certificates and documents delivered in connection herewith and the



consummation of the transactions contemplated hereby and thereby have been duly and validly authorized by all necessary actions on the part of Buyer. Buyer has all requisite power and authority to enter into this Agreement and the other agreements, certificates and documents delivered in connection herewith and to consummate the transactions contemplated hereby and thereby, and this Agreement and the other agreements, certificates and documents delivered in connection herewith have been, or upon execution and delivery thereof will be, duly executed and delivered by Buyer. This Agreement and the other agreements, certificates and documents delivered in connection herewith are, or upon execution and delivery thereof will be, the valid and binding obligations of Buyer, enforceable against Buyer in accordance with their respective terms, except as enforceability may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting the enforcement of creditor's rights generally and the application of general principles of equity (regardless of whether that enforceability is considered in a proceeding at law or in equity).

**Section 5.3. Conflicts; Consents.** The execution and delivery of this Agreement and the other agreements and documents to which Buyer is a party as contemplated by this Agreement, the consummation of the transactions contemplated hereby and thereby and compliance by Buyer with the provisions hereof and thereof do not and will not (a) conflict with or result in a breach of the organizational documents of Buyer, (b) subject to receipt of the FCC Consent, violate any Law applicable to Buyer or Buyer's properties or assets, or (c) require the consent or approval by, or any notification of or filing with, any Governmental Authority other than the FCC.

**Section 5.4. FCC Qualifications.** Subject to obtaining the FCC Consent, Buyer is, and as of the Closing will be, legally, financially and otherwise qualified under the Communications Act to perform its obligations hereunder and to be the licensee of, and own and operate, the Covered Stations. Except as set forth in *Schedule 5.4*, to Buyer's Knowledge, no fact or circumstance exists relating to the FCC qualifications of Buyer that (a) could reasonably be expected to prevent the FCC from granting the Assignment Application or (b) would otherwise disqualify Buyer as the licensee, owner or operator of the Covered Stations. To Buyer's Knowledge, other and as otherwise provided on *Schedule 5.4*, no waiver of any FCC rule or policy is required for the grant of the FCC Consent.

**Section 5.5. Brokers.** No agent, broker, investment banker, firm or other Person acting on behalf, or under the authority, of Buyer is or will be entitled to any broker's or finder's fee or any other commission or similar fee directly or indirectly from Seller or its Affiliates in connection with any of the transactions contemplated hereby.

**Section 5.6. Litigation.** There are no claims, actions, suits, proceedings or investigations pending or, to Buyer's Knowledge, threatened before any court, arbitrator or Governmental Authority which affect Buyer and could reasonably be expected to restrain, enjoin or otherwise prevent Buyer's consummation of the transactions contemplated by this Agreement or the other agreements, certificates and documents delivered in connection herewith, nor, to Buyer's Knowledge, is there any reasonable basis on which any claim, action, suit, proceeding or investigation may be brought in the future which could reasonably be expected to restrain, enjoin or otherwise prevent the consummation of the transactions contemplated by this Agreement or the other agreements, certificates and documents delivered in connection herewith.

## ARTICLE VI ADDITIONAL AGREEMENTS

**Section 6.1. FCC Matters.** Upon the exercise of the Covered Assets Option:

(a) *FCC Consent.* The consummation of the transactions contemplated hereby is subject to the prior consent and approval of the FCC. As soon as reasonably practicable following exercise of the Covered Assets Option, but in no event later than fifteen (15) days after the date that Buyer delivers the Covered Assets Option Exercise Notice, Seller and Buyer shall prepare and thereafter shall promptly file with the FCC the Assignment Applications (such date the “**Application Filing Date**”). In addition, each party hereto covenants and agrees to (i) prepare, file and prosecute any alternative application, petition, motion, request or other filing that may be required to obtain the FCC Consent (including, upon request of Buyer, any motion for leave to withdraw or dismiss any Assignment Application filed by the parties with the FCC in connection with the transactions contemplated hereby) (the “**Additional Applications**” and, together with the Assignment Applications, the “**FCC Applications**”); (ii) file any amendment or modification to the FCC Applications; (iii) provide to the other party any information, documents or other materials reasonably requested by such other party in connection with the preparation of any such FCC Applications; (iv) prosecute the FCC Applications with commercially reasonable diligence and otherwise use their commercially reasonable efforts to obtain a favorable conclusion with regard to the FCC Applications; (v) otherwise take any other action with respect to the FCC as may be reasonably necessary or reasonably requested by Buyer in connection with the transactions contemplated hereby; and (vi) cooperate in good faith with the other party hereto with respect to the foregoing, all as may be determined by Buyer to be necessary, appropriate or advisable in order to consummate the transactions contemplated by this Agreement. Each party shall promptly provide to the other party a copy of any pleading, order or other document served on them relating to any such FCC Application.

(b) *Contingencies.* In the event that as of the date that is eighteen (18) months following the Application Filing Date (the “**Outside Date**”), (i) Buyer shall have timely exercised the Covered Assets Option, (ii) Buyer shall have timely exercised the TBA Option, and (iii) the FCC Consent has not been received, then Buyer shall have the right thereafter to cause Seller to withdraw or dismiss the FCC Applications filed pursuant to Section 6.1(a). Notwithstanding the foregoing, the Covered Assets Option shall be exercisable thereafter, pursuant to the terms and subject to the conditions of Section 2.1(c).

(c) *Certain Actions and Omissions.* Seller and Buyer shall not take any action, or omit to take any action, or enter into any Contract which would, or could reasonably be expected to, prevent or otherwise materially interfere with the successful prosecution of any FCC Application or the consummation of the transactions contemplated by this Agreement, or which is or would be inconsistent with any FCC Application or the consummation of the transactions contemplated by this Agreement.

(d) *Certain FCC Conditions.* Each party agrees to comply with any condition imposed on it by any FCC Consent, except that no party shall be required to comply with a condition if such condition requires such party to divest any of its direct or indirect assets. Buyer

and Seller shall oppose any petitions to deny or other objections filed with respect to any FCC Application and any requests for reconsideration or review of any FCC Consent.

(e) *Certain Extensions.* If the Closing shall not have occurred for any reason within the original effective period of any FCC Consent, and neither party shall have terminated this Agreement pursuant to its right under Section 8.1, the parties shall jointly request an extension of the effective period of such FCC Consent. No extension of the effective period of any FCC Consent shall limit the exercise by either party of its right to terminate the Agreement under Section 8.1.

## ***Section 6.2. Covenants of Seller.***

(a) *Certain Affirmative Covenants.* From the Effective Date until the Closing Date, except as otherwise consented to by Buyer in writing, Seller shall use its reasonable best efforts to:

(i) operate and control the Stations in all material respects in the ordinary course of business and in a manner consistent with past practices (except where such conduct would conflict with the following covenants or with Seller's other obligations under this Agreement) and otherwise in compliance in all material respects with all applicable Laws, including the Communications Act, the FCC Licenses and all applicable Permits;

(ii) insofar as Seller has determined that it is in its best interests to elect mandatory carriage with respect to the Covered Stations, Seller has provided Buyer with copies of said elections sent to all MVPDs with respect to the Covered Stations for the 2018-2020 cycle, pursuant to FCC Rules, including 47 C.F.R. §§ 76.64 and 76.66; *provided* that Seller shall maintain the right to waive mandatory carriage of the Covered Stations in its sole discretion solely with respect to carriage by satellite carriers (as such term is defined in 47 C.F.R. § 76.66) ("***Satellite Waiver***") and Seller shall have no right to waive mandatory carriage of the Covered Stations with respect to carriage by cable operators;

(iii) maintain and repair facilities and equipment related to Seller's operations with respect to the Stations;

(iv) keep in full force and effect insurance in respect of the Covered Assets comparable in amount and scope of coverage to that now maintained;

(v) perform in all material respects all obligations under the Assumed Contracts, including the Third Party Channel Sharing Agreements, and any other documents relating to or affecting the Covered Assets;

(vi) notify Buyer of any actual or potential breach of any Third Party Channel Sharing Agreement by any party thereto and, with respect to any actual or potential breach by Seller under such Third Party Channel Sharing Agreement, take all actions reasonably necessary or appropriate to permit Buyer to cure such breach on Seller's behalf;

(vii) comply in all material respects with all applicable Laws;

(viii) preserve intact all goodwill of or relating to each Covered Station, the Business of each Covered Station, and the Covered Assets;

(ix) take all actions reasonably necessary or appropriate to protect each Station from objectionable interference from other stations, including the filing of any and all necessary pleadings with the FCC to prevent or remedy such interference;

(x) promptly execute and deliver a Third Party Channel Sharing Agreement with respect to the WKOI-Dayton Station on terms substantially similar to the Covered Channel Sharing Agreements, upon execution and delivery to Seller thereof by a counterparty sharer; and

(xi) remain qualified under the Communications Act to perform its obligations hereunder, to be the licensee of, and to own and operate each Station.

(b) *Certain Negative Covenants.* Seller shall not (to the extent the following restrictions are permitted by the FCC, the Communications Act and all other applicable Laws), except as otherwise consented to by Buyer in writing:

(i) other than in the ordinary course of business, assign, sell, lease (as lessor), transfer or dispose of, or agree to assign, sell, lease (as lessor), transfer or dispose of, any material Covered Assets without replacement thereof with functionally equivalent or superior assets;

(ii) apply to the FCC for any FCC license, construction permit, authorization or any modification thereto that would materially restrict each Covered Station's present operations or make any material adverse change Covered Assets, except to preserve any Channel Sharing Eligibility Rights relating thereto in accordance with the Auction and Channel Sharing Rules;

(iii) enter into any material amendment or modification to, or grant any material waiver under, any lease, sublease, license, or other Contract with respect to the Real Property;

(iv) incur, or suffer or permit to exist, any Lien (other than a Permitted Lien) on any Purchased Asset(s);

(v) enter into any local marketing agreement, joint sales agreement, shared services agreement or other similar Contract in respect of the programming or operations of the Covered Stations, or enter into any Channel Sharing Agreement with respect to the Covered Stations, other than the Covered Channel Sharing Agreements;

(vi) make any capital expenditure or commitment or addition to property, plant or equipment of Seller in respect of the Covered Assets, individually or in the aggregate, in excess of Five Thousand Dollars (\$5,000);

(vii) take, or fail to take, any other action which could reasonably be expected to result in a breach or inaccuracy in any of the representations or warranties of Seller contained in this Agreement;

(viii) agree or commit, whether in writing or otherwise, to take any of the actions specified in the foregoing clauses;

(ix) enter into any material amendment or modification to, or grant any material waiver under, any Covered Channel Sharing Agreement, except with the written consent of Buyer; or

(x) commit or suffer any of the acts described in clauses (a) through (j) of Section 4.4.

(c) *FCC Licenses; Permits; Shared Channel Modification Applications.*

(i) During the period commencing on the Effective Date and ending on the earlier of the Closing Date or the termination of this Agreement, Seller shall (A) maintain in effect the FCC Licenses and all Permits that are required in connection with the operation of the Covered Stations or Covered Assets; (B) promptly execute any necessary applications for renewal of FCC Licenses necessary for the operation of the Covered Stations as presently conducted and will use reasonable efforts to cooperate with Buyer in any other respect as Buyer may reasonably request in order to enhance, protect, preserve or maintain the Covered Assets or the Business of each Covered Station; (C) timely file with the FCC all required reports and pay any required annual regulatory fees for the operation of the Covered Stations; (D) and (E) deliver to Buyer, within ten (10) Business Days after filing, copies of any reports, applications or responses to the FCC related to the Covered Stations which are filed during such period. Upon request of Buyer, Seller shall consent, pursuant to 47 C.F.R. Section 73.3517, to the filing by, and in the name of Buyer (or any permitted assignee of Buyer), of an application requesting the authorization of the FCC to modify any FCC License or authorization of or relating to the Covered Stations, *provided that* such authorization be contingent upon Closing. All filing costs related to such filings shall be borne by Buyer.

(ii) Seller covenants and agrees to timely file (v) the Columbus Channel Sharing Extension Request, (w) the Shared Channel Modification Applications, (x) any applications, waiver requests, or other such filings with the FCC reasonably necessary to preserve the Channel Sharing Eligibility Rights with respect to each Covered Station, (y) upon request of Buyer in connection with its assessment of the most advantageous timing to facilitate the contemplated channel sharing and related transactions and without limiting the foregoing clause (v), one or more requests with the FCC for waiver or extension of the channel sharing commencement deadline for such period as may be requested by Buyer up to, but not to exceed, the maximum length of time permitted under the Auction and Channel Sharing Rules, or other such rule or order of the FCC, and (z) upon the request of Buyer, any other Shared Channel Modification Applications reasonably necessary to effectuate any Channel Sharing Agreement entered into by Buyer with respect to any Covered Station, including the Covered Channel Sharing Agreements (each of the foregoing clauses (v)-(z), collectively, the “*Ancillary Channel Sharing Applications*”).

**Section 6.3. Obligation to Consummate Transaction.** Each of the parties hereto agrees to use all commercially reasonable efforts to take, or cause to be taken, all action, and to do, or cause to be done, all things necessary, proper or advisable to the extent permissible under applicable

Laws, to consummate and make effective the transactions contemplated by this Agreement as expeditiously as practicable and to ensure that the conditions set forth in Article VII are satisfied, insofar as such matters are within the control of either of them. Without limitation to the foregoing or to Section 3.5, Seller shall use its reasonable best efforts to obtain all Required Consents.

***Section 6.4. Exclusivity.*** From the Effective Date until the earliest of (a) the Closing Date or (b) the termination of this Agreement (other than as a result of the failure of Seller to comply with or perform its covenants and obligations under this Agreement), Seller shall not, and shall not permit any of its Affiliates or any partners, directors, officers or agents of the foregoing to, directly or indirectly, solicit or initiate, enter into or conduct discussions concerning, or exchange information (including by way of furnishing information concerning Seller or the Covered Assets) or enter into any negotiations concerning, or respond to any inquiries or solicit, receive, entertain or agree to any proposals for, the acquisition of the Covered Assets or any substantial part thereof. In addition, during such time period, Seller shall notify Buyer of the identity of any Person that approaches Seller and the contents of any such proposals, inquiries or discussions.

***Section 6.5. Access and Information; Additional Disclosure.***

(a) *Access and Information.* From the Effective Date until the earlier of the Closing Date and the termination of this Agreement, Seller shall permit Buyer and its representatives to make such investigation of the Covered Assets as Buyer deems necessary or desirable in connection with the transactions contemplated hereby. Such investigation shall include access to the Covered Towers. During such period, Seller shall furnish Buyer and its representatives with such operating and other data and information, and copies of documents with respect to the Covered Assets, as Buyer shall from time to time request. Such access and investigation shall be made upon reasonable notice and at reasonable places and times. Such access and information shall not in any way diminish or otherwise affect any of the representations or warranties hereunder or Buyer's rights to indemnification in respect of any breach thereof. Without limiting the foregoing, during such period, Seller shall keep Buyer informed as to the operation of the Covered Assets of each Station and shall consult with Buyer with respect thereto.

(b) *Additional Disclosure.* From the Effective Date until the earlier of the Closing Date and the termination of this Agreement, Seller shall give prompt written notice to Buyer of (i) the occurrence, or failure to occur, of any event which could reasonably be expected to cause any representation or warranty made by it in this Agreement or any Exhibit or Schedule hereto to be untrue or inaccurate as of the Effective Date or as of the Closing Date, and (ii) any failure to comply with or satisfy any covenant, condition or agreement required to be complied with or satisfied by it under this Agreement or any Exhibit or Schedule hereto; *provided, however,* that such disclosure shall not be deemed to cure any breach of representation, warranty, covenant or agreement or to satisfy any condition for purposes of determining whether the conditions set forth in Article VII have been satisfied.

#### ***Section 6.6. Certain Tax Matters.***

(a) *Transfer Taxes.* All recordation, transfer, documentary, excise, sales, value added, use, stamp, conveyance or other similar Taxes, duties or governmental charges, and all recording or filing fees or similar costs, imposed or levied by reason of, in connection with or attributable to this Agreement or the transactions contemplated hereby (collectively, “***Transfer Taxes***”) shall be borne equally by Seller and Buyer; *provided, however*, that Buyer and Seller shall reasonably cooperate with one another to lawfully minimize such Taxes. In the case of Transfer Taxes for which Buyer is liable to the pertinent taxing authority, at the Closing, Seller shall pay to Buyer fifty percent (50%) of the amount of such Transfer Taxes as reasonably estimated by Buyer, with subsequent additional payments by Seller to Buyer or refunds by Buyer to Seller of amounts previously paid by Seller in the event it is subsequently determined that the amount of the subject Transfer Taxes was more or less than the estimated amounts.

(b) *Allocation of Taxes.*

(i) Seller shall pay all Taxes relating to the Covered Assets for all periods or portions thereof ending on or before the Closing Date. For these purposes, in the case of any Taxes that are imposed on a periodic basis and that are payable for a period that begins before the Closing Date and ends after the Closing Date (the “***Straddle Period***”), the portion of such Taxes that shall be deemed to be payable for the portion of the period ending on the Closing Date shall (A) in the case of any Taxes other than Taxes based upon or related to income or receipts, be deemed to be the amount of such Taxes for the entire period (or, in the case of such Taxes determined on an arrears basis, the amount of such Taxes for the immediately preceding period), whether actually paid before, during, or after such period, multiplied by a fraction the numerator of which is the number of calendar days in the period ending on (and including) the Closing Date and the denominator of which is the number of calendar days in the entire period, and (B) in the case of any Taxes based upon or related to income or receipts, be deemed equal to the amount which would be payable if the taxable year ended on the Closing Date. Any credits or Tax refunds paid with respect to a Straddle Period shall be prorated, based upon the method employed in the preceding sentence. Seller shall pay all Taxes relating to the Excluded Assets for all periods or portions thereof ending on or after the Closing Date.

(ii) Buyer shall pay all Taxes relating to the Covered Assets for all periods or portions thereof beginning on or after the Closing Date. For these purposes, in the case of any Taxes that are imposed on a periodic basis and that are payable for a Straddle Period, the portion of such Taxes that shall be deemed to be payable for the portion of the period beginning on the calendar day after the Closing Date and ending on the last day of such Straddle Period shall (A) in the case of any Taxes other than Taxes based upon or related to income or receipts, be deemed to be the amount of such Taxes for the entire period (or, in the case of such Taxes determined on an arrears basis, the amount of such Taxes for the immediately preceding period), whether actually paid before, during, or after such period, multiplied by a fraction the numerator of which is the number of calendar days in the period beginning on (and including) the calendar day after the Closing Date and ending on the last day of the Straddle Period, and the denominator of which is the number of calendar days in the entire period, and (B) in the case of any Taxes based upon or related to income or receipts, be deemed equal to the amount which would be payable if the taxable year began on the calendar day after the Closing Date and ended on the last day of the

Straddle Period. Any credits or Tax refunds paid with respect to a Straddle Period shall be prorated, based upon the method employed in the preceding sentence.

(c) *Cooperation and Exchange of Information.* Each of Seller and Buyer shall (i) provide the other with such assistance as may reasonably be requested by the other party in connection with the preparation of any Tax Return, audit or other examination by any taxing authority or judicial or administrative proceeding relating to liability for Taxes in connection with the Business of each Station or the Covered Assets, (ii) retain and provide the other with any records or other information that may be relevant to such Tax Return, audit or examination, proceeding or determination, and (iii) provide the other with any final determination of any such audit or examination, proceeding or determination that affects any amount required to be shown on any Tax Return of the other for any period.

(d) *Survival of Covenants.* The covenants contained in this Section 6.6 shall survive for a period of twelve (12) months following the Closing Date.

#### ***Section 6.7. Real Property Inspection.***

(a) *Real Property Inspection.* During the ninety (90) -day period following the Effective Date, upon reasonable notice to Seller, Buyer and its employees, agents, and contractors (including any surveyors or environmental consultants) shall have the right to enter on the Real Property from time to time during normal business hours for the purposes of making, at Buyer's expense, engineering, architectural, environmental, title, zoning, survey, and any other studies that Buyer reasonably deems necessary or desirable in connection with the transaction contemplated hereby (the "***Real Property Inspection***").

(b) *Real Property Objection.* If, as a result of the Real Property Inspection, Buyer reasonably determines that any matter or matters affecting or relating to the title or condition of the Real Property could reasonably be expected to have a Material Adverse Effect or a material adverse effect on the use and enjoyment of the affected Real Property as currently used by Seller (a "***Real Property Objection***"), Buyer shall, no later than the date ninety (90) days after the Effective Date, deliver written notice to Seller setting forth in reasonable detail the basis for and any evidence of the Real Property Objection.

(c) *Cure Rights.* If Buyer delivers to Seller timely notice of a Real Property Objection, and Seller does not notify Buyer on or before the date that is five (5) Business Days after Buyer's delivery of notice of a Real Property Objection (the "***Cure Notice Deadline***"), of Seller's intention to cure or correct the Real Property Objection, Buyer shall have the right to terminate this Agreement by delivering to Seller a Notice of Termination no later than five (5) Business Days following the Cure Notice Deadline. If Buyer delivers to Seller a timely notice of a Real Property Objection, Seller notifies Buyer of Seller's intention to cure or correct the Real Property Objection, and Seller does not cure or correct the Real Property Objection within thirty (30) days after Buyer's delivery of a notice of a Real Property Objection, Buyer shall have the right to terminate this Agreement by delivering to Seller a Notice of Termination no later than five (5) Business Days following the end of such thirty (30) -day period.



**Section 6.8. No Premature Assumption of Control.** Nothing contained in this Agreement shall give Buyer any right to, directly or indirectly, control, supervise or direct, or attempt to control, supervise or direct, the programming, operations, or any other matter relating to the Covered Stations prior to the Closing Date, and Seller shall have complete control and supervision of the programming, operations, policies and all other matters relating to the Covered Stations up to the time of the Closing.

**Section 6.9. Filing Fees.**

(a) Except as set forth in paragraph (b) below, all filing fees and other charges levied by any Governmental Authority in connection with the transactions contemplated by this Agreement, including those fees relating to the FCC Applications, shall be paid one half by Buyer and one half by Seller.

(b) All filing fees and other charges levied by any Governmental Authority in connection with the Ancillary Channel Sharing Applications shall be paid by Buyer.

**Section 6.10. Risk of Loss.** The risk of loss to any of the Covered Assets on or prior to the earlier of the Closing Date or the expiration of the Covered Assets Option Exercise Period shall be upon Seller. Seller shall use all commercially reasonable efforts to repair or replace any Covered Assets that are lost or damaged prior to Closing; *provided, however*, that in the event that Covered Assets are damaged or lost as of the date otherwise scheduled for Closing, Buyer may, at its sole election, following exercise of the Covered Assets Option, either (a) postpone Closing for a period of up to 60 days while Seller repairs or replaces such Covered Assets, or (b) elect to close with the Covered Assets in their then-current condition, in which case Seller shall assign all proceeds from insurance on such lost or damaged Covered Assets to Buyer and pay to Buyer the cost of repair and replacement of such damaged or lost Covered Assets to the extent not covered by insurance. In no event shall this Section 6.10 be deemed or otherwise constructed to limit Sections 6.1 or 7.1 hereof.

**Section 6.11. Further Assurances.** Seller shall, at any time and from time to time after the Closing Date, upon the request of Buyer, do, execute, acknowledge, deliver and file, or cause to be done, executed, acknowledged, delivered or filed, all such further acts, deeds, transfers, conveyances, assignments or assurances as may be reasonably required for the better transferring, conveying, assigning and assuring to Buyer, or for the aiding and assisting in the reducing to possession by Buyer of, any of the Covered Assets, or for otherwise carrying out the purposes of this Agreement and the other agreements, certificates and documents delivered in connection herewith and the consummation of the transactions contemplated hereby and thereby.

## **ARTICLE VII CONDITIONS PRECEDENT**

**Section 7.1. Conditions to Obligations of Buyer.** The obligations of Buyer to consummate the transactions contemplated by this Agreement are subject to the satisfaction or waiver by Buyer of the following conditions:

(a) *Representations and Warranties.* The representations and warranties of Seller contained herein that are qualified by materiality or subject to thresholds shall be true and

correct in all respects and the representations and warranties of Seller contained herein that are not so qualified shall be true and correct in all material respects as of the Effective Date and as of the Closing Date as if made on and as of the Closing Date.

(b) *Covenants; Material Adverse Effect.* Seller shall have performed and complied in all material respects with all covenants and agreements required to be performed or complied with on or prior to the Closing Date. As of the Closing Date, there shall have been no Material Adverse Effect.

(c) *Officer's Certificate.* Buyer shall have received a certificate, dated as of the Closing Date, duly executed by an authorized officer of Seller certifying that:

(i) the conditions set forth in Sections 6.1(a) and (b) have been fulfilled; and

(ii) all documents to be executed by Seller and delivered at the Closing have been executed by a duly authorized officer of Seller.

(d) *No Injunction.* No Law shall have been enacted, entered, promulgated or enforced by any Governmental Authority that prohibits the consummation of all or any part of the transactions contemplated by this Agreement and the other agreements, certificates and documents delivered in connection herewith, and no action or proceeding shall be pending or threatened by any Governmental Authority or other Person seeking any such order or decree or seeking to recover any damages or obtain other relief as a result of the consummation of such transactions.

(e) *Material Consents.* Seller shall have obtained and delivered the Required Consents;

(f) *Certain Closing Documents.* Seller shall have delivered or caused to be delivered to Buyer:

(i) a duly executed Bill of Sale, substantially in the form of *Exhibit A*;

(ii) a duly executed Assignment and Assumption Agreement covering all Assumed Contracts, including with respect to all Assumed Contracts relating to Leased Real Property, substantially in the form of *Exhibit B*;

(iii) a duly executed Assignment and Acceptance Agreement in respect of the FCC Licenses, substantially in the form of *Exhibit C*;

(iv) special warranty deeds of conveyance in recordable form for each of the parcels of Covered Towers, conveying the Covered Towers to Buyer in a form satisfactory to Buyer;

(v) a receipt, in a form satisfactory to Buyer, acknowledging receipt of the Exercise Price in satisfaction in full of Buyer's obligations pursuant to Sections 2.1; and

(vi) all such other deeds, endorsements or other instruments as may be reasonably requested by Buyer to vest in Buyer good and marketable title to all of the Covered Assets, free and clear of all Liens (other than Permitted Liens).

(g) *Release of Liens.* Buyer shall have received, no later than three (3) Business Days prior to Closing, evidence, acceptable to Buyer in its sole discretion, that all Liens identified on *Schedule 4.5* have been properly terminated or released on or before the Closing, including either (i) a completed UCC-3 Termination Statement, in a proper form for filing, in respect of each such Lien or (ii) a payoff letter from the secured party thereunder, in form and substance acceptable to Buyer, certifying that upon receipt by or on behalf of Seller of the amount specified in such payoff letter, such Lien shall be released with no further action and that such secured party will, promptly upon receipt of the specified amount, deliver to Buyer a duly executed UCC-3 Termination Statement, in a proper form for filing, in respect of such Lien.

(h) *FCC Consent.* The FCC Consent shall have been obtained, shall be in full force and effect, and shall have become a Final Order, and no court or governmental order prohibiting the Closing shall be in effect.

(i) *Channel Sharing.* The Modified License Grant shall have been obtained, shall be in full force and effect, and shall have become a Final Order, and Seller shall be operating each Covered Station in compliance with such FCC License and the Covered Channel Sharing Agreement applicable to such Covered Station.

(j) *Other Documents.* Buyer shall have received such other documents, certificates or instruments as it may reasonably request, and all actions and proceedings hereunder and all documents and other papers required to be delivered by Seller hereunder or in connection with the consummation of the transactions contemplated hereby shall be reasonably acceptable to Buyer as to their form and substance.

**Section 7.2. Conditions to Obligations of Seller.** The obligations of Seller to consummate the transactions contemplated by this Agreement are subject to the satisfaction of the following conditions, unless waived by Seller:

(a) *Representations and Warranties.* The representations and warranties of Buyer contained herein that are qualified by materiality or subject to thresholds shall be true and correct in all respects and the representations and warranties of Buyer that are not so qualified contained herein shall be true and correct in all material respects as of the Effective Date and as of the Closing Date as if made on and as of the Closing Date.

(b) *Covenants.* Buyer shall have performed and complied in all material respects with all covenants and agreements required to be performed or complied with on or prior to the Closing Date.

(c) *Officer's Certificate.* Seller shall have received a certificate, dated as of the Closing Date, duly executed by an authorized officer of Buyer, certifying that:

(i) the conditions set forth in Sections 6.2(a) and (b) have been fulfilled; and

(ii) all documents to be executed by Buyer and delivered at the Closing have been executed by a duly authorized officer of Buyer.

(d) *Certain Closing Deliveries.* Buyer shall have delivered or caused to be delivered to Seller:

(i) payment of the Exercise Price by wire transfer of immediately available funds directly to the account set forth on *Schedule 7.2(d)(i)* (or such other method of funds transfer as may be agreed upon in writing by Buyer and Seller);

(ii) a duly executed Bill of Sale, substantially in the form of *Exhibit A*;

(iii) a duly executed Assignment and Assumption Agreement, substantially in the form of *Exhibit B*; and

(iv) a duly executed Assignment and Acceptance Agreement in respect of the FCC Licenses, substantially in the form of *Exhibit C*.

(e) *FCC Consent.* The FCC Consent shall have been granted and shall be effective.

(f) *Other Documents.* Seller shall have received such other documents, certificates or instruments as it may reasonably request, and all actions and proceedings hereunder and all documents and other papers required to be delivered by Buyer hereunder or in connection with the consummation of the transactions contemplated hereby, and all other related matters, shall be reasonably acceptable to Seller as to their form and substance.

**Section 7.3. Frustration of Closing Conditions.** With respect to the conditions to its obligations to consummate the transactions contemplated by this Agreement as provided hereunder and its rights to terminate this Agreement as provided in Section 8.1, neither party may rely on the failure of any condition set forth in this Article VII to be satisfied if such failure was caused by such party's failure to act in good faith or to use its commercially reasonable efforts to cause the Closing to occur to the extent required by Section 6.3.

## **ARTICLE VIII TERMINATION**

**Section 8.1. Termination.** This Agreement shall terminate on the earlier to occur of any of the following events:

(a) the mutual written agreement of Buyer and Seller;

(b) by Notice of Termination of Buyer or Seller:

(i) if (A) the Covered Assets Option has been timely exercised and (B) the Closing shall not have occurred on or before the Outside Date (other than due to a breach of any representation or warranty hereunder of the party seeking to terminate this Agreement or as a

result of the failure on the part of Buyer to comply with or perform its covenants, agreements and obligations under this Agreement).

(ii) at any time during the thirty (30) day period which commences on the date which is eighteen (18) months following the Modified License Grant, *if and only if*, (A) the Covered Assets Option has not been timely exercised on or prior to the Initial Exercise Deadline, and (B) the TBA Option has been timely exercised.

(iii) if there shall be any Law that prohibits consummation of the transactions contemplated by this Agreement or if a Governmental Authority of competent jurisdiction shall have issued a Final Order enjoining or otherwise prohibiting consummation of the transactions contemplated by this Agreement, and such Final Order shall have become final and non-appealable.

(c) by Notice of Termination of Buyer to Seller, if Seller shall have materially breached any of its representations, warranties, covenants, agreements or obligations hereunder; *provided, however*, that Buyer's right under this Section 8.1(c) may not be exercised after the Closing;

(d) by Notice of Termination of Seller to Buyer, if Buyer shall have materially breached any of its representations, warranties, covenants, agreements or obligations hereunder; *provided, however*, that Seller's right under this Section 8.1(d) may not be exercised after the Closing;

(e) automatically and without the requirement of prior action by the parties, upon expiration of the Covered Assets Option Period, as such may be extended pursuant to Section 2.1(b), if Buyer has not timely exercised *either* the TBA Option or the Covered Assets Option.

## ***Section 8.2. Procedure and Effect of Termination.***

(a) *Notice of Termination.* Any termination by either party shall be communicated by a written notice to the other party (the "***Notice of Termination***"). The Notice of Termination shall indicate the termination provision in this Agreement claimed to provide a basis for termination of this Agreement. Termination of this Agreement pursuant to the terms and subject to the conditions of Section 8.1 shall be effective upon and as of the date of delivery of a Notice of Termination.

(b) *Certain Effects of Termination.* Nothing in this Article shall relieve either party of any liability for a breach of this Agreement prior to the termination hereof. Except as provided in the foregoing sentence, (i) upon the termination of this Agreement, all rights and obligations of the parties under this Agreement shall terminate, except their respective obligations under Sections 5.4, 5.6, Article IX and this Section 8.2(b), which shall survive the termination of this Agreement except as specifically provided in such sections, (ii) if, prior to the exercise of the TBA Option by Buyer pursuant to the terms and subject to the conditions of Section 2.2(c), this Agreement has terminated pursuant to the terms and subject to the conditions of Section 8.1(b)(ii) or Section 8.1(e), then Buyer shall pay to Seller on demand an amount equal to the Exit Payment and (iii) neither of the parties hereto nor any of their respective partners,

directors, officers, shareholders, employers, agents or Affiliates (each, a “**Related Party**”) shall have any liability or further obligation to the other party or any of their respective Related Parties pursuant to this Agreement with respect to which termination has occurred, except in respect of the rights and obligations identified in clauses (i) and (ii) above, which shall survive as provided in this Section 8.2(b).

(c) *Withdrawal of Certain Filings.* All filings, applications and other submissions relating to the transactions contemplated by this Agreement as to which termination has occurred shall, to the extent practicable, be withdrawn from the agency or other Person to which made.

## **ARTICLE IX INDEMNIFICATION**

**Section 9.1. Indemnification by Seller.** Seller shall indemnify and hold harmless Buyer and its Affiliates, and the directors, officers, employees and other agents and representatives of Buyer and its Affiliates from and against any and all liabilities, judgments, claims, settlements, losses, damages, fees, Liens, Taxes, penalties, obligations and expenses (including reasonable attorney’s fees and expenses and costs and expenses of investigation) (collectively, “**Losses**”) incurred or suffered, directly or indirectly, by any such Person arising from, by reason of or in connection with:

(a) any breach of or material inaccuracy in any representation or warranty of Seller contained in this Agreement or any certificate, instrument or other document delivered by Seller hereunder or in connection with the consummation of the transactions contemplated hereby or thereby;

(b) the non-fulfillment or breach by Seller of any covenant, obligation or agreement made by Seller in this Agreement;

(c) the Business or operation of the Covered Stations, including in connection with the Covered Assets, prior to the Closing Date;

(d) the Business or operation of the WWTO-Chicago Station (except to the extent arising from or in connection with the Covered Tower in respect of such Station); or

(e) any of the Excluded Assets or Excluded Liabilities.

**Section 9.2. Indemnification by Buyer.** Buyer shall indemnify and hold harmless Seller and its Affiliates, and the directors, officers, employees and other agents and representatives of Seller and its Affiliates from and against any and all Losses incurred or suffered, directly or indirectly, by any such Person arising from, by reason of or in connection with:

(a) any breach or material inaccuracy of any representation or warranty of Buyer contained in this Agreement or any certificate or other document delivered by Buyer hereunder or in connection with the consummation of the transactions contemplated hereby or thereby;

(b) the non-fulfillment or breach by Buyer of any covenant, obligation or agreement made by it in this Agreement;

(c) any of the Assumed Liabilities;

(d) any and all acts or omissions of Buyer in connection with the operation of the Covered Assets from and after the Closing Date; and

(e) all Covered Expenses arising under any Third Party Channel Sharing Agreement.

**Section 9.3. Calculation of Losses.** Any indemnity payment hereunder shall be treated as an adjustment to the Exercise Price to the extent permitted by applicable Law. Where the receipt of any such payment is treated for Tax purposes in a manner other than as an adjustment to the Exercise Price, the amount of the payment shall be adjusted to take account of any net Tax cost actually incurred, or benefit actually enjoyed, by the Indemnified Party in respect thereof.

**Section 9.4. Certain Procedures for Indemnification.**

(a) *Notifications.* In the event that any Person entitled to indemnification under this Agreement (an “**Indemnified Party**”) asserts a claim for indemnification, or receives notice of the assertion of any claim or of the commencement of any action or proceeding by any Person not a party to this Agreement against such Indemnified Party, for which a party to this Agreement is required to provide indemnification under this Article IX (an “**Indemnifying Party**”), the Indemnified Party shall promptly notify the Indemnifying Party in writing of the claim or the commencement of that action; *provided, however*, that the failure to so notify the Indemnifying Party shall not relieve it from any liability which it may have to the Indemnified Party, except to the extent that the Indemnifying Party is materially prejudiced in its ability to defend such action.

(b) *Procedures.* With respect to third party claims for which indemnification is claimed hereunder, (i) the Indemnifying Party shall be entitled to participate in the defense of any such claim, and (ii) if, in the judgment of the Indemnified Party, such claim can properly be resolved by money damages alone and the Indemnifying Party has the financial resources to pay such damages, and the Indemnifying Party admits that this indemnity fully covers the claim or litigation, then the Indemnifying Party shall be entitled (y) to direct the defense of any claim at its sole cost and expense, but such defense shall be conducted by legal counsel reasonably satisfactory to the Indemnified Party, and (z) to settle and compromise any such claim or action for money damages alone; *provided, however*, that if the Indemnified Party has elected to be represented by separate counsel pursuant to the proviso below, or if such settlement or compromise does not include an unconditional release of the Indemnified Party for any liability arising out of such claim or action, such settlement or compromise shall be effected only with the written consent of the Indemnified Party. After notice from the Indemnifying Party to the Indemnified Party of its election to assume the defense of such claim or action, the Indemnifying Party shall not be liable to the Indemnified Party under this Section 9.4 for any legal or other expenses subsequently incurred by the Indemnified Party in connection with the defense thereof other than reasonable costs of investigation or of assistance as contemplated by this Section 9.4;

*provided, however*, that the Indemnified Party shall have the right to employ counsel to represent it, at its sole cost and expense, *provided further*, that if, in the opinion of the Indemnified Party, it is advisable for the Indemnified Party to be represented by separate counsel due to actual or potential conflicts of interest, then in such event, the fees and expenses of such separate counsel shall be paid by the Indemnifying Party; *provided further*, that in no event shall the Indemnifying Party be responsible for the fees of more than one counsel to the Indemnified Party. The Indemnified Party and the Indemnifying Party shall each render to each other such assistance as may reasonably be requested in order to ensure the proper and adequate defense of any such claim or proceeding.

**Section 9.5. Limitations.** NEITHER PARTY HERETO SHALL BE LIABLE TO THE OTHER FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR EXEMPLARY DAMAGES (EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES), EXCEPT TO THE EXTENT SUCH DAMAGES ARE DIRECT DAMAGES UNDER APPLICABLE LAW ARISING FROM A THIRD PARTY CLAIM SUBJECT TO INDEMNIFICATION HEREUNDER.

**Section 9.6. Exclusive Remedies.** Subject to Section 10.14, the parties hereto acknowledge and agree that the sole and exclusive remedy with respect to any and all claims (other than claims arising from intentional fraud on the part of a party hereto in connection with) for any breach of any representation, warranty, covenant, agreement or obligation set forth herein, shall be pursuant to the indemnification provisions set forth in this Article IX. Nothing in this Section 9.6 shall limit the rights of any Person to seek and obtain any equitable relief to which such Person may be entitled pursuant to Section 10.14 or to seek any remedy on account of intentional fraud by any party hereto.

**Section 9.7. Survival; Expiration.**

(a) *Survival.* Notwithstanding any investigation made by or on behalf of Seller or Buyer prior to, on or after the Closing Date, the representations and warranties contained in this Agreement (including the Schedules hereto) and in any document, instrument or certificate executed and delivered in connection herewith shall survive the consummation of the transactions contemplated hereby and thereby and shall terminate nine (9) months after the Closing Date. The covenants of the parties hereto shall survive until fully performed and discharged, unless otherwise expressly provided herein.

(b) *Expiration.* Any right of indemnification or reimbursement pursuant to this Article IX with respect to a claimed breach, inaccuracy or non-fulfillment of any representation, warranty, covenant, agreement or obligation shall expire on the applicable date of termination of the representation, warranty, covenant, agreement or obligation claimed to be breached as set forth in Section 9.7(a) (the “**Expiration Date**”), unless on or prior to the applicable Expiration Date, the Indemnifying Party has received written notice from the Indemnified Party of such breach, inaccuracy or non-fulfillment from the Indemnified Party, in which case the Indemnified Party may continue to pursue its right of indemnification or reimbursement hereunder beyond the Expiration Date of the applicable representation, warranty, covenant, agreement or obligation.



## ARTICLE X MISCELLANEOUS

**Section 10.1. Notices.** All notices, demands and requests required or permitted under the provisions of this Agreement shall be in written or electronic form, and shall be deemed delivered (a) on the date of delivery when (i) delivered by hand or (ii) sent by reputable overnight courier maintaining records of receipt and (b) on the date of transmission when sent by facsimile with written confirmation of transmission by the transmitting equipment and (c) on the date of confirmation of receipt by the recipient when sent by email; *provided*, that any such communication delivered by facsimile or other electronic transmission shall only be effective if such communication is also delivered by hand or deposited with a reputable overnight courier maintaining records of receipt within two (2) Business Days after its delivery by facsimile or other electronic transmission. All such communications shall be addressed to the parties at the address set forth in *Exhibit D*, or at such other address as a party may designate by written notice to the other party in accordance with this Section 10.1.

**Section 10.2. Further Assurances.** Subject to the terms and conditions of this Agreement, each of the parties will use all commercially reasonable efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all actions necessary, proper or advisable under applicable Law to consummate and make effective the transactions contemplated by this Agreement.

**Section 10.3. Force Majeure.** Notwithstanding anything contained in this Agreement to the contrary, no party shall be liable to another party for failure to perform any obligation under this Agreement if prevented from doing so by reason of fires, acts of terrorism, strikes, labor unrest, embargoes, civil commotion, rationing or other orders or requirements, acts of civil or military authorities, acts of God or other contingencies, including equipment failures, beyond the reasonable control of the parties, and all requirements as to notice and other performance required hereunder within a specified period shall be automatically extended to accommodate the period of pendency of such contingency which shall interfere with such performance; *provided* that the foregoing shall not apply to any obligation of a party to make any payment required hereunder.

**Section 10.4. Confidentiality; Announcements.**

(a) *Confidentiality.* Each party shall hold in strict confidence all documents and information concerning the other and its business and properties and, if this Agreement is terminated, such confidences shall be maintained, and all documents and information (in written form) shall immediately thereafter be returned to the party originally furnishing such documents and information.

(b) *Permissible Disclosures.* Notwithstanding anything contained herein to the contrary, no party shall be prohibited from (i) making any disclosures to any Governmental Authority that it is required by applicable Law, including, without limitation, the filing of this Agreement with the FCC and placing a copy of this Agreement in the public inspection files of a Covered Station or any station licensed to Buyer or an Affiliate of Buyer, (ii) disclosing this Agreement or its terms to its attorneys, accountants, agents or advisors, (iii) providing a copy of

this Agreement with, or disclosing the terms of this Agreement to, any institutional lender to such party or (iv) disclosing to its investors and broker/dealers such terms of this transaction as are customarily disclosed to them in connection with similar transactions.

(c) *Public Announcements.* Neither party shall make or issue or cause to be made or issued, any announcement (written or oral) concerning this Agreement or the transactions contemplated hereby for dissemination to the general public without the prior consent of the other party. This provision shall not apply, however, to any announcement or written statement required to be made by applicable Law or the regulations of any Governmental Authority or any stock exchange, except that the party required to make such announcement shall provide a draft copy thereof to the other party hereto, and consult with such other party concerning the timing and content of such announcement, before such announcement is made, to the extent permitted by applicable Law.

***Section 10.5. Waiver of Compliance; Consents.*** Except as otherwise provided in this Agreement, any failure of any of the parties to comply with any obligation, representation, warranty, covenant, agreement or condition herein may be waived by the party entitled to the benefits thereof only by a written instrument signed by the party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, representation, warranty, covenant, agreement or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure. Whenever this Agreement requires or permits consent by or on behalf of any party hereto, such consent shall be given in writing in a manner consistent with the requirements for a waiver of compliances as set forth in this Section 10.5.

***Section 10.6. Severability.*** If any provision of this Agreement or the application thereof to any Person or circumstance shall be held invalid or unenforceable to any extent by any court or other Governmental Authority of competent jurisdiction, the remainder of this Agreement and the application of such provision to other Persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by applicable Law so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid or enforceable, the parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in any acceptable manner to the end that the transactions contemplated hereby are fulfilled to the greatest extent possible. If the parties cannot execute an appropriate amendment within sixty (60) days after the issuance of any decision by the Governmental Authority, either Seller or Buyer may terminate this Agreement upon thirty (30) days' prior notice to the other party. Upon the request of either of Seller or Buyer, the parties will join in requesting the view of the staff of the FCC, to the extent necessary, with respect to the revision of any provision of this Agreement in accordance with the foregoing.

***Section 10.7. Amendments.*** This Agreement may not be amended, modified, altered or supplemented other than by means of a written instrument duly executed and delivered by the parties hereto in accordance with the terms of this Agreement.

***Section 10.8. Assignment.*** This Agreement and the rights and obligations hereunder shall not be assignable or transferable by Buyer, on the one hand, or Seller, on the other hand (including by a merger, consolidation, sale of substantially all of the assets of such party or otherwise by

operation of law) without the prior written consent of the other party; *provided*, that Buyer may assign all of its rights and obligations under this Agreement to any of its Affiliates without the consent of Seller (but with notice thereof to Seller within five (5) Business Days of such assignment). Buyer shall remain liable for all of its obligations hereunder without regard to such assignment. Any attempted assignment in violation of this Section 10.8 shall be null and void *ab initio*.

**Section 10.9. Payment of Expenses.** Except as otherwise expressly provided in this Agreement, each party shall be solely responsible for its own expenses in conjunction with the negotiation and implementation of this Agreement and the consummation of the transactions contemplated hereby.

**Section 10.10. No Third Party Beneficiaries.** Except with respect to Article IX, this Agreement is not intended to, and shall not, confer upon any other Person, except the parties hereto, any rights or remedies hereunder.

**Section 10.11. Relationship and Dealings with Third Parties.** Each of the parties hereto is an independent contractor, and no party is, nor shall be considered to be, the agent of another party for any purpose whatsoever. Neither party has any authorization to enter into any contracts nor assume any obligations for the other party nor make any warranties or representations on behalf of the other party, other than as expressly authorized herein. Nothing in this Agreement shall be construed as establishing an agency, partnership, fiduciary relationship or joint venture relationship between the parties hereto. Neither party is nor shall hold itself out to be vested with any power or right to bind contractually or act on behalf of the other party as the other party's contracting broker, agent or otherwise for committing, selling, conveying or transferring any of another party's assets or property, contracting for or in the name of the other party or making any representations contractually binding the other party.

**Section 10.12. Governing Law; Service of Process.** This Agreement shall be construed and governed in accordance with the laws of California without reference to the conflict of laws principles thereof. Service of process, summons, notice or other document by mail to such party's address set forth on *Exhibit D* shall be effective service of process for any action, suit or other proceeding brought in connection with this Agreement.

**Section 10.13. Specific Performance; Remedies Cumulative.** The parties agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy to which they are entitled at law or in equity. The rights and remedies of the parties hereto shall be cumulative and not alternative.

**Section 10.14. Entire Agreement.** This Agreement, together with the schedules and exhibits expressly contemplated hereby and attached hereto, and the other agreements, certificates and documents delivered in connection herewith or otherwise in connection with the transactions contemplated hereby and thereby, contain the entire agreement among the parties with respect to the transactions contemplated by this Agreement, and supersede all prior and contemporaneous agreements or understandings, whether written or oral, between the parties with respect to the

subject matter hereof, exclusive, for the avoidance of doubt of the Mutual Channel Sharing Agreements.

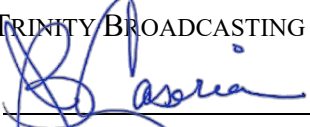
**Section 10.15. Counterparts.** This Agreement (and each amendment, modification and waiver in respect of it) may be executed in any number of counterparts, and each such counterpart shall be deemed to be an original instrument, but all such counterparts together shall constitute but one instrument. Delivery of an executed counterpart of a signature page of this Agreement (and each amendment, modification and waiver in respect of it) by facsimile or other electronic transmission shall be effective as delivery of a manually executed original counterpart of each such instrument and shall be treated as an original signature for all purposes.

*[Remainder of page intentionally left blank]*

**IN WITNESS WHEREOF**, the parties have executed this Agreement as of the day and year first above written.

**SELLER:**

TRINITY CHRISTIAN CENTER OF SANTA ANA, INC.,  
D/B/A TRINITY BROADCASTING NETWORK

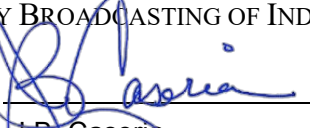
By:   
Name: J.B. Casoria  
Title: Assistant Secretary

**BUYER:**

ION MEDIA NETWORKS, INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

TRINITY BROADCASTING OF INDIANA, INC.

By:   
Name: J.B. Casoria  
Title: Assistant Secretary

**IN WITNESS WHEREOF**, the parties have executed this Agreement as of the day and year first above written.

**SELLER:**

TRINITY CHRISTIAN CENTER OF SANTA ANA, INC.,  
D/B/A TRINITY BROADCASTING NETWORK


By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

TRINITY BROADCASTING OF INDIANA, INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**BUYER:**

ION MEDIA NETWORKS, INC.

By:  \_\_\_\_\_  
Name: Michael Hubner  
Title: General Counsel